



Annual Report

2018 / 2019

Connections Plus Inc. Australia

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Annual General Meeting
Connections Plus Australia Inc.

Minutes of the AGM Wednesday, 24 October, 2018

Attendees: Colin Clarke, Alex Cochran, Michelle Milsom, Cara Hay, Rainer Strassberger, John How, Joanne Clarke, Sharyn Robertson, Stephanie Skelton, Louise Yeoman, Ron Finneran, Yvonne Sellentin, Yvonne Mak, Diane Wagemans, Paul Considine, Peter Johnstone, Brett Bowyer, Ben Bowyer, Wendy Luxford, Mal Skitt, Rob Skitt, Matt Hulme.

Apologies: Andrew Constance, Peter Harvey, Peter Miles, Irene Miles, Natasha Miles, June Waites, Dane Waites, Susan Cousins, Gemma Sinclair, Julia Clark, Cheryl Pym, Beck Minear, Henny Kunzelmann, Pam Heycox, Hazel Checkley, Catherine Checkley, Anna Clarke, Sarah Clarke, Hazel Checkley, Catherine Checkley.

Meeting opened 7:15pm and Welcome to Country Rainer Strassberger

Welcome to meeting and introductions by Colin Clarke, Chairperson for Connections Plus.

- Introduction to committee members and acknowledged work of office co-workers Rainer Strassberger, John How, Joanne Clarke, Stephanie Skelton, Sharyn Robertson and Louise Yeoman.

Apologies

- Rainer Strassberger read the Apologies

Moved: Michelle Milsom

Seconded: Cara Hay

Minutes of previous meeting

Moved: Michelle Milsom

Seconded: Alex Cochran

Chairperson's report by Colin Clarke as included in 2017 – 2018 Annual Report

- It has been a positive twelve months. Our 'Strategic Plan' continues to provide the framework and direction for our growth and development.
- Thanked all the staff: the committee, the office workers and support workers for being able to change at a moment's notice and for supporting one another. Flexibility is necessary, particularly as we grow.
- Colin continued 'It's rewarding to see the results over the past twelve months and a big congratulations to all for providing service with a smile'.
- We must continue to 'never give up' on what's important. This is the role we play and are passionate about fulfilling this for each individual we support.

Moved: Michelle Milsom

Seconded: Yvonne Sellentin

Wednesday, 24 October 2018

Chief Executive Officer's Report by Rainer Strassberger as included in 2017 – 2018 Annual Report

- Care is our number one priority.
- It's been a positive financial year. We continue to develop our people and culture infrastructure which in turn provides better service to the people we support.
- Thank you to all the care support staff who commit tirelessly to the wellbeing, community participation and skills development of the people we support. We depend on you.
- Change of office staff. We said goodbye and thank you to Eddy Syme and welcomed back Sharyn Robertson. She returns with her NDIS knowledge and compliance awareness.
- Discussions continue as to our vision for the next twelve months, looking and planning ahead. Brief discussion on expanding to another supported accommodation house at Cooma.
- Our fleet has grown to three dual wheelchair carrying vehicles, three Subaru Foresters, a small runabout and one twelve-seater bus.

Moved: Yvonne Mak

Seconded: Michelle Milsom

Treasurers Report by Alex Cochran as included in 2017 – 2018 Annual Report

Alex went through slides as included in Annual Report.

Content included:

- Total revenue 2017/18 - just under \$3m from just over \$500,000 10 years ago.
- As a non-profit organisation, we talk about surplus. The Surplus has move upwards since last year and will eventually go back into the community with intelligent investing into our services, training and equipment.
- Our company's net worth is sitting at just over \$1 million equity.
- NDIS transition continues; from ADAC to NDIS. We will continue to advocate for our clients' needs in this NDIS establishment phase.
- Our priorities include maintaining our cash reserve, the support services we offer and investing in our team and equipment, whilst growing at a sustainable pace.
- Moving ahead, we will continue to maintain the support services we provide, continue to invest in staff and capabilities and continue accreditation goals while lifting the Connections Plus profile.

Moved: Cara Hay

Seconded: Yvonne Mak

Election of Committee Members

John How declared all positions vacant

- Chairperson nominated: Colin Clarke
Moved: Anna Clarke
Seconded: Alex Cochran
- Vice Chair Nominated: Alex Cochran
Moved: Colin Clarke
Seconded: Yvonne Sellentin
- Secretary:
Moved:
Seconded:
- Treasurer: Alex Cochran
Moved: Michelle Milsom
Seconded: Colin Clarke
- Ordinary Member: Yvonne Sellentin
Moved: Colin Clarke
Seconded: Michelle Milsom
- Ordinary Member: Malcolm Skitt
Moved: Colin Clarke
Seconded: Alex Cochran
- Ordinary Member: Peter Johnstone
Moved: Cara Hay
Seconded: Michelle Milsom
- Public Officer: Michelle Milsom
Moved: Alex Cochran
Seconded: Cara Hay

A special thanks to the departing committee of Cara Hay, Peter Miles and Nyrie Tickell.

Appointment of Auditor

- Kothes to be appointed to the position of auditors for the 2018 - 2019 financial year.
Moved: Alex Cochran
Seconded: Michelle Milsom

General Business

We are pleased to have Ron Finneran onboard as Patron for 2019.

