

# **ACT Council of Social Service Incorporated**

ABN 81 818 8 988

## **Financial Statements**

For the Year Ended 30 June 2020

# ACT Council of Social Service Incorporated

ABN 81 818 8 988

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For the Year Ended 30 June 2020

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# ACT Council of Social Service Incorporated

ABN 81 818 8 988

## Board's Report

30 June 2020

The directors present their report on ACT Council of Social Service Incorporated for the financial year ended 30 June 2020.

### General information

#### Board Members

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

Glenda Stevens - Chair	Associate Member
Martin Fisk - Vice Chair	Menslink
Bruce Papps - Treasurer	Northside Community Service
Beth Slatyer	Associate Member
Petrea Messent	Dementia Australia
Alicia Flack Kone	ACT Down Syndrome Association
Lee Maiden	Communities@Work
Andrew Scotford	CIT Student Association
Darlene Cox	Health Care Consumers' Association
Sarah Murdoch	St John's Care
Elizabeth Samra	Associate Member
Frances Crimmins	YWCA Canberra
Anthony Egeland – resigned August 2019	Anglicare NSW South, NSW West and ACT
Lynnice Church – resigned October 2019	Associate Member
Dalane Drexler – resigned November 2019	ACT Mental Health Consumer Network
Karen McKernan – resigned November 2019	Mental Health Foundation ACT

#### Principal activities and significant changes in nature of activities

The principal activities of ACT Council of Social Service Incorporated during the financial year was to represent community based welfare and human service organisations in Canberra.

There were no significant changes in the nature of ACT Council of Social Service Incorporated's principal activities during the financial year.

#### Operating results and review of operations for the year

##### Operating result

The surplus / (deficit) of the Association for the financial year after providing for income tax amounted to \$ 200,087 (2019: \$ (2,259)).

##### Other items

##### Events after the reporting date

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

**ACT Council of Social Service Incorporated**

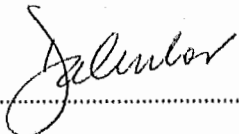
ABN 81 818 8 988

**Board's Report**

**30 June 2020**

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

Director: .....  .....

Director: .....  .....

Dated this 16<sup>th</sup> ..... day of OCTOBER ..... 2020

**ACT Council of Social Service Incorporated**

ABN 81 818 8 988

**Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-Profits Act 2012 to the Responsible Persons of ACT Council of Social Service Incorporated**

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 section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Josie-Marie Lopez  
Partner  
16 October 2020

Canberra

canberra. adelaide. brisbane. gold coast. melbourne. sydney. sunshine coast.

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# ACT Council of Social Service Incorporated

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## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Grant funding	5	1,139,628	1,117,514
Other income	5	109,300	166,000
COVID-19 assistance	5	189,336	-
Finance Income	7	12,534	11,566
<b>Total Revenue</b>		<b>1,450,798</b>	<b>1,295,080</b>
Employee expenses		(1,089,623)	(1,026,747)
Accounting fees		(8,527)	(9,402)
Depreciation		(6,364)	(4,389)
External labour and consulting		(55,510)	(112,985)
Meeting and seminars		(8,448)	(24,224)
Publication costs		(1,314)	(4,168)
Rent		(21,921)	(29,229)
Other expenses		(59,004)	(86,195)
<b>Total Expenditure</b>		<b>(1,250,711)</b>	<b>(1,297,339)</b>
<b>Surplus/(Deficit) from Operations</b>		<b>200,087</b>	<b>(2,259)</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>		<b>200,087</b>	<b>(2,259)</b>

The accompanying notes form part of these financial statements.

# ACT Council of Social Service Incorporated

ABN 81 818 8 988

## Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	561,260	436,947
Trade and other receivables	8	3,250	21,830
Investments	7	119,411	118,432
Other assets	11	64,849	18,500
<b>TOTAL CURRENT ASSETS</b>		<b>748,770</b>	<b>595,709</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	9	10,000	10,000
Property, plant and equipment	10	39,527	13,508
<b>TOTAL NON-CURRENT ASSETS</b>		<b>49,527</b>	<b>23,508</b>
<b>TOTAL ASSETS</b>		<b>798,297</b>	<b>619,217</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	83,587	104,084
Provisions	14	63,853	69,601
Grants received in advance	13	72,468	67,230
<b>TOTAL CURRENT LIABILITIES</b>		<b>219,908</b>	<b>240,915</b>
<b>NET ASSETS</b>		<b>578,389</b>	<b>378,302</b>
<b>EQUITY</b>			
Reserves		322,688	322,688
Retained earnings		255,701	55,614
<b>TOTAL EQUITY</b>		<b>578,389</b>	<b>378,302</b>

The accompanying notes form part of these financial statements.

