

**Tweed Valley Early Childhood Intervention
Service Ltd
t/as Shaping Outcomes
Annual Report
For the year ended 30 June 2020**

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Directors Report

Your directors present this report on the company for the financial period ended 30 June 2020.

Directors

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

Justin Keven Watts (appointed 21/05/2020)	Tracey Ellen McCarthy (5/12/19 - 04/05/2020)
Sue Clarke (appointed 05/12/2019)	Kate Lambert (resigned 05/12/2019)
Elaine Marie Clinnick	Sharon Maree Grennan (resigned 24/03/2020)
Colin Ian Usher	Jan Allison Cronly (resigned 16/09/2019)
Deborah Anne Bee (resigned 15/11/2019)	

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

Principal Activities

The principal activities of the company during the year were:

- Not-for-profit service supporting the development of children with disability and developmental delays and their families.

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

Operating Result

The loss from ordinary activities after providing for income tax amounted to \$149,600 (2019: 34,935)

Events Subsequent to Balance Date

The directors continue to monitor the impacts of Covid 19 on the organisation however as at the date of this report the impacts to the business have been minimal. The directors expect the demand for Shaping Outcomes services to remain strong.

Auditor's Independence Declaration

The auditor's independence declaration has been received for the year ended 30 June 2020 and can be found on page 3 of the Annual Report.

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



.....
Director Colin Ian Usher

Dated ...1.../...10.../2020..

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 60-40
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

TO THE DIRECTORS OF

**Tweed Valley Early Childhood Intervention Service Ltd
t/as Shaping Outcomes**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, in relation to the audit; and
- ii. no contravention of any applicable code of professional conduct in relation to the audit.



Richard Allen, CA
6 October 2020

9 – 11 Prosper Crescent
Burleigh Heads QLD 4220

Allen & Wolfe Auditors

Allen & Wolfe Auditors

Statement of Comprehensive Income
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue from Ordinary Activities			
NDIS		973,768	862,518
Other Grants		187,148	182,056
Donations		35,049	59,212
Government Support Income		48,492	-
Insurance Claims		18,187	-
Other Revenue		32,352	18,520
TOTAL REVENUE FROM ORDINARY ACTIVITIES		1,294,996	1,122,307
Expenses from ordinary activities			
Advertising		835	2,892
Bad Debts Write-off		4,814	-
Bank Fees		314	573
Bookkeeping costs		18,921	32,039
Books & equipment		1,143	1,865
Cleaning		7,732	2,565
Computer & IT Services		10,266	12,365
Consultant fees		20,986	104,886
Depreciation		17,466	12,492
Entertainment		1,772	-
Equipment - Low Cost		2,768	-
FOFMS Service Providers		27,931	24,101
Hire of Equipment		7,828	6,021
Insurance		11,400	19,693
Postage, Printing & Stationery		14,934	12,484
Provision for Leave Entitlements		52,089	49,154
Repairs and Maintenance		21,823	10,843
Security		2,396	184
Service Fees		2,686	-
Other Staff Costs		24,114	13,579
Subscriptions & Memberships		18,807	15,587
Supplies and Consumables		2,104	6,591
Telephone & Internet		11,252	8,616
Travel Expenses		4,260	5,527
Sundry Expense		2,255	560
Superannuation		87,403	67,790
Workers Comp Insurance		14,640	-
Wages and Salaries		1,051,658	746,834
TOTAL EXPENSES FROM ORDINARY ACTIVITIES		1,444,596	1,157,241
PROFIT BEFORE INCOME TAX		(149,600)	(34,935)
Income Tax Expense		-	-
PROFIT FOR THE YEAR		(149,600)	(34,935)
Other comprehensive income after income tax			
TOTAL OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		(149,600)	(34,935)

The accompanying notes form part of this financial report.

Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes
A.C.N. 38 625 799 500

Balance Sheet
As at 30 June 2020

	Note	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents	2	384,504	517,685
Trade and other receivables	3	18,912	128,592
Other current assets	4	11,173	7,417
TOTAL CURRENT ASSETS		<u>414,589</u>	<u>653,694</u>
Non-current Assets			
Property, plant and equipment	5	247,401	232,149
TOTAL NON-CURRENT ASSETS		<u>247,401</u>	<u>232,149</u>
TOTAL ASSETS		<u>661,990</u>	<u>885,842</u>
Current Liabilities			
Trade and other payables	6	18,077	28,564
TOTAL CURRENT LIABILITIES		<u>18,077</u>	<u>28,564</u>
Non-current Liabilities			
Long-term provisions	7	84,892	148,659
TOTAL NON-CURRENT LIABILITIES		<u>84,892</u>	<u>148,659</u>
TOTAL LIABILITIES		<u>102,970</u>	<u>177,222</u>
NET ASSETS		<u>559,021</u>	<u>708,621</u>
EQUITY			
Retained Earnings		559,021	708,621
TOTAL EQUITY		<u>559,021</u>	<u>708,621</u>

The accompanying notes form part of this financial report.

Statement of Changes in Equity
For the year ended 30 June 2020

	Note	Retained Earnings \$	TOTAL EQUITY \$
Balance as at 1 July 2018		743,556	743,556
Profit for the year		<u>(34,935)</u>	<u>(34,935)</u>
Balance as at 30 June 2019		708,621	708,621
Profit for the year		<u>(149,600)</u>	<u>(149,600)</u>
Balance as at 30 June 2020		<u>559,021</u>	<u>559,021</u>

The accompanying notes form part of this financial report.

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Cash Flow Statement
For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Cash flow from operating activities			
Receipts from Members and Clients		1,404,055	992,229
Payments to Suppliers and Employees		(1,505,140)	(973,257)
Interest Received		<u>621</u>	<u>2,025</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	9	<u>(100,464)</u>	<u>20,997</u>
Cash flows from investing activities			
Fixed asset purchases		<u>(32,718)</u>	<u>(517,643)</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES		<u>(32,718)</u>	<u>(517,643)</u>
Cash flows from financing activities			
Proceeds/(repayment) of borrowings		<u>-</u>	<u>(20,955)</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES		<u>-</u>	<u>(20,955)</u>
Net Increase in Cash Held		(133,182)	517,685
Cash at Beginning Of Year		<u>517,685</u>	<u>-</u>
CASH AT END OF YEAR	9	<u>384,503</u>	<u>517,685</u>

The accompanying notes form part of this financial report.

Notes To The Financial Statements

For the year ended 30 June 2020

The financial statements are for Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes as an individual entity. Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes is a public company, limited by guarantee, incorporated and domiciled in Australia.

Note 1 Statement of significant accounting policies

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose reports. These financial statements are therefore a special purpose financial report that has been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

These financial statements have been prepared in accordance with the mandatory Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

Revenue

Grant revenue is recognised in the statement of comprehensive income on receipt. If conditions are attached to the grant which at balance date have not been satisfied, the company recognises the unsatisfied obligation as an expense and as a liability.

Donations and bequests are recognised as revenue when received.

Interest and dividend income are recognised on receipt.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon delivery of the service to the customers.

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

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 losses.

Property plant and equipment that has been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Notes To The Financial Statements

For the year ended 30 June 2020

Note 1 Statement of significant accounting policies (continued)

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure 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 which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate (%)	Depreciation Method
Plant and equipment	10 to 40	Diminishing Value

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Employee Benefits

Provision is made for the company'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities or three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Income Tax

No provision for income tax has been raised as the company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

Provisions

Provisions are recognised when the company 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Comparative Figures

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

Notes To The Financial Statements

For the year ended 30 June 2020

Note 1 Statement of significant accounting policies (continued)

Adoption of New and Revised Accounting Standards

During the current year the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

	Note	2020 \$	2019 \$
Note 2 Cash and Cash Equivalents			
Cash at bank - Access		54,776	10,563
Cast at bank - Fundraising A/c		30,455	21,198
Cash at Bank - Saver 1		237,933	401,576
Cash at bank - Saver 2		61,340	84,348
		<u>384,504</u>	<u>517,685</u>
Note 3 Trade and other receivables			
Trade debtors		18,271	128,052
GST asset		641	541
Total Receivables		<u>18,912</u>	<u>128,592</u>
Note 4 Other Assets			
Current			
Prepayments		11,173	7,417
Total other assets		<u>11,173</u>	<u>7,417</u>
Note 5 Property, Plant and Equipment			
Buildings			
Buildings at cost		351,149	351,149
less accumulated depreciation		(148,355)	(139,576)
Total Buildings		<u>202,794</u>	<u>211,573</u>
Plant and Equipment			
Plant and equipment		199,212	166,494
less accumulated depreciation		(154,606)	(145,918)
Total Plant and Equipment		<u>44,606</u>	<u>20,576</u>
Total Property, Plant and Equipment		<u>247,401</u>	<u>232,149</u>
Note 6 Trade and Other Payables			
Current			
Unsecured Liabilities			
Trade Payables		10,488	16,195
ANZ Credit Card		(3,896)	(2,228)
ATO - Integrated Client Account		(41)	8,655
Income Received in Advance		3,612	-
Superannuation Payable		7,915	5,941
Total Trade and Other Payables		<u>18,077</u>	<u>28,564</u>

