

ACT Council of Social Service Incorporated

ABN 81 818 839 988

Financial Statements

For the Year Ended 30 June 2023

ACT Council of Social Service Incorporated

ABN 81 818 839 988

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ACT Council of Social Service Incorporated

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Directors' Report

30 June 2023

The directors present their report on ACT Council of Social Service Incorporated for the financial year ended 30 June 2023.

General information

Directors

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

Names	Position	Appointed/Resigned
Jeremy Halcrow	Chair	
Lisa Kelly	Vice Chair	
Blessy Pascual-Gutierrez	Treasurer	Appointed 08 th Nov 2022
Alicia Flack-Kone	Ordinary Director	
Amanda Tobler	Ordinary Director	Appointed 08 th Nov 2022
Andrew Scottford	Ordinary Director	
Cathi Moore	Ordinary Director	
Melissa Bell	Ordinary Director	
Fiona Loaney	Ordinary Director	
Sue Webeck	Ordinary Director	Appointed 08 th Nov 2022
Tracey Hall	Ordinary Director	Appointed 08 th Nov 2022
Liam McNicholas	Ordinary Director	Resigned 04 th Mar 2023
Mainul Haque	Ordinary Director	Resigned 08 th Nov 2022
Andrew Rowe	Vice Chair	Resigned 08 th Nov 2022
Hassan Riaz	Treasurer	Resigned 08 th Nov 2022

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

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 of the Association for the financial year after providing for income tax amounted to \$ 65,985(2022: \$ 29,288).

Events after the reporting date

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.

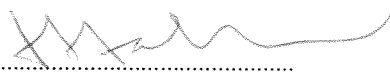
ACT Council of Social Service Incorporated

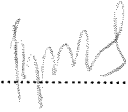
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Directors' Report

30 June 2023

Signed in accordance with a resolution of the Members of the Committee:

Director: 

Director: 

Dated this 16th day of OCTOBER 2023

ACT Council of Social Service Incorporated

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Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission 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 2023, 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.

VINCENTS ASSURANCE AND RISK ADVISORY



Phillip Miller
Director
Dated in Canberra on 16/10/2023

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 2023

		2023	2022
	Note	\$	\$
Revenue	4	1,777,168	1,515,447
Other income	4	17,534	15,624
Employee benefits expense	6	(1,239,120)	(1,170,104)
Depreciation and amortisation expense	6	(59,934)	(48,960)
External labour and consulting		(167,093)	(174,730)
Other expenses		(257,959)	(103,311)
Finance expenses	5	(4,611)	(4,678)
Surplus before income tax		65,985	29,288
Income tax expense		-	-
Surplus for the year		65,985	29,288
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive income for the year		65,985	29,288

The accompanying notes form part of these financial statements.

ACT Council of Social Service Incorporated

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	663,430	816,556
Trade and other receivables	8	9,901	12,209
Other financial assets	9	274,964	273,669
Other assets	12	62,836	40,989
TOTAL CURRENT ASSETS		1,011,131	1,143,423
NON-CURRENT ASSETS			
Property, plant and equipment	11	133,020	84,063
Right-of-use assets	13	74,812	97,401
TOTAL NON-CURRENT ASSETS		207,832	181,464
TOTAL ASSETS		1,218,963	1,324,887
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	105,842	110,304
Contract liabilities	10	113,069	246,918
Lease liabilities	13	31,034	27,499
Employee benefits	15	48,773	61,887
TOTAL CURRENT LIABILITIES		298,718	446,608
NON-CURRENT LIABILITIES			
Lease liabilities	13	51,089	75,108
TOTAL NON-CURRENT LIABILITIES		51,089	75,108
TOTAL LIABILITIES		349,807	521,716
NET ASSETS		869,156	803,171
EQUITY			
Reserves	16	681,626	549,056
Retained earnings		187,530	254,115
TOTAL EQUITY		869,156	803,171

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 July 2022	254,115	549,056	803,171
Surplus for the year	65,985	-	65,985
Transfers from retained earnings to general reserve	(132,570)	132,570	-
Total other comprehensive income for the period	-	-	-
Balance at 30 June 2023	187,530	681,626	869,156

2022

	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 July 2021	451,195	322,688	773,883
Surplus for the year	29,288	-	29,288
Transfers from retained earnings to general reserve	(226,368)	226,368	-
Total other comprehensive income for the period	-	-	-
Balance at 30 June 2022	254,115	549,056	803,171

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,548,549	1,763,414
Payments to suppliers and employees	(1,490,820)	(1,615,822)
Interest received	5,763	1,860
Interest paid	(4,612)	(3,965)
Net cash provided by operating activities	<u>58,880</u>	<u>145,487</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	4,989	-
Purchase of property, plant and equipment	(75,035)	(55,812)
Payment for investments	(1,295)	(941)
Net cash used in investing activities	<u>(71,341)</u>	<u>(56,753)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(140,665)	(27,755)
Net cash used in financing activities	<u>(140,665)</u>	<u>(27,755)</u>
Net (decrease)/increase in cash and cash equivalents held	(153,126)	60,979
Cash and cash equivalents at beginning of year	<u>816,556</u>	<u>755,577</u>
Cash and cash equivalents at end of financial year	<u>7</u> <u>663,430</u>	<u>816,556</u>

The accompanying notes form part of these financial statements.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

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, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2023 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.

