

CCA



community connections
australia

annual report
2019-2020



Building Choices and Options

for people who live with disabilities

and their families

our organisation



Community Connections Australia (CCA) is a not for profit company and a charitable entity. The organisation was established as Residential Care Inc. in 1987 to move people living with disabilities from institutions and congregate care living arrangements into community based housing.

Our name was changed in 2001 to Community Connections Australia to better reflect our service delivery models and to better reflect the beliefs that drive our ongoing service delivery. At that time we changed our legal status to that of a company Limited by guarantee - with a licence to omit Ltd from our name.

Over the past 34 years we have maintained our belief that “People who live with all types and degrees of disabilities **can and should** be a part of their chosen communities and lifestyles.”

Therefore our service delivery models are designed to be targeted to individual wants and needs so that people can be as independent as they wish to be. We focus on how we can support people according to **their** individual wants and needs, with the staff or assistance that they want and require - be that targeted and specialised supports or generic community options. Our premise is that the more people are visible and active within their community, they become known for who they are and become a part of the everyday life of our society - as Bill or Jane - instead of being labelled and perceived as ‘different’ and apart.

We also provide generic services and support to the wider community. Carers with family members who have dementia and who need a break; older people who need additional support when they are out and about can elect to have a staff person meet them for appointments or undertake shopping on their behalf; young mothers who need household cleaning or meal preps also use our support services and we undertake sleepover coverage when necessary.

One of our most important and innovative services arose from our establishment of Jeenee Mobile which proved that people living with all types and degrees of disability could use and benefit from having a mobile phone, particularly when they were out and about in the community. Safety and security concerns were met in the same ways that worked for the rest of the community. We continue to provide and encourage the social and technological supports needed by people and to find other technology that will widen their community presence. Our ever developing Technology Hubs have become pathways to friendships and additional safety and security options.

our organisation cont.

Our values and beliefs underpin everything we do - our future is bound by our past and our present.

The Tech Hubs continue to diversify. Currently people are beginning to use on-line meetings and other such options to contact friends without staff or family prompting. A number of peer support networks have encompassed special interest arenas to provide different groupings of people with information and skills acquisition, people are developing their own specialist material for cooking or planning outings and health care following meetings with expert guest speakers on topics such as travel; dental care; sailing and other sports.

We are an organisation that has consistently embraced and led change as a leader in the disability arena and in the wider human service sector.

Our underpinning philosophy is that wherever possible, people 'do best' in their own homes and they should be active members of their chosen communities.

We believe that people have the right, regardless of the type or degree of their disability, to receive those service delivery options that provide them with the means to experience a full and inclusive life in the home and in the community of their choice and their service delivery arrangements.

We believe that when people are deeply embedded in their chosen activities within the community they have a voice (even without expressive speech) that changes other people's perceptions of their identify, value and worth as a person.

Our focus remains steadfastly upon the individual and their needs. We remain as a collaborator; as a partner; as a mentor; initiator and as a problem solver wherever we can.

So our service delivery premise is that when people are able to move around their communities, they become visible and known and the experiential learning that they gain from the decision-making around choices contributes to increased independency and autonomy.

They become known as "Bill" or "Jane" within the fabric of their community rather than the focal point of a service controlled disability-centric world.



the people we support



We understand that the needs of each person are different so we provide customised service solutions and choices to enable people to live life their way. Community Connections Australia (CCA) provides individualised support services, tailored to a person's needs and choices across the Sydney Metropolitan area. Services are funded in different ways - NDIS packages, aged care packages; through I-Care or other insurance schemes or on a fee for service basis.

The services we provide will be relevant to anyone in the Community - child minding for stressed families, early dementia support for family members in need of a break, housekeeping, cleaning, shopping and assistance to find and co-ordinate care and support services as well as the provision of necessary staff.

To ensure that people's services will always be personalised, flexible and affordable we work with each person to build their own service approach which enables a customised and unique outcome rather than a "one size fits all".

We currently support people who live with all types and degrees of disability including:

- Developmental disabilities including intellectual disability and cerebral palsy;
- Autism spectrum;
- Sensory disabilities including visual and hearing impairments;
- Physical disabilities such as multiple sclerosis (MS), motor neurone disease (MND), Strokes, Arthritis, Muscular Dystrophy, Osteogenesis Imperfecta, Poliomyelitis;
- Accident related disabilities - Spinal Cord injuries; Acquired/Traumatic Brain injuries; Physical injuries e.g. Amputees;
- Dual Diagnoses - people who have complex needs and issues such as a disability and mental health problems;
- Alzheimer's Disease and/or Early Onset Dementia;
- Age related health problems.

the people we support cont.

Therefore our range of supports vary to include:

- People who have high levels of support needs and who live in shared households with two or three people;
- People who live with physical disabilities and acquired brain injuries but who want to be in control of the services they receive;
- People with compensable insurance coverage (I-Care) as a consequence of an accident and who need support to return to their lives;
- People who live by themselves or with their partners in their own home;
- People who live in their family home;
- People who live in privately owned or rented properties (both private and public rental);
- Families who are in crisis or in need of live-in support on a short term basis.

