



Aged & Community Services
Western Australia Incorporated

2020-2021 Financial Report

Aged & Community Services WA Inc.

Balance Sheet as at 30 June 2021

| | <i>Note</i> | 2021 | 2020 |
|---------------------------------------|-------------|------------------|------------------|
| | | \$ | \$ |
| Current Assets | | | |
| Cash On Hand | | 46,057 | 54,920 |
| Trade Debtors | | - | 3,537 |
| GST Receivable | | 536 | 45 |
| Investments | | 363 | 363 |
| Total Current Assets | | 46,956 | 58,865 |
| Non-Current Assets | | | |
| Buildings -- at independent valuation | 2 | 1,100,000 | 1,100,000 |
| Impairment of Assets | 5 | (200,000) | - |
| Property Improvements | | 73,713 | 93,415 |
| Total Non-Current Assets | | 973,713 | 1,193,415 |
| Total Assets | | 1,020,669 | 1,252,280 |
| Current Liabilities | | | |
| Trade Creditors | | 560 | 286 |
| Total Liabilities | | 560 | 286 |
| NET ASSETS | | 1,020,109 | 1,251,994 |
| EQUITY | | | |
| Retained Earnings | | 672,300 | 699,106 |
| Current Year Surplus/(Deficit) | | (31,885) | (26,806) |
| Reserves | | | |
| Asset Revaluation Reserve | 4 | 379,694 | 579,694 |
| TOTAL EQUITY | | 1,020,109 | 1,251,994 |

The Balance Sheet should be read in conjunction with the accompanying notes.

Aged & Community Services WA Inc.
Operating Statement at 30 June 2021

| | 2021 | 2020 |
|-------------------------------------|----------|----------|
| Operating Income | \$ | \$ |
| Interest | 4 | 7 |
| Refunds & Reimbursements | 14,927 | 12,848 |
| Total Operating Income | 14,931 | 12,855 |
| Cost of Sales | | |
| Total Cost of Sales | - | - |
| Gross Profit | 14,931 | 12,855 |
| Expenses | | |
| Operating Expenses | | |
| Fees/Premiums | 12,133 | 5,695 |
| Operational Expenses | 674 | 8 |
| Property Costs | 14,307 | 14,202 |
| Operating Expenses | 27,114 | 19,905 |
| Operating Profit/(Loss) | (12,183) | (7,050) |
| Other Expenses | | |
| Depreciation (Property Improvement) | 19,702 | 19,756 |
| | 19,702 | 19,756 |
| Net Surplus/(Deficit) | (31,885) | (26,806) |

The Operating Statement should be read in conjunction with the accompanying notes.

**Notes to and Forming Part of the Financial Statements for
Aged & Community Services Western Australia Incorporated
For the Year Ended 30 June 2021**

STATEMENT OF ACCOUNTING POLICIES

1. The financial statements are a special purpose financial report prepared in order to provide accounts which satisfy the requirements of the Associations Incorporations Act 2015 (WA). The Board of Management (the Board) has determined that the association is not a reporting entity and therefore, as there are no requirements to apply Accounting Standards and other mandatory professional requirements in the preparation and presentation of these statements, they have been adopted only to the extent shown in Notes to the accounts.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Board considers the going concern basis of preparation to be appropriate based on the fact that as part of the Transition Implementation Deed, ACSWA has retained assets and funds sufficient for ACSWA to meet and discharge liabilities as they fall due, and the commitment by ACSA to pay all ongoing ACSWA property and related expenses as part of the process for the state bodies committing to the national approach.

2. **Property, Plant & Equipment**

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

a) Plant & Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

b) Web and Software

Web and Software assets are measured on the cost basis.

The carrying amount of Web and Software is reviewed annually by the association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

c) Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

**Notes to and Forming Part of the Financial Statements for
Aged & Community Services Western Australia Incorporated
For the Year Ended 30 June 2021**

The useful lives used for each class of depreciable asset are:

| <i>Class of Fixed Asset</i> | <i>Depreciation Period</i> |
|--|----------------------------|
| Information Technology, web & software | 3 years |
| Office equipment | 3 to 7 years |
| Furniture & Fittings | 2 to 10 years |
| Motor Vehicles | 4 – 5 years |

The carrying amount of fixed assets is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of those assets

d) Buildings

Buildings are not depreciated.

