

Work Connection Limited

PO Box 160
Cannonvale
Queensland 4802

Profit & Loss Statement

July 2019 To June 2020

ABN: 51 051 778 440

Email: accounts@workconnection.com.au

Income		
WCL Case Based Funding		\$544,643.83
Wage Subsidies & Grants		\$4,950.00
NDIS Funding		
NDIS Com&Social Particip Inc	\$799,140.29	
NDIS Financial Int Income	\$251,024.55	
NDIS Support Coord Income	\$152,818.79	
Total NDIS Funding		\$1,202,983.63
Rent Income		\$4,409.09
Miscellaneous Income		\$7,250.00
Interest		\$654.97
Total Income		\$1,764,891.52
Gross Profit		\$1,764,891.52
Expenses		
Accounting		\$5,113.01
Advertising		\$7,118.55
Audit Fees		\$7,871.71
Bank Charges		\$655.92
Cleaning / Waste Removal		\$3,471.98
Client Support Service		\$9,892.75
Clothing etc Support		\$893.01
Client Support - NDIS		\$3,835.59
Computer Hardware		\$6,453.74
Computer Software		\$88.73
Computer Repairs		\$16,149.29
Conference and Training		\$6,524.48
Consultants		\$9,980.00
Depreciation		\$14,497.76
Donations		\$5.00
Directors Costs		\$45.27
Discounts		
Electricity		\$3,943.64
General Office Expenses		\$1,560.61
Insurance		\$2,912.12
Interest	\$271.90	
Jobstart Subsidy		\$15,871.58
Motor Vehicles		
Motor Vehicle Rep & Mntnce		\$18,040.12
Motor Vehicle Registration		\$6,204.65
Motor Vehicle Insurance		\$4,622.67
Motor Vehicle Fuel		\$16,466.88
Vehicle Tracking	\$1,170.00	
New Equipment	\$5,239.79	
Petty Cash Over/Under	\$58.40	
Postage Charges		\$239.82
Rent		\$44,711.75
Repairs & Maintenance	\$527.98	
Stationery		\$7,222.01
Subs/Memberships/Fees/Licences		\$6,326.15
Telephone		\$14,609.84
Telephone System Lease		\$2,732.40

This report includes Year-End Adjustments and must be read in conjunction with the notes to the accounts.

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Employment Expenses		
Staff Amenities	\$2,065.61	
Staff Incentives	\$3,661.14	
Staff Uniforms	\$222.50	
Superannuation	\$94,337.95	
Wages & Salaries	\$1,024,239.96	
Workers' Compensation	\$5,942.88	
Other Employer Expenses	\$128.90	
Total Expenses		\$1,375,928.04
Operating Profit		\$388,963.48
Other Income		
ATO Stimulus Payment - Cash Flow Boost Non Assessable	\$62,500.00	
Total Other Income		\$62,500.00
Total Other Expenses		\$0.00
Net Profit/(Loss)		\$451,463.48

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Balance Sheet

As of June 2020

ABN: 51 051 778 440

Email: accounts@workconnection.com.au

Assets

Current Assets

Cash On Hand

Bendigo Working A/c	\$10,561.47
Bendigo Savings a/c	\$14.80
Bendigo Holding a/c	\$480.13
NDIS Bendigo Working a/c	\$529,056.43
NDIS Bendigo Savings a/c	\$216,502.30
Petty Cash	\$250.00

