

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30th JUNE 2021**

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

COMMITTEE REPORT

Your Committee (Board) members submit the financial report of the Compassionate Friends – Victoria Inc for the financial year ended 30 June 2021.

Committee (Board) Members

The Compassionate Friends – Victoria Inc Committee (Board) members in office at any time during or since the end of the year were:

Theresa Yeo - President
Kevin Purvis - Vice President
Daniel Bendel – Treasurer
Lisa Gelbert – Minutes Secretary
Jo Knoll
Harriet Clegg

Principal Activities

The principal activities of the association during the financial year were to provide peer bereavement support to parents, siblings and grandparents.

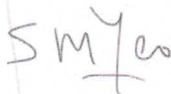
Operating Activities

The surplus for the 2021 financial year amounted to \$93,736 (2020: \$55,342 surplus).

Significant Changes

No significant change in the nature of these activities occurred during the year.

Signed in accordance with a resolution of the Members of the Committee (Board).



.....
Theresa Yeo
President



.....
Daniel Bendel
Treasurer

Signed 26th August 2021

THE COMPASSIONATE FRIENDS – VICTORIA INC

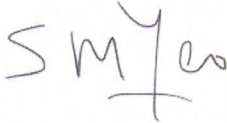
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RESPONSIBLE PERSONS' DECLARATION

The Committee members being the responsible persons, declare that in their opinion:

- (a) there are reasonable grounds to believe that the registered entity will be able to pay all of its debts, as and when they become due and payable;
- (b) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and comply with Australia Accounting Standards applicable to the entity; and
- (c) give a true and fair view of the financial position of the registered entity as at 30 June 2021 and its performance for the year ended on that date.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.



.....
Theresa Yeo - President



.....
Daniel Bendel – Treasurer

Signed 26th August 2021.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 30TH JUNE 2021

	Note	2021	2020
		\$	\$
Revenues	2	608,227	628,030
Employee Benefits and Related Expenses		(349,995)	(401,483)
Depreciation Expense		(33,864)	(32,300)
Centre and Volunteer Expenses		(74,020)	(92,088)
Magazine Expenses		(18,990)	(12,385)
Finance Expenses		(19,612)	(22,966)
Events and Services Expenses		(18,010)	(11,466)
CURRENT YEAR SURPLUS		----- 93,736 -----	----- 55,342 -----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		----- 93,736 -----	----- 55,342 -----

The accompanying notes form part of these financial statements.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2021

	Note	2021	2020
		\$	\$
Current Assets			
Cash and Cash Equivalents	4	252,567	157,274
Accounts Receivables and Other Debtors		12,186	26,312
TOTAL CURRENT ASSETS		264,753	183,586
Non Current Assets			
Property, Plant and Equipment	5	884,692	913,818
Financial Assets	6	5,000	5,000
TOTAL NON CURRENT ASSETS		889,692	918,818
TOTAL ASSETS		1,154,445	1,102,404
Current Liabilities			
Accounts Payables		10,061	15,523
Other Creditors	7	15,762	12,055
Provisions	8	76,601	65,009
Contract Liability	9	29,118	53,620
Borrowings	10	35,720	38,155
TOTAL CURRENT LIABILITIES		167,262	184,362
Non Current Liabilities			
Borrowings	10	409,677	434,272
TOTAL NON CURRENT LIABILITIES		409,677	434,272
TOTAL LIABILITIES		576,939	618,634
NET ASSETS		577,506	483,770
Equity			
Retained Surplus		577,506	483,770
TOTAL EQUITY		577,506	483,770

The accompanying notes form part of these financial statements.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

**STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDING 30th JUNE 2021**

	Retained Surplus \$	Total \$
Balance 1 st July 2019	428,428	428,428
Surplus attributable to Entity 2020	55,342	55,342
Balance 30 th June 2020	<u>483,770</u>	<u>483,770</u>
Surplus attributable to Entity 2021	93,736	93,736
Balance 30 th June 2021	<u>577,506</u>	<u>577,506</u>

The accompanying notes form part of these financial statements.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2021

