Eastern Domestic Violence Service Inc

ABN: 22282344167

Financial Statements

For the Year Ended 30 June 2020

Eastern Domestic Violence Service Inc

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Contents

For the Year Ended 30 June 2020

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Directors' Report
30 June 2020

The directors present their report for Eastern Domestic Violence Service Inc (EDVOS) for the financial year ended 30 June 2020.

EDVOS is incorporated under the *Associations Incorporation Reform Act 2012 (Vic)* and registered with the *Australian Charities and Not-for-Profits Commission* (ACNC).

Directors

The names of each person who has been a Director during the year, and to the date of this report are:

Names	Position	Appointed/Resigned
Sandie de Wolf AM	Chair	(Appointed 31 October 2019)
Margaret Hodge	Deputy Chair	
Anthony Pititto	Treasurer	(Appointed 12 November 2019)
Fay Daniel		
Lilia Szarski		
Sue Campion		
Sonia Sharp		(Appointed 12 November 2019)
Denise McLaughlin		(Appointed 12 November 2019)
Prue Monument		(Appointed 6 December 2019)
Kelly Shay		(Appointed 2 September 2020)
Chloe Symes		(Appointed 2 September 2020)
Gary Trytell		(Appointed 2 September 2020)
Steve Schink		(Resigned 8 October 2019)
Mary Andrews		(Resigned 9 October 2019)
Jenny Jackson		(Resigned 11 October 2019)

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

Principal activities and significant changes in nature of activities

EDVOS is a leading specialist family violence service in Victoria. Our work is focused across seven Local Government Areas including; Boroondara, Manningham, Whitehorse, Monash, Knox, Maroondah and Yarra Ranges. Some of our training, education and primary prevention programs are national.

The principal activities undertaken during the year were:

- Providing a broad range of integrated services to support women, children and their pets who are responding to family violence.
- Prioritising the safety of women and children as a fundamental human right, while working to ensure perpetrators are held accountable for using violence.
- Supporting women to make informed choices through programs and services that are individual, sensitive and evidence-based.
- Providing support, information, case management, safety planning, community education, programs for pet safety and a strong network of referral pathways to other services.

Directors' Report

30 June 2020

Principal activities and significant changes in nature of activities

There were no significant changes in the nature of Eastern Domestic Violence Service Inc's principal activities during the financial year.

Review of operations

The net surplus for the financial year ended 30 June 2020 was $ 290,488 (2019: $256,418). Funding is principally received from the Victorian Department of Health and Human Services, and utilised to fund operations. An extension of the funding agreement to 30 June 2024 has been agreed.

Short term and Long term objectives

EDVOS's Vision is for a community free from violence, where everyone feels safe.

Our Mission is to take a collaborative and evidence-based approach in supporting those experiencing family violence whilst also working to prevent family violence before it occurs.

EDVOS's Key Strategic Priorities are:

1. Person Centred Practice - embedding and evaluating Person-Centred Practice for women and children at EDVOS.

2. Accessibility for All - increasing EDVOS service responses for priority groups.

3. Efficiency, Effectiveness & Sustainability - deliver more efficient and effective services and programs at EDVOS.

4. Workforce Capability and Wellbeing - implementing a comprehensive Workforce Capacity and Wellbeing Plan, resulting in an effective and vibrant workforce, which meets the needs of EDVOS service users.

5. Services across the Continuum from Primary Prevention to Recovery - increasing and expanding EDVOS services; ranging from primary prevention of violence against women and children, through to recovery from family violence.

New Accounting Standards

Three new Accounting Standards have been implemented in the current reporting period.

AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* have been applied using the cumulative effective method, that is, by recognising the cumulative effect of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be reported under AASB 118 *Revenue* and AASB 1004 *Contributions*.

There have been no material adjustments to give effect to these standards in the current financial year.

AASB 16 Leases has been applied as at 30 June 2020 resulting in the recognition of a Right-of-Use Asset and a Lease Liability in the Statement of Financial Position.

Key performance measures

EDVOS assesses its performance through the use of both quantitative and qualitative measures, including data on service outputs and outcomes; performance against annual income and expenditure and cash flow budgets. These are used by Directors to assess service performance, financial sustainability and whether EDVOS's short-term and long-term objectives are being achieved.

