

ONE COMMUNITY CHURCH INC.

ABN 36 662 538 731

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2020**

ONE COMMUNITY CHURCH INC.
ABN 36 662 538 731

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2020**

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		\$	\$
INCOME			
Operating Income			
Ministry Activities		3,752	57,601
Offering		889,635	997,980
One Community Care		31,453	27,555
Other Income		8,753	31,496
Other Income: COVID Support	7	423,020	0
Property Income		88,135	123,857
Special Purpose Offerings (Missions)		52,658	78,543
Passive Income			
Interest		14,395	18,461
Total Income		1,511,801	1,335,493
EXPENDITURE			
Classification of Expenses by Function			
Administration Expenses		245,037	254,620
Management Remuneration		262,424	267,479
Ministry Activities		184,501	415,052
Giving to Others (Missions)		126,263	112,067
One Community Care Expenses		39,998	66,220
Other Expenses			
COVID Expenses (Rent Forgone and Jobkeeper Topups)	9	85,869	0
Finance Costs		28,247	42,277
Special Events		4,550	13,631
Prop'ty Occupancy & Maintenance		320,759	382,160
Total Expenditure		1,297,648	1,553,506
OPERATING SURPLUS/ DEFICIENCY (-)		214,153	-218,013
NON-OPERATING INCOME/ EXPENSE			
Net Profit on Sale/Disposal of assets	6	0	73,741
TOTAL INCOME / DEFICIENCY (-) FOR THE YEAR	4	214,153	-144,272
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to income or expenditure			
Net gain on revaluation of land and buildings	3	0	1,348,433
Other comprehensive income for the year		0	1,348,433
TOTAL COMPREHENSIVE INCOME / DEFICIENCY (-) FOR THE YEAR		\$214,153	\$1,204,161

The accompanying notes form part of this financial report.

ONE COMMUNITY CHURCH INC.
 ABN 36 662 538 731
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER, 2020

	<u>Note</u>	<u>2020</u> \$	<u>2019</u> \$
CURRENT ASSETS			
Cash and Cash Equivalents - Bank Accounts		58,866	44,874
- Deposits with Properties Corp		873,884	562,576
Other Deposits		650	150
Trade and Other Receivables		61,580	7,445
Other Current Assets		9,928	10,927
Total Current Assets		1,004,908	625,972
NON-CURRENT ASSETS			
Property, Plant and Equipment - Furniture and Equipment, at deemed cost	2	1,127,313	1,124,848
Less Accumulated Depreciation		882,445	844,121
		244,868	280,727
Land and Buildings, at valuation	2	14,320,000	14,320,000
Less Accumulated Depreciation		162,000	0
		14,158,000	14,320,000
Total Non-Current Assets		14,402,868	14,600,727
TOTAL ASSETS		15,407,776	15,226,699
CURRENT LIABILITIES			
Trade and Other Payables		64,763	64,286
Deposits and Income Received in Advance		2,653	10,116
Provision for Employee Benefits		130,606	111,824
		198,022	186,226
Short Term Financial Liabilities			
Chattel Mortgage		0	1,530
Less Chattel Mortgage Charges		0	16
		0	1,514
Loan - Properties Corporation	5	24,981	34,320
		24,981	35,834
Total Current Liabilities		223,003	222,060
NON-CURRENT LIABILITIES			
Long Term Financial Liabilities			
Chattel Mortgage		0	0
Less Chattel Mortgage Charges		0	0
		0	0
Elsie Freeman Trust		500	500
Loans - Properties Corporation	5	452,300	483,319
Loans - Members		0	3,000
Total Non-Current Liabilities		452,800	486,819
TOTAL LIABILITIES		675,803	708,879
NET ASSETS		\$14,731,973	\$14,517,820
MEMBER'S FUNDS AND RESERVES			
Accumulated Funds		6,753,425	6,539,272
Asset Revaluation Reserve	3	7,978,548	7,978,548
TOTAL MEMBER'S FUNDS AND RESERVES		\$14,731,973	\$14,517,820

The accompanying notes form part of this financial report.