Our supports include:

- Skills acquisition support services;
- Support to become or remain a part of their community life and its activities;
- Assistance to connect into local environments and settings;
- Companionship and checking on well-being or meals or medication;
- Support to medical, dental and other appointments;
- Help in organising clinical assessments, monitoring and support;
- In-home housekeeping services - menu and meal preparation, shopping;
- Technology support - in-home options, monitoring services, mobile phone devices/ services, apps and services, safety and security advice etc.



the chairman's and ceo's report

Our services continue to be personal and flexible to ensure people can be as independent and autonomous as they wish to be.

On behalf of Community Connections Australia we thank our Membership, including our Directors and Stakeholders. Their expectations and voices continue to shape and make visible what we do and indeed, our raison d'être. This has been a successful year for the organisation, which has continued to grow both in service delivery and financially. There is a continuation of great need in our community for the services we provide to people who need our support in order to live in their own home and in the community of their choice.

This year has been difficult for everyone - however it has been even more difficult for the people for whom we provide services. People have suddenly seen their entire lives shutdown - work and day programmes, Technology Hubs, daily activities, even shopping and sporting events suddenly cancelled due to the Covid-19 pandemic. Whilst many of the restrictions have been lifted for the majority of the community, due to their increased vulnerability many restrictions remain in place for the people to whom we provide services. Our organisation has concentrated upon finding the services and mechanisms that people have needed to stay connected to their family, their friends whilst developing new and innovative ways for people to be an active member of their community.

Despite the overshadowing by the many potential issues of the pandemic, coupled with a very different work environment our service delivery has continued to operate successfully. Certainly these experiences have provided a strong ongoing confidence in the organisation's ability to confront early and emerging concerns which are inevitable during uncertain times.

Government policy decisions always impact and shape our service delivery operations. This year has been no different. We have continued to find our way through National Disability Insurance Agency (NDIA) bureaucratic decision making, which continue to impact on people's wishes to live in more flexible living arrangements which are outside the Agency's group home models.

We have been able to provide positive outcomes for people who **do** want to vary their living arrangements. We have supported people living with high and variable support needs into their own purpose-built apartments with flexible support arrangements. We are pleased to say the organisation was able to work through a number of problems the NDIA had not experienced previously. It was important for these people to be able to live in their own space and be able to access staff on an "on-call" style of service. They have found that apartment life, being more flexible with living arrangements suits their needs.

the chairman's and ceo's report cont.

Our role remains to partner with the people we support to collaborate with them about their changing and individualised needs and their community aspirations.

As part of a review of the organisation's service delivery we identified a need to overhaul our staff training so that we are able to do a better job of responding to people's real needs and wants that truly support their desires for autonomy as active and contributing members of the wider community. One component of our renewal process has ensured that every person employed is well versed and aware of the values and ethics underpinning their work and the importance of this within our service delivery model.

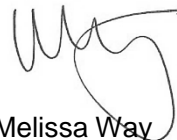
With the closure of Jeenee mobile the need for technology continues unabated and we have in the past twelve months developed a new technology program which has seen the implementation of ubiquitous technology into the home. The Technology Unit within CCA is undertaking a major project to address people's specific needs (individualised learning, hand function/speech and voice recognition options) and will ultimately assist people to lessen their dependency on staff and lessen their social isolation in the current environment and into the future.

We continue to develop interesting options to ensure that people continue to gain skills and competencies in their own home. Much of this is technology based, and people are embracing these options with excitement. Whilst in the early stages, this programme, will enable us to build upon the skills that our Tech Hubs have delivered over the last 5 years. Our vision is to provide technology based training programmes that can be delivered remotely to the people that we support into the future.

We look to the coming year with confidence and enthusiasm.



Mike Gregg
Chairman



Melissa Way
CEO

our future pathway

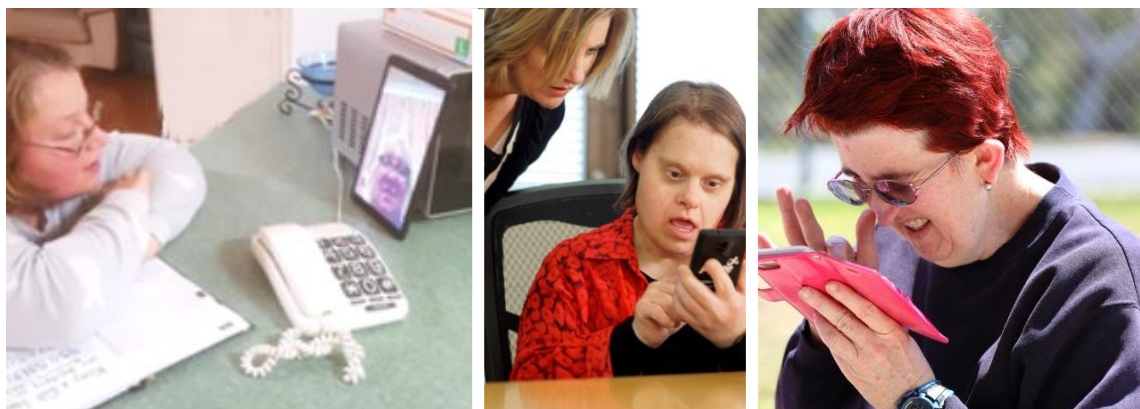
Community Connections Australia has developed a collaborative model of support which is designed to ensure that the people we support remain at the forefront of our service delivery.