Directors' Report

30 June 2020

Reporting entity

The Directors have assessed that EDVOS is not a reporting entity and as such special purpose financial statements have been prepared for the year ended 30 June 2020.

Events after the reporting date

The COVID-19 pandemic has created unprecedented uncertainty of the economic environment. Actual economic events and conditions in future may be materially different from those estimated by the Association at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the Association. At the date of the financial statements an estimate of the future effects of the COVID-19 pandemic on the Association cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

On 11 October 2020, the Association was advised by the Department of Health and Human Services (DHHS), that the service agreement between EDVOS and DHHS has been extended to June 2024.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Information on directors

Sandie de Wolf AM	**Chair**
Qualifications	BA (hons), Dip Soc Stud, Master in Human Service Management and FAICD
Experience	CEO at Berry Street for twenty-six years overseeing significant growth in reach, impact and reputation. Held position of Interim CEO at DVVIc (December 2018-June 2019), the Deputy Chair of the Victorian Children's Council (since 2007), the Chair of the Western Integrated Family Violence Committee, as a member of the boards of Family Planning Victoria and Kilfinan, and the Suitability and DET Safety and Well-being Panels.
Responsibilities	Chair of the Governance Committee
Margaret Hodge	**Deputy Chair**
Qualifications	Associate Diploma of Welfare Studies - Chisholm Institute of Technology; Masters of Counselling and Human Services - LaTrobe University; Graduate Certificate in Social Science (Male Family Violence) Men's Behaviour Change Group Facilitation Bridging Program - Swinburne University; Specialist Course in Couples Therapy - Relationships Australia; Graduate Diploma of Psychological Studies - Deakin University; Two year Advanced Family Therapy - Family Solutions Centre; Bachelor of Arts (Social Sciences) - Monash University
Experience	Clinical Family Therapist (AAFT), Counsellor, Supervisor and Trainer. Currently in private practice and has a diverse role in the provision of training, supervision and practice predominantly in the area of Family Violence.
Responsibilities	Member of the Governance Committee
Anthony Pititto	**Treasurer**
Qualifications	Bachelor of Commerce; Fellow, Chartered Accountants Australia and New Zealand
Experience	Senior partner with Grant Thornton where he is responsible for the provision of audit and assurance services.
Responsibilities	Chair of the Finance and Audit Committee

Directors' Report
30 June 2020

Information on directors

Fay Daniel	**Director**
Qualifications	BA (Legal Studies & Psychology), Advanced Diploma in Police Administration, Diploma of Business (Governance), Cert IV Community Services Work, Cert IV Training & Assessment.
Experience	Over forty years with the Victoria Police force including position of Police Family Violence Advisor, Manager Family Violence Unit and trainer. After retiring from the Police force she worked with Swinburne University as a trainer.
Responsibilities	Member of the Quality and Risk Committee
Lilia Szarski	**Director**
Qualifications	M.ED Psych, Grad Dip Psych, BA.
Experience	Lilia has held several senior managerial roles in family court counselling and mediation services, with the most recent role as Clinical Supervision and trainer with Relationships Australia (Vic) and in Private Practice.
Responsibilities	Member of the Finance and Audit Committee
Sue Campion	**Director**
Qualifications	Diploma of Management, Bachelor of Laws (Postgraduate) Diploma in Community Services (Community Development), Diploma of Education, Bachelor of Social Work
Experience	Sue is a Lawyer, specialising in Criminal, Family and Family Violence Law, developed the National Standards for Family Violence and managed a number of Family Violence Services including Aboriginal Family Violence Programs.
Responsibilities	Member of the Finance and Audit Committee
Sonia Sharp	**Director**
Qualifications	Honorary Senior Fellow, Department of Education, University of Melbourne; Doctor of Philosophy (Educational Psychology), University of Sheffield UK; Master of Science (Education Psychology), University of Sheffield UK; Postgraduate Certificate in Education, University of Aston Birmingham UK and Bachelor of Science (Honours), Human Communication and Linguistics, University of Aston Birmingham UK
Experience	Sonia has over thirty years of public service experience including as a senior executive in regional and state government. Sonia’s background in teaching, child psychology and research informed her contribution to significant reform to integrate services for vulnerable children, young people and their families. Sonia has been recognised internationally for her pioneering work on prevention practices in the UK which saw the introduction of joint screening teams for family violence reports between police and child protection
Responsibilities	Member of the Governance Committee
Denise McLaughlin	**Director**
Qualifications	Bachelor of Arts, Primary Teacher's Certificate and Special Teacher's Certificate, Public Service Medal (2018)
Experience	Denise is an experienced leader and operational manager. Prior to leaving the Department of Health and Human Service in 2018 Denise was the Director Child Protection in the North Division. She has held other executive level roles including management positions in disability services, youth justice, and local government, in addition to a 20 year career in teaching and program management with the Department of Education and Training. Denise was awarded the Public Service Medal in 2018 for outstanding public service to the delivery of child protection services in Victoria.
Responsibilities	Member of the Quality and Risk Committee

