



AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

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AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

BOARD MEMBERS' REPORT

The Board Members of the Australian Council of Social Service Inc present the financial report for the year ended 30 June 2020 and report as follows:

BOARD MEMBERS

The names of the Board Members in office during or since the end of the year are as follows. The Board Members were in office for this entire period unless otherwise stated.

Mr. Tony Reidy – President (resigned June 2020)
Ms. Hang Vo - Deputy President (resigned November 2019)
Mr. Peter McNamara – President from June 2020 (Treasurer until June 2020)
Ms Connie Digolis – Deputy President (from December 2019)
Mr. Matt Gardiner - Treasurer (from June 2020)
Ms. Amanda Bresnan - Board Member (until November 2019)
Ms. Vanessa Fanning - Board Member (until November 2019)
Mr. David Panter - Board Member
Ms. Petra Hilton - Board Member
Mr. Hayden Patterson – Board member (from November 2019)
Ms. Violet Roumeliotis – Board member (from November 2019)
Ms. Mary Sayers – Board member (from November 2019)

PRINCIPAL ACTIVITY

The principal activity of the Association is to provide effective and influential advocacy to reduce poverty and inequality in Australia based on high standards of community consultation, policy development, analysis and research.

There were no significant changes in the nature of the principal activities during the year.

OPERATING RESULT

The net result of the Association for the financial year after providing for income tax was a surplus of \$25,437 (2019: surplus \$2,302). The Association is a not-for-profit entity and is exempt from the payment of income tax.

Signed in accordance with a resolution of the Board:



Mr Peter McNamara
President



Mr Matt Gardiner
Treasurer

28 October 2020

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,485,080	1,599,660
Trade and other receivables	7	761,118	351,711
<i>Total current assets</i>		<u>2,246,198</u>	<u>1,951,371</u>
Non-current assets			
Financial assets	8	-	36,175
Property, plant and equipment	9	48,510	44,398
Intangible assets	10	-	833
<i>Total non-current assets</i>		<u>48,510</u>	<u>81,406</u>
TOTAL ASSETS		<u>2,294,708</u>	<u>2,032,777</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	1,311,102	1,154,749
Employee benefits	12	340,158	273,802
<i>Total current liabilities</i>		<u>1,651,260</u>	<u>1,428,551</u>
Non-current liabilities			
Employee benefits	12	30,187	16,402
<i>Total non-current liabilities</i>		<u>30,187</u>	<u>16,402</u>
TOTAL LIABILITIES		<u>1,681,447</u>	<u>1,444,953</u>
NET ASSETS		<u>613,261</u>	<u>587,824</u>
FUNDS			
Accumulated funds		<u>613,261</u>	<u>587,824</u>
TOTAL FUNDS		<u>613,261</u>	<u>587,824</u>

The accompanying notes form part of these financial statements

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Revenue	4	<u>3,249,415</u>	<u>2,908,921</u>
		<u>3,249,415</u>	<u>2,908,921</u>
Expenses			
Administration and other expenses		(366,369)	(359,565)
Board and executive expenses		(8,989)	(7,350)
Computer expenses		(87,001)	(50,819)
Depreciation expenses	5	(16,605)	(22,311)
Employee benefits expense		(2,340,091)	(2,046,809)
Fair value loss on financial assets	5	(36,176)	-
Loss on disposal of property, plant, and equipment	5	(1,183)	-
Occupancy costs		(120,000)	(120,000)
Resource expenses		(79,550)	(151,380)
Subscription expenses		(15,625)	(16,113)
Telephone costs		(28,115)	(29,864)
Travel and accommodation expenses		<u>(124,274)</u>	<u>(102,408)</u>
		<u>(3,223,978)</u>	<u>(2,906,619)</u>
Surplus before income tax		25,437	2,302
Income tax expense		<u>-</u>	<u>-</u>
Surplus for the year		25,437	2,302
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>25,437</u></u>	<u><u>2,302</u></u>

