



Sydney Community Services

SYDNEY COMMUNITY SERVICES

ABN 22 000 597 697

FINANCIAL REPORT - 30 JUNE 2020

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The accompanying special purpose financial report has been prepared for the exclusive use of the Directors and Members. This financial report is not to be used by any other party unless accompanied with additional information concerning the company or the company's financial position.

SYDNEY COMMUNITY SERVICES**ABN 22 000 597 697****FINANCIAL REPORT - 30 JUNE 2020****DIRECTORS' REPORT**

The company is incorporated as a company limited by guarantee and not having a share capital under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*.

The directors present the financial report on the year ended 30 June 2020 and report as follows:

DIRECTORS

The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.

DIRECTOR'S NAME	QUALIFICATIONS, EXPERIENCE AND OTHER INFORMATION
Mr Warren Bell	<i>Vice Chair and Chair, Finance Audit and Risk Committee</i>
Qualifications and experience:	Principle owner of Taylor Bell & Associates Pty Ltd. Warren joined the Hunters Hill Ryde Community Services Board in 2012 and Sydney Community Services Board in 2017 with the merger. Master of Business Administration and postgraduate Diploma in Management.
Clr D Brooks-Horn	<i>Director</i>
Qualifications and experience:	Councillor of Lane Cove Municipal Council since 2008. Mayor of Lane Cove Council from 2013-2015. Current Director of Sydney Community Services and of Lane Cove Rotary Club. Resident of Lane Cove for his entire life.
Mr R Cooke	<i>Chair, Policy, Governance and Strategy Committee</i>
Qualifications and experience:	Company Director with an extensive management career in the military, public, private organisations and as a CEO in several not for profit organisations. Has over 30 years of board and governance experience. A Fellow of the Australian Institute of Company Directors. Holds a BA, MEd and an MBA.
Mr J D Devine	<i>Chair</i>
Qualifications and experience:	Bachelor of Engineering in Electrical Engineering, University of New South Wales (29165). Member of Institution of Engineers Australia (1969). Fellow of Australian Institute of Company Directors (1992). Retired Company Director and CEO of a major Australian and International Public Company. Director, President and Consultant at Sydney Community Services since 2000. Resident of Lane Cove for over 30 years.
Mr P Fay	<i>Chair, Marketing and Fundraising Committee</i>
Qualifications and experience:	MAMP (Macquarie University Advanced Management Programme) in 1995. Retired Chief Executive Officer and Director of major Australian Company Blackwoods. Has held directorships with a number of associated companies and was admitted as a Member of the Australian Institute of Company Directors in 1995. Peter is Chair for the Marketing and Fundraising Committee for Sydney Community Services. Resident of Lane Cove for over 10 years.

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FINANCIAL REPORT - 30 JUNE 2020
DIRECTORS' REPORT

DIRECTOR'S NAME	QUALIFICATIONS, EXPERIENCE AND OTHER INFORMATION
Ms D Hill	Director
Qualifications and experience:	Deborah has been operating an accounting business in Lane Cove since 1989. Member of the Institute of Chartered Accountants Australia and New Zealand. Resident of Lane Cove for over 11 years. President of the Lane Cove Chamber of Commerce. Appointment a Director of Sydney Community Services in June 2013.
Clr D Hutchens	Director (resigned 23rd November 2019)
Qualifications and experience:	Previously the Mayor of Lane Cove. Worked in various industries and as a support staff for children with special needs. Central Ward Councillor with Lane Cove Council. Community representative with North Shore Local Area Command Community Safety Precinct Committee. Branch President of Longueville/Northwood Liberal Party. Director/ Board Member of Sydney Community Services, Carisbrook House and Pottery Gardens Retirement Village. Volunteer with the Salvation Army and the Heart Foundation. Resident of Lane Cove. Deborah Hutchens resigned from 23/11/2019.
Mr I Longbottom	Director
Qualifications and experience:	Councillor for Lane Cove Council between 1991-2012 (Mayor of Lane Cove 2004-2009). Director of Sydney Community Services for over 25 years. Ian chairs the NSW Government Property Services Advisory Council and the Commissioner for NSW for the Clan MacCallum Malcolm Society of Australia and New Zealand. Resident of Lane Cove since 1984.
Mr J Shevlin	Director
Qualifications and experience:	Solicitor in sole practice in Lane Cove. Director of Sydney Community Services for over 16 years. Resident of Lane Cove for his entire life.

