

S A HESTER
A S A C P A
ACCOUNTANT AND TAX AGENT
P.O. BOX 6783 SHEPPARTON VIC 3632
TELEPHONE (03) 5821 9077

e-mail – sm.hester@bigpond.com

**To the Committee of Management and Members of
The Kodaly Music Education Institute of Australia Incorporated.**

I have audited the accompanying financial statements of The Kodaly Music Education Institute of Australia Incorporated for the Financial Year ended 30th September 2013 consisting of Balance Sheet, Profit & Loss Statement and accompanying notes.

My audit has been conducted using standard auditing procedures on the information made available to me and an examination on a test basis of the evidence supporting the amounts and disclosures in the financial statements. The standard inability to audit cash transactions is noted.

The audit opinion expressed in this report has been formed on the above basis.

In my opinion, the financial statements of The Kodaly Music Education Institute of Australia Incorporated are properly drawn up so as to give a true and fair view of the Institute as at 30th September 2013 and the results of the Institute for the year ended 30th September 2013.

S A HESTER
A S A C P A

11th February 2014

**THE KODALY MUSIC EDUCATION INSTITUTE
OF AUSTRALIA INCORPORATED**

**BALANCE SHEET
AS AT 30TH SEPTEMBER 2013**

2012

CURRENT ASSETS

14,267.00	Westpac - Ordinary Account	7,206.52
40,825.00	Westpac - Business Cash Reserve Account	57,266.36
126.00	Paypal Account	-
55,218.00	TOTAL CURRENT ASSETS	64,472.88

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CURRENT LIABILITIES

0	Nil	-
55,218.00	NETT ASSETS	64,472.88

MEMBERS ACCUMULATED FUNDS

55,218.00	Retained Profits	64,472.88
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The Balance Sheet and Profit and Loss Statement are to be read in conjunction with the notes to and forming part of these accounts.

KODALY MUSIC EDUCATION INSTITUTE OF AUSTRALIA

BANK RECONCILIATION STATEMENTS

30TH SEPTEMBER 2013

COMMUNITY SOLUTIONS CHEQUE ACCOUNT

Balance as per statement		7,206.52
Less Unpresented cheques	Nil	-
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Balance 30th September 2013		7,206.52
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Balance 1st October 2012		14,267.53
Plus Deposits		32,323.88
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		46,591.41
Less Payments		39,384.89
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Balance 30th September 2013		7,206.52
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BUSINESS CASH RESERVE ACCOUNT

Balance 1st October 2012		40,825.25
Transfer from Ordinary Account		15,000.00
Interest		1,441.11
		<hr/>
Balance 30th September 2013		57,266.36
		<hr/> <hr/>

PAYPAL ACCOUNT

Balance 1st October 2012		125.86
Sales for period		42.87
		<hr/>
		168.73
Transfer to Cheque account		168.73
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Balance 30th September 2013		Nil
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**THE KODALY MUSIC EDUCATION INSTITUTE
OF AUSTRALIA INCORPORATED**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2013**

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a ACCOUNTING METHODS

The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated current valuations on non-current assets. The accounting policies have been consistently applied.

b INVENTORIES

All inventories are valued on the basis of the lower of cost price or market value to the Association.

c NON CURRENT ASSETS

Non current assets are valued on the basis of the cost to the Association and are depreciated over the expected life of the asset.

2 INVENTORIES

No stocks were held as at 30th September 2013..

3 INCOME TAX

No Income Tax is provided on any profits as the Institute is classified as an exempt organisation under the Income Tax Act.

