

**Elektos Ltd**

**ABN 68 634 629 039**

**Financial Statements - 30 June 2023**

**Elektos Ltd**  
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**30 June 2023**

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**Elektos Ltd**  
**Directors' report**  
**30 June 2023**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2023.

**Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michele Bell  
Anna Struthers (appointed on 5 August 2022)  
Ella Kearins  
Caitlin Bell  
Kym Whitford (resigned on 17 January 2023)  
Jennifer Seymour (resigned on 1 December 2022)  
Peter Lenehan (resigned 21 December 2022)

**Principal activities**

The principal activities of the company during the financial year were to provide advocacy and assistance to those who are in need and to maximise their opportunities so that they can remain living independently at home. This is achieved through the Regional Assessment Service.

**Operating results**

The surplus of the company for the financial year amounted to \$33,008 (2022: \$6,295).

**Contributions on winding up**

In the event of the company being wound up, ordinary member is required to contribute a maximum of \$10 each.

The total amount that member of the company is liable to contribute if the company is wound up is \$10, based on 1 current ordinary member.

**Auditor's independence declaration**


A copy of the auditor's independence declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Michele Bell  
Director

  
Annabel ~~Anna~~ Struthers  
NS, Director

31st October 2023

**LBW & Partners**

Chartered Accountants & Business Advisors  
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Rupa Dharmasiri

George P Rochios

Mark W Willock

**Elektos Ltd**

ABN: 68 634 629 039

**Auditor's Independence Declaration to the Directors of Elektos Ltd**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as auditor of Elektos Ltd during the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rupaninga Dharmasiri  
Partner

LBW & Partners  
Chartered Accountants  
Level 3, 845 Pacific Highway  
CHATSWOOD NSW 2067

Date: 30 October 2023

**Elektos Ltd**  
**Statement of income and retained earnings**  
**For the year ended 30 June 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Revenue</b>	3	519,341	412,722
Total revenue		<u>519,341</u>	<u>412,722</u>
<b>Expenses</b>			
Employee expenses		(363,618)	(323,015)
Depreciation and amortisation expense	4	(646)	(453)
Other administration expenses		<u>(122,069)</u>	<u>(82,959)</u>
Total expenses		<u>(486,333)</u>	<u>(406,427)</u>
<b>Surplus before income tax expense</b>		33,008	6,295
Income tax expense		<u>-</u>	<u>-</u>
<b>Surplus after income tax expense for the year</b>		33,008	6,295
Retained surpluses at the beginning of the financial year		<u>64,385</u>	<u>58,090</u>
<b>Retained surpluses at the end of the financial year</b>		<u><u>97,393</u></u>	<u><u>64,385</u></u>

*The above statement of income and retained earnings should be read in conjunction with the accompanying notes*

**Elektos Ltd**  
**Statement of financial position**  
**As at 30 June 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	10,090	37,053
Trade and other receivables	6	150,310	85,930
Total current assets		<u>160,400</u>	<u>122,983</u>
<b>Non-current assets</b>			
Property, plant and equipment	7	2,195	906
Total non-current assets		<u>2,195</u>	<u>906</u>
<b>Total assets</b>		<u>162,595</u>	<u>123,889</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	41,489	40,445
Employee benefits	9	18,636	11,591
Total current liabilities		<u>60,125</u>	<u>52,036</u>
<b>Non-current liabilities</b>			
Employee benefits	10	5,077	7,468
Total non-current liabilities		<u>5,077</u>	<u>7,468</u>
<b>Total liabilities</b>		<u>65,202</u>	<u>59,504</u>
<b>Net assets</b>		<u>97,393</u>	<u>64,385</u>
<b>Equity</b>			
Retained surpluses		<u>97,393</u>	<u>64,385</u>
<b>Total equity</b>		<u>97,393</u>	<u>64,385</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Elektos Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from government and others (inclusive of GST)		401,150	349,928
Payments to suppliers and employees (inclusive of GST)		<u>(426,181)</u>	<u>(333,285)</u>
		(25,031)	16,643
Interest received		<u>3</u>	<u>2</u>
Net cash from/(used in) operating activities		<u>(25,028)</u>	<u>16,645</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	7	<u>(1,935)</u>	-
Net cash used in investing activities		<u>(1,935)</u>	-
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(26,963)	16,645
Cash and cash equivalents at the beginning of the financial year		<u>37,053</u>	<u>20,408</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>10,090</u></u>	<u><u>37,053</u></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

## **Note 1. General information**

The financial statements cover Elektos Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Elektos Ltd's functional and presentation currency.

Elektos Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. The company is registered with the Australian Charities and Not-for-profits Commission as a charity. Its registered office and principal place of business is:

Level 13  
Suite 1A  
465 Victoria Avenue  
CHATSWOOD NSW 2067

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 October 2023.

## **Note 2. Significant accounting policies**

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

### **New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations, as appropriate for not-for profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention.

### **Revenue recognition**

The company recognises revenue as follows:

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

#### *Regional assessment revenue (RAS)*

Regional assessment revenue is recognised when the assessments are finalised.

#### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

### **Income tax**

As the company is a charity registered with Australian Charities and Not-for-profits Commission, it is exempt from paying income tax.