The accompanying notes form part of these financial statements

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 30 JUNE 2020**

	Accumulated Funds \$	Total \$
Balance at 1 July 2018	585,522	585,522
Comprehensive income		
Surplus for the year	2,302	2,302
Other comprehensive income	-	-
Total comprehensive income for the year	<u>2,302</u>	<u>2,302</u>
Balance at 30 June 2019	<u>587,824</u>	<u>587,824</u>
Balance at 1 July 2019	587,824	587,824
Comprehensive income		
Surplus for the year	25,437	25,437
Other comprehensive income	-	-
Total comprehensive income for the year	<u>25,437</u>	<u>25,437</u>
Balance at 30 June 2020	<u>613,261</u>	<u>613,261</u>

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from customers and government		2,018,061	2,106,024
Payments to suppliers and employees		(3,270,932)	(3,085,728)
Donations		22,377	34,444
Government grants received		1,171,509	1,349,543
Investment income received		(35,711)	63,003
<i>Net cash flows from operating activities</i>		<u>(94,696)</u>	<u>467,286</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		1,183	-
Purchase of property, plant and equipment		(21,067)	(8,972)
<i>Net cash flows from investing activities</i>		<u>(19,884)</u>	<u>(8,972)</u>
Net increase (decrease) in cash and cash equivalents		(114,580)	458,314
Cash and cash equivalents at the beginning of the financial year		<u>1,599,660</u>	<u>1,141,346</u>
Cash and cash equivalents at the end of the financial year	6	<u>1,485,080</u>	<u>1,599,660</u>

The accompanying notes form part of these financial statements

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 1 - Reporting entity**

The financial report includes the financial statements and notes of the Australian Council of Social Service Inc. The Association is registered as a charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements were approved by the Board members on 28 October 2020.

Note 2 - Basis of preparation***Statement of compliance***

The Australian Council of Social Service Inc applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and 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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

Basis of measurement

The financial statements have been prepared under historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the Association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

New and revised standards that are effective for these financial statements

Several new accounting standards and interpretations are mandatory for the 30 June 2020 reporting period. These include:

- AASB 15 *Revenue from Contracts with Customers*
- AASB 16 *Leases*
- AASB 1058 *Income of Not-for-profit Entities*

None of the above accounting standards and interpretations have materially impacted the Association's financial statements.

AASB 16 Leases

AASB 16 removes the current operating and finance lease distinction for lessees and requires entities to recognise all material leases on the statement of financial position. AASB 16 requires the recognition of a right-of-use asset and a corresponding lease liability at the commencement of all leases, except for short-term leases and leases of low value assets. The Association does not have any leases that meet the recognition criteria of the standard.

New standards and interpretations not yet adopted

There are no other new accounting standards and interpretations expected to have any significant impact on the Association's financial report that are issued and not yet applicable.

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Income tax

The Australian Council of Social Service Inc is a not-for-profit exempt institution from income tax under Division 50 of the *Income Tax Assessment Act 1997*. In accordance with the income tax exemption status, no provision for income tax is raised in this financial report.

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 Taxation Office (ATO).

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 gross 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.

Revenue recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Grants

Grant contributions for financial assistance are recognised as revenue when the Association obtains control over the asset comprising the contributions. When the Association does not have control of the contribution or does not have the right to receive the contribution or has not fulfilled grant conditions, the grant contribution is treated as deferred income.

Interest revenue

Interest revenue is measured in accordance with the effective interest method.

Donations and bequests

The timing of the recognition of donations, grants and fundraising depends upon the point in time at which control of these monies is obtained. Control would normally occur upon the earlier of the receipt of the monies or notification that the monies have been secured.

Project income

Project income is recognised in the period that the project occurs.

Membership

Membership is recognised annually. Where income reviewed for periods exceeding the financial year end date, income has been proportioned on a pro rate basis.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Trade receivables***

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment in relation to doubtful receivables is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of receivables.

