

**Victorian Public Library Information
Network Incorporated**

ABN 62 734 551 228 Reg No A 0023 190g

**BALANCE SHEET AND ACCOUNTS
AS AT 30 June, 2003**

AUDITED BY:

SHAW & GAY PTY LTD
CHARTERED ACCOUNTANTS
1ST FLOOR, 532 STATION STREET
BOX HILL VIC 3128

TELEPHONE: (03) 9898-9201
FACSIMILE: (03) 9898-2701
EMAIL: SG@shawgay.com.au

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INCORPORATED**

Scope

We have audited the financial statements set out on pages 3 to 8. These statements have been prepared on the basis set out in Note 1 to the Accounts.

The Association's management is responsible for the preparation and presentation of the financial statements. We have conducted an independent audit of these accounts in order to express an opinion on them to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free from material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly and present a view of the Association which is consistent with our understanding of its financial position and the results of its operations. The financial statements have not been prepared as a general purpose financial report in accordance with Statements of Accounting Concepts and Accounting Standards.

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

Qualification

We were unable to verify the opening balances due to the 2002 accounts not having been previously audited. We were unable to satisfy ourselves as to the accuracy of these figures.

Qualified Audit Opinion

We are unable to and do not express an opinion as to whether the Association's:

- fiscal 2002 comparatives,
- fiscal 2003 operation results,
- fiscal 2003 statement of financial position,
- fiscal 2003 cash flow statement,

are presented fairly and in accordance with applicable Accounting Standards and other mandatory professional reporting requirements, due to the limitation on the scope of our work as described in the qualification paragraph, and the effect of such adjustments, if any, as might have been determined, had the limitation in scope not existed.

Yours faithfully,
SHAW & GAY PROPRIETARY LIMITED

Peter Shaw
PS:FP:JP
VICLIN
Date: July 20, 2003

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
BALANCE SHEET AS AT 30 JUNE, 2003

	NOTE	2003	2002
		\$	\$
MEMBER'S FUNDS		0	0
RETAINED FUNDS		\$294,694	\$134,988
		-----	-----
		\$294,694	\$134,988
		=====	=====
 REPRESENTED BY:			
ASSETS			
Cash at Bank		286,915	76,185
Trade Debtors		20,581	67,745
		-----	-----
TOTAL ASSETS		\$307,496	\$143,930
 LIABILITIES:			
Trade Creditors		8,767	933
GST Liabilities		4,034	8,009
		-----	-----
TOTAL LIABILITIES		\$12,802	\$8,942
		-----	-----
NET ASSETS		\$294,694	\$134,988
		=====	=====

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
CAPITAL ACCOUNT

	NOTE	2003	2002
		\$	\$
ASSOCIATION FUNDS			
Opening Balance		134,988	15,997
Share of Surplus/(Deficiency)		159,706	118,991
		-----	-----
RETAINED FUNDS		\$294,694	\$134,988
		=====	=====

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE, 2003

	NOTE	2002/03	2001/02
		\$	\$
GENERAL INCOME			
Interest Received		--	209
Seminar and Conference Income		2,136	--
Viclink Annual Subscriptions		7,575	7,325
Subsidy from Gulliver		6,748	--
		<u>\$16,459</u>	<u>\$7,534</u>
GULLIVER INCOME			
Advertising		2,000	--
Gulliver Annual Administration Fees		8,600	2,600
Gulliver Annual Subscriptions		195,647	87,841
Gulliver Joining Fees		1,700	2,150
Grants		200,000	20,000
Interest Received		6,748	0
		<u>\$414,695</u>	<u>\$112,591</u>
EXTRAORDINARY INCOME			
Vicnet - Balance Gulliver Account		--	9,780
		<u>--</u>	<u>\$9,780</u>
TOTAL INCOME		<u><u>\$431,154</u></u>	<u><u>\$129,905</u></u>