**Note 2. Significant accounting policies (continued)**

**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 three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

**Financial instruments**

Financial instruments are recognised initially on the date that the company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

**Financial assets**

*Classification*

On initial recognition, the company classifies its financial assets as measured at amortised cost. A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

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

*Recognition and measurement*

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

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

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

*Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

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

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

**Financial liabilities**

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

The financial liabilities of the company comprise trade and other payables.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Note 2. Significant accounting policies (continued)**

**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 national government 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.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

**Note 3. Revenue**

	<b>2023</b> \$	<b>2022</b> \$
<i>Revenue from contracts with customers</i>		
Contract revenue - Regional assessment revenue	517,220	412,720
<i>Other revenue</i>		
Interest	3	2
Other revenue	2,118	-
	<u>2,121</u>	<u>2</u>
Revenue	<u>519,341</u>	<u>412,722</u>

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	<b>2023</b> \$	<b>2022</b> \$
<i>Timing of revenue recognition</i>		
Services transferred over time	<u>517,220</u>	<u>412,720</u>

**Note 4. Expenses**

	2023 \$	2022 \$
Surplus before income tax includes the following specific expenses:		
<i>Superannuation expense</i>		
Defined contribution superannuation expense	33,349	25,884
<i>Employee benefits expense excluding superannuation</i>		
Employee benefits expense excluding superannuation	323,434	272,660

**Note 5. Current assets - cash and cash equivalents**

	2023 \$	2022 \$
Cash at bank	10,090	37,053

**Note 6. Current assets - trade and other receivables**

	2023 \$	2022 \$
Trade receivables	150,310	85,930

**Note 7. Non-current assets - property, plant and equipment**

	2023 \$	2022 \$
Office equipment - at cost	3,294	1,359
Less: Accumulated depreciation	(1,099)	(453)
	2,195	906

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Office equipment \$	Total \$
Balance at 1 July 2022	906	906
Additions	1,935	1,935
Depreciation expense	(646)	(646)
Balance at 30 June 2023	2,195	2,195

**Note 8. Current liabilities - trade and other payables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade payables	(40)	177
PAYG payable	13,676	12,120
Superannuation payable	3,787	3,497
Accrued expenses	8,138	9,600
BAS payable	15,928	15,051
	<u>41,489</u>	<u>40,445</u>

**Note 9. Current liabilities - employee benefits**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Annual leave	<u>18,636</u>	<u>11,591</u>

**Note 10. Non-current liabilities - employee benefits**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Long service leave	<u>5,077</u>	<u>7,468</u>

**Note 11. Financial instruments**

The company's financial instruments consist mainly of cash balances held with banks, trade and other receivables, trade and other payables which are held at amortised cost.

The totals of financial assets and liabilities held at amortised cost:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Held at amortised cost:		
Cash and cash equivalents	10,090	37,053
Trade and other receivables	150,310	85,930
	<u>160,400</u>	<u>122,983</u>
	<b>2023</b>	<b>2022</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost :		
Trade and other payables	<u>41,489</u>	<u>40,445</u>

**Note 12. Member's guarantee**

The company is incorporated under the *Corporations Act 2001* as a company limited by guarantee. The member must contribute an amount not more than \$10 (the guarantee) to the property of the company if the company is wound up while the member is a member, or within 12 months after they stop being a member, and this contribution is required to pay for the:

- (a) debts and liabilities of the company incurred before the member stopped being a member, or
- (b) costs of winding up.

**Note 12. Member's guarantee (continued)**

The total amount that member of the company is liable to contribute if the company is wound up is \$10, based on 1 current ordinary member.

**Note 13. Key management personnel disclosures**

Any persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including its directors, are considered key management personnel.

*Compensation*

No compensation was paid to directors in either the 2022/23 or 2021/22 years. No other persons are considered to be "Key Management Personnel"

**Note 14. Related party transactions**

*Parent entity*

Ku-ring-gai Neighbourhood Centre Ltd (KNC) is the parent entity.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 13.

*Transactions with related parties*

The following transactions occurred with related parties:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Payment for goods and services:		
Management fees paid to KNC	99,925	77,240

*Receivable from and payable to related parties*

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Current receivables:		
Trade receivables from KNC	108,928	42,128

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

**Note 15. Remuneration of auditors**

The parent entity paid for the services provided by LBW & Partners, the auditor of the company.

**Note 16. Economic dependency**

The company is dependent on the Department of Health and Age Care for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the department will not continue to operate the funded program.

**Note 17. Contingent liabilities**

The company had no contingent liabilities as at 30 June 2023 and 30 June 2022.

**Note 18. Commitments**

The company had no commitments as at 30 June 2023 and 30 June 2022.

**Note 19. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Elektos Ltd  
Directors' declaration  
30 June 2023

In the directors' opinion:

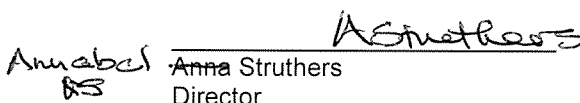
- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulations and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

On behalf of the directors



Michele Bell  
Director

  
Anna Struthers  
Director

3187 October 2023

**LBW & Partners**

Chartered Accountants & Business Advisors  
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**Partners**

Elias Y Bader

Rupa Dharmasiri

George P Rochlos

Mark W Willock

**Elektos Ltd**

ABN: 68 634 629 039

## Independent Auditor's Report to the members of Elektos Ltd

### Opinion

We have audited the accompanying financial report of Elektos Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of income and retained earnings 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 directors' declaration.

In our opinion, the accompanying financial report is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- complying with *Australian Accounting Standards – Simplified Disclosures*, and the Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

### 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 Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

### Responsibilities of 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 the *Australian Accounting Standards – Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine 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 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 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.





**Elektos Ltd**  
ABN: 68 634 629 039

## **Independent Auditor's Report to the members of Elektos Ltd**

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 the directors 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.

Rupaninga Dharmasiri  
Partner

LBW & Partners  
Chartered Accountants  
Level 3, 845 Pacific Highway  
CHATSWOOD NSW 2067

Date: 31 October 2023