The financial report was authorised for issue by those charged with governance on 27 September 2023.

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 - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

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 Association expects to receive in exchange for those goods or services.

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

The Association's primary source of revenue is from Grants. The grant agreement would constitute the contract for AASB 15 purposes, and the grant specifies the transaction price. Each grant reflects the specific performance obligation and also the milestones in line with AASB 15 principles. Revenue would be recognised overtime when the milestones have been met and the performance obligations have been satisfied.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058), where by income is recognised immediately on receipt.

Membership income

Membership income relates to a transfer of services to customers and therefore the income is spread over the expected life of the contract with the customer (i.e the time that the member will remain a member being 12 months).

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Association presents the contract as a contract asset, unless the Association's rights to that amount of consideration are unconditional, in which case the Association recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Association presents the contract as a contract liability.

Contract cost assets

The Association recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Costs to obtain a contract

Costs to obtain a contract are only capitalised when they are directly related to a contract and it is probable that they will be recovered in the future. Costs incurred that would have been incurred regardless of whether the contract was won are expensed, unless those costs are explicitly chargeable to the customer in any case (whether or not the contract is won).

The capitalised costs are amortised on a straight line basis over the expected life of the contract.

Set-up / mobilisation costs

Costs required to set up the contract, including mobilisation costs, are capitalised provided that it is probable that they will be recovered in the future and that they do not include expenses that would normally have been incurred by the Association if the contract had not been obtained. They are recognised as an expense on the basis of the proportion of actual output to estimated output under each contract. If the above conditions are not met, these costs are taken directly to profit or loss as incurred.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Statement of financial position balances relating to revenue recognition

Costs to fulfil a contract

Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the Association that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on a systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

Other income

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

(b) Income tax

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

(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.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(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.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's 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	10-50%
Computer Equipment	20-50%
Computer Software	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 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).

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

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

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Amortised cost

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.

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

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 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

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.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, accrued expenses and other payables and lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) 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.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Leases

At inception of a contract, the Association assesses whether a lease exists.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The Association has chosen not to apply AASB 16 to leases of intangible assets.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association 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.

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 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 Association 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 Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

Provision is made for the Association's liability for employee benefits, those 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.

(j) Economic dependence

ACT Council of Social Service Incorporated is dependent on the grant funding for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the grant funding will not continue to support ACT Council of Social Service Incorporated.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2023

3 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 - revenue recognition - long term contracts

The Association undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

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.

Key estimates - Lease term

The lease term is a significant component in the measure of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, if there is a significant event or significant change in circumstances.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

4 Other Revenue and Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Grant Funding	-	-
- Peak body program	873,013	688,780
- Gulanga	332,394	244,197
- Energised consumers	94,100	66,010
- NCIP	287,109	132,891
- CASP	-	91,342
- Membership	53,227	55,188
- Sponsorship	7,727	10,000
	<u>1,647,570</u>	<u>1,288,408</u>
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Grant Funding	-	-
- CD Net	4,600	15,000
- Other grants	85,910	196,648
- Registration fees	39,088	15,391
	<u>129,598</u>	<u>277,039</u>
Total Revenue	<u>1,777,168</u>	<u>1,515,447</u>

	2023	2022
	\$	\$
Other Income		
- other income	17,534	15,624
Total Revenue and Other Income	<u>1,794,702</u>	<u>1,531,071</u>

Disaggregation of revenue from contracts with customers

The disaggregation of revenue from contracts with customers is as follows:

	2023	2022
	\$	\$
Timing of revenue recognition		
- At a point in time	7,727	10,000
- Over time	1,639,843	1,278,048
Revenue from contracts with customers	<u>1,647,570</u>	<u>1,288,048</u>

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Notes to the Financial Statements For the Year Ended 30 June 2023

5 Finance Expenses

	2023	2022
	\$	\$
Interest expense	3,968	3,965
Other finance expenses	643	713
Total finance expenses	4,611	4,678

6 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Other expenses:		
Employee benefits expense	1,239,120	1,170,104
Depreciation expense	59,934	48,960

7 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	663,430	816,556
	663,430	816,556

8 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	9,901	12,209
Total current trade and other receivables	9,901	12,209

9 Other Financial Assets

	2023	2022
	\$	\$
CURRENT		
Investments	-	2,900
Other financial assets		
Term deposits	274,964	270,769
Total	274,964	273,669

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

10 Contract Balances

Contract assets and liabilities

The Association has recognised the following contract assets and liabilities from contracts with customers:

	2023	2022
	\$	\$
CURRENT		
Grant funding received in advance	75,055	206,999
Membership in advance	26,196	33,596
Other income in advance	11,818	6,323
Total current contract liabilities	113,069	246,918