For the past 34 years we have been privileged to work alongside so many people who live with all types and degrees of disability to assist them to move into their own homes and households with the supports they need to achieve their goals. Of course, not everyone has moved into a perfect life and there have been many problems confronting people over time.

Our organizational learnings continue to be further shaped and refined by this collaboration with each person about the ways we can help them to attain their goals and desires for a life in the community. It is generally believed that organisations teach people how to do things. Our experience is that this is a constant iterative process where the individual person teaches us what their real needs and goals are and we work out ways to make it all happen. When things go wrong the processes we have developed have helped us to revise and tweak the supports until we meet the person's needs, wants and dreams. It is this collaboration with each person that keeps our organisation honest and focused on how we can better support people.

We always start with the notion of a home. A home of course, begins with a house. Turning it into a home requires the individual person to engage in the process of identifying their own visions of themselves living in their home and learning how to engage in their chosen community lives. This requires our continuous attention to the nuances in people's lives so as to develop and refine our collaboration, individually and collectively across our services. Understanding how the community structure functions is important to encourage access and we remain committed to keeping the "fire in our bellies" about the rights of the people we support and their needs to live independently in the community of their choice.

So our pathway will continue into the future with adjustments over time. Our recent organisational focus on the enormous benefits for safety, security and maintaining relationships and friendships engendered by ubiquitous technology through our Jeenee Mobile project, continues with the focus on in-home skills-based teaching delivered remotely via commonly available technologies. Our belief remains that people thrive in their own communities and that technology remains the vehicle to unlock this potential.



The Financial Report

the directors' report 2019-2020

The Directors of Community Connections Australia (CCA or the Company) present their report, together with the financial statements to the members for the year ended 30 June 2020.

The following persons were Directors of the Company during the year and to the date of this report, unless stated otherwise:

Directors Details

Mr Mike Gregg	President and Chairman, Member of Remuneration Committee.
Qualifications	B.Sc, MBA, AICD
Experience	Member since 2013; A long management career with industry experience including retail, logistics, telecommunications and software. He is now a private equity investor concentrating on technology companies and serves as a Non-executive Director on several other boards, Founding Partner of Shearwater Growth Equity, a Sydney based Technology Fund.
Areas of Expertise	Venture capital, software and internet start-ups and Strategy.
Mr Peter Willis	Director; Hon. Treasurer; Chairman of Audit Committee
Qualifications	B.Bus (Acc and IT), ACA
Experience	Member since 2016; significant experience in developing the domestic and global operations of large corporations, SME's and start-ups.
Areas of Expertise	Expansion of high-growth technology companies, experience in developing and implementing financial processes, internal controls and management reporting across multiple companies and divisions as CFO, Finance Manager and Management Consultant.
Dr Phillip Morath	Director
Qualifications	MA (Hons), Ph.D.
Experience	Member since 2016; Extensive experience in disability and community housing sectors at CEO/Director levels.
Areas of Expertise	Successful re-engineering of a company's systems to improve efficiency and effectiveness and to manage growth; Merging companies. Development of social and affordable housing options.
Ms Elaine Lindell	Director and Chair of the Remuneration Committee
Qualifications	Graduate Diploma in Adult Education; Certificate IV Training & Assessment
Experience	Member since 2011; Former Teacher/Consultant Students with Physical and Neurological Disabilities SW Sydney TAFE, Head Teacher; Director/Company Secretary L&P Photographic Supplies.
Areas of Expertise	Adult Education; Technology access for people with disabilities.

the directors' report 2019-2020 cont.

Miss Judith Geppert	Director
Qualifications	Demonstrated advocate and representational voice for and with the people CCA supports.
Experience	Member since 2018; Lived experience of Cerebral Palsy, a multitude of "Firsts" in community, sporting and artistic life in National and State arenas.
Areas of Expertise	Motivational speaker; consultant to Government, corporate, retail and private business for technological accessibility; International standing and award winning typewriter artist; State/National sportswoman (sailing & skydiving).
Mr Graham Whitehead	Director, Member of the Audit Committee.
Qualifications	BE (Hons), MEngSc, BA (Economics), BA (Hons) (Philosophy)
Experience	Member since 2018; Over 30 years working for a large diversified company. Management experience in Operations Research, Economics, Strategic Planning, Manufacturing, Logistics and R&D. 10 years on Board of Autistic Children's Association of NSW.
Areas of Expertise	Planning and Managing Change, Father of a Person living with a Disability.
Company Secretary	
Dr Robin Way	M.Mgt, PhD. Dr Way has worked for Community Connections Australia for the past 33 years as CEO and now Special Consultant to the CEO. Dr Way was appointed Company Secretary on 27 August 1991.