	Notes	2021 \$	2020 \$
Cash Flows from Operating Activities			
Government Grant income received – recurrent		413,372	395,255
Fund raising and other receipts		188,280	183,109
Interest received		17	127
Interest paid		(19,612)	(22,966)
Payments to suppliers and employees		(454,996)	(554,429)
		-----	-----
Net Cash from Operating Activities	11	127,061	1,096
		-----	-----
Cash Flow from Investing Activities			
Payments for property, plant and equipment		(4,738)	(21,200)
Proceeds on sale of assets		-	45,680
		-----	-----
Net Cash from/(used in) Investing Activities		(4,738)	24,480
		-----	-----
Cash Flow from Financing Activities			
(Repayment) of loans		(27,030)	(17,623)
		-----	-----
Net Cash (used in) Financing Activities		(27,030)	(17,623)
		-----	-----
Net Increase in Cash		95,293	7,953
		-----	-----
Cash at bank (start of year)		157,274	149,321
		-----	-----
Cash at bank (end of year)	4	252,567	157,274
		-----	-----

The accompanying notes form part of the financial statements.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover The Compassionate Friends – Victoria Inc. as an individual entity, incorporated and domiciled in Australia.

The committee has prepared the financial statements on the basis that the association is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations except for those within AASB 16 and therefore the lease liabilities relating to property leases have not been recognised. Lease commitments can be found in Note 14.

The financial statements have also been prepared in accordance with the significant accounting policies disclosed below and disclosure requirements of the Australian Charities and Not-For-Profits Commission Act 2012.

The financial statements were authorised for issue by the committee members of the association at the time of signing the Responsible Persons' Declaration.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Coronavirus (COVID19) impact

The ongoing COVID19 global pandemic has created significant social and economic uncertainty. Thankfully at year-end 30 June 2021 the association is well placed to navigate the challenges of this pandemic though its established recurrent government funding and solid balance sheet position. There is no identified impairment issues or additional provisioning required as a result of the pandemic as at 30 June 2021, nor significant financial estimates or judgements that have needed to be made.

The most significant outcome of the pandemic upon the association as at 30 June 2021 has been the reduction in some fund raising activities, whilst also receiving government assistance.

a. Principal Activities

The principal activity of the Compassionate Friends – Victoria Inc is to deliver much needed services to bereaved parents siblings and grandparents across Victoria.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

b. **Property, Plant and Equipment**

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

Property

Freehold land and buildings are carried at cost, less subsequent depreciation for buildings.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets are depreciated on either a straight line basis, or on a diminishing value basis, over their useful lives commencing from the time the asset is held ready for use. Leasehold Improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings and Renovations	2.5% - 10%
Library Materials	15%
Furniture and Equipment	6.6% - 20%
Fixtures & Fittings	10%
Website	25%
Database	20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

THE COMPASSIONATE FRIENDS – VICTORIA INC

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

c. Taxation

The Association is a tax exempt body under Div 50 of the Income Tax Assessment Act 1997 and therefore does not account for income tax.

d. Employee Provisions

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 have been measured at the nominal amounts owing at year end. The association commences to accrue for Long Service Leave after an employee has completed three years of continuous service.

A provision for sick leave is recognised representing the expected future utilisation of sick leave above the employees normal annual entitlement. Sick leave doesn't vest with the employee if they leave the organisation.

Contributions are made by the association to employees superannuation funds and is charged as an expense when incurred.

e. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss.

f. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of less than twelve months.

g. Revenue recognition

When the entity received operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity: – identifies each performance obligation relating to the grant – recognises a contract liability for its obligations under the agreement – recognises revenue as it satisfies its performance obligations. Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

g. Revenue recognition (continued)

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service or provision of goods is recognised upon the delivery of the service or goods to the member or customer and measured at the fair value of the consideration received or receivable.