**THE KODALY MUSIC EDUCATION INSTITUTE
OF AUSTRALIA INCORPORATED**

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2013**

2012

INCOME

21,181.00	Membership Fees	19,357.19	
1,326.00	Interest	1,710.72	
304.00	do-re-mi Levy	1,496.25	
185.00	Purely Pentatonic CD	662.87	
-	Purely Pentatonic - Post & Handling	48.30	
15.00	Animal Sounds CD	-	
-	Donations	841.71	
2,176.00	Copyright Payments CAL	1,218.34	
390.00	Sundry Refunds	238.75	
-	SA Conference Refund	2,500.00	
<u>25,577.00</u>			<u>28,074.13</u>

EXPENDITURE

-	AGM Hosting	1,080.61	
450.00	Audit Fee	450.00	
165.00	Badges (Life members)	-	
180.00	Bank Fees	4.00	
2,195.00	Consultant Fees	-	
-	Conference Grant	2,500.00	
48.00	Department of Fair Trading	70.00	
5,677.00	Insurances	5,817.78	
264.00	Journal	1,200.00	
154.00	Merchant Banking Fees	-	
500.00	National Administrator Fees	3,287.50	
109.00	Printing & Stationery	24.00	
78.00	Telephone & Postage	206.05	
1,443.00	Transfer of Funds to WA	-	
182.00	Website Hosting	4,179.95	
<u>11,445.00</u>			<u>18,819.89</u>
14,132.00	Operating Profit/Loss for year		9,254.24
<u>41,086.00</u>	Retained surplus carried forward		<u>55,218.64</u>
<u>55,218.00</u>	RETAINED PROFITS AT END OF YEAR		<u>64,472.88</u>

THE KODALY MUSIC EDUCATION INSTITUTE
OF AUSTRALIA INCORPORATED

STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDING 30TH SEPTEMBER 2012

ORDINARY ACCOUNT

2012

INCOME

16,022	Balance 1st October 2012	14,267.53	
23,377	Membership Fees	22,304.74	
604	I.K.S. Membership Fees	1,147.45	
30	Corporate Gap	-	
15	Animal Sounds CD	-	
185	Purely Pentatonic CD	620.00	
-	Purely Pentatonic - Post & Handling	48.30	
304	do-re-mi Levy	1,496.25	
437	Interest	269.61	
2,176	Copyright Payments CAL	1,218.34	
360	Unknown deposits	-	
-	Refund SA Conference Money	2,500.00	
-	Hutchins Workshop Refund	1,020.00	
-	Donations	841.71	
-	Transfer from PayPal Account	168.73	
3,970	Sundry Refunds (Dir. Dr by Error & Merch. Fees)	688.75	
<u>47,480</u>			<u>46,591.41</u>

EXPENDITURE

450	Audit Fee	450.00	
-	AGM Hosting	1,080.61	
165	Badges (Life members)	-	
178	Bank Fees	4.00	
2,095	Consultant Fees	-	
-	Conference Seeding	2,500.00	
48	Dept of Fair Trading	70.00	
-	Hutchins Workshop Fees	1,020.00	
880	I.K.S. Membership	910.00	
5,676	Insurance	5,817.78	
264	Journal	1,200.00	
1,920	Membership Fees to Branches	3,185.00	
154	Merchant Banking Fees	-	
500	National Administrator	3,287.50	
78	Postage	206.05	
3,970	Refunds (Branches, EFT Errors, OverPayment)	450.00	
109	Stationery & Printing	24.00	
15,000	Transfer to Business Cash Reserve	15,000.00	
1,443	Transfer of Funds to WA	-	
182	Website Expenses	4,179.95	
<u>33,112</u>			<u>39,384.89</u>

<u>\$14,268</u>	Balance 30th September 2013		<u>7,206.52</u>
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THE KODALY MUSIC EDUCATION INSTITUTE
OF AUSTRALIA INCORPORATED

STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDING 30TH SEPTEMBER 2013

BUSINESS CASH RESERVE ACCOUNT

INCOME		
25,195	Balance 1st October 2012	40,825.25
633	Interest received	1,441.11
<u>15,000</u>	Transfer from Ordinary Account	<u>15,000.00</u>
40,828		57,266.36
EXPENDITURE		
3	Nil	<u>-</u>
<u>40,825</u>	Balance 30th September 2013	<u>57,266.36</u>

PAYPAL ACCOUNT

INCOME		
126	Balance 1st October 2012	125.86
<u>0</u>	Sales for period	<u>42.87</u>
126		168.73
EXPENDITURE		
<u>0</u>	Transfer to Cheques Account	<u>168.73</u>
126	Balance 30th September 2013	Nil