

Families ACT (FACT) Incorporated

ABN: 28 269 108 837

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Financial Statements

For the Year Ended 30 June 2021

Families ACT (FACT) Incorporated

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For the Year Ended 30 June 2021

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Families ACT (FACT) Incorporated

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Board's Report

30 June 2021

The Board members submit the financial report of the Association for the financial year ended 30 June 2021.

1. General Information

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

| | |
|---------------------|--------------------------------------|
| Pauline Thorneloe | President |
| Juleen Schiefelbein | Vice President (from 18/8/20) |
| Justine McNamara | Vice-President (resigned 18/8/20) |
| Tom Thornton | Financial Officer |
| Anne Daly | Public Officer |
| Robby McGarvey | Ordinary Member |
| Amelia Ishikawa | Ordinary Member (appointed 18/8/20) |
| Alison Lendon | Ordinary Member (appointed 13/10/20) |
| Liam McNicholas | Ordinary Member (resigned 18/8/20) |

2 Principal Activities

The principal activities of the Association during the financial year were to represent the interests of families and the continuum of services which support families and individuals in the ACT and surrounding region.

3 Significant Changes

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

4 Operating Results and review of operations for the year

The surplus of the Association for the financial year amounted to \$18,795 (2020: \$27,650).

5 Subsequent Events

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

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

Board Member:  Board Member: 

Dated this 10th day of August 2021

Families ACT (FACT) Incorporated

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2021

| | | 2021 | 2020 |
|---|------|-----------|-----------|
| | Note | \$ | \$ |
| Revenue | 3 | 287,380 | 288,251 |
| Employee benefits expense | | (166,057) | (155,578) |
| Depreciation and amortisation expense | | - | - |
| Management Fee | | (32,716) | (29,705) |
| Projects | | (25,868) | (51,189) |
| PBI Application | | (18,077) | - |
| Other Operating Expenses | | (25,867) | (24,129) |
| | | | |
| Total comprehensive income for the year | | 18,795 | 27,650 |

Families ACT (FACT) Incorporated

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Statement of Financial Position

At 30 June 2021

| | | 2021 | 2020 |
|----------------------------------|------|----------------|----------------|
| | Note | \$ | \$ |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 5 | 269,940 | 242,416 |
| Trade and other receivables | 6 | 5,250 | - |
| Other assets | 8 | - | - |
| TOTAL CURRENT ASSETS | | 275,190 | 241,475 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 7 | 412 | 412 |
| TOTAL NON-CURRENT ASSETS | | 412 | 412 |
| TOTAL ASSETS | | 275,602 | 242,827 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 9 | 6,675 | 1,679 |
| Employee benefits | 10 | 79,384 | 70,400 |
| Other financial liabilities | 11 | 1,182 | 1,182 |
| TOTAL CURRENT LIABILITIES | | 87,241 | 73,261 |
| NON CURRENT LIABILITIES | | | |
| TOTAL LIABILITIES | | 87,241 | 67,754 |
| NET ASSETS | | 188,361 | 169,566 |
| EQUITY | | | |
| Retained earnings | | 188,361 | 169,566 |
| TOTAL EQUITY | | 188,361 | 169,566 |

The accompanying notes form part of these financial statements

Families ACT (FACT) Incorporated

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Statement of Changes in Equity For the Year Ended 30 June 2021

| | Retained | Total |
|-------------------------|----------------|----------------|
| | Earnings | |
| | \$ | \$ |
| Balance at 1 July 2020 | 169,566 | 169,566 |
| Surplus for the year | 18,795 | 27,781 |
| Balance at 30 June 2021 | <u>188,361</u> | <u>197,347</u> |
| Balance at 1 July 2019 | 141,916 | 141,916 |
| Surplus for the year | 27,650 | 27,650 |
| Balance at 30 June 2020 | <u>169,566</u> | <u>169,566</u> |
| Balance at 1 July 2018 | 129,422 | 129,422 |
| Surplus for the year | 12,495 | 12,495 |
| Balance at 30 June 2019 | <u>141,916</u> | <u>141,916</u> |

