

BREWARRINA BUSINESS CO-OPERATIVE LTD
ABN 15 137 258 917

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2010

**Liability limited by a scheme approved under
Professional Standards Legislation**

BREWARRINA BUSINESS CO-OPERATIVE LTD
ABN 15 137 258 917

DIRECTORS' REPORT

Your directors present their report on the co-operative for the financial year ended 30 June 2010.

The names of the directors in office at any time during, or since the end of the year are:

Jeanette Barker
William Barker
Les Darcy
Ernest Gordon
Elizabeth Leyland
Blanch Biles

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The loss of the co-operative for the financial year amounted to \$44,918.

No significant changes in the co-operative's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were - to provide fiscal, and reporting accountability for aboriginal organisations operating in Brewarrina.

- To provide training and development of Aboriginal organisation in Brewarrina.
- Auspice grant funding and assets coming into Brewarrina where necessary and;
- Act as employer for community based traineeships.

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

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Likely developments in the operations of the co-operative and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the co-operative.

The co-operative's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

The co-operative is prohibited by its Memorandum and Articles of Association from paying dividends to members

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the co-operative.

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DIRECTORS' REPORT

Auditors' Independence Declaration

A copy of the auditors' independence declaration, as required under section 307C of the Co-Operatives Act 1992 is set out on page 3.

Signed in accordance with a resolution of the Board of Directors:

Director: s 22 - irrelevant information _____

Jeannette Barker

s 22 - irrelevant information

Director:

Blanch Biles

LES DARCY

Dated this 6th day of June 2011

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
BREWARRINA BUSINESS CO-OPERATIVE LTD**

We hereby declare, that to the best of our knowledge and belief, during the year ended 30 June 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Co-Operatives Act 1991 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Ryan and Rankmore
Chartered Accountants s 22 - irrelevant information

Name of Partner: _____
Kevin Rankmore

Address: 1 Swift St Wellington NSW 2820

Dated this 6th day of June 2011

BREWARRINA BUSINESS CO-OPERATIVE LTD
ABN 15 137 258 917

DIRECTORS' DECLARATION

The directors have determined that the co-operative is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the co-operative declare that:

1. The financial statements and notes, as set out on pages 1 to 14 present fairly the company's financial position as at 30 June 2010 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director: s 22 - irrelevant information _____
 Jeannette Barker
 s 22 - irrelevant information

Director: _____
 Blanch Biles ✓ LES DARCY

Dated this 6th day of June 2011

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BREWARRINA BUSINESS CO-OPERATIVE LTD
ABN 15 137 258 917**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Brewarrina Business Co-Operative Ltd which comprises the balance sheet as at 30 June 2010, and the Income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the co-operative are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting requirements of the company's constitution and are appropriate to meet the needs of the members. The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the company's constitution. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BREWARRINA BUSINESS CO-OPERATIVE LTD
ABN 15 137 258 917**

Qualified Auditors' Opinion

Our Audit procedures could not verify all debtor balances recorded by the Co-operative. A large amount of these debtors are more than 12 months old at the date of this audit report, and no evidence is available that suggests that they will be received by the organisation. This creates a situation whereby a material adjustment may need to be made to the reports, and this would have a considerably adverse effect on the operating result reported by the Co-Operative.

As well as the profit adjustment, any debtors, above the amount of \$39053, that are deemed to be non-receivable will reduce the current assets of the Co-Operative to a level that is below that of the current liabilities at the reporting date. There are 3 debtors that could individually have this effect on the organisation, namely;

s22 - irrelevant information \$44,305,

s22 - irrelevant information \$46,649.64 ,and

s22 - irrelevant information \$55,000.

Any combination of smaller debtors that are deemed to be bad would also create a net liability position for the Co-operative. This consideration, as well as the recent trading results, indicates the existence of a material uncertainty which may cast significant doubt on the Co-operative's ability to continue as a going concern. The Financial report (and notes thereto) does not disclose this fact.

In our opinion, except for the effects of such adjustments, if any, as might have been determined if accurate debtor information was available, the financial report presents fairly, the financial position of Brewarrina Business Co-Operative Ltd as of 30 June 2010 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Name of Firm: Ryan and Rankmore
Chartered Accountants s 22 - irrelevant information

Name of Partner: _____
Kevin Rankmore

Address: 1 Swift St Wellington NSW 2820

Dated this 6th day of June 2011

BREWARRINA BUSINESS CO-OPERATIVE LTD
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DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
WEILMORINGLE SWIMMING POOL		
OTHER INCOME		
Grant Income	76,364	-
Interest Received	484	4,272
Project Income	54,545	-
	<u>131,393</u>	<u>4,272</u>
EXPENSES		
Administration Fees	-	11,068
Contract	182,065	-
Grants Unexpended	(50,672)	(6,796)
	<u>131,393</u>	<u>4,272</u>
NET PROFIT	<u>-</u>	<u>-</u>

The accompanying notes form part of these financial statements.