Directors' Report

30 June 2020

Information on directors

Prue Monument	**Director**
Qualifications	Executive Master of Public Administration
Experience	Currently the Executive Director of Regulatory Operations at the Tertiary Education Quality and Standards Agency. Prior to that Prue was Director of Compliance at the Australian Charities and Not-for-profits Commission (ACNC). Prue’s earlier career was with the Australian Border Force and the Department of Immigration and Border Protection in Australia, Shanghai and Beirut with a focus on program integrity, compliance and fraud prevention.
Responsibilities	Chair of the Quality and Risk Committee
Kelly Shay	**Director**
Qualifications	Graduate Certificate of Business Administration
Experience	Kelly spent the first 20 years of her working life in union leadership organising workers in the aged care, early childhood education and care and disability sectors in Australia and North America. In 2016 Kelly pivoted into financial services joining Australian Super responsible for business development and stakeholder engagement. Most recently, Kelly joined ME Bank as the Network Acquisition Partnership Manager.
Responsibilities	Member of the Finance and Audit Committee
Chloe Symes	**Co-opted Board Member**
Qualifications	Bachelor Business, Masters of Applied Positive Psychology
Experience	Chloe is a senior leader at KPMG supporting clients across the health, ageing and human services sector. Chloe has a deep commitment to mental wellbeing and regularly incorporates mindful and positive psychology based strategies to client challenges.
Responsibilities	Board Steering Committees for strategic plan development and victim survivor empowerment framework
Gary Trytell	**Co-opted Board Member**
Qualifications	Bachelor Science (Computer Science)
Experience	Gary is an IT Executive with over thirty-five years’ corporate experience. Following a thirty year career with IBM, Gary moved to Epworth Healthcare as Deputy Chief Information Officer and has recently been appointed to a senior role with Microsoft.
Responsibilities	Member of the Quality and Risk Committee
Steve Schink	
Qualifications	Bachelor Business
Experience	Steve spent seventeen years as a Director at the Department of Treasury and Finance, working on whole of Government financial, services and procurement reforms.
Mary Andrews	
Qualifications	Masters International Law Program, Combined degree of a Bachelor of Laws and Legal Practice and Bachelor of International Studies
Experience	Mary has experience in law, government and public affairs in Australia and Asia. Working for large, multinational financial services, pharmaceutical and e-commerce companies, in the not for profit sector, and as a political adviser, Mary has a diverse skillset.

Directors' Report

30 June 2020

Information on directors

Jenny Jackson

Qualifications	General Nursing Certificate, Coronary Care Certificate, Bachelor of Educational Studies, Graduate Diploma of Business (Health Services Management), Cert IV Business (Governance)
Experience	Jenny is a senior executive with extensive business, health, community development and community services knowledge and expertise across a range of public and not-for-profit sectors at a CEO level.

Meetings of directors

During the financial year, twelve meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Sandie de Wolf AM	9	9
Margaret Hodge	12	9
Anthony Pititto	6	5
Fay Daniel	12	11
Lilia Szarski	12	7
Sue Campion	12	10
Sonia Sharp	8	6
Denise McLaughlin	8	8
Prue Monument	6	5
Steve Schink	3	3
Mary Andrews	3	3
Jenny Jackson	3	2

Wind-up provisions

EDVOS was incorporated under the *Associations Incorporation Reform Act 2012* and registered with the *Australian Charities and Not-for-Profits Commission* (ACNC). Should EDVOS be wound up, the constitution states that any remaining assets are to be transferred to one or more charities with similar purposes to EDVOS and expressly prohibits payments or distribution to members.