If the association receives non-reciprocal contributions of assets from government and other parties for zero or a nominal value, these assets are recognised at fair value on the date of the acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

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

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

THE COMPASSIONATE FRIENDS – VICTORIA INC

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

j. Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

k. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members and donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

l. Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

n. Financial Instruments

Initial recognition and measurement

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

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

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in paragraph 63 of AASB 15: *Revenue from Contracts with Customers*.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

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

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

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

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- The business model for managing financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

THE COMPASSIONATE FRIENDS – VICTORIA INC

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Impairment

The Entity recognises a loss allowance for expected credit losses on:

- Financial assets that are measured at amortised cost or fair value through other comprehensive income;

Loss allowance is not recognised for:

- Financial assets measured at fair value through profit or loss; or
- Equity instruments measured at fair value through other comprehensive income.

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

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The Entity uses the simplified approach to impairment, as applicable under AASB 9: *Financial Instruments*:

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to trade receivables.

Recognition of expected credit losses in financial statements

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

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

o. Economic Dependence

The association is dependent on the Department of Health and Human Services for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Department will not continue to support the association, with the Department confirming continued core funding until 30 June 2024.

p. Critical Accounting Estimates and Judgements

The Committee evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

THE COMPASSIONATE FRIENDS – VICTORIA INC

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Key Estimates

Impairment

The Association assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Association that may be indicative of impairment triggers.

Plant and equipment

As indicated in Note 1(b), the Association reviews the useful life of plant and equipment on annual basis.

Key Judgements

Performance obligations under AASB15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. The Committee exercise judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

THE COMPASSIONATE FRIENDS – VICTORIA INC

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

	2021	2020
	\$	\$
2. REVENUE		
<u>Operating Activities</u>		
Government Grants - recurrent	413,372	395,255
Donations	39,902	60,873
Government assistance (a)	97,960	64,517
Non-Government Grants	36,607	74,522
Interest	17	127
Sponsorship fund raising & member fees	20,369	32,736
	-----	-----
	608,227	628,030
	-----	-----
(a) Significant revenue item:		
Government assistance:		
During the year the entity received Federal Government assistance in the form of Cash Flow Boost and Jobkeeper to navigate the Challenges of COVID19.	97,960	64,517
3. (DEFICIT)/SURPLUS FROM ORDINARY ACTIVITIES		
<u>a) (Deficit)/Surplus from Ordinary Activities has been Determined after:</u>		
Expenses:		
Depreciation	33,864	32,300
Auditors Remuneration – Audit	6,750	6,720
The auditors do not receive any other benefit.		
Increase (Decrease) in Provision for Annual Leave	6,722	(12,368)
Increase (Decrease) in Provision for Long Service Leave	4,870	(280)
4. CASH		
Cash on hand	300	300
CBA Cheque Account	158,629	62,979
CBA Building Fund Account	23,873	23,873
CBA Cash Management	69,265	69,248
Bendigo Visa Account	500	874
	-----	-----
	252,567	157,274
	-----	-----

THE COMPASSIONATE FRIENDS – VICTORIA INC

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

	2021 \$	2020 \$
5. PROPERTY PLANT & EQUIPMENT		
Land and Buildings at Cost	825,901	825,901
Building Renovations at Cost	55,164	55,164
Less: Accumulated Depreciation	(61,956)	(49,440)
	-----	-----
	819,109	831,625
	-----	-----
Database at Cost	83,870	83,870
Less: Accumulated Depreciation	(40,018)	(23,244)
	-----	-----
	43,852	60,626
	-----	-----
Fixtures and Fittings at Cost	11,993	11,993
Less: Accumulated Depreciation	(3,687)	(2,487)
	-----	-----
	8,306	9,506
	-----	-----
Furniture and Equipment at Cost	35,857	31,119
Less: Accumulated Depreciation	(23,114)	(19,950)
	-----	-----
	12,743	11,169
	-----	-----
Library Materials at Cost	19,415	19,415
Less Accumulated Depreciation	(18,733)	(18,523)
	-----	-----
	682	892
	-----	-----
Total Property, Plant and Equipment	884,692	913,818
	=====	=====