**ACT Council of Social Service Incorporated**

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**Statement of Changes in Equity**

For the Year Ended 30 June 2020

2020

	Retained Earnings	Reserves	Total
	\$	\$	\$
Balance at 1 July 2019	55,614	322,688	378,302
Comprehensive income attributable to members	200,087	-	200,087
Balance at 30 June 2020	255,701	322,688	578,389

2019

	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 July 2018	57,873	322,688	380,561
Comprehensive income attributable to members	(2,259)	-	(2,259)
Balance at 30 June 2019	55,614	322,688	378,302

The accompanying notes form part of these financial statements.



**ACT Council of Social Service Incorporated**

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**Statement of Cash Flows**  
**For the Year Ended 30 June 2020**

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers and operating grants	1,591,231	1,400,870
Payments to suppliers and employees	(1,448,293)	(1,415,454)
Interest received	12,534	9,154
Interest Paid	(188)	-
Net cash used in operating activities	<u>155,284</u>	<u>(5,430)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of plant and equipment	(27,880)	(16,367)
Payments for investments	(979)	-
Net cash used in investing activities	<u>(28,859)</u>	<u>(16,367)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Lease payments	(2,112)	-
Net cash provided by/(used in) financing activities	<u>(2,112)</u>	<u>-</u>
Net (decrease) in cash and cash equivalents held	124,313	(21,797)
Cash and cash equivalents at beginning of year	436,947	458,744
Cash and cash equivalents at end of financial year	<u>7</u> <u>561,260</u>	<u>436,947</u>

The accompanying notes form part of these financial statements.

# ACT Council of Social Service Incorporated

ABN 81 818 8 988

## Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers ACT Council of Social Service Incorporated as an individual entity. ACT Council of Social Service Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Australian Charities and Not-for-Profits Commission Act 2012*, and the *Associations Incorporation Act (ACT) 1991*.

The principal activities of the Association for the year ended 30 June 2020 was to represent community based welfare and human service organisations in Canberra.

The functional and presentation currency of ACT Council of Social Service Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

### 2 Change in Accounting Policy

#### Revenue from Contracts with Customers - Adoption of AASB 15

The Association 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 a date of initial application of 1 July 2019.

The Association 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, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The Association has assessed the impact of adopting the new revenue standards and it was determined that the adoption of these new standards had no significant impact on the Association's current revenue streams. The policies adopted are set out in Note 3.

#### Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) 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 described below:

##### Association as a lessee

Under AASB 117, the Association 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 Association 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).

## ACT Council of Social Service Incorporated

ABN 81 818 8 988

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 2 Change in Accounting Policy

#### Leases - Adoption of AASB 16

#### Impact of adoption of AASB 16

The Association 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.

#### *Practical expedients used on transition*

AASB 16 includes a number of practical expedients which can be used on transition, the Association has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Association'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.

### 3 Summary of Significant Accounting Policies

#### (a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### (b) Revenue and other income

##### 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

## ACT Council of Social Service Incorporated

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## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 3 Summary of Significant Accounting Policies

#### (b) Revenue and other income

##### Revenue from contracts with customers

goods or services to customers at an amount that reflects the consideration the Association 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 obligations 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 Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

##### Grant revenue

Grant contracts where there is a enforceable contract with a customer with sufficiently specific performance obligations, such transactions are accounted for under AASB 15, where by income is recognised as and when the performance obligations are satisfied.

Grant contracts that are not enforceable or where the performance obligations are not sufficiently specific, are accounted for under AASB 1058- where by income is recognised immediately on receipt.

##### Membership revenue

Membership subscriptions do not have separate performance obligations. Membership revenue is recognised upon receipt in the year in which the membership relates.

##### Interest income

Interest revenue is recognised using the effective interest method.