Directors Meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director were as follows:

Board Members	Board of Director's Meetings	
	A	B
Mr M Gregg	8	9
Ms E Lindell	7	9
Mr P Willis	8	9
Dr P Morath	8	9
Ms J Geppert	9	9
Mr G Whitehead	9	9
Dr R Way (Company Secretary)	7	9

A – Number of meetings attended

B – Number of meetings held during the time the director held office during the year.

the directors' report 2019-2020 cont.

Principal activities

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

- The provision to people, particularly people who have a disability, the support services needed to live in their homes wherever possible and to achieve maximum independence within their community.
- To address individualised needs, including direct support and assistance, tenancy support, community development and support, teaching and training, community awareness and access, as well as assistance in the acquisition and provision of housing stock.
- The development of technological opportunities and services to assist people living with disabilities to develop increased choices and experiences in the community and in their personal lives, so becoming active and visible within society.

Objective

The Company's objective is to continue the alignment of the organisational activities into the changing external paradigm shift within the disability sector at both State (Individualised Funding) and National (NDIA) levels. This alignment will increase the need for the Company to work collaboratively with the people living with disabilities, their families and carers, with service providers, government agencies, corporate entities and the wider Australian population.

Strategy

The Company's strategies for achieving these objectives are to:

- Continue to widen the Company's geographical and service options; and
- Continue the development of collaborative and partnership options at all levels of the community to ensure that the service and options we provide are relevant, affordable and responsive to the needs of people who live with disabilities, their families, service providers and other stakeholders.

Future developments

The Directors foresee that the Company will continue its operations focussing on a strategy of growth to increase the scale, size and scope of the services that it currently offers.

Governance

The Company is governed by a Board of Directors who are elected from, and are accountable to, the Members of the organisation. Any Member of the Company may stand for election if eligible and correctly nominated. Directors must be members and are elected by the general membership on a rotational, three year basis at general meetings.

The Board has the responsibility and oversight to ensure that the assets of the Company are utilised effectively for the purposes of the organisation principal objects and that appropriate safeguards are in place to manage and safeguard such assets. Key Board functions include:

- Setting the vision, purpose and strategies of the organisation, approving plans and policies and ensuring that there are appropriate systems for risk oversight.
- Financial oversight.

the directors' report 2019-2020 cont.

- Ensuring that the organisation acts legally, ethically and responsibly and complies with its obligations.
- Appointing, monitoring and determining the remuneration of the CEO and senior management.
- Reviewing operating information, models, performance and forecasts to determine the best allocation of the Company's resources.

Authority to fund raise (cfa 10049)

The Company has been granted authority to raise funds under the provisions of Section 16 of the Charitable Fundraising Act, 1991. That authority remains in force until February 2021. Whilst the Company has an authority to fund raise, it has largely been self-sufficient in covering the gap between Government subsidies and actual running costs, and has not actively sought funds from the public.

Tax deductibility of donations

The Company is a public benevolent institution as defined in S130 of the Income Tax Assessment Act. Donations to the company of \$2.00 or more are tax deductible in Australia.

Director Education

The Company has a formal process to educate new Directors about the nature of the organisation, current issues, the corporate strategy and the expectations of the Company concerning performance of Directors.

Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

Members' Guarantee

In accordance with the Company's constitution each member is liable to contribute \$100 in the event that the Company is wound up.

Indemnifying Officers or Auditor

During the financial year, the Company paid a premium of \$9,766 (2019: \$8,611) in respect of a contract insuring the Directors of the Company (as named above) against a liability incurred to the extent permitted by legislation.

COVID-19

The Australian economy has continued to be severely impacted by the effects of COVID-19 since the year end. The full extent of the impact and recovery from COVID-19 on the business operations continues to evolve as at the date of this report, however the Directors do not anticipate the Company being significantly impacted at this stage.

the directors' report 2019-2020 cont.

Auditors' Independence

The auditor's independence declaration appears on page 15.

Signed in accordance with a resolution of the directors.

On behalf of the directors:



M. Gregg
Director



P. Willis
Director

Parramatta, 4 November 2020

Community Connections Australia
ABN: 15 061 460 133

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Members of Community Connections Australia

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Kevin Cranfield
Director
Sydney

Dated: 10/11/2020



BENTLEYS NSW AUDIT PTY LTD
Chartered Accountants

financial statements 2019-2020

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	For the year ended 30 June,	
		2020	2019
Revenue	7	11,870,958	10,845,742
Administration Expenses		(24,406)	(35,844)
Depreciation and Amortisation		(253,550)	(6,689)
Staffing costs		(8,453,344)	(7,803,288)
Other Expenses	8	(2,043,347)	(2,479,846)
Net Operating surplus		1,096,311	520,075
Financial Income	7	2,371	2,048
Financial Expenses	7	(65,956)	(11,278)
Net Financial (Expense)		(63,585)	(9,230)
Net Surplus before income tax		1,032,726	510,845
Income tax expense		-	-
Net Surplus		1,032,726	510,845
Other comprehensive income:			
Total other comprehensive income for the year		-	-
Total comprehensive Income for the year		1,032,726	510,845

The statement of profit or loss and other comprehensive income should be read with the accompanying notes to the financial statements.

financial statements 2019-2020 cont.

STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June,	
		2020	2019
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	1,908,546	202,084
Trade and other receivables	10	892,613	510,313
Prepayments		17,858	4,377
TOTAL CURRENT ASSETS		2,819,017	716,774
NON-CURRENT ASSETS			
Property, Plant and Equipment	13	23,839	12,487
Right of Use Assets	11	904,920	-
Other assets	12	69,420	71,080
TOTAL NON-CURRENT ASSETS		998,179	83,567
TOTAL ASSETS		3,817,196	800,341
LIABILITIES			
CURRENT LIABILITIES			
Trade creditors and other payables	14	549,902	524,242
Employee entitlements	15	1,066,682	845,249
Grants received in advance	16	764,565	2,711
Provisions	17	60,000	-
Other Liabilities	18	250,434	-
TOTAL CURRENT LIABILITIES		2,691,583	1,372,202
NON-CURRENT LIABILITIES			
Employee entitlements	15	140,765	145,707
Provisions	17	-	33,972
Other liabilities	18	789,994	-
TOTAL NON-CURRENT LIABILITIES		930,759	179,679
TOTAL LIABILITIES		3,622,342	1,551,881
NET ASSETS (LIABILITIES)		194,854	(751,539)
EQUITY			
Reserves		1,007,692	1,007,692
Retained surplus (accumulated deficit)		(812,838)	(1,759,231)
TOTAL EQUITY		194,854	(751,539)

The statement of financial position should be read with the accompanying notes to the financial statements.

financial statements 2019-2020 cont.

STATEMENT OF CHANGES IN EQUITY

	Retained Surplus/ (accumulated deficit)	Capital Profits Reserves	Total
Balance at 1 July 2018	(2,270,076)	1,007,692	(1,262,384)
Comprehensive Income			
Profit for the year attributable to members of the entity	510,845	-	510,845
Other comprehensive income for the year	-	-	-
Total comprehensive income attributable to members of the entity	510,845	-	510,845
Balance at 30 June 2019	(1,759,231)	1,007,692	(751,539)
Comprehensive Income			
Profit for the year attributable to members of the entity	1,032,726	-	1,032,726
Other comprehensive income for the year	-	-	-
Retrospective Restatement of AASB 16	(86,333)	-	(86,333)
Total comprehensive income attributable to members of the entity	946,393	-	946,393
Balance at 30 June 2020	(812,838)	1,007,692	194,854

The statement of changes in equity should be read with the accompanying notes to the financial statements.

financial statements 2019-2020 cont.

STATEMENT OF CASHFLOWS

	Notes	For the year ended 30 June,	
		2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		12,327,273	10,761,346
Payments to suppliers and employees		(10,389,996)	(10,443,998)
Rent received		48,497	48,498
Interest received/(expended)		(63,585)	2,048
Net cash from operating activities		1,922,189	367,894
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(20,150)	(12,668)
Net cash from investing activities		(20,150)	(12,668)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(262,026)
Lease liabilities		(195,577)	-
Net cash from investing activities		(195,577)	(262,026)
Net increase in cash held		1,706,462	93,200
Cash at beginning of financial year		202,084	108,884
Cash at end of financial year	9	1,908,546	202,084

The statement of cash flows should be read with the accompanying notes to the financial statements.

notes to financial statements 2019-2020

1. Reporting entity

Community Connections Australia Limited (CCA or the "Company") is a not for profit company domiciled and incorporated in Australia and limited by guarantee.

The Company is principally engaged in the provision of services and the development of technologies to assist individuals within the Australian community with disabilities.

The address of the registered office of the Company is Suite 3.04, Level 3, 90 Phillip Street Parramatta, NSW 2150.

2. Basis of preparation

2.1 Statement of compliance

These general purpose financial statements have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards - Reduced Disclosure Requirements (established by AASB 1053: Application of Tiers of Australian Accounting Standards, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board).

The financial report was approved by the Board of Directors on 4 November 2020.

2.2 Basis of measurement

The financial report except for the cash flow statement, has been prepared under the historical cost convention modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The methods used to measure fair values are discussed further in note 6.

Information as disclosed in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the current year is for the 12 month period ended 30 June 2020. Information for the comparative year is for the 12 month period ended 30 June 2019.

2.3 Use of estimates and judgements

The preparation of the financial report requires the Directors to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both the current and future years.

notes to financial statements 2019-2020 cont.

Information about the significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most material effect on the amounts recognised in the financial report are described in note 5.

3. Change in Accounting Policy

3.1 Revenue from Contracts with Customers - Adoption of AASB 15

The Company has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not for Profit Entities* for the first time in the current year with an initial application date of 1 July 2019.

The Company has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions* and related interpretations.

The adoption of this standard has not had any impact on the presentation of financial information or the results for the year.

3.2 Leases - Adoption of AASB 16

The Company has adopted AASB 16 *Leases* using the modified retrospective (cumulative catchup) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of Adoption of AASB 16

The impact of adopting AASB 16 is set out below.