PRINCIPAL ACTIVITIES

Sydney Community Services is a local not-for-profit organisation that helps residents to live a quality and independent life in their own home and in their community.

We provide services to the aged and people living with a disability including social activities, gardening, home nursing, podiatry, Community Care Advisory, clean sheets and towels, home delivered meals, home modifications and maintenance, flexible respite, carers support, shopping services, community and engagement programs, medical transport and assistance in daily life.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Directors are not aware of any events subsequent to the year-end that may have a material impact on the financial statements.

OPERATING RESULT

The operating result of the for the financial year was a surplus of \$38,715 (2019: surplus \$81,716).

SYDNEY COMMUNITY SERVICES
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FINANCIAL REPORT - 30 JUNE 2020
DIRECTORS' REPORT

MEETINGS OF DIRECTORS

The number of meetings each director was eligible to attend and actually attended during the financial year is summarised as follows:

	Eligible	Attended
W. Bell	9	8
Clr. D Brooks-Horn	9	4
R. Cooke	9	7
J. Devine	9	9
P. Fay	9	9
D. Hill	9	6
Clr. D Hutchens *	9	0
I. Longbottom	9	9
J. Shevlin	9	8

** resigned during the financial year*

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



Mr J Devine
Chair



Mr W Bell
Vice Chair

29 September 2020

SYDNEY COMMUNITY SERVICES**ABN 22 000 597 697****STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,777,302	1,802,934
Trade and other receivables	7	175,492	254,889
<i>Total current assets</i>		<u>1,952,794</u>	<u>2,057,823</u>
Non-current assets			
Property, plant and equipment	8	138,977	140,193
<i>Total non-current assets</i>		<u>138,977</u>	<u>140,193</u>
TOTAL ASSETS		<u>2,091,771</u>	<u>2,198,016</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	302,324	488,654
Employee benefits	10	595,017	472,811
<i>Total current liabilities</i>		<u>897,341</u>	<u>961,465</u>
Non-current liabilities			
Employee benefits	10	32,004	40,485
<i>Total non-current liabilities</i>		<u>32,004</u>	<u>40,485</u>
TOTAL LIABILITIES		<u>929,345</u>	<u>1,001,950</u>
NET ASSETS		<u>1,162,426</u>	<u>1,196,066</u>
FUNDS			
Accumulated funds		<u>1,162,426</u>	<u>1,196,066</u>
TOTAL FUNDS		<u>1,162,426</u>	<u>1,196,066</u>

The accompanying notes form part of these financial statements

SYDNEY COMMUNITY SERVICES**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	4	5,201,855	4,974,699
Other income	4	-	79,083
		<u>5,201,855</u>	<u>5,053,782</u>
Expenses			
Administration expenses		(672,308)	(572,409)
Contractors		(267,823)	(316,340)
Depreciation	5	(37,308)	(72,400)
Employee expenses		(3,770,207)	(3,419,996)
Motor vehicle expenses		(58,090)	(87,102)
Occupancy		(42,644)	(31,163)
Program delivery cost		(387,115)	(472,656)
		<u>(5,235,495)</u>	<u>(4,972,066)</u>
Surplus before income tax		(33,640)	81,716
Income tax expense		-	-
		<u>-</u>	<u>-</u>
Surplus for the year		(33,640)	81,716
Other comprehensive income		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(33,640)</u></u>	<u><u>81,716</u></u>