Open Forum

No questions asked.

Meeting closed: 7:50pm



CHAIRPERSON'S REPORT

ANNUAL GENERAL MEETING 2019

Over the past three years the board has had a particular focus on the professionalisation of our organisation and an ongoing commitment and attention to ensure a framework in which exceptional support and service delivery is our dominant culture.

In the 2018/19 financial year this has continued to be our focus and we have endeavoured to build on the challenges and opportunities of the past few years to ensure that the ultimate result is 'Better Service'.

The board continues to be acutely aware that, as an organisation, we exist in a highly dynamic environment with often competing pressures from disability stakeholders.

As such, it is important the board ensures it is constantly reviewing its own function and role to ensure 'Better Service' is not just maintained but is always looking to improve.

After a short break from our board duties we welcome back to our team Nyrie Tickell, who will add additional skills and expertise to our organisation.

Every time we have had an opportunity to meet the staff, something we are endeavouring to do on an increasing basis, we are overwhelmed with their passion, diligence and care.

We appreciate that working in a continuously changing environment with vulnerable people is always challenging, but we would like to pay tribute to those in our organisation who bring our strategic planning to life through their deep care of our participants.

I have felt privileged to be part of this organisation as a chairperson and look forward to seeing this organisation go from strength to strength in the year ahead.

Thank you.

Colin Clarke
Chairperson



CEO'S REPORT

ANNUAL GENERAL MEETING 2019

It's now 11 years since I joined 'Respite Care Bega Valley Inc.', now re-named to 'Connections Plus Australia Inc.' and I'm really glad that I took on the opportunity to lead this service from its very humble beginnings to a service provider of choice.

Reflecting on the last few years or better said since the introduction of NDIS, I can say with certainty that we've come a very long way and I'm exceptionally proud of what we've achieved.

There are too many achievements to mention, although our travels have not always been smooth and as an overall reflection, the one thing that has impacted me the most is the amazing work that our care staff do for our participants and the community. It's such important work to support people with a disability. I just have to tip my hat to our staff and say thank you, you are amazing.

Looking to the future, we're embarking on a true journey of transformation to build a sustainable community-led-organisation.

Everyone's contribution from our amazing, very committed Board, staff at our office and care workers has laid the foundation for our Strategic Plan, which will shape our future for the next five years. This Strategic Plan addresses four key pillars required to deliver better service:

- A great place to work, because we believe if our care staff are happy and engaged our participants will be too.
- A service provider of choice, because we're committed to supporting participants and community outcomes through our service quality and range.
- A leader in the sector, because we're committed to supporting participants on an evidence based designed program.
- Business excellence, because we believe in working smarter, using quality management systems.

In this newly regulated environment with increased demand, the community needs to be confident that they can count on a reliable and trusted service provider. Connections Plus Australia is such a provider.

We appreciate the input and support from our participants, their families and the community. We exist because of you and we are grateful to be able to serve you.

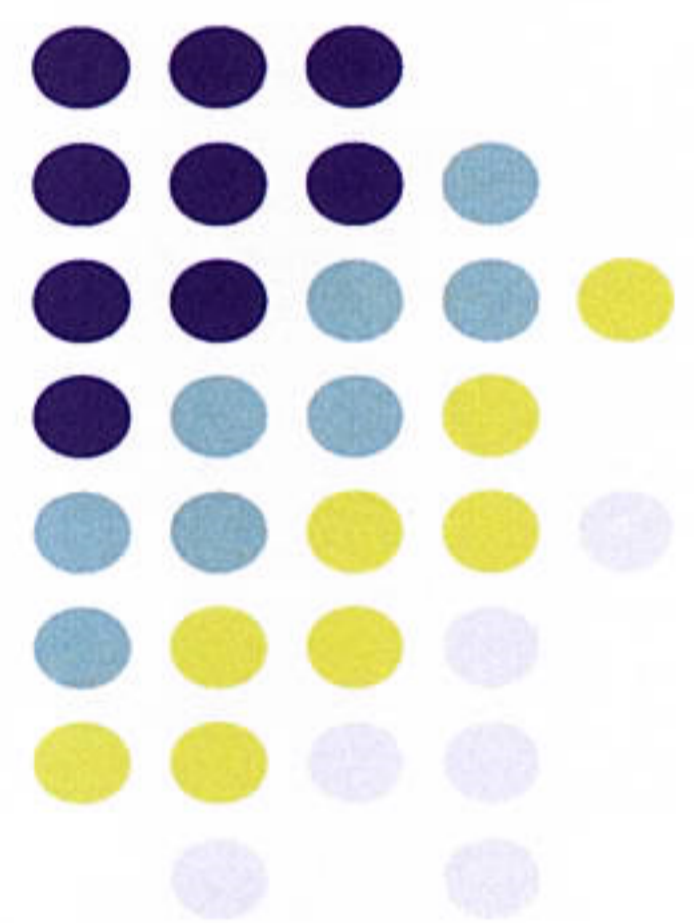
My personal journey at 'Respite Care Bega Valley Inc.' and 'Connections Plus Australia Inc.' wouldn't have been possible without everyone's support, for which I'm eternally grateful.

Again, many thanks to our Board, the team in our office, our care staff and our participants and families.