THE COMPASSIONATE FRIENDS – VICTORIA INC

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

	2021 \$	2020 \$
6. FINANCIAL ASSETS		
<i>Investments held at – Amortised cost</i>		
Units in unlisted unit trust	5,000	5,000
	-----	-----
	5,000	5,000
	=====	=====
7. OTHER CREDITORS		
Superannuation	2,331	2,029
GST Liability	8,815	10,026
PAYG owed to ATO	4,616	-
	-----	-----
	15,762	12,055
	=====	=====
8. PROVISIONS		
Provision for Annual Leave	23,329	16,607
Provision for Long Service Leave	40,272	35,402
Provision for Sick Leave	13,000	13,000
	-----	-----
	76,601	65,009
	=====	=====
9. CONTRACT LIABILITY		
Unexpended Grants and Income	29,118	53,620
	-----	-----
	29,118	53,620
	=====	=====
10. BORROWINGS		
Current:		
Loan Secured	35,720	38,155
Non Current:		
Loan Secured	409,677	434,272
	-----	-----
	445,397	472,427
	=====	=====

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15 the amount received at that point in time, is recognised as a contract liability until the performance obligations have been satisfied.

The loan is secured via a registered mortgage over the property at 229 Canterbury Road, with the loan commencing April 2017 for a term of 15 years, interest bearing with the first 2 years requiring interest only repayments. The loan reverted to interest and principal repayments during the 30 June 2019 year. The loan interest is based upon a commercial variable rate.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2021

	2021	2020
	\$	\$
11. OPERATING (DEFICIT) IS RECONCILED TO CASH FROM OPERATIONS AS FOLLOWS:		
Operating (Deficit)/Surplus	93,736	55,342
Non-cash flows in (Deficit)/Surplus:		
Depreciation	33,864	32,300
Loss/(Gain) on sale of assets		443
Changes in assets and liabilities:		
(Increase) Decrease in Receivables	14,126	(16,721)
Increase (Decrease) in Creditors	(5,462)	(1,650)
Increase (Decrease) in Other Creditors	4,247	(23,950)
Increase (Decrease) in Provisions	11,592	(12,648)
Increase (Decrease) in Income in Advance	(24,502)	(32,020)
	-----	-----
Cash Flow inflow/(outflow) from Operating Activities	127,601	1,096
	=====	=====
12. CONTINGENCIES		
There are no known contingent assets or liabilities as at 30 th June 2021.		
13. SUBSEQUENT EVENTS		
There were no significant events that require to be disclosed as at 30 th June 2021.		
14. COMMITMENT		
The association has a right to occupy specified offices of 299A Canterbury Road, Canterbury Victoria for a 15 year period commencing in April 2017. The current rent is \$1,000 per month, exclusive of GST.		
15. COMPANY DETAIL		
The registered office of the association is;		
229 Canterbury Road CANTERBURY VIC 3126		



McBAIN
McCARTIN & CO

CHARTERED ACCOUNTANTS
AUDIT & ASSURANCE SERVICES

PO BOX 82 BALWYN
VICTORIA, AUSTRALIA 3103
ABN 26 028 714 960

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE COMPASSIONATE FRIENDS – VICTORIA INC
ABN: 51 374 578 204**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of THE COMPASSIONATE FRIENDS – VICTORIA INC, which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the responsible person's declaration.

In our opinion, the accompanying financial report of THE COMPASSIONATE FRIENDS – VICTORIA INC has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)*, including:

- a. giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its financial performance for the year ended; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 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 registered entity in accordance with ACNC Act and 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Liability limited by a scheme approved under Professional Standards Legislation

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Committee's Responsibility for the Financial Report

The committee members of THE COMPASSIONATE FRIENDS – VICTORIA INC are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC Act and for such internal control as the committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

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

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 it 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 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a. 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.
- b. 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 registered entity's internal control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- d. Conclude on the appropriateness of the committees' 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 registered entity'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 registered entity to cease to continue as a going concern.
- e. 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.

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- f. Obtain sufficient appropriate audit evidence regarding the financial information of the registered entity or business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

We communicate with the committee 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.

Robin McLaren & Co.

McBain McCartin & Co



Simon Aukstin
Partner

SIGNED this 26th day of August 2021

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