11 Property, Plant and Equipment

PLANT AND EQUIPMENT

Office equipment

At cost	100,879	68,614
Accumulated depreciation	(24,160)	(12,291)
Total office equipment	76,719	56,323

Computer equipment

At cost	39,613	44,249
Accumulated depreciation	(32,662)	(28,649)
Total computer equipment	6,951	15,600

Computer software

At cost	51,810	10,575
Accumulated depreciation	(7,984)	(5,282)
Total computer software	43,826	5,293

Electrical equipment

At cost	39,936	38,754
Accumulated depreciation	(34,412)	(31,907)
Total Electrical equipment	5,524	6,847

Total property, plant and equipment

133,020	84,063
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Notes to the Financial Statements For the Year Ended 30 June 2023

11 Property, Plant and Equipment

11 Property, Plant and Equipment continued

(a) Movements in carrying amounts of property, plant and equipment

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

	Office Equipment \$	Computer Equipment \$	Computer Software \$	Electrical equipment \$	Total \$
Year ended 30 June 2023					
Balance at the beginning of year	56,323	15,602	5,293	6,845	84,063
Additions	32,265	353	41,235	1,182	75,035
Disposals	-	(4,989)	-	-	(4,989)
Depreciation on disposals	-	4,989	-	-	4,989
Depreciation expense	(11,869)	(9,002)	(2,702)	(2,504)	(26,077)
Balance at the end of the year	76,719	6,953	43,826	5,523	133,020

ACT Council of Social Service Incorporated

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Notes to the Financial Statements
For the Year Ended 30 June 2023

11 Property, Plant and Equipment

11 Property, Plant and Equipment continued

(a) Movements in carrying amounts of property, plant and equipment

	Office Equipment \$	Computer Equipment \$	Computer Software \$	Electrical equipment \$	Total \$
Year ended 30 June 2022					
Balance at the beginning of year	9,346	20,508	7,408	9,303	46,565
Additions	50,645	5,168	-	-	55,813
Disposals	(6,206)	(6,126)	(5,000)	-	(17,332)
Depreciation on disposals	6,206	6,126	5,000	-	17,332
Depreciation expense	(3,668)	(10,074)	(2,115)	(2,458)	(18,315)
Balance at the end of the year	56,323	15,602	5,293	6,845	84,063

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Notes to the Financial Statements For the Year Ended 30 June 2023

12 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	20,836	16,986
Accrued income	42,000	24,003
	<u>62,836</u>	<u>40,989</u>

13 Leases

Association as a lessee

The Association has leases over office premises and equipment under agreement of between three to five years, the lease payments are fixed during the lease term.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Right-of-use assets

	Buildings	Plant and Equipment	Total
	\$	\$	\$
Year ended 30 June 2023			
Balance at beginning of year	96,902	499	97,401
Additions	-	9,058	9,058
Disposal	-	(499)	(499)
Depreciation charge	(28,360)	(2,788)	(31,148)
Balance at end of year	<u>68,542</u>	<u>6,270</u>	<u>74,812</u>

	Buildings	Plant and Equipment	Total
	\$	\$	\$
Year ended 30 June 2022			
Balance at beginning of year	125,262	2,501	127,763
Depreciation charge	(28,360)	(2,002)	(30,362)
Balance at end of year	<u>96,902</u>	<u>499</u>	<u>97,401</u>

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

13 Leases

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities
	\$	\$	\$	\$
2023				
Lease liabilities	33,547	52,825	-	86,372
2022				
Lease liabilities	27,756	75,108	-	102,864

14 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	9,205	13,055
GST payable	20,709	18,320
Sundry payables and accrued expenses	47,054	43,111
Other payables	28,874	35,818
	<u>105,842</u>	<u>110,304</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

15 Employee Benefits

	2023	2022
	\$	\$
Current liabilities		
Long service leave	4,143	8,694
Provision for employee benefits	44,630	53,193
	<u>48,773</u>	<u>61,887</u>

16 Reserves

	2023	2022
	\$	\$
General reserve		
Opening balance	549,056	322,688
Transfers in	132,570	226,368
Total	<u>681,626</u>	<u>549,056</u>

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

16 Reserves

16 Reserves

(a) General reserve

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

17 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Association is \$ 493,158 (2022: \$ 433,755).

18 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor Vincents Assurance & Risk Advisory, for:		
- auditing or reviewing the financial statements	9,153	8,856
Total	9,153	8,856

19 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2023 (30 June 2022:None).

20 Related Parties

(a) The Association's main related parties are as follows:

Key management personnel - refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

21 Events After the End of the Reporting Period

The financial report was authorised for issue on 27 September 2023 by those charged with governance.

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.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

22 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


Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Responsible person 

Responsible person 

Dated this 16th day of OCTOBER 2023

**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 2023, 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 2023 and of its financial performance for the year ended on that date; and
- b) complying with the Australian Accounting Standards - Simplified Disclosures 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 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 the 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 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

VINCENTS

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.



Phillip Miller
Director
Vincents Assurance & Risk Advisory
Canberra ACT
Dated: 16/10/2023