Rainer Strassberger
Chief Executive Officer



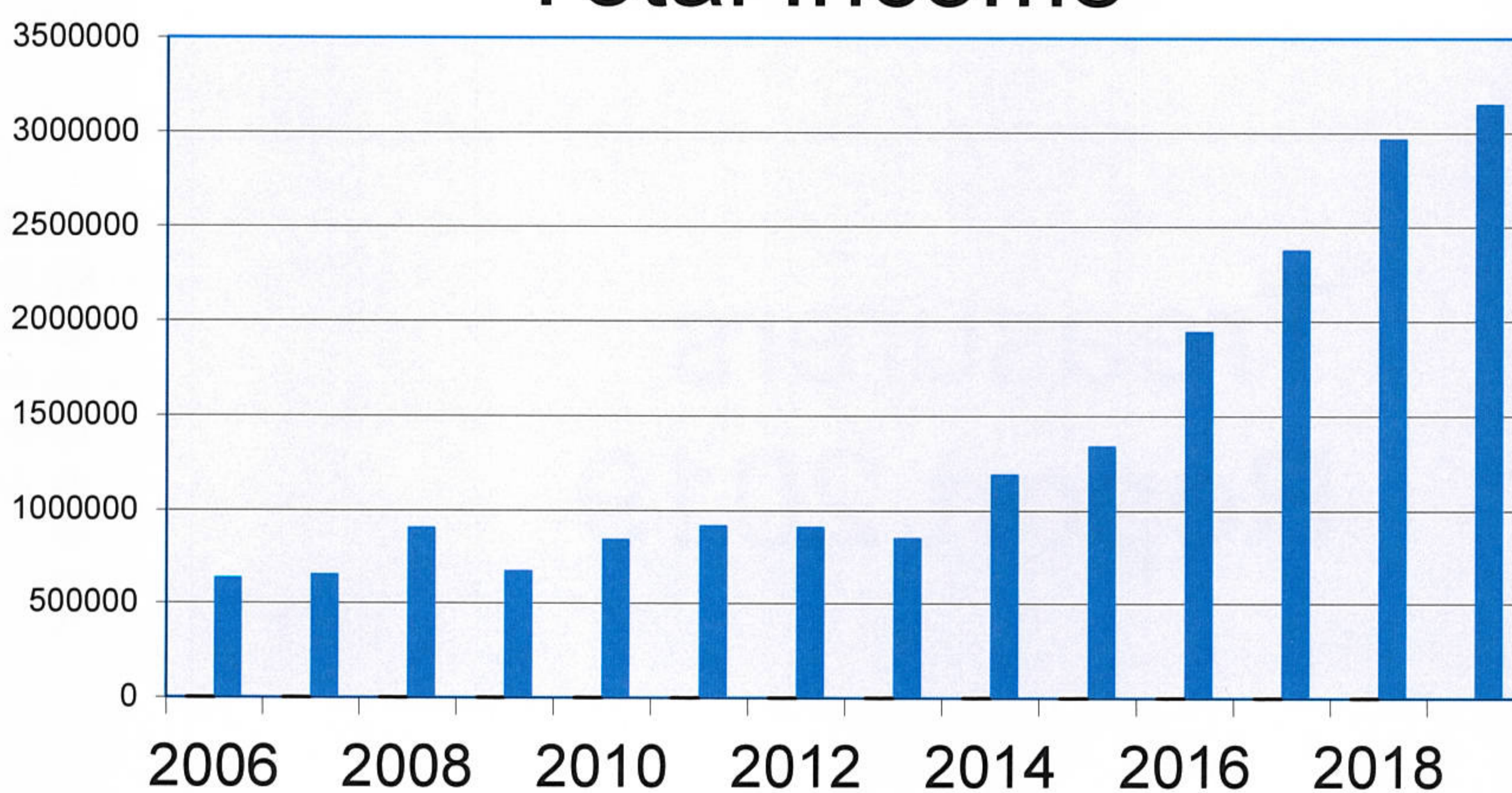
Treasurers Report 2019

