**THE COMPASSIONATE FRIENDS – VICTORIA INC**

**ABN: 51 374 578 204**

**AUDITED FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED**
**30th JUNE 2022**

**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 2022.

**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:

Kevin Purvis - President
Lisa Gelbert - Vice President
Vincent Wai – Treasurer
Theresa Yeo – Minutes Secretary
Jo Knoll
Harriet Clegg
Amanda Bond – appointed 26th May 2022

**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 deficit for the 2022 financial year amounted to $15,789 (2021: $93,736 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).

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**Kevin Purvis**
**President**

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**Vincent Wai**
**Treasurer**

Signed 13 September 2022

THE COMPASSIONATE FRIENDS – VICTORIA INC

ABN: 51 374 578 204

## 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 2022 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.

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**Kevin Purvis - President**

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**Vincent Wai – Treasurer**

Signed 13 September 2022

**THE COMPASSIONATE FRIENDS – VICTORIA INC**

**ABN: 51 374 578 204**

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## YEAR ENDED 30TH JUNE 2022

| | Note | 2022 $ | 2021 $ |
|---|---|---|---|
| Revenues | 2 | 537,528 | 608,227 |
| Employee Benefits and Related Expenses | | (384,198) | (349,995) |
| Depreciation Expense | | (34,645) | (33,864) |
| Centre and Volunteer Expenses | | (87,523) | (74,020) |
| Magazine Expenses | | (21,646) | (18,990) |
| Finance Expenses | | (17,228) | (19,612) |
| Events and Services Expenses | | (8,077) | (18,010) |
| **CURRENT YEAR (DEFICIT) / SURPLUS** | | (15,789) | 93,736 |
| **TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR** | | (15,789) | 93,736 |

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 2022

| | Note | 2022 $ | 2021 $ |
|---|---|---|---|
| **Current Assets** | | | |
| Cash and Cash Equivalents | 4 | 97,500 | 252,567 |
| Accounts Receivables and Other Debtors | | 9,497 | 12,186 |
| Financial Asset | 6 | 157,762 | - |
| TOTAL CURRENT ASSETS | | 264,759 | 264,753 |
| **Non Current Assets** | | | |
| Property, Plant and Equipment | 5 | 858,534 | 884,692 |
| Financial Assets | 6 | 5,000 | 5,000 |
| TOTAL NON CURRENT ASSETS | | 863,534 | 889,692 |
| **TOTAL ASSETS** | | 1,128,293 | 1,154,445 |
| **Current Liabilities** | | | |
| Accounts Payables | | 11,443 | 10,061 |
| Other Creditors | 7 | 16,927 | 15,762 |
| Provisions | 8 | 92,317 | 76,601 |
| Contract Liability | 9 | 28,661 | 29,118 |
| Borrowings | 10 | 32,100 | 35,720 |
| TOTAL CURRENT LIABILITIES | | 181,448 | 167,262 |
| **Non Current Liabilities** | | | |
| Borrowings | 10 | 385,128 | 409,677 |
| TOTAL NON CURRENT LIABILITIES | | 385,128 | 409,677 |
| **TOTAL LIABILITIES** | | 566,576 | 576,939 |
| **NET ASSETS** | | 561,717 | 577,506 |
| **Equity** | | | |
| Retained Surplus | | 561,717 | 577,506 |
| **TOTAL EQUITY** | | 561,717 | 577,506 |

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 2022

| | Retained Surplus $ | Total $ |
|---|---|---|
| Balance 1st July 2020 | 483,770 | 483,770 |
| Surplus attributable to Entity 2021 | 93,736 | 93,736 |
| Balance 30th June 2021 | 577,506 | 577,506 |
| (Deficit) attributable to Entity 2022 | (15,789) | (15,789) |
| Balance 30th June 2022 | 561,717 | 561,717 |

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 2022

| | Note | 2022 $ | 2021 $ |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Government Grant income received – recurrent | | 423,453 | 413,372 |
| Fund raising and other receipts | | 116,302 | 188,280 |
| Interest received | | 5 | 17 |
| Interest paid | | (17,228) | (19,612) |
| Payments to suppliers and employees | | (483,182) | (454,996) |
| **Net Cash from Operating Activities** | 11 | 39,350 | 127,061 |
| **Cash Flow from Investing Activities** | | | |
| Payments for property, plant and equipment | | (8,486) | (4,738) |
| **Net Cash from/(used in) Investing Activities** | | (8,486) | (4,738) |
| **Cash Flow from Financing Activities** | | | |
| (Repayment) of finance loan liability | | (28,169) | (27,030) |
| (Funds provided) / repaid via loan | | (157,762) | - |
| **Net Cash (used in) Financing Activities** | | (185,931) | (27,030) |
| Net (Decrease) /Increase in Cash | | (155,067) | 95,293 |
| Cash at bank (start of year) | | 252,567 | 157,274 |
| Cash at bank (end of year) | 4 | 97,500 | 252,567 |

**NOTES TO THE FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 30th JUNE 2022**

## 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.

### 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.

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost loss, 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 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.

## 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:

## 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.

## 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.

## 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

## 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.

## 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.

## 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.

### q. New and Amended Accounting Policies Adopted by the Entity

There were no new Accounting Standards or Interpretations issued by the Australian Accounting Standards Board (AASB) which were mandatory for the current reporting period that were applicable to the entity.