Financial instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the Association commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transactions 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.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and subsequent measurement***Financial assets***

Financial assets other than those designated and effective as hedging instruments are classified upon initial recognition into the following categories:

- amortised cost
- equity instruments at fair value through other comprehensive income (FVOCI)
- fair value through profit or loss (FVPL)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or finance costs, except for impairment of trade receivables which are disclosed with other expenses.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset
- the business model for managing the financial asset

Financial assets at amortised cost

Financial assets are measured at amortised cost if the asset meets the following conditions (and are not designated as FVPL):

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

Equity instruments at fair value through other comprehensive income

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss unless the dividend clearly represents return of capital.

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.

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 3 - Significant accounting policies (continued)

Financial instruments (continued)

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than to “hold and collect” or “hold to collect and sell” are categorised at fair value through profit or loss. The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Impairment of financial assets

The impairment requirements as applicable under AASB 9 use more forward-looking information to recognise expected credit losses. 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.

The Directors considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk
- financial instruments that have deteriorated significantly in credit quality since initial recognition and the credit risk is not low
- financial assets that have objective evidence of impairment at reporting date

The loss allowance for the first category is measured as “12-month expected credit loss” and for the second category is measured as “lifetime expected credit losses”.

Property, plant and equipment

Recognition and measurement

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Carrying Amount

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

Depreciation

The depreciable amount of all property, plant and equipment, excluding freehold land and capital works in progress, is depreciated on a straight-line basis over the asset’s useful life to the Association commencing from the time the asset is held ready for use.

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

Furniture, fixtures and fittings at cost	20%
Computer equipment at cost	30%

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020**Note 3 - Significant accounting policies (continued)*****Property, plant and equipment (continued)******Depreciation (continued)***

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.

Intangible assets

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of five years.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Trade and other payables

Trade 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, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Income received in advance

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

Employee benefits***Short-term employee benefits***

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
Note 4 - Revenue		
Operating revenue		
Grants funding	927,875	919,691
Government support - COVID-19	161,500	-
Project income	1,030,317	842,951
Sponsorship fees	440,000	435,300
Membership fees	447,430	411,912
Other operating revenue	179,781	206,541
	<u>3,186,903</u>	<u>2,816,395</u>
Other revenue		
Donations	13,929	12,216
Investment income	40,135	58,082
Other income	8,448	22,228
	<u>62,512</u>	<u>92,526</u>
<i>Total revenue</i>	<u><u>3,249,415</u></u>	<u><u>2,908,921</u></u>
Note 5 - Expenses		
Depreciation and amortisation expenses		
Furniture and computer equipment	15,772	16,162
Software	833	6,149
<i>Total depreciation and amortisation expenses</i>	<u>16,605</u>	<u>22,311</u>
Net loss on disposal of property, plant and equipment	1,183	-
Net fair value loss on financial assets	36,176	-
Note 6 - Cash and cash equivalents		
Cash at bank and on hand	647,063	597,910
Term deposits	838,017	1,001,750
<i>Total cash and cash equivalents</i>	<u>1,485,080</u>	<u>1,599,660</u>
Note 7 - Trade and other receivables		
<u>Current</u>		
Trade receivables	644,136	278,962
Accrued income	82,743	6,897
Other receivables	17,181	8,340
Prepayments	17,058	57,512
<i>Total current trade and other receivables</i>	<u>761,118</u>	<u>351,711</u>
Note 8 - Financial assets		
<u>Non-current</u>		
Available-for-sale financial assets		
Shares	-	36,175
<i>Total non-current financial assets</i>	<u>-</u>	<u>36,175</u>
Movements in carrying amount		
Opening net carrying amount	36,175	36,175
Fair value loss	(36,175)	-
Closing net carrying amount	<u>-</u>	<u>36,175</u>