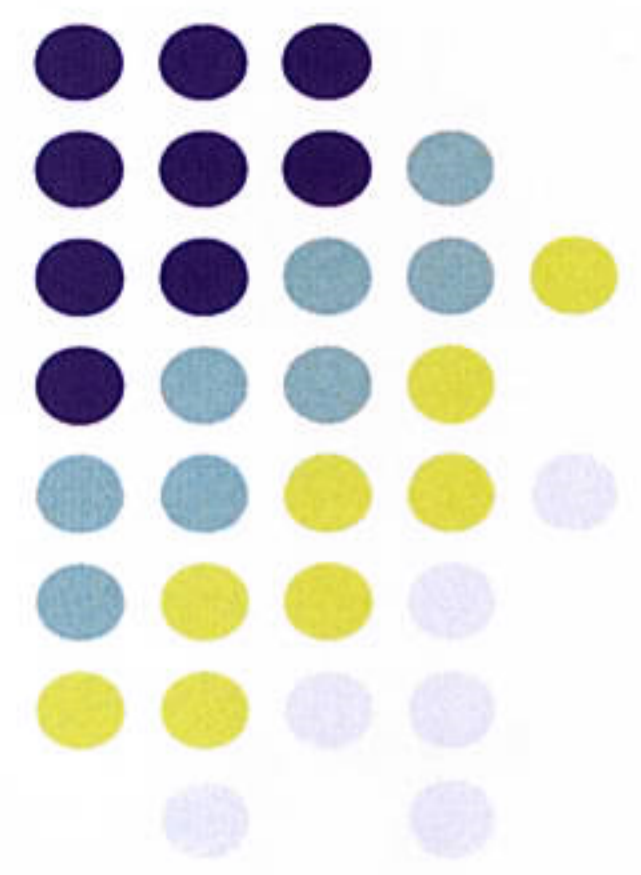


The Numbers



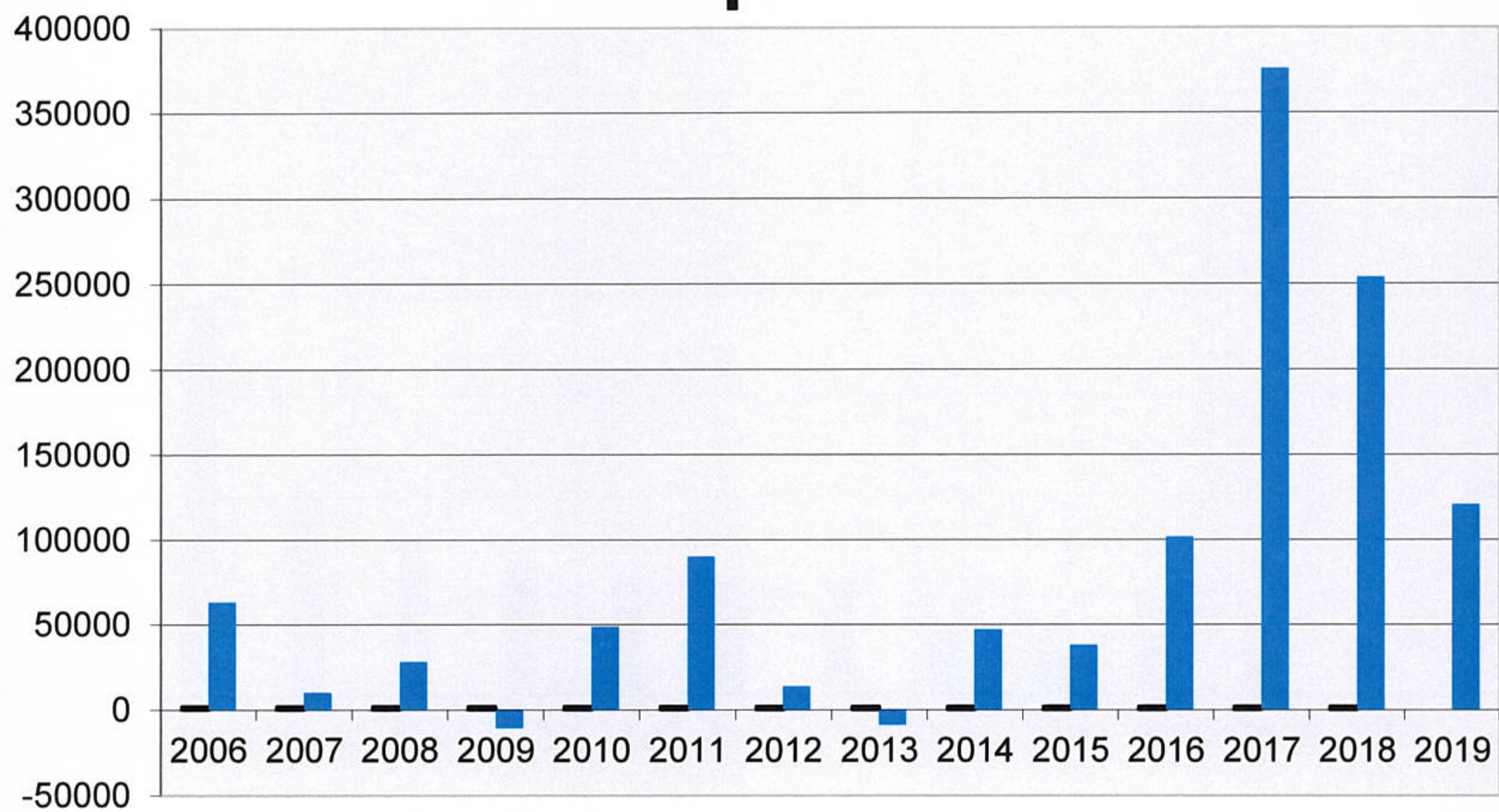
