



mildura city

MILDURA CITY HEART INC.
2014/2015 ANNUAL REPORT

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Chairman's report

The preceding twelve months have been the most challenging that the entity currently known as Mildura City Heart Inc (MCH) has faced in all its decades.

The requirement of moving from a Differential Rate to a Special Rate gave rise to the opportunity to expand the existing boundaries to encompass businesses beyond Deakin Avenue and through to Eleventh Street. This move caused angst with a number of objectors causing the Special Rate proposal to be voted down by the Councillors in March 2015.

As our primary funding source was tied to the delivery of this Rate, its demise has led to a zero collection/allocation for the 2015/2016 financial year. To demonstrate their disappointment with Council's decision not to support the Rate the former Board resigned in its entirety.

Despite creating a vacuum, the former Board's legacy was a bank balance with which the MCH Staff were able to continue with business as usual. The unprecedented situation called for the appointment of an entire Board with assistance by local businessman Lloyd Thomson.

I am very pleased to have been selected by Mr Thomson amongst the handful of other local traders and community members. As an Interim Board we have faced the unenviable task of upholding MCH's commitments while seeking to satisfy the requirements of a second attempt at the Special Rate.

Complex strategic decisions by the newly-elected Board had to be delivered to ensure the second attempt would deliver – this included the adoption of the traditional MCH boundaries and the negotiation a new Special Rate, proposed for introduction on 1 January 2016.

It has been the dedication and hard work from our staff that has seen MCH hold steady during this interim period and Cathy and Ange should be commended for this work. Without this, MCH would have collapsed entirely. I would also like to acknowledge our valued volunteers, Ashley and Ray, for their ongoing assistance.

A substantial effort was undertaken in the past months to ascertain the way forward. From the survey data obtained, the traders are overwhelmingly in support of MCH and its work. We aim to take this data and rebuild MCH in line with this information and look forward to a fully-funded vehicle via which we can make this happen.

Mildura Rural City Council will vote on the Special Rate on 26 November 2015. Without the implementation of this rate, MCH will cease to exist.

Our traders, our stakeholders, and the local community have invested so much into creating a vibrant City Heart precinct, and MCH needs your support to ensure its activities continue into the future.

Ryan Hammerton
Chairman

Manager's report

Whilst the 2014/2015 financial year has presented many challenges, there has also been plenty to celebrate in Mildura City.

We have seen more property owners investing in the presentation of shopfronts and infrastructure. This, accompanied by very reasonable rents, has resulted in a significant uptake of vacant sites throughout the precinct as we welcome new businesses to the heart of the city.

We have delivered a full program of events and activities that locals and visitors love to attend, and we have reinforced our position as the destination to be for dining, shopping, accessing professional services and attending community events. We have experienced record attendance at our key events throughout the year, including Easter Power Sports Show & Shine and School Holiday activities in particular. And records are also reflected in our Mildura City Gift Card program, reinforcing that the 'buy local' campaigns have had a significant impact.

While many regional Victorian shopping precincts are experiencing the global trend of retail leakage to online stores and capital cities, Mildura City continues to grow and is a destination for exceptional products and services. Our boutique shopping environment co-located with national brands; unique dining experiences and our café culture; large-scale community events and expanded professional services, highlight the growth and vibrancy throughout Mildura City.

Mildura Rural City Council's delivery of the Langtree Mall 7 Day Makeover in June 2015 gave an opportunity for community members and traders to join forces. Together they volunteered their time to bring more life and colour to the mall, resulting in many people now stopping to play table tennis, read a book from the mobile library, or have a happy snap at one of the many photo-points created.

I would personally like to thank the traders within Mildura City for having faith in me to continue operations while working to establish a new board of directors. Thank you to the interim Directors that saw a difficult situation and still stepped up to face the challenge.

A special thank you to Lloyd Thomson for his selflessness, professionalism and expediency in appointing the interim board.

Mildura City's events and operations have been run on a shoe-string budget, yet from this we have fostered creativity and efficiencies to still deliver good results for our traders. Thank you to our staff and volunteers Ange, Ash and Ray for your continued dedication to Mildura City, particularly with events and activities in the CBD.

We are pleased to report against our strategic plan on the following pages.

Cathy Violi
Manager

our levy payers

we will provide our levy payers with measurable value for money

Develop effective communication methods

- Maintained database for e-mail communication with traders
- Hard copy delivery of monthly newsletters
- Traders' networking function held (December 2014)
- Trader surveys conducted
- Liaising with levy payers about the Mildura City Heart Special rate

Effectively market the Mildura City area

- Co-operative advertising Christmas lift out
- Increased media liaison with positive Mildura City stories
- Increased social media interactions

Enhance business opportunities within Mildura City

- 1,378 Mildura City gift cards sold, totalling \$111,253
- Actively working with potential new traders and property managers to attract new businesses to the precinct

Provide training and development opportunities

- Funded trader participation in several small business training programs

our customers

we will provide a unique, quality, lifestyle experience for our customers

Maintain a pleasant and welcoming shopping and business environment

- Building customer communication database
- Precinct activation research
- Participation in stage 1 of the 7 Day Langtree Mall Makeover (1 – 7 June 2015)