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

Note 9 - Property, plant and equipment

	Computer Equipment \$	Furniture and Fixtures \$	Total \$
At 30 June 2019			
Cost	89,865	32,735	122,600
Accumulated depreciation	(59,269)	(18,933)	(78,202)
<i>Net carrying amount</i>	<u>30,596</u>	<u>13,802</u>	<u>44,398</u>
Movements in carrying amounts			
Opening net carrying amount	30,596	13,802	44,398
Additions	21,067	-	21,067
Disposals	(1,183)	-	(1,183)
Depreciation charge for the year	(12,244)	(3,528)	(15,772)
Closing net carrying amount	<u>38,236</u>	<u>10,274</u>	<u>48,510</u>
At 30 June 2020			
Cost	109,749	32,735	142,484
Accumulated depreciation	(71,513)	(22,461)	(93,974)
<i>Net carrying amount</i>	<u>38,236</u>	<u>10,274</u>	<u>48,510</u>

**2020
\$**

**2019
\$**

Note 10 - Intangible assets

Software

Cost	39,138	39,138
Accumulated amortisation	(39,138)	(38,305)
<i>Total intangible assets</i>	<u>-</u>	<u>833</u>

Movements in carrying amounts

Opening net carrying amount	833	6,982
Amortisation charge for the year	(833)	(6,149)
Closing net carrying amount	<u>-</u>	<u>833</u>

Note 11 - Trade and other payables

Current

Trade payables	70,020	66,082
Income in advance	1,074,306	950,672
Other payables	166,776	137,995
<i>Total current trade and other payables</i>	<u>1,311,102</u>	<u>1,154,749</u>

Note 12 - Employee benefits

Current

Annual leave	167,369	129,811
Long service leave	172,789	143,991
<i>Total current employee benefits</i>	<u>340,158</u>	<u>273,802</u>

Non-current

Long service leave	30,187	16,402
<i>Total non-current employee benefits</i>	<u>30,187</u>	<u>16,402</u>

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020	2019
	\$	\$
Note 13 - Charitable fundraising activities		
(a) Fundraising income and expenditure		
Gross proceeds from fundraising		
Donations - General	13,929	34,444
Contributions - Poverty and Inequality Project	212,206	212,202
Contributions - Raise the Rate	545,484	391,982
Contributions - COVID-19 Project	31,469	-
<i>Total proceeds</i>	803,088	638,628
Expenditure on direct services		
Direct fundraising costs	43,405	58,174
<i>Total expenses</i>	43,405	58,174
<i>Surplus from fundraising</i>	759,683	580,454
Funds spent on ACOSS projects	759,683	580,454
<i>Surplus (deficit)</i>	-	-
(b) Key fundraising ratios		
Total cost of fundraising (A)	43,405	58,174
Gross proceeds from fundraising (B)	803,088	638,628
<i>(A) divided by (B)</i>	5%	9%
Net surplus from fundraising (C)	759,683	580,454
Gross proceeds from fundraising (B)	803,088	638,628
<i>(C) divided by (B)</i>	95%	91%
Funds spent on ACOSS projects (A)	759,683	580,454
Gross proceeds from fundraising (B)	803,088	638,628
<i>(A) divided by (B)</i>	95%	91%
(c) Fundraising income activities		
Donations were sought, predominantly for specific projects, as listed.		
(d) Expenditure of funds raised		
All donations were applied to ACOSS project work.		
(e) Board Members' Declaration		
Made in accordance with a resolution of the Board Members under the <i>Charitable Fundraising Act 1991</i> .		
Note 14 - Key management personnel		
Remuneration of key management personnel		
The aggregate amount of compensation paid to key personnel during the year was:	251,152	253,562

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<u>Note 15 - Commitments</u>		
<i>Other commitments</i>		
Funding received from Progress Lab to be released to Australian Progress as follows:		
Within one year	-	47,500
	<u>-</u>	<u>47,500</u>

ACOSS partnership with the Centre for Australian Progress, involves ACOSS receiving funding on behalf of the partnership to fund the Progress labs initiative, and releasing those funds upon agreed milestones. As at 30 June 2020, the funding received by ACOSS for release amounted to \$Nil.