Total Cash On Hand \$756,865.13

Total Current Assets \$756,865.13

Other Assets

Deposits Paid \$27,603.95

Total Other Assets \$27,603.95

Fixed Assets

Office Equipment

Office Equipment at Cost \$2,955.69

Total Office Equipment \$2,955.69

Computer Equipment

Computer Equipment Original Co \$12,154.25

Total Computer Equipment \$12,154.25

Motor Vehicles

Vehicles at Cost \$7,681.54

Total Motor Vehicles \$7,681.54

Vehicles at Cost 2012 and 2013 \$18,003.15

Total Fixed Assets \$40,794.63

Total Assets \$825,263.71

Liabilities

Current Liabilities

Trade Creditors

Trade Creditors \$29,465.38

NDIS Reimbursable Expenses \$27,753.83

GST Liabilities

GST Collected \$3.84

GST Paid \$108.60

Total GST Liabilities \$112.44

Payroll Liabilities

PAYG Withholding \$15.63

Superannuation -\$0.01

Provision for Annual Leave & TOIL \$24,233.64

Total Payroll Liabilities \$24,249.26

Total Current Liabilities \$81,580.91

Total Liabilities \$81,580.91

Net Assets \$743,682.80

Equity

Retained Earnings \$292,219.32

Current Year Earnings \$451,463.48

Total Equity \$743,682.80

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Statement of Cash Flow

July 2019 To June 2020

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Cash Flow from Operating Activities	
Net Income	\$451,463.48
Office Equipment at Cost	\$4,519.11
Computer Equipment Original Co	\$4,051.42
Vehicles at Cost	\$1,772.66
Vehicles at Cost 2012 and 2013	\$4,154.57
Trade Creditors	-\$6,227.25
NDIS Reimbursable Expenses	\$27,753.83
GST Collected	-\$16,358.84
GST Paid	\$5,364.85
PAYG Withholding	-\$5,855.28
Provision for Annual Leave & TOIL	\$24,233.64
Provision for Long Service Leave	-\$24,104.74
Macquarie Pacific Funding	-\$4,776.52
Net Cash Flow from Operating Activities	\$465,990.93
Cash Flow from Investing Activities	
Net Cash Flow from Investing Activities	\$0.00
Cash Flow from Financing Activities	
Retained Earnings	\$308,107.64
Historical Balancing	-\$288,137.64
Net Cash Flow from Financing Activities	\$19,970.00
Net Increase/Decrease for the period	\$485,960.93
Cash at the Beginning of the period	\$270,904.20
Cash at the End of the period	\$756,865.13

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Job Profit & Loss Statement

July 2019 To June 2020

ABN: 51 051 778 440

Email: accounts@workconnection.com.au

Account Name	Year To Date
NDIS	NDIS
Income	
Wage Subsidies & Grants	\$2,475.00
NDIS Com&Social Particip Inc	\$799,140.29
NDIS Financial Int Income	\$251,024.55
NDIS Support Coord Income	\$152,818.79
Rent Income	\$1,134.54
Interest	\$386.35
Total Income	\$1,206,979.52
Expense	
Accounting	\$2,556.50
Advertising	\$3,514.26
Bank Charges	\$555.09
Cleaning / Waste Removal	\$2,670.88
Client Support - NDIS	\$3,835.59
Computer Hardware	\$3,846.92
Computer Software	\$44.36
Computer Repairs	\$9,784.98
Conference and Training	\$4,747.69
Consultants	\$6,480.00
Electricity	\$2,261.67
General Office Expenses	\$868.49
Insurance	\$1,456.05
Interest	\$126.88
Motor Vehicle Rep & Mntnce	\$9,651.74
Motor Vehicle Registration	\$3,653.61
Motor Vehicle Insurance	\$2,311.33
Motor Vehicle Fuel	\$9,537.21
Vehicle Tracking	\$720.00
New Equipment	\$3,516.02
Petty Cash Over/Under	\$38.40
Postage Charges	\$110.91
Rent	\$19,838.90
Repairs & Maintenance	\$263.99
Stationery	\$4,301.97
Subs/Memberships/Fees/Licences	\$4,495.52
Telephone	\$7,098.10
Telephone System Lease	\$1,379.79
Staff Amenities	\$1,251.03
Staff Incentives	\$2,756.16
Staff Uniforms	\$206.50
Superannuation	\$63,449.83
Wages & Salaries	\$685,142.45
Workers' Compensation	\$2,264.46
Total Expense	\$864,737.28
Other Income	
ATO Stimulus Payment - Cash Flow Boost Non Assessable	\$45,000.00
Total Other Income	\$45,000.00