Statement of Cash Flows For the Year Ended 30 June 2021

| | 2021 | 2020 |
|--|----------------|----------------|
| Note | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Cash receipts from government and others | 286,690 | 286,157 |
| Payments to suppliers and employees | (259,879) | (255,093) |
| Interest received | 713 | 2,094 |
| Net cash provided by/(used in) operating activities | <u>27,524</u> | <u>33,158</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of Assets | - | (412) |
| Net cash provided by/(used in) investing activities | <u>-</u> | <u>(412)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net increase/(decrease) in cash and cash equivalents | 27,524 | 32,746 |
| Cash and cash equivalents at beginning of year | 242,416 | 209,670 |
| Cash and cash equivalents at end of financial year | <u>269,940</u> | <u>242,416</u> |

Families ACT (FACT) Incorporated

ABN: 28 269 108 837

The accompanying notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 30 June 2020

The financial statements cover Families ACT (FACT) Incorporated as an individual entity. Families ACT (FACT) Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* ('the Act').

The functional and presentation currency of Families ACT (FACT) Incorporated is Australian dollars. Comparatives are consistent with prior years, unless otherwise stated.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Regime and the Act.

1. Summary of Significant Accounting Policies

a) Income Tax

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

b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Families ACT (FACT) Incorporated receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

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

Families ACT (FACT) Incorporated

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Notes to the Financial Statements for the Year Ended 30 June 2021

1. Summary of Significant Accounting Policies

(c) Revenue and other income

Interest revenue

Interest is recognised using the effective interest method.

Other income

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

(d) 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 payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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.

(e) Property, Plant and Equipment

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

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

Plant and equipment are measured using the cost model.

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

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

| Fixed asset class | Depreciation rate |
|--------------------|-------------------|
| Computer Equipment | 40% |

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.

Families ACT (FACT) Incorporated

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Notes to the Financial Statements for the Year Ended 30 June 2021

1. Summary of Significant Accounting Policies

(f) Cash and Cash Equivalents

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

(g) Employee benefits

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

(h) Employee benefits

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

2 Critical Accounting Estimates and Judgements

The directors 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

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.

Families ACT (FACT) Incorporated

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Notes to the Financial Statements for the Year Ended 30 June 2021

3 Revenue and Other Income

Revenue from continuing operations

| | 2021 | 2020 |
|----------------------|----------------|----------------|
| | \$ | \$ |
| Member subscriptions | 12,250 | 5,545 |
| Interest received | 713 | 2,094 |
| Grants | 241,524 | 240,906 |
| Other Income | 32,893 | 39,706 |
| TOTAL REVENUE | 287,380 | 288,251 |

4. Result for the year

Result for year was derived after charge following items

| | | |
|--|----------------|----------------|
| Employee benefits expense | 166,057 | 155,578 |
| Auditing or reviewing financial report | 2,000 | 2,000 |
| Depreciation or amortization | - | - |
| RESULT | 168,057 | 157,578 |

5. Cash and Cash Equivalents

| | | |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | 269,940 | 242,416 |
| | 269,940 | 242,416 |

6. Trade and Other Receivables

| | | |
|--|--------------|----------|
| Current | 5,274 | - |
| Total current trade and other receivables | 5,274 | - |

7. Property, plant and equipment

| | | |
|--|------------|------------|
| Computer equipment at Cost | 2,002 | 2,002 |
| At Cost | (1,590) | (1,590) |
| Total property, plant and equipment | 412 | 412 |

(a) Movement in Carry Amounts

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

| | Computer | Total |
|---------------------------------------|--------------|--------------|
| | \$ | \$ |
| Year ended 30 June 2021 | 412 | 412 |
| Depreciation Expense | - | - |
| Balance at the end of the year | 2,002 | 2,002 |