Note 16 - Events occurring after balance date

Subsequent to the end of the financial year there have been considerable economic impacts in Australia and globally arising from the outbreak of the COVID-19 virus, and Government actions to reduce the spread of the virus.

At the date of signing the financial statements the Board Members' are unable to determine what financial effects the outbreak of the virus could have on the Association in the coming financial period.

No financial effects arising from the economic impacts of the virus have been included in the financial statements for the year ended 30 June 2020. The Board Members' acknowledge their responsibility to continuously monitor the situation and evaluate this impact including its ability to pay its debts as and when they become due and payable.

There were no other significant events occurring after balance date.

Note 17 - Association Details

The registered office and principal place of business of the Association is:
Level 3, 219-241 Cleveland Street
Strawberry Hills NSW 2012

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

BOARD MEMBERS' DECLARATION

The Board of the Australian Council of Social Service Inc declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the *Associations Incorporation Act 1991 (ACT)* and the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the Association.
2. In the opinion of the Board Members there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board.



Mr Peter McNamara
President



Mr Matt Gardiner
Treasurer

28 October 2020

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

BOARD MEMBERS' DECLARATION
UNDER THE CHARITABLE FUNDRAISING ACT 1991

In the opinion of the Board Members of the Australian Council of Social Service Inc:

- (i) The financial statements and notes thereto give a true and fair view of all income and expenditure with respect to fundraising appeals conducted by the organisation for the year ended 30 June 2020; and
- (ii) The statement of financial position as at 30 June 2020 gives a true and fair view of the state of affairs of the Association with respect to fundraising appeals conducted by the organisation; and
- (iii) The provisions of the *Charitable Fundraising Act 1991*, the regulations under that Act, and the conditions attached to the authority to fundraise have been complied with by the organisation; and
- (iv) The internal controls exercised by the Association are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

This declaration is made in accordance with a resolution of the Board.



Mr Peter McNamara
President



Mr Matt Gardiner
Treasurer

28 October 2020

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC

Opinion

We have audited the financial report of the Australian Council of Social Service Inc which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Board Members Declaration.

In our opinion, the accompanying financial report of the Australian Council of Social Service is in accordance with the *Associations Incorporation Act 1991 (ACT)* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance for the year then ended, and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and 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 Responsibility for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Associations Incorporation Act 1991 (ACT)* and *Australian Charities and Not-for-profits Commission Act 2012* 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 confirm that the independence declaration required by the *Associations Incorporation Act 1991 (ACT)* and *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Board Members of the Association, would be in the same terms if given to the Board Members as at the time of this auditor's report.

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

Board Members' Responsibility for the Financial Report

The Board Members of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Board Members determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board Members are responsible for assessing the Association'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 Board Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Board Members are responsible for overseeing the Association's financial reporting process.

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC

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 at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

We communicate with the Board Members 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.

Report on Other Legal and Regulatory Requirements

In addition, our audit report has also been prepared for the members of the Association in accordance with section 24(2) of the *Charitable Fundraising Act 1991*. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*. These additional procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *Charitable Fundraising Act 1991* and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year-end financial adjustments for such matters as accruals, prepayments, provisioning and valuations necessary for year-end financial report preparation.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the *Charitable Fundraising Act 1991* has been formed on the above basis.

AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC
ABN 72 757 927 533

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AUSTRALIAN COUNCIL OF SOCIAL SERVICE INC

Auditor's opinion

Pursuant to the requirements of Section 24(2) of the *Charitable Fundraising Act 1991* we report that, in our opinion:

- a) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 30 June 2020; and
- b) the financial report has been properly drawn up, and the associated records have been properly kept for the period 1 July 2019 to 30 June 2020, in accordance with the *Charitable Fundraising Act 1991* and Regulations; and
- c) money received as a result of fundraising appeal activities conducted during the period 1 July 2019 to 30 June 2020 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991* and Regulations; and
- d) at the date of this report there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.



StewartBrown
Chartered Accountants



S.J. Hutcheon
Partner

28 October 2020