Total Income



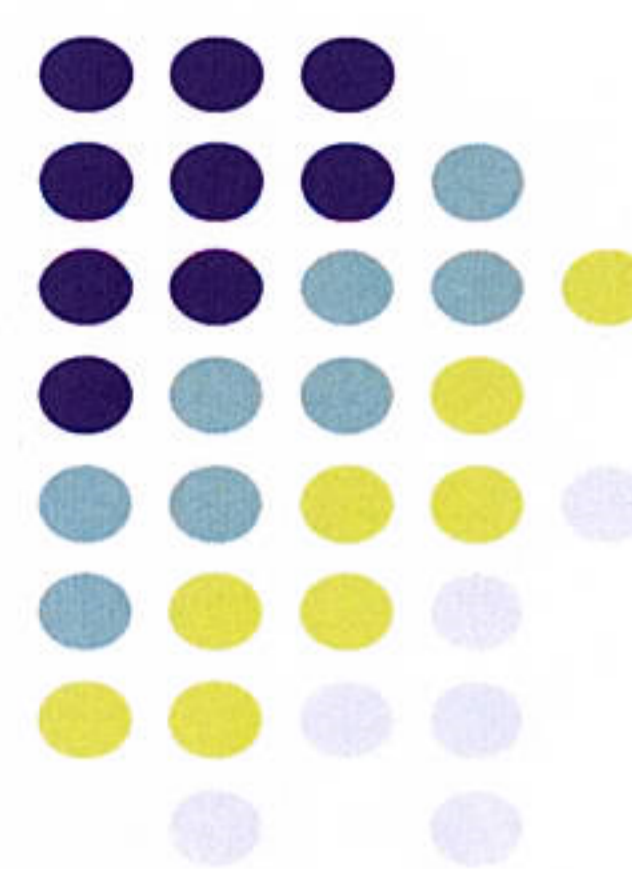


The Numbers

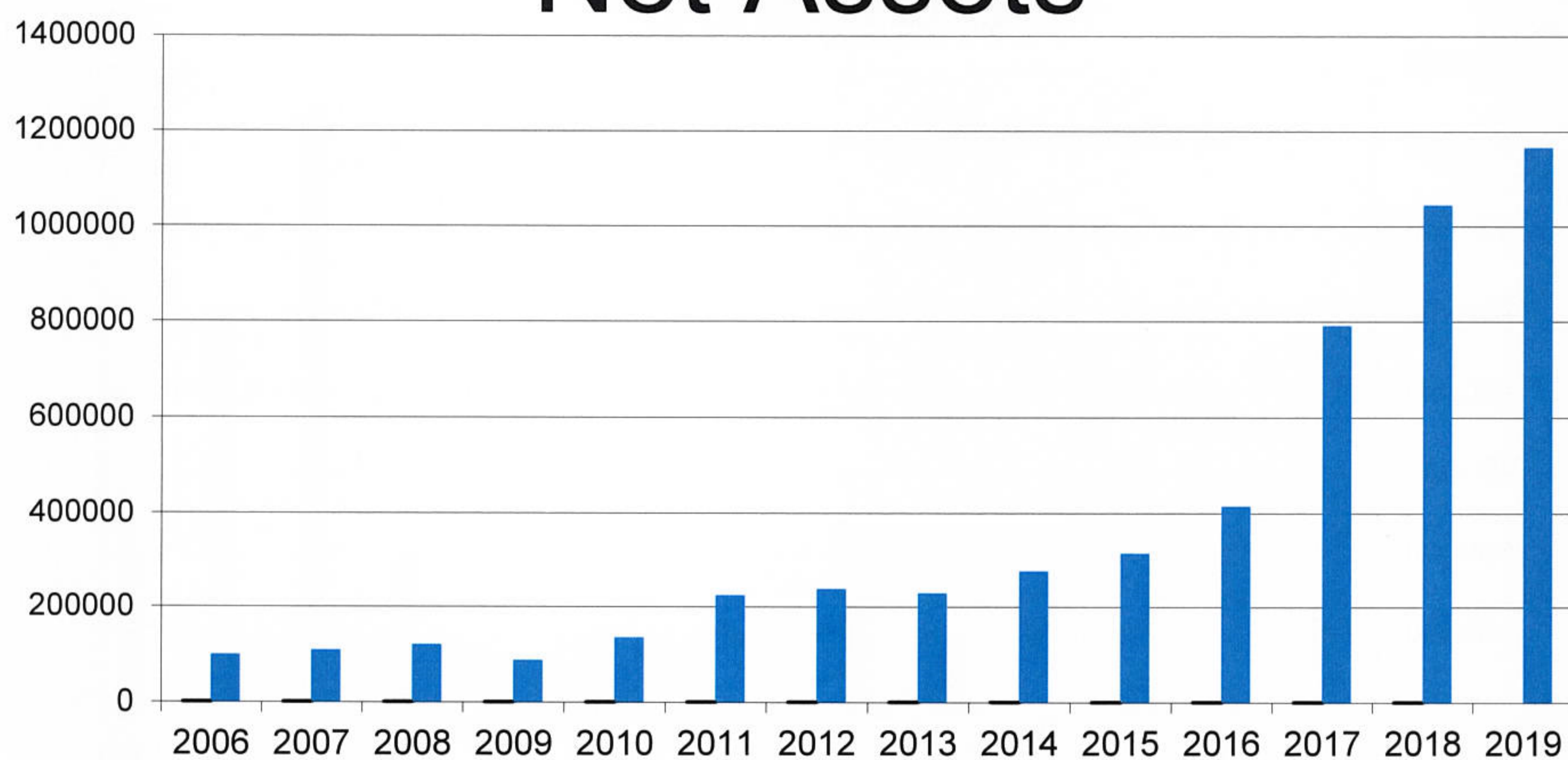