ONE COMMUNITY CHURCH INC.

ABN 36 662 538 731

**STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31ST DECEMBER, 2020**

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		\$	\$
Accumulated Funds			
Balance at 1st January, 2020		6,539,272	5,869,976
Transfer of the revaluation of the 190 Surrey Road property sold during year	3	<u>0</u>	<u>813,568</u>
		6,539,272	6,683,544
Add			
Net Profit/ Deficiency (-)	4	214,153	-144,272
Balance at 31st December, 2020		<u>\$6,753,425</u>	<u>\$6,539,272</u>
		=====	=====
Asset Revaluation Reserve			
Balance at 1st January, 2020		7,978,548	7,443,683
Net Increase in value of Land and Buildings	3	<u>0</u>	<u>534,865</u>
Balance at 31st December, 2020		<u>\$7,978,548</u>	<u>\$7,978,548</u>
		=====	=====

The accompanying notes form part of this financial report.

ONE COMMUNITY CHURCH INC.
 ABN 36 662 538 731
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER, 2020

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Total Offerings and Other Giving		942,293	1,076,363
Income from One Community Care		26,453	24,622
Income from Ministry Activities and Church Groups		3,716	65,534
Rental and Donations for use of Property		65,280	126,965
Interest Received		14,395	18,461
Other Income: Special Project Gifts, Special Events, Reimbursement of Expenses, Miscellaneous Income		5,753	55,469
Other Income: COVID Support		385,070	0
Payment to employees, suppliers, and other Outreach and Operating Expenses		-844,932	-1,174,255
Payments related to COVID Expenses	9	-74,266	0
Giving to Mission ventures and the relief of suffering		-128,145	-134,128
GST Collected		8,751	17,375
GST Paid		-33,552	-35,567
GST Refunded		20,629	19,154
Net cash provided by operating activities	4	391,445	59,993
CASH FLOW FROM INVESTING ACTIVITIES			
Net Deposits and Payments for Others		354	-2,490
Disbursement of Funds (Whitehorse Carols)		-2,503	0
Capital expenditure - additions to Buildings and Chattels		-22,108	-21,404
Net capital receipts - Sale of Freehold Property and Chattels		0	905,028
GST Collected		0	93,091
GST Paid		-2,211	-4,712
GST Refunded/-Remitted		2,211	-88,379
Net cash from invested in activities		-24,257	881,134
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of Loans			
Properties Corporation		-40,358	-936,589
Chattel Mortgage			
Chattel Mortgage payments		-1,530	-6,122
Net cash used in financing activities		-41,888	-942,711
Net increase/ (- decrease) in cash held		325,300	-1,584
Cash at the beginning of the year		607,450	609,034
Cash at end of the year		\$932,750	\$607,450
Summary of Cash Holdings -			
Bank Accounts		58,866	44,874
Deposit with Properties Corporation		873,884	562,576
		\$932,750	\$607,450

The accompanying notes form part of this financial report.

ONE COMMUNITY CHURCH INC.

ABN 36 662 538 731

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Framework

The Council of Elders have prepared the financial statements on the basis that the Church is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Church is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the Council of Elders have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012*, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards 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*.

The church has not assessed whether it has relationships with other entities which, for financial reporting purposes, might be considered subsidiaries, associates or joint ventures as it is not required by the *Australian Charities and Not-for-profits Commission Act 2012* to do so. These special purpose financial statements do not comply with all the recognition and measurement requirements in Australian Accounting Standards. The recognition and measurement requirements that have not been complied with are those specified in AASB 119 Employee Benefits. The material accounting policies adopted in the special purpose financial statements are set out in note 1(c) indicate how the recognition and measurement requirements in Australian Accounting Standards have not been complied with.