##### Other income

All other sources of revenue are brought to account as revenue when the related goods or services have been provided and the income earned. Any revenue received in respect of future financial periods is brought to account as income in advance (unearned revenue).

# ACT Council of Social Service Incorporated

ABN 81 818 8 988

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 3 Summary of Significant Accounting Policies

#### (b) Revenue and other income

##### Specific revenue streams

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

#### (c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Electrical Equipment	20%
Office Equipment	20%
Computer Equipment	25-50%
IT development	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (e) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

## ACT Council of Social Service Incorporated

ABN 81 818 8 988

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (e) Financial instruments

###### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

###### *Classification*

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

###### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

###### *Fair value through other comprehensive income*

###### Equity instruments

The Association has strategic investments in an unlisted entity over which they do not have significant influence nor control. The Association has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

## ACT Council of Social Service Incorporated

ABN 81 818 8 988

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 3 Summary of Significant Accounting Policies

##### (e) Financial instruments

###### Financial assets

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

###### Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

###### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of

# ACT Council of Social Service Incorporated

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## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 3 Summary of Significant Accounting Policies

#### (e) Financial instruments

##### Financial assets

the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

##### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

#### (f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

#### (g) Leases

For current year

At inception of a contract, the Association 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 Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association 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.

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 Association'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 Association's



## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 3 Summary of Significant Accounting Policies

- (g) **Leases**  
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.

- (h) **Employee benefits**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Long service leave is paid to the ACT Long Service Leave Authority, which was established under the *Long Service Leave (Portable Schemes) Act 2009* to administer portable long service leave benefit schemes for workers in the ACT engaged in the Community Sector. As such the Association has a minimal long service leave provision.

### 4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### **Key estimates - impairment of property, plant and equipment**

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### **Key estimates - receivables**

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

# ACT Council of Social Service Incorporated

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## Notes to the Financial Statements For the Year Ended 30 June 2020

### 5 Revenue and Other Income

	2020	2019
	\$	\$
- Government and grant funding:		
- Peak body program	624,009	649,067
- Gulanga	263,704	269,617
- Energised consumers	64,996	56,000
- CDNet	13,830	15,000
- CASP	77,329	75,480
- Other	95,400	52,350
- <b>Total grant funding</b>	<b>1,139,268</b>	<b>1,117,514</b>
- <b>Other Income:</b>		
- Seminars	35,647	56,953
- Membership	55,543	54,586
- Other revenue	18,110	54,461
- COVID-19 assistance	189,336	-
- <b>Total Other Income</b>	<b>298,636</b>	<b>166,000</b>
Total Revenue	<b>1,437,904</b>	<b>1,283,514</b>

### 6 Finance Income and Expenses

<b>Finance income</b>		
- Interest income	8,572	9,154
	<b>8,572</b>	<b>9,154</b>
- Dividend income	3,962	2,412
	<b>3,962</b>	<b>2,412</b>
<b>Total finance income</b>	<b>12,534</b>	<b>11,566</b>

### 7 Cash and Cash Equivalents

Cash at bank and in hand	561,260	436,947
Short-term deposits	119,411	118,432
	<b>680,671</b>	<b>555,379</b>

### 8 Trade and Other Receivables

CURRENT		
Trade receivables	3,250	21,830
	<b>3,250</b>	<b>21,830</b>

# ACT Council of Social Service Incorporated

ABN 81 818 8 988

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 9 Other Financial Assets

#### (a) Financial assets at fair value through profit or loss

	2020	2019
	\$	\$
Investments - fair value	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
<b>Total</b>	<u><u>10,000</u></u>	<u><u>10,000</u></u>

### 10 Property, plant and equipment

Office equipment		
At cost	18,899	17,835
Accumulated depreciation	(12,366)	(10,714)
Total office equipment	<u>6,533</u>	<u>7,121</u>
Computer equipment		
At cost	33,364	21,927
Accumulated depreciation	(18,541)	(15,540)
Total Computer equipment	<u>14,823</u>	<u>6,387</u>
IT development		
At cost	10,575	-
Accumulated depreciation	(1,052)	-
Total IT development	<u>9,523</u>	<u>-</u>
Electrical equipment		
At cost	36,273	31,468
Accumulated depreciation	(32,128)	(31,468)
Total Electrical equipment	<u>4,145</u>	<u>-</u>
Leased assets		
At cost	6,504	-
Accumulated depreciation	(2,001)	-
Total Leased assets	<u>4,503</u>	<u>-</u>
<b>Total property, plant and equipment</b>	<u><u>39,527</u></u>	<u><u>13,508</u></u>