Company as a lessee

Under AASB 117, the Company assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Company or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Company has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

notes to financial statements 2019-2020 cont.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. The Company has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not reassessed on transition to AASB 16;
- Lease liabilities have been discounted using the Company's incremental borrowing rate at 1 July 2019;
- Right of use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- A single discount rate was applied to all leases with similar characteristics;
- The right of use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right of use asset;
- Excluded leases with an expiry date prior to 30 June 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight line basis over the remaining term;
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;
- For leases which were classified as finance leases under AASB 117, the carrying amount of the right of use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

Financial Statement impact of adoption of AASB 16.

The Company has recognised right of use assets of \$1,428,568 and lease liabilities of \$1,514,901 at 1 July 2019, for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applicable to lease liabilities at 1 July 2019 was 5.41%.

4. Summary of significant accounting policies

4.1 Revenue and other income

For comparative year

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

notes to financial statements 2019-2020 cont.

(a) Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligation is transferred.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

(b) Grant revenue

Government grants are recognised at the fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight line basis.

(c) Donations and bequests

Donations and/or bequests collected, including cash and goods for resale, are recognised as revenue when the Company gains control of the asset.

(d) Interest revenue

Interest is recognised using the effective interest method.

notes to financial statements 2019-2020 cont.

(e) Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

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

4.2 Leases

For comparative year

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

For current year

At inception of a contract, the Company assesses whether a lease exists i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset, this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

(a) Right of use asset

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right of use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right of use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

notes to financial statements 2019-2020 cont.

(b) Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right of use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low value assets. The Company recognises the payments associated with these leases as an expense on a straight line basis over the lease term.

4.3 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

notes to financial statements 2019-2020 cont.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at amortised cost or fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies; held for trading; or initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial assets

Financial assets are subsequently measured at amortised cost; fair value through other comprehensive income or fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

The entity recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, restricted cash and other short-term highly liquid investments with maturities of less than three months. Bank overdrafts are included within borrowings and are classified as current liabilities on the statement of financial position except where these are repayable on demand, in which case they are included separately as a component of current liabilities. In the statement of cash flows, overdrafts are included as a component of cash and cash equivalents.

notes to financial statements 2019-2020 cont.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for instruments with maturities greater than 12 months from the reporting date, which are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables (including related party receivables) which are stated at their cost less impairment losses.

(c) Other liabilities

Other liabilities comprise all non-derivative financial liabilities that are not disclosed as liabilities at fair value through profit or loss. Other liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The Company's other liabilities comprise trade and other payables and are measured subsequent to initial recognition trade and other payables are stated at amortised cost using the effective interest method.

4.4 Tax status

All amounts are shown exclusive of GST to the extent the taxes are reclaimable, except for receivables and payables that are stated inclusive of sales tax and GST.

No provision for income tax has been raised as the entity is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*. The Australian Taxation Office has granted the Company the status of Income Tax Exempt Charity (ITEC) and Deductible Gift Recipient (DGR).

The Company as a public benevolent institution is exempt from payroll tax under Section 10 (1) (a2) Payroll Tax Act 1971.

The Company is exempt from stamp duty under Section 275 of the NSW Stamp Duties Act.

The Company is exempt from capital gains tax under Section 50-5 Income Tax Assessment Act 1997.

The Company is exempt from Land Tax under Section 10(d), Land Tax Act.

The grossed up value of specified fringe benefits to individual employees has been recorded since 1 April 1999 and included on employee payment summaries as required by law and from 1 April 2001 the exemption from Fringe Benefits Tax ceases for employees paid in excess of \$30,000 grossed up value. The grossing up factor varies slightly depending on the expense.

notes to financial statements 2019-2020 cont.

4.5 Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of property, plant and equipment acquired in a business combination is determined by reference to its fair value at the date of acquisition. The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the cost of that equipment.

(b) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within that part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised as a component of the profit or loss as incurred.

(c) Depreciation

Depreciation is recognised using a method that reflects the pattern in which the economic benefits embodied within the asset are consumed. Generally this is on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment.

The estimated useful lives for the material classes of property, plant and equipment are as follows:

Plant & Equipment	5 years	Computer Equipment	2 – 4 years
Motor Vehicles	5 years	Furniture	6 – 7 years
Fixtures & Fittings	10 years	Office Equipment	6 – 7 years
Right of Use Asset	Lease period		

Depreciation methods, useful lives and residual values are reassessed on an annual basis.

Gains and losses on the disposal of items of property, plant and equipment are determined by comparing the proceeds (if any) at the time of disposal with the net carrying amount of the asset.

notes to financial statements 2019-2020 cont.

4.6 Impairment

At the end of each reporting period, the entity reviews the carrying amounts of its 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 of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows - that is, they are specialised assets held for continuing use of their service capacity - the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a re-valued individual asset is identified, this is recognised against the re-valuation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the re-valuation surplus for that class of asset.

4.7 Employee benefits

(a) Superannuation obligations

The Company pays the currently required Superannuation Guarantee of 9.50% (up to the current statutory cap) to each employees nominated superannuation fund. The Company has no legal or constructive obligation to pay further contributions in relation to an employee's service in the current and prior years. The contributions are recognised as a component of the profit or loss as and when they fall due.