Surplus



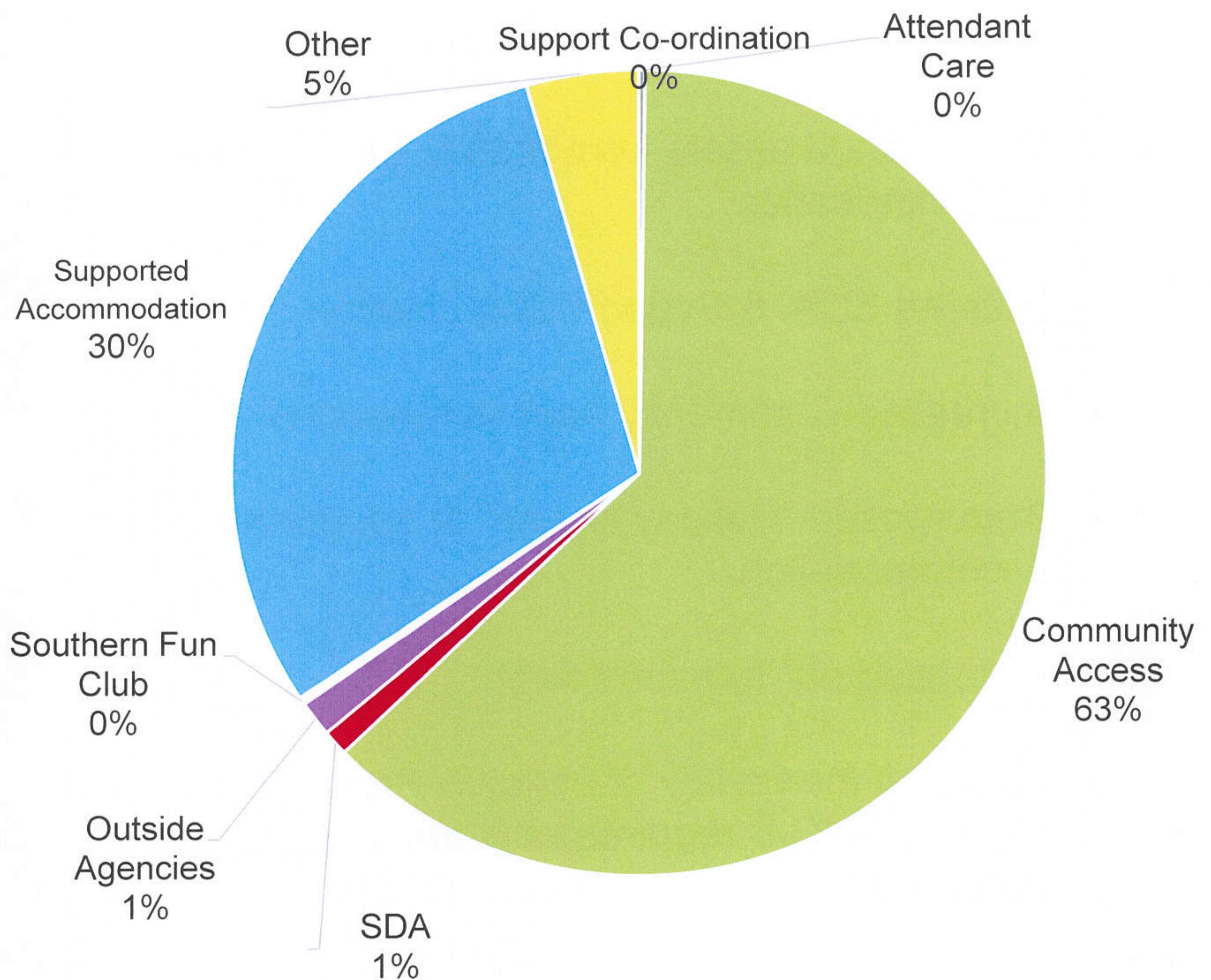
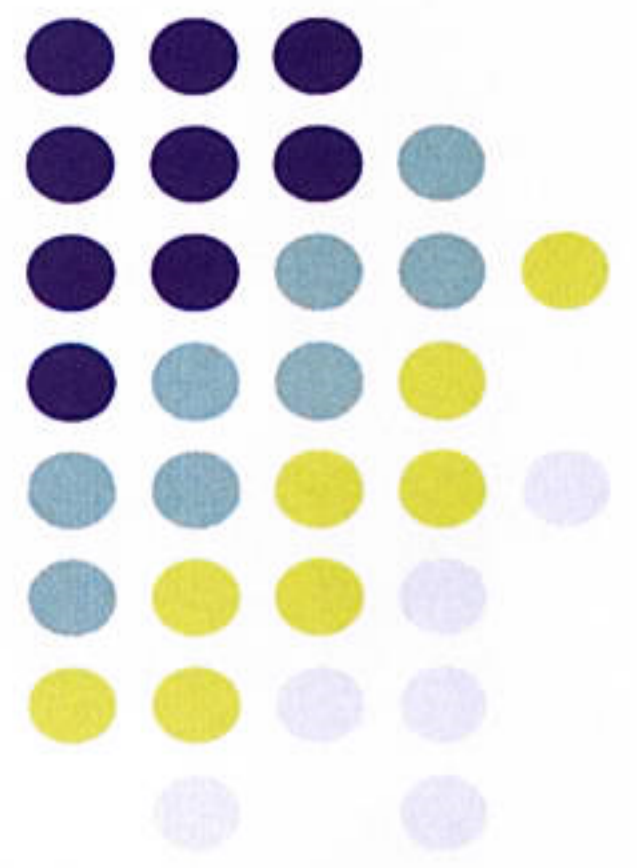
The Numbers