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The Council of Elders has elected to present the Statement of Profit and Loss and Other Comprehensive Income by function rather than by nature, consistent with the previous year. Accordingly the expenses are generally grouped in ministry areas of responsibility. Such groupings include the expenses associated with the ministry area concerned including, where applicable, staff remuneration, superannuation and leave provisions and the direct operating costs of the ministry.

Internal charges to One Community Care (OCC) for use of staff and facilities have been eliminated from the income and expenses shown in the Statement of Profit and Loss and Other Comprehensive Income.

ONE COMMUNITY CHURCH INC.

ABN 36 662 538 731

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

The financial statements were authorised for issue by the Council of Elders of the church on the same date that the Responsible Entities Declaration was signed.

Reporting Basis and Conventions

The financial report has been prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Property, Furniture and Equipment

Property

Freehold land and buildings are carried at fair value less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the Statement of Profit and Loss and Other Comprehensive Income.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Furniture and Equipment

Furniture and equipment are measured at deemed cost less, where applicable, any accumulated depreciation. The carrying amount of furniture and equipment is reviewed annually by the Council to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, are depreciated on a straight line basis over the useful lives of the assets to the Church commencing from the date of valuation or from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Computer and Associated Equipment	20.0%
Furniture and Equipment	10.0%

The carrying amount of fixed assets is reviewed annually by the Council to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected cash flows which will be received from the assets' employed and subsequent disposal or the depreciated replacement value.

ONE COMMUNITY CHURCH INC.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Profit and Loss and Other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

(b) Impairment of Assets

At each reporting date, the Church assesses whether there is any indication that assets may have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognized in the Statement of Profit and Loss and Other Comprehensive Income, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

(c) Employee Entitlements

Provision has been made for the Church's liability for employees entitlements arising from services rendered by employees to balance date comprising annual leave and long service leave. Long service leave has been accrued after 7 years of service, when employees have a legal entitlement for long service leave.

Long-term employee benefits are benefits that are expected to be settled at least 12 months after the end of the financial reporting period.

The Church does not comply with AASB 119 Employee Benefits because the church does not recognise long service leave from the start of employment, nor does it apply probability and discounting effects on the long service leave values.

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

(d) Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Income Tax

As the Church is a religious non-trading non-profit organization it is not subject to income tax on its income and therefore there are no tax implications relevant to the accounts. It is expected that the Church will continue to meet the definition of a non-profit entity and will therefore be eligible to take advantage of the applicable reporting exemptions.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

ONE COMMUNITY CHURCH INC.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

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 Trade and Other Receivables or Trade and Other Payables in the Statement of Financial Position.

(g) Revenue

Tithes, offerings and other gifts are recognized as revenue when they are received. Other revenue is recognized when the right to receive the revenue has been established. Revenue from the One Community Tax Deductible Fund is recognized in the general fund when the purposes for which the funds are given have been satisfied.

(h) New accounting standards for application in future periods

The Church does not anticipate any change in accounting policy in the future year that will have any material effect on the Church's financial statements.

<u>2020</u>	<u>2019</u>
\$	\$

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

LAND AND BUILDINGS

Freehold Land at 182-188 Surrey Road, Blackburn		
- Independent Valuation at 2019	7,840,000	7,840,000
Buildings at 182-188 Surrey Road, Blackburn		
- Independent Valuation at 2019	6,480,000	6,480,000
Asset Valuation as at 31 st December, 2020	\$14,320,000	\$14,320,000

In accordance with the 3 yearly commitment to revalue Land and Buildings the same professional valuer who prepared the 2016 valuation was engaged, and by applying the same methodology as in the 2016, has effectively updated that valuation to the current time. The 2019 valuation has been adopted in the accounts replacing the previous values. As described in Note 1 to the Accounts the increase in value of the Land and Buildings has been added to the Assets Revaluation Reserve. Refer also to Note 3.