Partnerships with:

- Arts Mildura
- Black Dog Ride
- Dante Alighieri Society
- Desert City Rodders
- Greening Mildura
- Headspace
- Healthy Together Mildura
- Janice Rosenberg Singing School
- John Burfitt fundraising
- La Trobe University
- Local schools
- Loddon Mallee Girl Guides
- MADEC
- Mallee Accommodation and Support Program (MASP)
- Mallee District Aboriginal Services (MDAS)
- Mildura Chamber of Commerce
- Mallee Family Care
- Mildura Arts Centre
- Mildura Country Music Festival
- Mildura District Brass Band
- Mildura Motorcycle Club
- Mildura Muscle Car Club
- Mildura Ski Club
- Mildura Speedway
- Relay for Life
- Ronald McDonald House Charities
- Rotary Club of Mildura Deakin
- Salvation Army
- Small Business Victoria
- SuniTAFE
- Sunraysia Community Choir
- Sunraysia Drag Racing Association
- Ulysses Club Mildura

our stakeholders

we will develop and maintain productive, 'win-win' relationships with our key stakeholders and partners

Develop and maintain key relationships

Interactions with key stakeholders for the betterment of Mildura City, including, but not limited to:

- Mildura Rural City Council (Councillors, Management, and various departments)
- State and Federal government representatives
- Real Estate agencies
- Property developers
- Landlords and tenants
- Mildura Tourism
- Mildura Development Corporation
- MainStreet Australia
- Arts Mildura
- Mildura Central (formerly Centro Mildura)
- Other regional Victorian CBD managers

Ensure compliance responsibilities to our funding providers are effectively met

- Acquittal reports for grant funding submitted
- Presentation of 2014/2015 Business Plan to Mildura Rural City Council.

our organisation

we will be an effective, financially viable, accountable and responsible organisation

Maintain professional and transparent governance

- Governance training for Board Directors and staff
- Independent Director Selector appointed to assess applications and to appoint new board members

MILDURA CITY HEART INCORPORATED

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

COMMITTEE'S REPORT

Your committee members submit the financial report of the Mildura City Heart Incorporated for the financial year ended 30 June 2015.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Dale Stafford (retired 07/11/14)	Kirsten Lloyd (retired 14/04/15)
Rebecca Crossling (retired 14/04/15)	Russell Baron (retired 16/10/14)
Luke Holcroft (retired 16/10/14)	Sally Crothers (retired 10/03/15)
Fred Mouvet (retired 16/10/14; reappointed 10/11/14 and retired 14/04/15)	Peter Doody (appointed 10/11/14, retired 14/04/15)
Maria Carrazza (appointed 10/11/14, retired 14/04/15)	Kris Harrington (appointed 10/11/14, retired 14/04/15)
Ryan Hammerton – Chair (appointed 01/05/15)	Anna Sullivan – Deputy Chair (appointed 01/05/15)
Cassandra Circosta – Treasurer (appointed 01/05/15)	Michael Murdoch – Secretary (appointed 01/05/15)
Alan Fisher (appointed 01/05/15)	Tim Aldridge (appointed 01/05/15)
Steve Cooper (appointed 01/05/15, retired 03/08/15)	

Principal Activities

The principal activities of the association during the financial year were:

- The promotion of Mildura City Heart Traders.

Significant Changes

No significant change in the nature of these activities occurred during the year.

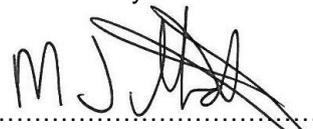
Operating Result

The profit for the year amounted to \$56,053

Signed in accordance with a resolution of the Members of the Committee.



.....
Ryan Hammerton – Chair



.....
Michael Murdoch – Secretary

Dated this 1st day of October 2015

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Income			
Mildura City Council		417,247	405,094
Advertising		-	34,830
Grant & sponsorship		17,942	28,636
Hire of equipment		739	876
Other income		6,110	4,580
Interest		843	581
		442,881	474,597
Expenditure			
Accountancy, audit & bookkeeping		6,090	4,155
Advertising – general		17,418	20,800
Advertising – co-operative		-	37,565
Bank fees & voucher charges		4,654	4,356
Board member payments		7,200	16,800
Depreciation		11,531	10,819
Fringe benefit expense		1,576	-
General expenses		6,406	1,017
Insurance		2,282	2,747
Motor vehicle expenses		5,360	5,194
Office supplies & printing		8,759	8,850
Promotions		144,962	184,570
Rent & outgoings		17,112	16,950
Repairs & maintenance		-	3,820
Sponsorships		1,032	1,986
Staff amenities, training & uniforms		5,936	3,883
Subscriptions & memberships		3,861	841
Telephone		4,502	2,667
Trader training		170	20,184
Travel		1,043	272
Wages & superannuation		136,934	157,325
		386,828	504,801
Surplus / (deficit) for the year	2	56,053	(30,204)
Retained surplus 1 July 2014		92,329	122,533
Retained surplus 30 June 2015		148,382	92,329