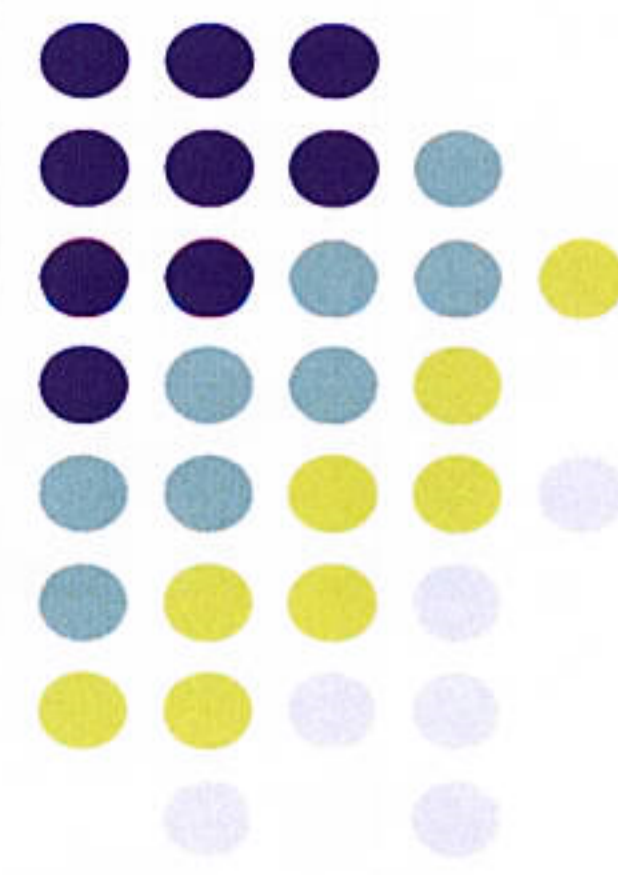
Net Assets



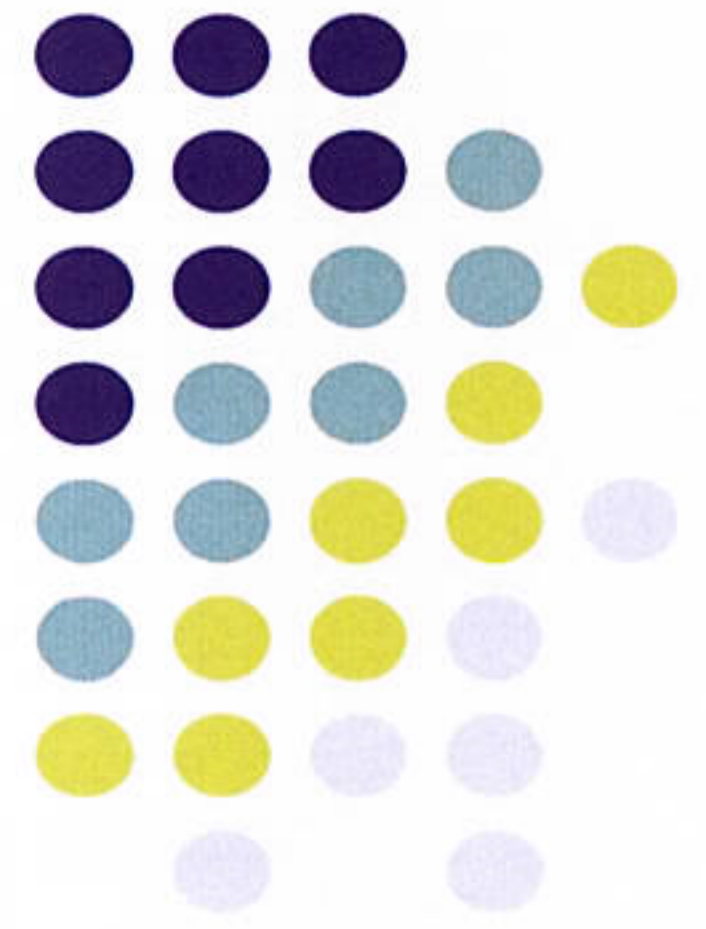
Income Sources



NDIS Transition Continues



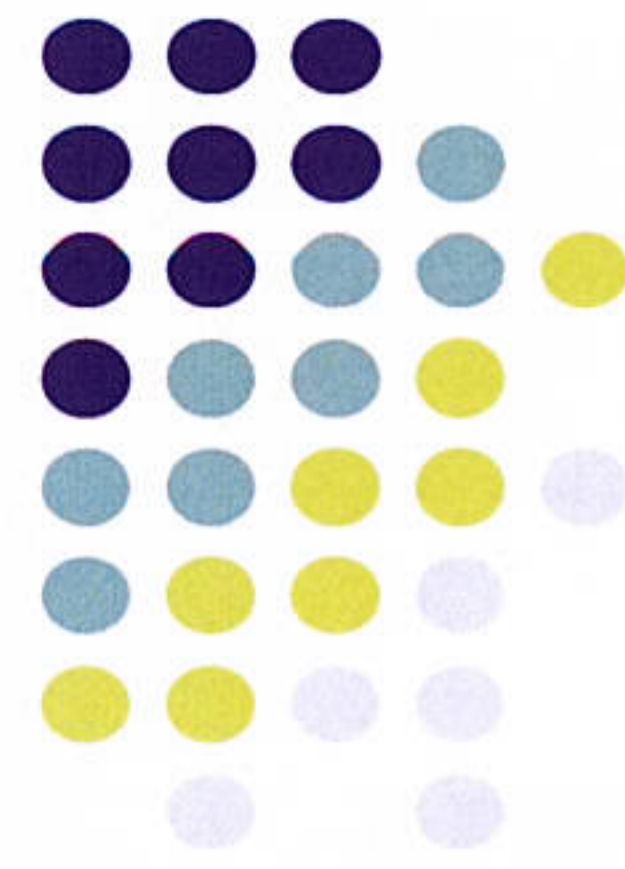
- Transitioned assets from respite to supported accommodation.
- Entered SDA & Support Coordination programs.
- Increased Community Access resources.
- Repurposed “Holiday House” to supported accommodation.
- Increased our transport fleet.
- Finalised the review of Policy & Procedures to align with NDIS requirements and anticipation of initial audit.



The Priorities

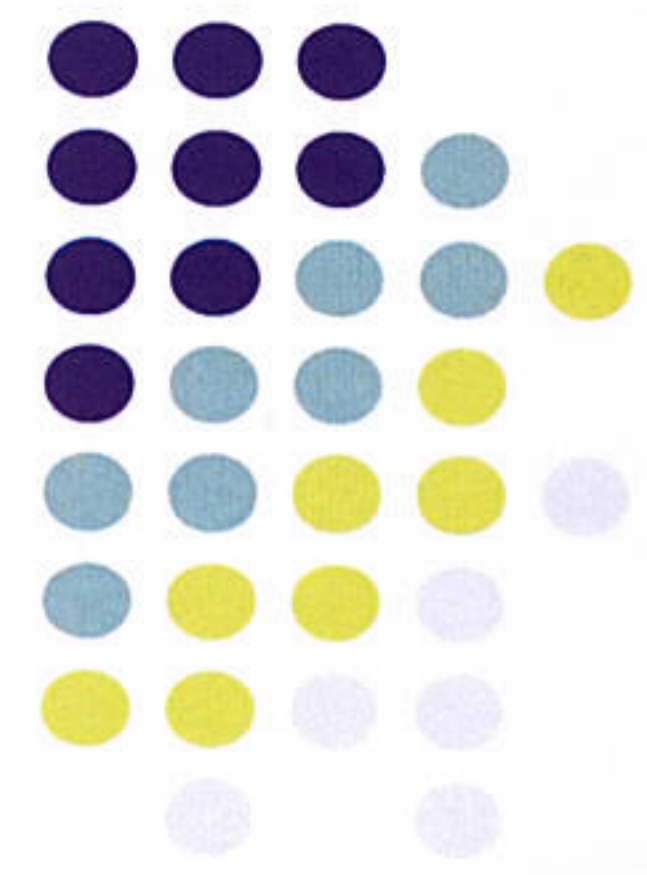