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 8 of the financial report.

Eastern Domestic Violence Service Inc

ABN: 22282344167

Directors' Report

30 June 2020

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

Chair: ....

Sandie de Wolf AM

Dated this 11th day of November 2020

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF *THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012*
TO THE DIRECTORS OF EASTERN DOMESTIC VIOLENCE SERVICE INC.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Moore Australia
MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

RYAN LEEMON
Partner
Audit and Assurance

Melbourne, Victoria

11 November 2020

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
Revenue	5	**12,521,772**	13,726,352
Interest income	5	**45,894**	61,567
Employee benefits expense		**(8,647,451)**	(8,289,649)
Depreciation and amortisation expense		**(248,060)**	(277,598)
Administration expenses		**(570,981)**	(1,132,732)
Program expenses		**(2,560,789)**	(3,461,455)
Rental expense		**(226,996)**	(370,067)
Lease interest expense		**(22,901)**	-
Surplus before income tax		**290,488**	256,418
Income tax expense		**-**	-
Surplus for the year		**290,488**	256,418

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Statement of Financial Position

As At 30 June 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**3,908,319**	3,669,897
Trade and other receivables	7	**70,190**	61,250
Other financial assets	8	**42,741**	27,175
Other assets	9	**494,594**	112,817
TOTAL CURRENT ASSETS		**4,515,844**	3,871,139
NON-CURRENT ASSETS			
Property, plant and equipment	10	**196,656**	232,672
Intangible assets	11	**1,492**	3,132
Right-of-use assets	12	**626,957**	-
TOTAL NON-CURRENT ASSETS		**825,105**	235,804
TOTAL ASSETS		**5,340,949**	4,106,943
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	**1,076,003**	928,915
Lease liabilities	12	**140,357**	-
Short-term provisions	14	**759,133**	876,672
Deferred income	15	**1,094,646**	946,986
TOTAL CURRENT LIABILITIES		**3,070,139**	2,752,573
NON-CURRENT LIABILITIES			
Lease liabilities	12	**508,041**	-
Long-term provisions	14	**117,911**	-
TOTAL NON-CURRENT LIABILITIES		**625,952**	-
TOTAL LIABILITIES		**3,696,091**	2,752,573
NET ASSETS		**1,644,858**	1,354,370
EQUITY			
Retained surplus		**1,644,858**	1,354,370
TOTAL EQUITY		**1,644,858**	1,354,370

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Note	Retained Surplus $	Total $
Balance at 1 July 2019		**1,354,370**	**1,354,370**
Surplus for year		**290,488**	**290,488**
Balance at 30 June 2020		**1,644,858**	**1,644,858**

2019

	Note	Retained Earnings $	Total $
Balance at 1 July 2018		1,097,952	1,097,952
Surplus for year		256,418	256,418
Balance at 30 June 2019		1,354,370	1,354,370

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Eastern Domestic Violence Service Inc

ABN: 22282344167

Statement of Cash Flows

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from government grants and other income		**13,846,805**	13,161,403
Payments to suppliers, employees and others		**(13,426,847)**	(12,870,815)
Interest received		**45,894**	61,567
Lease interest		**(22,901)**	-
Net cash provided by/(used in) operating activities	17	**442,951**	352,155
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for security deposits		**(15,566)**	-
Payments for property, plant & equipment		**(69,659)**	(81,992)
Proceeds from sale of assets		**-**	24,318
Net cash provided by/(used in) investing activities		**(85,225)**	(57,674)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Lease payments		**(119,304)**	-
Net cash provided by/(used in) financing activities		**(119,304)**	-
Net increase/(decrease) in cash and cash equivalents held		**238,422**	294,481
Cash and cash equivalents at beginning of year		**3,669,897**	3,375,416
Cash and cash equivalents at end of financial year	6	**3,908,319**	3,669,897

The Association has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Association has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers Eastern Domestic Violence Service Inc as an individual entity. Eastern Domestic Violence Service Inc is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Eastern Domestic Violence Service Inc is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of the members of the Board the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012.*

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies*, *Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

2 Change in Accounting Policy

(a) Revenue from Contracts with Customers - Adoption of AASB 15 & Income of Not-for-Profit Entities - Adoption of AASB 1058

The Association has adopted AASB 15 *Revenue from Contracts* with Customers and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

(b) Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Association has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of income and expenditure on a straight line basis.