The accompanying notes form part of these financial statements

SYDNEY COMMUNITY SERVICES**STATEMENT OF CHANGES IN FUNDS**
FOR THE YEAR ENDED 30 JUNE 2020

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	1,114,350	1,114,350
Comprehensive income		
Surplus for the year	81,716	81,716
Other comprehensive income	-	-
Total comprehensive income for the year	<u>81,716</u>	<u>81,716</u>
Balance at 30 June 2019	<u>1,196,066</u>	<u>1,196,066</u>
Balance at 1 July 2019	1,196,066	1,196,066
Comprehensive income		
Surplus for the year	(33,640)	(33,640)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(33,640)</u>	<u>(33,640)</u>
Balance at 30 June 2020	<u>1,162,426</u>	<u>1,162,426</u>

SYDNEY COMMUNITY SERVICES**STATEMENT OF CASH FLOWS**
FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from government and customers		5,405,460	5,267,723
Payments to suppliers and employees		(5,539,558)	(5,139,625)
Donations received		115,100	136,386
Interest received		29,458	32,357
<i>Net cash flows from operating activities</i>	11	<u>10,460</u>	<u>296,841</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	82,876
Purchase of property, plant and equipment		(36,092)	(82,049)
Purchase of intangible assets		-	-
<i>Net cash flows from investing activities</i>		<u>(36,092)</u>	<u>827</u>
Net increase (decrease) in cash and cash equivalents		(25,632)	297,668
Cash and cash equivalents at the beginning of the financial year		<u>1,802,934</u>	<u>1,505,266</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,777,302</u></u>	<u><u>1,802,934</u></u>

The accompanying notes form part of these financial statements

SYDNEY COMMUNITY SERVICES**FINANCIAL REPORT - 30 JUNE 2020****NOTES TO THE FINANCIAL STATEMENTS****Note 1 - Reporting entity**

The financial report is a special purpose financial report that has been prepared for the use of the members of Sydney Community Services. The Directors have determined that Sydney Community Services is not a reporting entity because, in the Directors' opinion, there are unlikely to exist any persons who will rely on this financial report to satisfy specifically all of their information needs.

The financial statements were approved by the Board on 29 September 2020.

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

The financial report is a special purpose financial report that has been prepared in order to satisfy the company's financial report preparation requirements under the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. The functional and presentation currency of the company is Australian dollars.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable as below which the Directors have determined are appropriate to meet the needs of members: -

AASB 101:	Presentation of Financial Statements
AASB 107:	Statement of Cash Flows
AASB 108:	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048:	Interpretation of Standards
AASB 1054:	Australian Additional Disclosures

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Basis of measurement

The financial statements, except for the cash flow information, 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.

Comparatives

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

Critical accounting estimates and judgements

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates***Impairment***

The Directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

SYDNEY COMMUNITY SERVICES**FINANCIAL REPORT - 30 JUNE 2020****NOTES TO THE FINANCIAL STATEMENTS****Note 3 - Significant accounting policies**

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

Income tax

Sydney Community Services is a not-for-profit entity & Public Benevolent Institution and is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Revenue recognition

Amounts disclosed as revenue are net of goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Fees income

Revenue from operations are recognised on a proportional basis to take account of the delivery of service.

Interest and dividends

Revenue from interest and dividends is recognised on an accrual's basis.

Grants

Income arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

- (a) the company obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the company; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

Goods and services tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. The company had no bank overdraft at the balance date or prior years.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

SYDNEY COMMUNITY SERVICES**FINANCIAL REPORT - 30 JUNE 2020****NOTES TO THE FINANCIAL STATEMENTS****Note 3 - Significant accounting policies (continued)*****Property, plant and equipment*****Recognition and measurement**

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation effective life used for each class of depreciable assets is:

Computer equipment	50%
Office equipment	15%
Furniture and fittings	10%
Motor vehicles	20% - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value. They are subject to normal credit terms and do not bear interest.

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.