Notes To The Financial Statements

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Note 7 Provisions			
Movements during the year			
<u>Long Service Leave</u>			
Opening balance		69,079	-
Additional Provisions		<u>(9,510)</u>	<u>69,079</u>
Balance at end of financial year		59,569	69,079
<u>Annual Leave</u>			
Opening balance		79,579	-
Additional Provisions		<u>(54,256)</u>	<u>79,579</u>
Balance at end of financial year		<u>25,323</u>	<u>79,579</u>
Total Provisions		84,892	148,659
Analysis of Total Provisions			
Current		-	-
Non-current		<u>84,892</u>	<u>148,659</u>
		84,892	148,659
Note 8 Members' Guarantee			
The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the company. At 30 June 2020 the number of members was 3			
Note 9 Cash flow information			
Reconciliation of Cash			
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:			
Cash and cash equivalents	2	<u>384,504</u>	<u>517,685</u>
Cash at the end of the year		<u>384,504</u>	<u>517,685</u>
Reconciliation of cash flows from operations with profit after income tax			
Profit after income tax		(149,600)	(34,935)
<i>Non-cash flows in profit</i>			
Depreciation		17,466	12,492
<i>Changes in assets and liabilities</i>			
(Increase)/decrease in trade and other receivables		109,680	(128,052)
(Increase)/decrease in other assets		(3,757)	(7,417)
(Decrease)/increase in trade and other payables		(10,486)	37,153
(Decrease)/increase in provisions		<u>(63,766)</u>	<u>141,756</u>
Cash Flows from Operations		(100,464)	20,998

Notes To The Financial Statements
For the year ended 30 June 2020

Note	2020 \$	2019 \$
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Note 10 Company Details

The registered office of the company is:

Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes
Florence Street
Tweed Heads NSW 2485

The principal place of business of the company is:

Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes
Florence Street
Tweed Heads NSW 2485

Note 11 Events After the Balance Sheet Date

No events have occurred since balance sheet date which will have a material financial effect.

The financial report was issued on 6 October 2020 by the board of directors.

Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

- 1 The financial statements and notes as set out on pages 5 to 11 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with the Accounting Standards described in Note 1 To the financial statements; and
 - b. give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- 2 There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

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



.....
Director Colin Ian Usher

Dated ..1.../..10../2020

Independent Auditor's Report
To the members of Tweed Valley Early Childhood Intervention Service Ltd
t/as Shaping Outcomes

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes, which comprises the Balance Sheet as at 30 June 2020 and the Statement of Comprehensive Income, Statement of changes in Equity and Cash Flow statement for the year ended on that date, a summary of Significant Accounting Policies, other Explanatory Notes and the Directors' Declaration.

In our opinion, except for the effects of the matters described on the Basis for Qualified Opinion paragraph, the financial report of Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes is in accordance with the Australian Charities and Not-for-profit Commission Act 2012, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date: and
- b. complying with Australian Accounting Standards the Australian Charities and Not-for-Profits Commissions Regulations 2013.

Basis for Opinion

The financial report of the Company for the year ended 30 June 2019 was audited by another auditor who expressed an unmodified opinion on the financial report and therefore we have not expressed an opinion on the financial statements for the period ended 30 June 2020.

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 Company in accordance with the auditor independence of the 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 on the Financial Statement which describes the basis of accounting. The financial report has been prepared to assist Tweed Valley Early Childhood Intervention Service Ltd t/as Shaping Outcomes to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of the 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility 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 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 website at <http://www.auasb.gov.au/Home.aspx>.]



Richard Allen, CA
6 October 2020



Allen & Wolfe Auditors

9 – 11 Prosper Crescent
Burleigh Heads QLD 4220