ACT Council of Social Service Incorporated

ABN 81 818 8 988

**Notes to the Financial Statements**  
For the Year Ended 30 June 2020

10 Property, plant and equipment  
(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Electrical Equipment \$	Office Equipment \$	Computer Equipment \$	IT development \$	Leased assets \$	Total \$
<b>Year ended 30 June 2020</b>						
Balance at the beginning of the year	-	7,121	6,387	-	-	13,508
Additions						
Additions	4,805	1,064	11,436	10,575	6,504	34,384
Additions	4,805	1,064	11,436	10,575	6,504	34,384
Depreciation expense	(659)	(1,652)	(3,001)	(1,052)	(2,001)	(8,365)
<b>Balance at the end of the year</b>	<b>4,146</b>	<b>6,533</b>	<b>14,822</b>	<b>9,523</b>	<b>4,503</b>	<b>39,527</b>

## ACT Council of Social Service Incorporated

ABN 81 818 8 988

### Notes to the Financial Statements For the Year Ended 30 June 2020

#### 11 Other Assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	13,654	16,643
Accrued income	51,195	1,857
	<u>64,849</u>	<u>18,500</u>

#### 12 Trade and Other Payables

Current		
Trade payables	8,802	3,493
GST payable	22,942	29,826
Accrued expenses	17,178	46,961
Other payables	34,665	23,804
	<u>83,587</u>	<u>104,084</u>

#### 13 Other Financial Liabilities

CURRENT		
Amounts received in advance	72,468	67,230

#### 14 Employee Benefits

Current liabilities		
Long service leave	6,463	6,300
Other employee benefits	57,390	63,301
	<u>63,853</u>	<u>69,601</u>

#### 15 Reserves

##### (a) General reserve

The general reserve records funds set aside three months of operating expenses for ACT Council of Social Service Incorporated.

#### 16 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of ACT Council of Social Service Incorporated during the year are as follows:

Short-term employee benefits	371,771	369,216
Long-term benefits	4,659	5,714
Superannuation contribution	31,860	33,196
	<u>408,290</u>	<u>408,126</u>

## ACT Council of Social Service Incorporated

ABN 81 818 8 988

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 17 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None).

#### 18 Related Parties

##### (a) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The membership of the ACT Council of Social Service Incorporated include delegates from participating organisations and associations; these are deemed related parties.

Other than the receipt of membership subscriptions, and key management personnel, no related party transactions arose in the year (2019: nil).

Key management personnel - refer to Note 16.

#### 19 Events after the end of the Reporting Period

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

#### 20 Statutory Information

The registered office and principal place of business of the Association is:

ACT Council of Social Service Incorporated  
Weston Community Hub  
1/6 Gritten Street  
WESTON ACT 2611

**ACT Council of Social Service Incorporated**

ABN 81 818 8 988


**Statement by the Board of Directors**

In the opinion of the board the financial report as set out on pages 3 to 21:

- Present fairly the financial position of ACT Council of Social Service Incorporated as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
- At the date of this statement, there are reasonable grounds to believe that ACT Council of Social Service Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director ..... 

Director ..... 

Dated 16/10/2020

## INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ACT COUNCIL OF SOCIAL SERVICE INCORPORATED

### Opinion

We have audited the financial report of ACT Council of Social Service Incorporated (the Association), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and statement by the board of Directors.

In our opinion, the accompanying financial report of ACT Council of Social Service Incorporated is in accordance with the *Incorporated Associations Act 1991* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including;

- a) gives a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- b) complying with the Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for 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 Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 Those Charged with Governance for the Financial Report

Those charged with governance of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and *Incorporated Associations Act 1991* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

Those charged with governance's responsibility also includes such internal control as those charged with governance determines is necessary to enable to preparation of the 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, those charged with governance are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless those charged with governance either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Report

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

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conducted in accordance with the 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Association'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 Association 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 those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Vincents**



**Josie-Marie Lopez**  
Director  
Canberra, ACT

**Dated: 16 October 2020**