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Job Profit & Loss Statement

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Account Name	Year To Date
Net Profit/(Loss)	\$387,242.24

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Job Profit & Loss Statement

July 2019 To June 2020

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Account Name	Year To Date
WCL	Work Connection
Income	
WCL Case Based Funding	\$544,643.83
Wage Subsidies & Grants	\$2,475.00
Rent Income	\$3,274.55
Miscellaneous Income	\$7,250.00
Interest	\$268.62
Total Income	\$557,912.00
Expense	
Accounting	\$2,556.51
Advertising	\$3,604.29
Audit Fees	\$7,871.71
Bank Charges	\$100.83
Cleaning / Waste Removal	\$801.10
Client Support Service	\$9,892.75
Clothing etc Support	\$893.01
Computer Hardware	\$2,606.82
Computer Software	\$44.37
Computer Repairs	\$6,364.31
Conference and Training	\$1,776.79
Consultants	\$3,500.00
Depreciation	\$14,497.76
Donations	\$5.00
Directors Costs	\$45.27
Electricity	\$1,681.97
General Office Expenses	\$692.12
Insurance	\$1,456.07
Interest	\$145.02
Jobstart Subsidy	\$15,871.58
Motor Vehicle Rep & Mntnce	\$8,388.38
Motor Vehicle Registration	\$2,551.04
Motor Vehicle Insurance	\$2,311.34
Motor Vehicle Fuel	\$6,929.67
Vehicle Tracking	\$450.00
New Equipment	\$1,723.77
Petty Cash Over/Under	\$20.00
Postage Charges	\$128.91
Rent	\$24,872.85
Repairs & Maintenance	\$263.99
Stationery	\$2,920.04
Subs/Memberships/Fees/Licences	\$1,830.63
Telephone	\$7,511.74
Telephone System Lease	\$1,352.61
Staff Amenities	\$814.58
Staff Incentives	\$904.98
Staff Uniforms	\$16.00
Superannuation	\$30,888.12
Wages & Salaries	\$339,097.51
Workers' Compensation	\$3,678.42

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Job Profit & Loss Statement

July 2019 To June 2020

ABN: 51 051 778 440

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Account Name	Year To Date
Other Employer Expenses	\$128.90
Total Expense	\$511,190.76
Other Income	
ATO Stimulus Payment - Cash Flow Boost Non Assessable	\$17,500.00
Total Other Income	\$17,500.00
Net Profit/(Loss)	\$64,221.24

This report includes Year-End Adjustments and must be read in conjunction with the notes to the accounts.

WORK CONNECTION LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
For the Year Ended 30 June 2020

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act. The committee has determined that the association is not a reporting entity.

The Committee has determined that the association is not a reporting entity as defined in Statement of Accounting Concepts 1: Definition of the Reporting Entity, and therefore there is no requirement to apply accounting standards in the preparation of these financial statements.

No regard has been paid to the application of Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board except where specifically stated.

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

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

(a) Basis of Accounting

The accounts have been prepared on the basis of historical costs, and except where stated, do not take into account current valuations of Non-Current Assets.

(b) Income Tax

The Association, as a community service organisation is exempt from income tax under section 23(g)(v) of the Income Tax Assessment Act.

(c) Depreciation of Fixed Assets

Fixed Assets are depreciated over their estimated useful life.

(d) Cash-Flows

A Cash-flow statement has been included with the Financial Statements of the Association.

(e) Financial Instruments

Disclosures have not been made in regards to financial instruments other than their appearance in the balance sheet at their carrying values.

NOTE 2 - MORTGAGES, CHARGES AND SECURITIES

There were no Mortgages, Charges or Securities in existence at 30 June 2020.