(b) Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as a component of the profit or loss as the related services are provided. A provision is recognised for the amount expected to be paid under short-term cash bonus plans and outstanding annual leave balances if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

(c) Other long-term employee benefits

Liabilities arising in respect of long service leave and annual leave which is not expected to be settled within twelve months of the reporting date are measured on an undiscounted basis of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

notes to financial statements 2019-2020 cont.

Employee benefit obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

4.8 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision for the passage of time is recognised as a financial expense as a component of the profit or loss.

(a) Legal Expenses

A provision was raised for the present value of anticipated costs of future expenditure relating to legal costs associated with ongoing proceedings relating to workplace relations investigations. The calculation of this provision is based on the best estimate of future costs which may result in future actual expenditure differing from the amounts currently provided.

4.9 Financial income and expenses

Financial income comprises interest income and is recognised as it accrues using the effective interest method.

Financial expenses comprise interest expense, lease interest, foreign currency losses and impairment losses recognised on financial assets (except for trade receivables). All borrowing costs not qualifying for capitalisation are recognised as a component of the profit or loss using the effective interest method.

4.10 Accounting standards issued but not yet effective

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of these new and amended pronouncements.

5. Critical accounting estimates and assumptions

In the process of applying the Company's accounting policies, management has made certain estimates and assumptions about the carrying values of assets and liabilities, income and expenses and the disclosure of contingent assets and liabilities. Management has not made any significant judgements apart from those involving estimations (as discussed further).

notes to financial statements 2019-2020 cont.

The key assumptions concerning the future and other key sources of uncertainty in respect of estimates at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial reporting period are as listed below.

5.1 Impairment of assets

Assets are reviewed for impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

6. Determination of fair values

A number of the Company's accounting policies and associated disclosures require the determination of fair values for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information regarding the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

6.1 Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. Given the short-term nature of trade receivables the carrying amount is a reasonable approximation of fair value.

6.2 Non-derivative financial liabilities

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated by discounting the future contractual cash flows at the current market interest rates that are available for similar financial instruments.

notes to financial statements 2019-2020 cont.

	For the year ended 30 June,	
	2020	2019
7 Revenue		
Significant revenue:		
NDIS fee income	10,864,183	9,465,774
Department of Health (CoS) grants	104,273	124,163
Service fee income	584,127	964,036
Other income	218,375	291,769
Federal stimulus package	100,000	-
	11,870,958	10,845,742
Financial Income		
Interest income on Cash on deposit	2,371	2,048
Financial Expenses		
Bank Fees and Charges	3,495	4,705
Interest Charges	62,462	6,573
	65,956	11,278
8 Other Expenses		
Agency fees	225,948	326,790
Auditors' remuneration	24,151	56,151
Bad debts	73,359	-
Computer/IT expenses	66,418	57,685
Flexible use of hours	-	421
FB Package Costs	294,530	237,535
Insurances	43,901	30,237
Insurances - Workers' Compensation	371,994	495,457
Legal expenses	101,752	2,980
Marketing	3,673	1,722
Motor vehicle expenses	35,409	36,206
Personal Protective Equipment	2,299	-
Plan Management Costs	608,847	732,314
Rental expenses	38,966	232,033
Telephone expenses	70,243	96,520
Other expenses	81,857	173,795
	2,043,347	2,479,846

notes to financial statements 2019-2020 cont.

9 Cash and cash equivalents

	As at 30 June,	
	2020	2019
Cash at bank and on hand	1,656,108	149,005
Short-term deposits	252,438	53,079
	<u>1,908,546</u>	<u>202,084</u>

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made for varying periods of between one day and six months, depending on the company's cash requirements and earn interest at market rates.

10 Trade receivables

	As at 30 June,	
	2020	2019
Trade receivables	952,279	465,313
Expected credit loss provision	(59,666)	
Accrued Income	-	45,000
	<u>892,613</u>	<u>510,313</u>

The average credit period on sales of services is 28 days. No interest is charged on trade receivables.

11 Right of use assets

	Office Space Lease	Car Parking Lease	Printer/Copier Lease	Total
Assets at Cost				
Balance at 1 July 2019	1,061,335	167,453	199,780	1,428,568
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 30 June 2020	<u>1,061,335</u>	<u>167,453</u>	<u>199,780</u>	<u>1,428,568</u>
Accumulated depreciation and impairment charges				
Balance at 1 July 2019	(206,380)	(32,560)	(39,956)	(278,896)
Depreciation Expense	(176,887)	(27,909)	(39,956)	(244,752)
Impact of disposals	-	-	-	-
Balance at 30 June 2020	<u>(383,267)</u>	<u>(60,469)</u>	<u>(79,912)</u>	<u>(523,648)</u>
As at 1 July 2019 - NBV	854,955	134,893	159,824	1,149,673
As at 30 June 2020 - NBV	678,068	106,984	119,868	904,920

notes to financial statements 2019-2020 cont.

12 Other assets

	As at 30 June,	
	2020	2019
NON-CURRENT		
Security deposits - 90-92 Phillip Street	55,000	55,000
Rental holding deposits	14,420	16,080
	<u>69,420</u>	<u>71,080</u>

Security deposits relate to restricted deposits pledged as collateral as a guarantee for the company's Parramatta property lease at 90-92 Phillip Street (commencing May 2018).