2 Change in Accounting Policy

Leases - Adoption of AASB 16

Impact of adoption of AASB 16

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition, the Association has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Association's incremental borrowing rate at 1 July 2019;
- right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 30 June 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

For comparative year

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.

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

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Grant Revenue

Grant revenue is recognised in the Statement of Financial Performance 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.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Association 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.

Interest Revenue

Interest revenue is recognised using the effective interest method.

Rendering of Services

The recognition of revenue in relation to the rendering of services depends on whether the outcome of the services can be reliably measured. If this is the case, then the stage of completion of the services is used to determine the appropriate level of revenue recognised in the period.

If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Other Revenue

Other revenue is recognised when the entity is entitled to the funds.

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

Service Revenue

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent, relative to the total expected labour hours. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the statement of income and expenditure in the period in which the circumstances that give rise to the revision becomes known by management.

Revenue considered to be variable in nature is only recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Once the uncertainty related to the variable consideration is resolved, this amount is adjusted.

Revenue is recognised when it is probable that the economic benefit will flow to the Association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations

Donations are recognised at the time the pledge is made and right to receipt is established.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Grant funding income is recognised as revenue when the Association satisfies its performance obligations under the relevant grant agreement/contract. For most agreements, performance obligations are satisfied over time, using input methods. The duration of agreements vary depending on the services/obligations to be performed.

Where fees are paid in advance, the amount received is recognised as a liability and recognised as revenue over the duration of the agreed period, based on the input method which most accurately reflect the satisfaction of performance obligations.

Each grant is reviewed and revenue recognition is matched with each performance obligation depending on its profile.

Interest Revenue

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other Revenue

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

(b) Income Tax

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

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

3 Summary of Significant Accounting Policies

(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.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Depreciation rate
Motor Vehicles	5 years
Office Equipment	4 years
Computer Equipment	4-10 years
Leasehold Improvements	Lease term

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.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through the statement of income and expenditure where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through income and expenditure

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

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in the statement of income and expenditure. Gain or loss on derecognition is recognised in the statement of income and expenditure.

Financial assets through income and expenditure

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through income and expenditure.

Net gains or losses, including any interest or dividend income are recognised in the statement of income and expenditure.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or

- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in income and expenditure.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial liabilities

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

The financial liabilities of the Association comprise trade payables and lease liabilities.

(g) Impairment of non-financial assets

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

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

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

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

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in the statement of income and expenditure.

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

(h) Cash and cash equivalents

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

(i) Leases

For comparative year

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

3 Summary of Significant Accounting Policies

(i) Leases

For current year

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

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

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in income and expenditure if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

3 Summary of Significant Accounting Policies

(j) 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.

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 corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in income and expenditure.

From 1 July 2019 the Association has registered for the Victorian Portable Long Service Benefit Scheme (the Scheme). The Scheme enables eligible workers to accumulate paid long service leave entitlements for long service within a sector (including community services), irrespective of their employer. For eligible employees the Association will submit a quarterly return and pay the required levy. On the effective date of the Scheme's commencement, the accumulated entitlements owing to all eligible employees have been frozen. The benefits will remain an obligation of the Association until the employee reaches eligibility under the *Long Service Leave Act (2018) Vic*, then reduce as the entitlement is consumed. From the date of commencement into the Scheme, no further long service leave will be accrued by the Association for eligible employees, as the future entitlements will now be funded through the Scheme.

(k) 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 present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of income and expenditure and other comprehensive income.

(l) Economic dependence

Eastern Domestic Violence Service Inc is dependent on the State Government Department of Health and Human Services (DHHS) for the majority of its revenue used to deliver services. At the date of this report the members of the Board have no reason to believe the DHHS will not continue to support Eastern Domestic Violence Service Inc (refer to Note 19).

(m) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association or refer to Note 2 for details of the changes due to standards adopted.