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 30 JUNE, 2003

	NOTE	2002/03 \$	2001/02 \$
GENERAL EXPENDITURE			
GST Adjustments and Rounding		1	--
Administration -			
Miscellaneous		--	159
Office Supplies and Stationery		9	20
Photocopying and Printing		78	165
Postage		27	65
Telephone		35	--
Travel		58	46
Fees and Charges -			
Bank Charges		188	186
Consultants		5,891	2,750
Legal Fees		783	--
Registrations and Subscriptions		8,030	33
Viclink Secretariat Fees		4,560	335
Meeting Expenses			
Catering		1,173	1,862
Miscellaneous Meeting Expenses		--	550
Travel to Meetings		2,755	2,140
Seminars and Conferences		6,091	2,156
		<u>\$29,679</u>	<u>\$10,466</u>
 GULLIVER EXPENDITURE			
Administration -			
Office Supplies and Stationery		9	--
Photocopying and Printing		75	--
Postage		21	22
Telephone		35	--
Travel		540	--
Database Creation		3,636	--
Database Subscriptions	[4]	224,669	--
Fees & Charges -			
Consultants		455	--
Legal Fees		688	--
Viclink Secretariat Fees		3,005	425
Meeting Expenses			
Catering		1,888	--
Subsidy to General Operations		6,748	--
		<u>\$241,769</u>	<u>\$447</u>
 TOTAL EXPENDITURE		 <u>\$271,448</u>	 <u>\$10,914</u>
 OPERATING SURPLUS/(DEFICIENCY)		 <u>\$159,706</u>	 <u>\$118,991</u>

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2003

	NOTE	2003	2002
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members, etc		464,821	70,045
Payments to suppliers		(260,839)	(10,066)
Interest received		6,748	209
Borrowing costs		--	--
Income tax paid		--	--
		-----	-----
Net cash provided by (used in) operating activities		\$210,730	\$60,188
 CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		--	--
Payments for investments		--	--
		-----	-----
Net cash provided by (used in) financial activities		--	--
 CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		--	--
Payment for borrowings		--	--
		-----	-----
		-----	-----
Net increase in cash held		210,730	60,188
Cash at beginning of year		76,185	15,997
		-----	-----
Cash at end of year		\$286,915	\$76,185
		=====	=====

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
 NOTES TO AND FORMING PART OF THE ACCOUNTS
 FOR THE YEAR ENDED 30 JUNE, 2003

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

[a] These financial statements are special purpose reports which have been prepared specifically for distribution to members in accordance with the Association's Constitution. They have been prepared on an accrual basis from the records of the entity.

[b] The accounts are prepared in accordance with Statements of Accounting Concepts and applicable Accounting Standards except in cases where the Committee considers the cost of compliance far outweighed the benefits of the resulting information.

NOTE 2 GOODS AND SERVICES TAX (GST)

Goods and Services Tax is remitted to the Australian Taxation Office on a cash basis. A timing difference arises due to the financial accounts being prepared on an accruals basis.

NOTE 3 CASH FLOW

2003	2002
\$	\$

[a] Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

Cash at Bank	286,915	76,185
	\$286,915	\$76,185
	\$286,915	\$76,185

[b] Reconciliation of Cash Flow from Operations

Operating Profit after Income Tax	159,706	118,991
Non-cash flows from operating profit		
Unrealised (Gains)/Losses on investments	--	--
Realised (Gains)/Losses on investments	--	--
Changes in Assets & Liabilities		
Decrease/(Increase) in trade debtors	47,164	(67,745)
Decrease/(Increase) in prepayments	--	--
(Decrease)/Increase in trade creditors	3,861	8,942
(Decrease)/Increase in prepaid memberships	--	--
	\$210,731	\$60,188
Cash flows from operations	\$210,731	\$60,188

VICTORIAN PUBLIC LIBRARY INFORMATION NETWORK INC.
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE, 2003

NOTE 4 DATABASE SUBSCRIPTIONS

The relevant invoice indicates that Gala Group subscription paid in the fiscal 2003 year relates to fiscal 2002 year. The Association secretary advises that this invoice was misdated, and relates to the fiscal 2003 subscription.