13 Property Plant and Equipment

	Plant & Equipment	Furniture, Fittings & Equipment	Computer Equipment & Software	Motor Vehicles	Total
Assets at Cost					
Balance at 1 July 2019	617	39,134	31,062	35,442	106,255
Additions	-	5,073	15,077	-	20,150
Disposals	-	-	-	-	-
Balance at 30 June 2020	<u>617</u>	<u>44,206</u>	<u>46,139</u>	<u>35,442</u>	<u>126,405</u>

Accumulated depreciation and impairment charges

Balance at 1 July 2019	(617)	(38,945)	(18,765)	(35,442)	(93,769)
Depreciation Expense	-	(319)	(8,479)	-	(8,798)
Impact of disposals	-	-	-	-	-
Balance at 30 June 2020	<u>(617)</u>	<u>(39,263)</u>	<u>(27,245)</u>	<u>(35,442)</u>	<u>(93,769)</u>
As at 30 June 2019 - NBV	-	189	12,296	-	12,487
As at 30 June 2020 - NBV	-	4,943	18,895	-	23,839

14 Trade creditors and other payables

	As at 30 June,	
	2020	2019
Trade creditors and accruals	468,682	509,281
Tenant accounts	81,220	14,961
	<u>549,902</u>	<u>524,242</u>

notes to financial statements 2019-2020 cont.

15 Employee entitlements

	As at 30 June,	
	2020	2019
Annual Leave	760,324	630,596
Long Service Leave	447,123	360,360
Total Employee Entitlements	1,207,447	990,956
Current	1,066,682	845,249
Non-Current	140,765	145,707

16 Grants received in advance

	As at 30 June,	
	2020	2019
CURRENT		
NDIA Pre-payment	702,128	-
Other Funds	62,437	2,711
Total grants received in advance	764,565	2,711

17 Provisions

	As at 30 June,	
	2020	2019
CURRENT		
Provision for Legal Expenses	60,000	-
NON-CURRENT		
Lease Incentive	-	33,972

The Lease incentive is based on calculations of straight line rent over the life of the lease against actual rent payable. The lease was renegotiated in December 2019. The Lease incentive ceased at this point. The provision for Legal Expenses has been raised to account for the likely expenditure in relation to current workplace legal proceedings.

18 Other Liabilities

	As at 30 June,	
	2020	2019
Lease Liability - ROU asset	1,040,428	-
	1,040,428	-
Current	250,454	-
Non-Current	789,994	-

The Lease Liability is raised under AASB 16.

notes to financial statements 2019-2020 cont.

19 Related parties and related party transactions

(a) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services.

(b) Transactions with director-related entities

There were no transactions with Director-related entities.

(c) Transactions with other related entities

There were no transactions with other related entities.

20 Key Management Personnel compensation

The aggregate compensation made to members of key management personnel of the Company is set out below:

	As at 30 June,	
	2020	2019
Compensation made to members of key management personnel	917,854	814,221
	<u>917,854</u>	<u>814,221</u>

21 Members' guarantee

The company is limited by guarantee. In the event of the company being wound up, the constitution states that each member is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the company. At 30 June 2020 the number of members were 28 (2019 - 21). There are two categories of membership: Individual members and Honorary Life Members of which there are two, Mr C Reeve and Mr D McKenzie.

22 Economic dependence

The company is dependent upon the ongoing receipt of fees from the National Disability Insurance Agency (NDIA) for the majority of its revenue for its operations.

23 Subsequent events

The Australian economy has continued to be severely impacted by the effects of COVID-19 since the year end. The full extent of the impact and recovery from COVID-19 on the business operations continues to evolve as at the date of this report, however the Directors do not anticipate the Company being significantly impacted at this stage.

Except for the above, no matters or circumstances, have arisen since 30 June 2020 that have significantly affected or could significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2020, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2020, of the company.

director's declaration

The directors declare that in their opinion:

1. The attached financial statements and notes thereto comply with Australian Accounting Standards applicable to the entity.
2. The attached financial statements and notes thereto give a true and fair view of the financial position of the entity at 30 June 2020 and of its performance for the year ended on that date.
3. The attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*.
4. There are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to Subsection 60.15(2) of the *Australian Charities and Not for Profits Commission Regulations 2013*.

On behalf of the directors:



M. Gregg
Director



P. Willis
Director

Parramatta, 4 November 2020

Community Connections Australia
ABN: 15 061 460 133

Independent Audit Report to the Members of Community Connections Australia

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Community Connections Australia (the Company), which comprise the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* (ACNC Act) including:

- i) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards to the extent described in Note 2.1, and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as directors determine is necessary to enable the preparation of financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

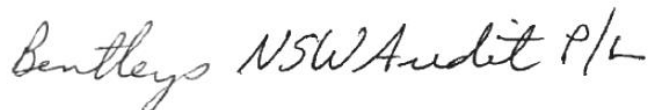
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Kevin Cranfield
Director
Sydney



BENTLEYS NSW AUDIT PTY LTD
Chartered Accountants

Date: 10/11/2020

community connections australia

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