NOTE 3 – EMPLOYEE ENTITLEMENTS

There is a Provision for Long Service Leave reported at 30 June 2019 that relates to an employee who left during the year. The payout of this provision was reduced by the value of the motor vehicle being \$8,250, that was taken by the former employee however the final payout of employee entitlements remains in dispute. It was agreed by the Executive Committee that the balance of this provision be reduced to zero by mutual agreement with the ex-employee.

As part of the 2020 Financial Statements the account a new account was introduced to Provision for Holiday Leave and Toil Entitlements.

NOTE 4 – RELATED PARTY TRANSACTIONS

There were one related party transactions, and this occurred between Mr Paul Burke and Work Connection Limited. Mr Burke is the director of Achieve Business Dynamics and was at the time of being a Committee Member was engaged to undertake financial services work for Work Connection Limited.

As per the Committee Representation Letter, no other transactions took place during the year with related party. The Committee is aware of its obligations to report any dealings with Related Parties.

NOTE 5 – HISTORICAL BALANCING ACCOUNT

The Historical Balancing Account was reconciled during the year and was recognized as Retained Earnings. The Historical Balancing Account was journaled to Retained Earnings to reflect the true nature of the account.

NOTE 6 - SUSPENSE

There has been an unidentified credit on the Australian Taxation Office Client Integrated Account of Work Connection Limited and this was finally identified as an overpayment in PAYG dating back to July 2011. This overpayment was cleared through Retained Earnings.

NOTE 7 - DEPOSITS

At the time of writing the Financial Report, the balance of Deposits was not reconciled. Steps are being taken to trace the history of this account as money returned from bonds is not reflected in the manner that it was original recorded.

WORK CONNECTION LIMITED

ABN: 51 051 778 440

DIRECTOR'S REPORT

The directors present their report and audited financial statements for the year ended 30 June 2020.

Activities and business overview

Work Connection Limited's principal activities during 2020 were job placement, job search and on-the-job support, specifically for people with disabilities and is also a NDIS registered provider. Work Connection Ltd provides multiple services in relation to a client's NDIS plan including Plan Management, Support Coordination, Daily Activities and Community Access.

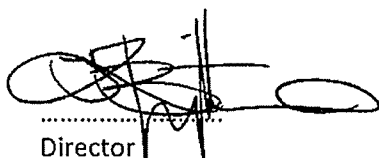
Significant changes and events affecting the Organisation during 2020 were as follows:

- The rapid increase in NDIS Financial Intermediary Service clients that occurred in the later half of the Financial Year. This saw significant growth in revenue, resulting in an upgrade of software system to cater for the volume of clients.
- The Board of Directors discussed at the most recent board meeting, held 17th September 2020 (to have minutes signed at next meeting November 2020) that Work Connection Ltd plans to utilise some of this surplus to reinvest into the business by offering wage incentives to all DES Employers, to the maximum value of \$12,706.88 per placement. This figure is straight from the Work Connection Ltd bottom line and will be implemented over the next 12 month period, reviewed at its completion. This will be done to strengthen our star rating and placement KPI's in the community as the DES provider of choice.
- The other area of agreement by the Board of Directors is in the replacement of all vehicles due to their age and size, with fleet vehicles and / or straight purchase of vehicles by June 30 2021. This costing (fleet) has been reflected in the Financial Budget spreadsheet supplied.

Auditors

The auditors of Work Connections Limited, Accountancy Plus Whitsundays, have indicated their willingness to continue with their position as auditors of Work Connections Limited.

The Directors' report is made in accordance with a resolution of the board.


Director
Date: 28.10.2020

WORK CONNECTION LIMITED

ABN: 51 051 778 440

DIRECTOR'S DECLARATION

The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlines in Note 1 to the financial statements.

The directors of the company hereby declare that:

The accompanying financial statements and notes of the company as at 30 June 2020;

- a) Present a true and fair view of the company's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies as described in Note 1 of the financial statements.
- b) Comply with Australian Accounting Standards as detailed in Note 1 of the financial statements and the Corporation Act.
- c) There are reasonable grounds to believe that the company will be able to meet its debt as and when they become payable.

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



Director

Date: 28.10.2020