3 Summary of Significant Accounting Policies

(n) Comparative figures and disclosure

When required by accounting standards or to enhance comparability of disclosures, comparative figures have been adjusted to conform to changes in presentation for the current year.

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - revenue recognition

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgment involving discussions with a number of parties at the Association, reivew of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the Association have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

Key estimates - employee benefits provisions

As described in note 3, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through annual wage case decisions have been considered.

Key judgments - Coronavirus (COVID-19) pandemic

Judgment has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Association based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Association operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Association unfavourably as at the reporting date or subsequently, as a result of the Coronavirus (COVID-19) pandemic.

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

5 Revenue and Other Income

	2020	2019
	$	$
Provision of services		
- grant funding	**12,245,821**	13,392,279
Other income		
- other trading revenue	**200,951**	334,073
- Interest income	**45,894**	61,567
- cash flow boost	**75,000**	-
	321,845	395,640
Total Revenue	**12,567,666**	13,787,919

6 Cash and Cash Equivalents

	2020	2019
Cash at bank and in hand	**3,908,319**	3,669,897

7 Trade and other receivables

	2020	2019
CURRENT		
Trade receivables	**70,190**	61,250

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Other Financial Assets

		2020	2019
CURRENT			
Security deposits	(a)	**42,741**	27,175

(a) Security deposits

Security deposits relate to 3 leased properties occupied by the Association, with $28,441 being paid for a site in July 2019. Deposits are expected to be recovered in full at the end of the lease term upon satisfaction of lease terms, inclusive of any make good as provided for (refer to Note 14).

9 Other Assets

	2020	2019
CURRENT		
Prepayments	**69,499**	39,136
Accrued income	**425,095**	73,681
	494,594	112,817

Notes to the Financial Statements

For the Year Ended 30 June 2020

10 Property, plant and equipment

	2020	2019
	$	$
PLANT AND EQUIPMENT		
Motor vehicles		
At cost	**236,201**	255,299
Accumulated depreciation	**(128,598)**	(103,950)
Total motor vehicles	**107,603**	151,349
Office equipment		
At cost	**67,384**	62,586
Accumulated depreciation	**(53,118)**	(45,940)
Total office equipment	**14,266**	16,646
Computer equipment		
At cost	**267,645**	216,041
Accumulated depreciation	**(194,632)**	(158,502)
Total computer equipment	**73,013**	57,539
Leasehold Improvements		
At cost	**430,802**	426,662
Accumulated amortisation	**(429,028)**	(419,524)
Total leasehold improvements	**1,774**	7,138
Total property, plant and equipment	**196,656**	232,672

11 Intangible Assets

	2020	2019
Intangible assets		
Cost	**6,542**	6,542
Accumulated amortisation and impairment	**(5,050)**	(3,410)
Total Intangibles	**1,492**	3,132

12 Leases

The Association has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

The Association leases land and buildings at three sites across Melbourne which are disclosed in accordance with AASB 16, leases at arm's length commercial terms.

The Association also enjoys the use of one further premises owned by the Director of Housing, a body corporate constituted under the Housing Act 1983, where there are no rental payments required.

Notes to the Financial Statements

For the Year Ended 30 June 2020

12 Leases

The Association has elected to not fair value peppercorn leases in accordance with the *Amendments to Australian Accounting Standards - Right-of-Use Assets for Not-for-Profit Entities*. This election allows the Association a temporary option to measure right-of-use assets at initial recognition for leases that have significantly below market value terms, at cost, in accordance with AASB 16 *Leases* (paragraphs 23-25), which incorporates the amount of the initial measurement of the lease liability.

Association as a lessee

The Association has leases over a range of land and buildings.

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

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The Association leases land and buildings for their offices and other buildings, the leases are generally between 3 - 5 years and none of the leases include a renewal option.

The leases contain fixed annual pricing mechanisms at each anniversary of the lease inception.

Concessionary leases

The Association has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability.