The buildings were revalued in 2016 based upon a professional valuation from Burgess Rawson (WA) Pty Ltd of the market value of the business premises at Strata Lots 15 and 16, 25 Walters Drive, Osborne Park dated 10 May 2016. The fair value was brought to account through the creation of an Asset Revaluation Reserve (see note 5).

The valuation was prepared on the basis of Unencumbered Freehold Title, Vacant Possession and Exclusive of GST. It is also subject to assumptions contained in the report and a 10 year Caveat lodged by Lotteries Commission on 23 May 2006 pertaining to a Deed of Trust entered into on 20 January 2006. The Board on Management believe neither these assumptions, nor the Caveat that fell away on 20 January 2016, materially affect the fair value recorded.

As at 30 June 2021, the Board believes that the carrying value of the Buildings and Improvements does not exceed its recoverable amount from its current use or sale.

3. Salary, On-Costs and Employee Benefits

As at 30 June 2021 ACSWA had no employees.

**Notes to and Forming Part of the Financial Statements for
Aged & Community Services Western Australia Incorporated
For the Year Ended 30 June 2021**

4. Reserves

Reserves are maintained as appropriations of retained earnings for defined purposes other than the ordinary operating activity of the association and/or representations of the movement in fair value of assets.

As such, during the course of the financial year, the following movements in Reserves have occurred:

| | Asset Revaluation Reserve |
|-----------------|---------------------------------|
| Opening Balance | \$579,694 |
| Transfers In | - |
| Impairment | (\$200,000) |
| Closing Balance | \$379,694 |

5. Impairment of Assets

| Provision for Impairment of Assets: | 2021 | 2020 |
|-------------------------------------|------------------|----------|
| Impairment of Buildings | (200,000) | - |
| | <u>(200,000)</u> | <u>-</u> |

This provision reflects the building valuation conducted 14th July 2021 for a current value of \$900,000.

**STATEMENT BY THE BOARD OF MANAGEMENT
YEAR ENDED 30 JUNE 2021**

In our opinion, the accompanying financials report of Aged & Community Services WA Inc. (ACSWA) have been drawn up so as to fairly present:

1. the financial position of ACSWA as at 30 June 2021;
2. of its performance for the year then ended; and
3. at the date of this statement, that there are reasonable grounds to believe ACSWA will be able to pay its debts as and when they fall due.

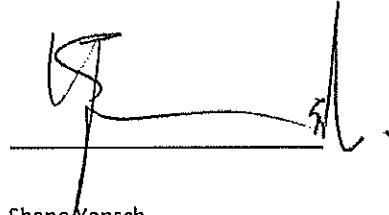
The accounts of the Association have been made out in accordance with basic accounting practices as described in Note 1 to the accounts.

Signed on behalf of the Board this 6 day of October 2021 at Perth, Western Australia.



Stephanie Buckland

Chair



Shane Yensch

Treasurer



BUSINESS
CONSULTANTS

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
AGED & COMMUNITY SERVICES WESTERN AUSTRALIA INC.
AS AT 30 JUNE 2021**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Aged & Community Services Western Australia Incorporated, which comprises the balance sheet as at 30 June 2021, and the operating statement, a statement of accounting policies and the statement by the Board of Management for the year ended 30 June 2021.

The Responsibility of the Board of Management for the Financial Report

The Board of the Aged & Community Services Western Australia Incorporated are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the financial reporting needs of its members. The Board's responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Notes 1 to 5, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board's financial reporting under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

CERTIFIED PRACTISING
ACCOUNTANTS

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BRUCE DONALD
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P Grad Dip Acc
CA, CIA, FFin, FCPA

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Aged & Community Services Western Australia Incorporated as of 30 June 2021 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to 5 to the financial statements.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting.

The financial report has been prepared to assist Aged & Community Services Western Australia Incorporated to meet the requirements of the association's constitution and the *Associations Incorporation Act 2015* (WA). As a result, the financial report may not be suitable for another purpose.

2020 Global Pty Ltd



Bruce Donald

Director

8 October 2021