SYDNEY COMMUNITY SERVICESNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
<u>Note 4 - Revenue and other income</u>		
Revenue		
Grant revenue	3,611,235	3,278,519
Government support - COVID-19	62,500	-
Client fees	752,484	937,661
NDIS fees	571,513	530,846
	<u>4,997,732</u>	<u>4,747,026</u>
Other revenue		
Donation	115,100	136,386
Interest income	29,458	32,357
Other income	59,565	58,930
	<u>204,123</u>	<u>227,673</u>
<i>Total revenue</i>	<u>5,201,855</u>	<u>4,974,699</u>
Other income		
Net gain on disposal of property, plant and equipment	-	79,083
<i>Total other income</i>	<u>-</u>	<u>79,083</u>
<i>Total revenue and other income</i>	<u>5,201,855</u>	<u>5,053,782</u>
<u>Note 5 - Expenses</u>		
Auditors remuneration	12,500	12,000
Depreciation - property, plant and equipment	37,308	72,400
<u>Note 6 - Cash and cash equivalents</u>		
Cash at bank and on hand	381,608	426,025
Term deposits	1,395,694	1,376,909
<i>Total cash and cash equivalents</i>	<u>1,777,302</u>	<u>1,802,934</u>
<u>Note 7 - Trade and other receivables</u>		
<u>Current</u>		
Trade receivables	120,144	204,488
Provision for impairment	(15,000)	(15,000)
	<u>105,144</u>	<u>189,488</u>
Interest receivable	20,644	15,054
Other receivables	13,733	19,338
Prepayments	35,971	31,009
<i>Total current trade and other receivables</i>	<u>175,492</u>	<u>254,889</u>

SYDNEY COMMUNITY SERVICES

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

Note 8 - Property, plant and equipment

	Computer Equipment	Furniture and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
At 30 June 2019				
Cost	53,757	141,191	334,431	529,379
Accumulated depreciation	(52,835)	(86,240)	(250,111)	(389,186)
<i>Net carrying amount</i>	<u>922</u>	<u>54,951</u>	<u>84,320</u>	<u>140,193</u>
Movements in carrying amounts				
Opening net carrying amount	922	54,951	84,320	140,193
Additions	13,267	13,243	9,582	36,092
Depreciation charge for the year	(2,015)	(8,993)	(26,300)	(37,308)
Closing net carrying amount	<u>12,174</u>	<u>59,201</u>	<u>67,602</u>	<u>138,977</u>
At 30 June 2020				
Cost	67,024	154,433	344,013	565,470
Accumulated depreciation	(54,850)	(95,232)	(276,411)	(426,493)
<i>Net carrying amount</i>	<u>12,174</u>	<u>59,201</u>	<u>67,602</u>	<u>138,977</u>

2020

2019

\$

\$

Note 9 - Trade and other payablesCurrent

Trade payables	80,732	50,501
Unexpended grants	20,000	123,033
Liabilities to employees	92,010	169,553
Other payables	109,582	145,567
<i>Total current trade and other payables</i>	<u>302,324</u>	<u>488,654</u>

Note 10 - Employee benefitsCurrent

Annual leave	302,837	233,192
Long service leave	292,180	239,619
<i>Total current employee benefits</i>	<u>595,017</u>	<u>472,811</u>

Non-current

Long service leave	32,004	40,485
<i>Total non-current employee benefits</i>	<u>32,004</u>	<u>40,485</u>

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

	2020	2019
	\$	\$
<u>Note 11 - Cash flow information</u>		
<i>Reconciliation of net surplus for the year to net cash flows from operations</i>		
Surplus for the year	(33,640)	81,716
<i>Adjustments for:</i>		
<i>Non cash flows</i>		
Depreciation	37,308	72,400
Net (gain) loss on disposal of property, plant and equipment	-	(79,083)
<i>Changes in assets and liabilities</i>		
(Increase) decrease in trade and other receivables	84,359	7,443
(Increase) decrease in prepayments	(4,962)	3,437
(Decrease) increase in trade and other payables	(83,297)	21,046
(Decrease) increase in unexpended grants	(103,033)	99,845
(Decrease) increase in employee benefits	113,725	90,037
<i>Net cash flows from operating activities</i>	<u>10,460</u>	<u>296,841</u>