FURNITURE AND EQUIPMENT

Asset at deemed cost at 1 st January, 2020	1,124,848	1,144,746
Additions for Year	<u>20,222</u>	<u>12,657</u>
	1,145,070	1,157,403
Less - Value of chattels disposed during the year	<u>17,757</u>	<u>32,555</u>
Asset at cost at 31 st December, 2020	<u>\$1,127,313</u>	<u>\$1,124,848</u>

The original independent valuation of furniture and equipment was made as at the end of 1999 to establish the current market value of those assets.

ONE COMMUNITY CHURCH INC.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

	<u>2020</u>	<u>2019</u>
	\$	\$
NOTE 3: NET INCREASE IN THE ASSET REVALUATION RESERVE		
<u>Land</u> at 182-188 Surrey Road	<i>Calculations</i>	
Value at 1 st January, 2019	6,930,000	
Revaluation at 31 st December, 2019	<u>7,840,000</u>	
<u>Increase in value</u>	0	910,000
<u>Buildings</u> at 182-188 Surrey Road		
Value at 1 st January, 2019 plus additions for year at cost of \$10,633	6,530,633	
Accumulated Depreciation to 31 st December, 2019	<u>489,066</u>	
Written Down Value at 31 st December, 2019 (before revaluation)	6,041,567	
Revaluation at 31 st December, 2019	<u>6,480,000</u>	
<u>Increase in the value</u>	0	<u>438,433</u>
Net gain on revaluation of land and buildings		\$1,348,433
Less Write back to Accumulated Funds of the revaluation of the 190 Surrey Road property sold during year	0	<u>813,568</u>
<u>Net increase for year in the Asset Revaluation Reserve</u>	0	<u>\$534,865</u>

NOTE 4: CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Operating result for Year.

Operating Surplus (Deficiency)	214,153	(144,272)
Non-cash flows in operating result –		
Depreciation	218,081	222,091
Net Profit from Sale/Disposal of Freehold Property and Chattels	0	(73,741)
Changes in relevant assets and liabilities –		
Decrease in Creditors and Accruals	(3,349)	(26,785)
Decrease in Members Loan	(3,000)	0
Decrease in Deposits and Income Received in Advance	(4,961)	7,393
Increase in Provision for Employee Benefits	18,782	52,327
Decrease in Prepaid Expenses	999	(1,803)
Increase in Sundry Debtors	(49,277)	24,528
Decrease in Chattel Mortgage Charges	16	255
Cash Flow from Operations	<u>\$391,445</u>	<u>\$59,993</u>

ONE COMMUNITY CHURCH INC.

ABN 36 662 538 731

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

	<u>2020</u>	<u>2019</u>
	\$	\$
NOTE 5: LOAN FUNDS		
At 31 st December the following loans from Properties Corporation of the Churches of Christ were in existence -		
(i) Loan No 55 - to fund building alterations for The Next Step building programme in 2015. Balance at 31 st December, 2019 -	0	298,210
(ii) Loan No 09 - to fund the building extensions in 2006/2007 for Building the Vision programme. Balance at 31 st December, 2019 -	0	219,429
(iii) Loan No 98 – consolidation of the above loans. Balance at 31 st December, 2020 -	477,281	0
Total Borrowings	477,281	517,639
These loans are reflected in the Accounts at 31 st December as follows -		
For the principal repayments due in the next 12 months:		
Short Term Financial Liabilities	24,981	34,320
For the principal repayments due after 12 months:		
Long Term Financial Liabilities	452,300	483,319

The above loan is secured over the property at 182 – 188 Surrey Road, Blackburn.

Due to the lump sum repayment of \$887,000 (refer to Note 6) on the principal of Loan No.55 a submission was made to Properties Corporation in December, 2019 for consolidation of the two loans with repayment of principal and interest (on a monthly basis) ending in June, 2033. Written approval was received on 1st April, 2020 with effect from that date.