**THE COMPASSIONATE FRIENDS – VICTORIA INC**

**ABN: 51 374 578 204**

**NOTES TO THE FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 30th JUNE 2022**

| | | 2022 $ | 2021 $ |
|---|---|---|---|
| **2.** | **Revenue** | | |
| | Operating Activities | | |
| | Government Grants - recurrent | 423,453 | 413,372 |
| | Donations | 45,888 | 39,902 |
| | Government assistance (a) | - | 97,960 |
| | Non-Government Grants | 30,073 | 36,607 |
| | Interest | 5 | 17 |
| | Sponsorship fund raising & member fees | 38,109 | 20,369 |
| | | 537,528 | 608,227 |

(a) Significant revenue item:
Government assistance:

| | 2022 | 2021 |
|---|---|---|
| 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 |

| | | 2022 $ | 2021 $ |
|---|---|---|---|
| **3.** | **(DEFICIT) / SURPLUS FROM ORDINARY ACTIVITIES** | | |
| | a) (Deficit) / Surplus from Ordinary Activities has been Determined after: | | |
| | Expenses: | | |
| | Depreciation | 34,645 | 33,864 |
| | Auditors Remuneration – Audit | 7,610 | 6,750 |
| | The auditors do not receive any other benefit. | | |
| | Increase (Decrease) in Provision for Annual Leave | 9,453 | 6,722 |
| | Increase (Decrease) in Provision for Long Service Leave | 6,263 | 4,870 |
| **4.** | **CASH** | | |
| | Cash on hand | 300 | 300 |
| | CBA Cheque Account | 53,785 | 158,629 |
| | CBA Building Fund Account | 3,873 | 23,873 |
| | CBA Cash Management | 39,270 | 69,265 |
| | Bendigo Visa Account | 272 | 500 |
| | | 97,500 | 252,567 |

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| **5. PROPERTY PLANT & EQUIPMENT** | | |
| Land and Buildings at Cost | 825,901 | 825,901 |
| Building Renovations at Cost | 55,164 | 55,164 |
| Less: Accumulated Depreciation | (74,471) | (61,956) |
| | 806,594 | 819,109 |
| Database at Cost | 83,870 | 83,870 |
| Less: Accumulated Depreciation | (56,793) | (40,018) |
| | 27,077 | 43,852 |
| Fixtures and Fittings at Cost | 17,800 | 11,993 |
| Less: Accumulated Depreciation | (5,078) | (3,687) |
| | 12,722 | 8,306 |
| Furniture and Equipment at Cost | 38,355 | 35,857 |
| Less: Accumulated Depreciation | (26,214) | (23,114) |
| | 12,141 | 12,743 |
| Library Materials at Cost | 19,597 | 19,415 |
| Less Accumulated Depreciation | (19,597) | (18,733) |
| | - | 682 |
| Total Property, Plant and Equipment | 858,534 | 884,692 |

| | | 2022 $ | 2021 $ |
|---|---|---|---|
| **6.** | **FINANCIAL ASSETS** | | |
| | **Current:** | | |
| | Loan – Unsecured | 157,762 | - |
| | **Non Current:** | | |
| | *Investments held at – Amortised cost* | | |
| | Units in unlisted unit trust | 5,000 | 5,000 |
| | | 162,762 | 5,000 |

The loan is unsecured and at call, to the financier of the facility below at Note 10. The loan is used in an offset capacity with the ultimate financier, the ANZ. This results in a lower finance charge for the association.

| | | 2022 $ | 2021 $ |
|---|---|---|---|
| **7.** | **OTHER CREDITORS** | | |
| | Superannuation | 2,932 | 2,331 |
| | GST Liability | 6,013 | 8,815 |
| | PAYG owed to ATO | 7,982 | 4,616 |
| | | 16,927 | 15,762 |
| **8.** | **PROVISIONS** | | |
| | Provision for Annual Leave | 32,782 | 23,329 |
| | Provision for Long Service Leave | 46,535 | 40,272 |
| | Provision for Sick Leave | 13,000 | 13,000 |
| | | 92,317 | 76,601 |
| **9.** | **CONTRACT LIABILITY** | | |
| | Unexpended Grants and Income | 28,661 | 29,118 |
| | | 28,661 | 29,118 |

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.

| | | 2022 $ | 2021 $ |
|---|---|---|---|
| **10.** | **BORROWINGS** | | |
| | Current: | | |
| | Loan Secured | 32,100 | 35,720 |
| | Non Current: | | |
| | Loan Secured | 385,128 | 409,677 |
| | | 417,228 | 445,397 |

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.

| | 2022 $ | 2021 $ |
|---|---|---|
| **11. OPERATING (DEFICIT) IS RECONCILED TO CASH FROM OPERATIONS AS FOLLOWS:** | | |
| Operating (Deficit)/Surplus | (15,789) | 93,736 |
| Non-cash flows in (Deficit)/Surplus: | | |
| Depreciation | 34,645 | 33,864 |
| Changes in assets and liabilities: | | |
| (Increase) Decrease in Receivables | 2,689 | 14,126 |
| Increase (Decrease) in Creditors | 1,382 | (5,462) |
| Increase (Decrease) in Other Creditors | 1,165 | 4,247 |
| Increase (Decrease) in Provisions | 15,716 | 11,592 |
| Increase (Decrease) in Income in Advance | (457) | (24,502) |
| Cash Flow inflow from Operating Activities | 39,350 | 127,601 |

**12. CONTINGENCIES**
There are no known contingent assets or liabilities as at 30th June 2022.

**13. SUBSEQUENT EVENTS**
There were no significant events that require to be disclosed as at 30th June 2022.

**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 2022, 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 2022 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.

**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.

**McBain McCartin & Co**

**Simon Aukstin**
Partner

SIGNED this 16th day of September 2022

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