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	2015	2014
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	141,553	92,383
Trade and other receivables	4	895	11,830
TOTAL CURRENT ASSETS		142,448	104,213
NON-CURRENT ASSETS			
Plant and equipment	5	26,872	34,426
TOTAL NON-CURRENT ASSETS		26,872	34,426
TOTAL ASSETS		169,320	138,639
CURRENT LIABILITIES			
Trade and other payables	6	20,938	46,310
TOTAL CURRENT LIABILITIES		20,938	46,310
TOTAL LIABILITIES		20,938	46,310
NET ASSETS		148,382	92,329
EQUITY			
Retained surplus		148,382	92,329
TOTAL EQUITY		148,382	92,329

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The committee has determined that the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

a. **Income Tax**

Mildura City Heart Incorporated is a not for profit organisation and is exempt from income tax under Section 50 of the Income Tax Assessment Act 1997 and is therefore not required to make any provision for income tax.

b. **Property, Plant and Equipment**

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets to the association, commencing from the time the asset is held ready for use.

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

c. **Impairment of Assets**

At each reporting date, the association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

e. **Revenue and Other Income**

Revenue from the sale of goods and services is recognised upon the delivery of goods and services to customers generally accepted in the market for similar arrangements.

Grant revenue is recognised in profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be reliably measured.

Interest revenue is recognised on a proportional basis taking into account the interest rate applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

g. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

h. Key Estimates

(i) Impairment

The association assesses impairment at each reporting date by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

i. New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the association has decided not to early adopt. The association does not expect that these changes will have a material effect on its financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 2: PROFIT FOR THE YEAR	2015	2014
	\$	\$
The profit for the year is after charging the following as expenses:-		
Auditor's remuneration	1,580	1,520
	1,580	1,520

NOTE 3: CASH AND CASH EQUIVALENTS

Cash on hand	119	185
Cash at bank	141,434	92,198
	141,553	92,383

**NOTE 4: TRADE AND OTHER RECEIVABLES
CURRENT**

Trade debtors	895	11,830
	895	11,830

NOTE 5: PLANT AND EQUIPMENT

Plant & Equipment		
At cost	61,442	56,040
Accumulated depreciation	(40,744)	(29,213)
	20,698	26,827
Motor Vehicles		
At cost	14,176	14,176
Accumulated depreciation	(8,002)	(6,577)
	6,174	7,599
Total Plant and Equipment	26,872	34,426

**NOTE 6: TRADE AND OTHER PAYABLES
CURRENT**

Trade payables	1,676	5,065
Other payables and accrued expenses	4,429	10,990
Income received in advance	-	11,000
Integrated client account – ATO	14,833	19,255
	20,938	46,310

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

NOTE 7: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 30 June 2015, the committee is unaware of any liability or asset, contingent or otherwise, which has not already been elsewhere in this report.

NOTE 8: EVENTS AFTER THE BALANCE SHEET DATE

Since the reporting date, there have been no events which materially impact on the content and the result of the financial report.

NOTE 9: RELATED PARTY TRANSACTIONS

There were no related party transactions during the current financial year.

NOTE 10: ECONOMIC DEPENDENCE

While the association's activities are assisted by government funding, its core source of revenue is provided by Mildura Rural City Council (MRCC). At the date of this report, the members of the committee had no reason to believe that MRCC would not continue to provide financial support to Mildura City Heart Incorporated.

NOTE 11: ASSOCIATION DETAILS

The registered office of the association is:

Mildura City Heart Incorporated
132c Eighth Street
Mildura VIC 3500

**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND
PERFORMANCE OF INCORPORATED ASSOCIATION**

We, Ryan Hammerton and Michael Murdoch, being members of the committee of Mildura City Heart Incorporated, certify that –

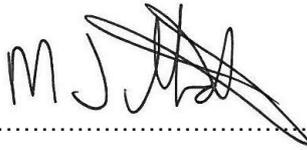
The statements attached to this certificate give a true and fair view of the financial position and performance of Mildura City Heart Incorporated during and at the end of the financial year of the association ending on 30 June 2015.

Signed:



.....
Ryan Hammerton – Chair

Signed:



.....
Michael Murdoch – Secretary

Dated this 1st day of October 2015

personal advice you can count on



The Chairman
Mildura City Heart Inc.
132C Eighth Street
MILDURA VIC 3500

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF MILDURA CITY HEART INCORPORATED

Scope

We have audited the financial report of the Mildura City Heart Incorporated for the period ended 30 June 2015. The Committee is responsible for the financial report and we have conducted an independent audit of the financial report in order to express an opinion on it, to the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act (Vic) 1981. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of Mildura City Heart Incorporated as at 30 June 2015 and the results of its operations for the year then ended.

One2one Accountants & Business Advisers

A handwritten signature in black ink, appearing to be "Rob Court".

Rob Court
12th October 2015

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