The terms of the consolidated loan, taking into consideration the agreed offset interest from the deposit with Properties Corporation, will result in the continuance of a monthly repayment of approximately the same amount as previously (as formally applicable to Loan 09).

NOTE 6: NET PROFIT ON SALE / DISPOSAL OF PROPERTY AND CHATTELS

Profit on the sale of property - 190 Surrey Road, Blackburn (see below)	0	74,941
Loss on disposal of chattels	<u>0</u>	<u>-1,200</u>
Net profit on sale / disposal of assets	<u>0</u>	<u>\$73,741</u>

It was resolved by the Council of Elders on the 8th October 2018 that the property at 190 Surrey Road, Blackburn be placed on the market and sold, with the proceeds principally to be used to repay debt. A contract of sale was signed on 21st December 2018 for an amount of \$930,000 but was conditional until the 21st January 2019 on finance being obtained. The property was finally settled on 4th March, 2019.

ONE COMMUNITY CHURCH INC.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

With the value of the property in the Accounts being \$829,178 and the net sale proceeds being \$904,119 (after all costs) a profit was achieved of \$74,941. From the proceeds of the sale an amount of \$887,000 was paid off Loan 55 from Properties Corporation (refer to Note 5).

NOTE 7: COVID SUPPORT IN 2020

With the onset of the COVID-19 Pandemic and in compliance with Government Directives leading into the consequent suspension of Church Services and other ministry activities as well as closure of the Church office, there was a depletion during 2020 in the two major income sources of the Church, namely offerings and property hire. The available Government assistance packages applicable to Churches were pursued and the following support has been brought to account for 2020 –

- (a) Jobkeeper receipts (Federal Government) – relevant to Charities and Not-for-profits if their relevant income fell by more than 15% from the same period in the previous year. The support was based on salaries paid and ensured a base level of salary for each employee. It assisted in the funding of employee salaries. Application was required for this support. \$343,050.
- (b) Cash Boost (Federal Government) – this was automatically provided to all businesses and entities with a turnover of less than \$50m. It was based on the tax paid on employee salaries and effectively waived the employer's obligation to pass this amount to the Australian Tax Office. No application was required for this support. \$59,970.
- (c) Other support packages (State Government) – application was required to receive these small entity benefits. \$20,000.

Total Covid Support (a) to (c) - \$423,020

NOTE 8: INCOME FROM PROPERTY HIRE AND DEFERRED CAFÉ RENT

During the Covid 19 crisis there was little opportunity to hire out the facilities of the Church and income from that source was accordingly greatly diminished.

The major source of income in this regard was the café rent. As the café business was closed to in house dining for a substantial part of the year, in the spirit of the Federal Governments Mandatory Code of Conduct it was agreed with the café owner that as from March 2020 rent would be reduced by 70% until inhouse dining reopened. Two months after this date (March 2021) 50% of the reduction would be payable in 24 monthly instalments. The other 50% of the reduced rent was not recoverable.

ONE COMMUNITY CHURCH INC.

ABN 36 662 538 731

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER, 2020**

NOTE 9: COVID EXPENSES

Jobkeeper Topups:

As a consequence of receiving Jobkeeper support, staff whose salary was less than the stipulated fortnightly Jobkeeper amount were paid the difference as a "topup" salary payment. In 2020 this amounted to -

\$74,266

Foregone café rent:

The irrecoverable café rent as mentioned in Note 8 was -

\$11,603

Total Covid Expenses

\$85,869

NOTE 10: EVENTS SUBSEQUENT TO BALANCE DATE - 31st DECEMBER, 2020

- Jobkeeper continued until 31st March, 2021 with payments relative to the March quarter to be included in the accounts for 2021. This will amount to \$61,500.
- On 4th November 2020, an order amounting to \$45,625.58 was placed for audio/visual equipment to replace and upgrade the existing equipment in order to facilitate the more efficient projection and streaming of auditorium services and events. As the equipment was sourced overseas it was accepted that the delivery of this equipment would be staggered over a period of time. At 31st December, 2020 equipment to the value of \$10,822 was received, installed and paid for. The balance will arrive in 2021 and will be paid for in that year.
- At the initiation of the Council of Elders (COE), the church in late 2020 made enquires with a number of service providers about implementing an Employee Assistance Program (EAP) for staff and their immediate families. The EAP provides well qualified and experienced Counsellors and Psychologists who are able to respond if and when required. In March 2021, the COE signed off on a service agreement with an experienced provider. An allowance was set aside in the 2021 budget to cover the costs involved. The COE are strongly committed to the health and well-being of staff and their immediate families. This commitment will be ongoing. An Allowance of \$2,400 was set aside in the 2021 budget.

ONE COMMUNITY CHURCH INC.
ABN 36 662 538 731

RESPONSIBLE ENTITIES' DECLARATION

The Council of Elders have determined that the Church is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

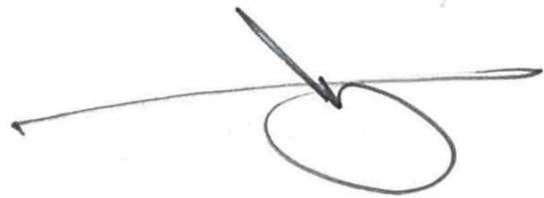
The Council of Elders "the Council" of the Church declare that:

1. The financial report and notes as set out on the preceding pages relevant to the year ending 31st December, 2020, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012; and
2. As the date of this statement, there are reasonable grounds to believe that the One Community Church Inc. will be able to pay its debts as and when they fall due.

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



Andy Steele
Chairman of Elders



Roger Bentley
Administrator

Date 18 May 2021

ONE COMMUNITY CHURCH INC.
ABN 36 662 538 731

TRUE AND FAIR CERTIFICATION

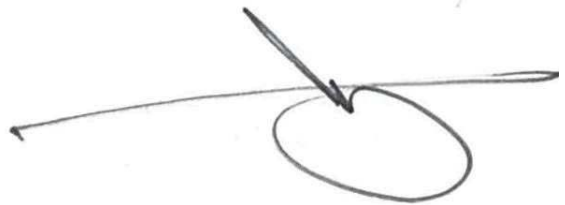
The Council of Elders “the Council” of the Church declare that:

The financial statements and notes, as set out on the preceding pages, give a true and fair view of the financial position of One Community Church Inc as at 31 December 2020 and its performance for the year ended on that date.

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



Andy Steele
Chairman of Elders



Roger Bentley
Administrator

Date 18 May 2021

ONE COMMUNITY CHURCH INC.
ABN 36 662 538 731

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 60.40 OF THE
AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE
COUNCILLORS OF ONE COMMUNITY CHURCH**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, there have been:

- (i) no contravention of the auditor's 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
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Saward Dawson

Saward Dawson

Peter Shields

Peter Shields
Partner

Blackburn, VIC

Dated: 18 May 2021

ONE COMMUNITY CHURCH INC.
ABN 36 662 538 731

INDEPENDENT AUDIT REPORT

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of One Community Church Inc, which comprises the statement of financial position as at 31 December 2020, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion, the accompanying financial report of One Community Church Inc is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (VIC), including:

- (i) giving a true and fair view of the entity's financial position as at 31 December 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (VIC).

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 entity in accordance with the auditor independence requirements 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.

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

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 council of Elders' financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (VIC). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

ONE COMMUNITY CHURCH INC.
ABN 36 662 538 731**INDEPENDENT AUDIT REPORT****Council of Elders' responsibility for the Financial Report**

The council of Elders of One Community Church Inc 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 Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (VIC) and is appropriate to meet the needs of the council. The council of Elders' responsibility also includes such internal control as the council determines 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 council of Elders are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saward Dawson

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Dated: 18 May 2021