Right-of-use assets

	Buildings	Total
	$	$
Year ended 30 June 2020		
Additions to right-of-use assets	767,702	767,702
Depreciation charge	(140,745)	(140,745)
Balance at end of year	626,957	626,957

Lease liabilities

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

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$	$
2020					
Lease liabilities	140,357	508,041	-	648,398	648,398

Notes to the Financial Statements

For the Year Ended 30 June 2020

13 Trade and Other Payables

	2020	2019
	$	$
CURRENT		
Trade payables	**180,779**	116,959
GST payable	**204,535**	258,914
Salaries and wages payable	**275,865**	142,916
Sundry payables and accrued expenses	**285,036**	284,203
PAYG payable	**127,340**	119,172
Other payables	**2,448**	6,751
	1,076,003	928,915

The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Provisions

CURRENT		
Provision for Annual Leave	**599,326**	483,626
Provision for Long Service Leave	**22,307**	255,546
Provision for Lease Make Good	**137,500**	137,500
	759,133	876,672
NON-CURRENT		
Provision for Long Service Leave	**117,911**	-

Portable Long Service Leave

From 1 July 2019, the Association registered for the Long Service Leave Portability Scheme per the Long Service Benefits Portability Act 2018, as an employer in the community services sector. As such all obligations to qualifying staff are held as at the balances accounted for at 30 June 2019, and adjusted accordingly with obligations relating to the scheme for qualifying employees paid and expensed from 1 July 2019.

15 Deferred Income

CURRENT		
Grant and other funding received in advance	**1,094,646**	946,986

16 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2020 (30 June 2019:None).

Notes to the Financial Statements

For the Year Ended 30 June 2020

17 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	$	$
Profit for the year	**290,488**	256,418
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation of right-of-use asset	**140,745**	-
- depreciation	**107,315**	277,598
- net gain on disposal of property, plant and equipment	**-**	(17,577)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**(8,940)**	(52,441)
- (increase)/decrease in prepayments and other assets	**(381,777)**	-
- increase/(decrease) in trade and other payables	**147,088**	(66,738)
- (increase)/decrease in other liabilities	**147,660**	-
- increase/(decrease) in provisions	**372**	(45,105)
Cashflows from operations	**442,951**	352,155

18 Events after the end of the Reporting Period

The financial report was authorised for issue on 11th November 2020 by those charged with governance.

The outbreak and spread of Coronavirus (COVID-19) has disrupted many businesses, both domestically and globally. As a result of this pandemic, there are further potential accounting, financial reporting and commercial implications that management continue to monitor and consider. Those charged with governance believe the Association remains financially resilient, but notes that the Association qualified for the Cash Flow Boost subsidy (refer to Note 5). Management acknowledge and are cognisant of further potential detrimental impacts and continue to manage these as facts and circumstances are known.

On 11 October 2020, the Association was advised by the Department of Health and Human Services (DHHS), that the service agreement between EDVOS and DHHS has been extended to June 2024.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

19 Statutory Information

The registered office and principal place of business of the association is:

Eastern Domestic Violence Service Inc
Ringwood
Melbourne VIC 3134

Eastern Domestic Violence Service Inc

ABN: 22282344167

Statement by Members of the Board

The members of the Board of the Association declare that;

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable;

- the financial statements give a true and fair view of the financial position at 30 June 2020 and of the performance for the year ended on that date of the Association; and

- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and comply with the Australian Accounting Standards to the extent described in Note 1.

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

Chair Sandie de Wolf ....
Sandie de Wolf AM

Dated: 11th November 2020

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EASTERN DOMESTIC VIOLENCE SERVICE INC.

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Eastern Domestic Violence Service Inc. (the Incorporated Association), which comprises the statement of financial position as at 30 June 2020, the statement of income and expenditure and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the Responsible Persons' declaration.

In our opinion the financial report of Eastern Domestic Violence Service Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (The ACNC Act), including:

a) giving a true and fair view of the Incorporated Association's financial position as at 30 June 2020 and of their performance for the year ended on that date; 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 Incorporated Association in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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 Incorporated Association's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Responsible Persons for the Financial Report

The Responsible Persons of the Incorporated Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The Responsible Persons' responsibility also includes such internal control as the Responsible Persons determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Responsible Persons' are responsible for assessing the ability of the Incorporated Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Responsible Persons either intend to liquidate the Incorporated Association or to cease operations, or has no realistic alternative but to do so.

The Responsible Persons are responsible for overseeing the Incorporated Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material 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.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Moore Australia

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

RYAN LEEMON
Partner
Audit and Assurance

Melbourne, Victoria

11 November 2020