Note 12 - Related party transactions***Additional disclosures******The Trustee for Lane Cove Community Aid Foundation: -***

Management fees received	-	20,328
Publishing fees received	-	12,012
Donation received	96,000	96,000
Rent expense	26,000	15,000
Motor vehicles purchased	-	70,071
Northside building maintenance operations	72,355	-

Lane Cove Community Aid Foundation Inc: -

Management fees received	15,246	-
Publishing fees received	9,009	-

Note 13 - Events occurring after the reporting period

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

At the date of signing the financial statements the Directors are unable to determine what financial effects the outbreak of the virus could have on the company in the coming financial period.

The Directors acknowledge their responsibility to continuously monitor the situation and evaluate this impact including the ability to pay the debts as and when they become due and payable.

The Directors are not aware of any other events subsequent to the year that may have a material impact on the financial statements.

SYDNEY COMMUNITY SERVICES
ABN 22 000 597 697

FINANCIAL REPORT - 30 JUNE 2020

DIRECTORS' DECLARATION

The Directors of Sydney Community Services have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the statement of compliance and basis of preparation described in Note 2 to the financial statements and the *Australian Charities and Not-for-profits Commission Act 2012*.

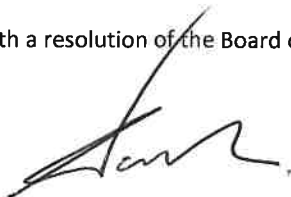
In the opinion of the Directors, the financial report, which comprise the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in funds, statement of cash flows and notes to the financial statements:

- (a) Presents a true and fair view of the financial position of the company as at 30 June 2020 and its performance for the year ended on that date; and
- (b) At the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

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



Mr J Devine
Chair



Mr W Bell
Vice Chair

29 September 2020

SYDNEY COMMUNITY SERVICES
ABN 22 000 597 697

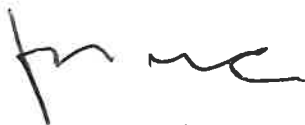
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DIRECTORS' DECLARATION
UNDER THE CHARITABLE FUNDRAISING ACT 1991

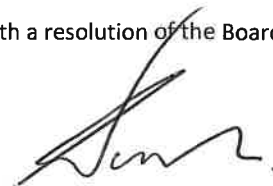
In the opinion of the Directors of Sydney Community Services:

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

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



Mr J Devine
Chair



Mr W Bell
Vice Chair

29 September 2020

SYDNEY COMMUNITY SERVICES

ABN 22 000 597 697

FINANCIAL REPORT - 30 JUNE 2020

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SYDNEY COMMUNITY SERVICES**

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Sydney Community Services which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the company as at 30 June 2020 and its financial performance and its cash flows for the year then ended in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibility for the Audit of the Financial Report* section of our report. We are independent of the company 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.

Emphasis of Matter - Basis of Accounting

Without modifying our opinion, we draw attention to Notes 1 and 2 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist the Directors to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the special purpose financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that 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.

The Directors are responsible for overseeing the company's financial reporting process.

SYDNEY COMMUNITY SERVICES
ABN 22 000 597 697

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SYDNEY COMMUNITY SERVICES

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at *The Auditing and Assurance Standards Board* and the website address is <http://www.auasb.gov.au/Home.aspx>

We communicate with the 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.

Report on Other Legal and Regulatory Requirements

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

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

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

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

SYDNEY COMMUNITY SERVICES
ABN 22 000 597 697

FINANCIAL REPORT - 30 JUNE 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SYDNEY COMMUNITY SERVICES

Auditor's opinion

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

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



StewartBrown
Chartered Accountants



S.J. Hutcheon
Partner

29 September 2020