Families ACT (FACT) Incorporated

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Notes to the Financial Statements for the Year Ended 30 June 2021

| | 2021 | 2020 |
|--|---------------|---------------|
| | \$ | \$ |
| 8. Other Assets | | |
| CURRENT | | |
| Prepayments | - | - |
| Accrued Income | - | - |
| | <u>-</u> | <u>-</u> |
| 9. Trade and Other Payables | | |
| Trade payables | 1,461 | - |
| GST payable | 6,173 | 3,372 |
| Accrued expenses | 2,000 | 2,000 |
| PAYG payable | (2,959) | (3,693) |
| Other Payables | - | - |
| | <u>6,675</u> | <u>1,679</u> |
| 10. Employee Benefits | | |
| Current Liabilities | | |
| Redundancy | 67,254 | 58,314 |
| Annual Leave | 11,369 | 11,369 |
| Long Service Leave | 761 | 717 |
| | <u>79,384</u> | <u>70,400</u> |
| 11. Other Financial Liabilities | | |
| Grants received in advance | 1,182 | 1,182 |
| | <u>1,182</u> | <u>1,182</u> |

12. Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Association is \$154,000 (2020: \$ 142,535). No income was paid or payable, or otherwise made available, to any members of the board or any related party.

13. Contingencies

In the opinion of the Board, the Association did not have any contingencies at 30 June 2021 (30 June 2020: None).

14. Related Parties

The Association's main related parties are as follows:

Key management personnel - refer to Note 12.

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.

Families ACT (FACT) Incorporated

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Notes to the Financial Statements for the Year Ended 30 June 2020

15 Economic Dependence

The Association is largely assisted in its activities by operating grants provided by the Australian Capital Territory Government. At the date of this report, the members of the board had no reason to believe that the Australian Capital Territory Government would not continue to provide support to Families ACT (FACT) Incorporated.

16 Events after the end of the Reporting Period

The financial report was authorised for issue on date of signing by Board.

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.

17 Statutory Information

The principal place of business of the association is: Families ACT (FACT) Incorporated
46 Cliathus Street, O'Connor ACT 2602.

Families ACT (FACT) Incorporated


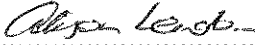
ABN: 28 269 108 837

Statement by the Board

In the opinion of the board the financial report as set out on pages 2 to 13:

1. Present fairly the financial position of Families ACT (FACT) Incorporated as at 30 June 2021 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Families ACT (FACT) Incorporated will be able to pay its debts as and when they fall due.

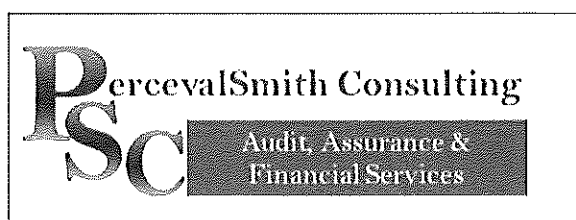
This statement is made in accordance with a resolution of the board and is signed for and on behalf of the board by:

Board Member:  Board Member: 
Name: THOMAS THORNTON Name: ALISON LENDON

Dated this 10th day of August 2021

Families ACT (FACT) Incorporated

ABN: 28 269 108 837



INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE FAMILIES ACT (FACT) INCORPORATED

I have audited the financial report of Families ACT (FACT) Incorporated (the Association), which comprises the statement of financial position as at 30 June 2021, the statement of profit and 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 managements' assertion statement.

In my opinion, the financial report of Families ACT (FACT) presents fairly, in all material respects, including:

gives a true and fair view of the Association's financial position as at 30 June 2021 and of its performance for the year ended on that date;
is in accordance with the provisions of the *Associations Incorporation Act 1991*; and
is complying with Australian Accounting Standards - Reduced Disclosure Regime.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APS 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and those charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Act 1991* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intends 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.

David Perceval, Fellow Chartered Accountant ABN 30784502154
e percevalsmith@homemail.com.au p 0402 215 484

Families ACT (FACT) Incorporated

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Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am 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 my opinion. My 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.

I have communicated 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 were identified during the audit.



David Perceval, Fellow Chartered Accountant
Institute of Chartered Accountants Australia #45109

7th September 2021
Canberra ACT