- Maintain the suite of support services we offer.
- Increase our community/stakeholder awareness.
- Keep our overhead load as light as possible.
- Invest our cash reserves in community programs.
- Prudently invest in our team and equipment.
- Grow at a sustainable pace.
- Plan for the unexpected.

The Vision

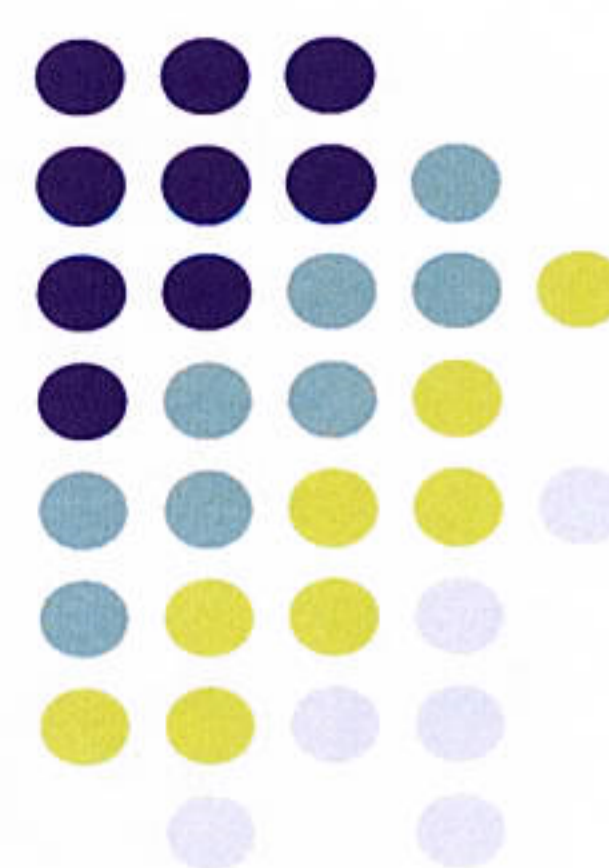


- To ensure that the service is positioned to play a significant role in providing a broad range of support services to the community.
- Provider of choice for a range of community support services.
- Emergency and transitional respite and out of home care.
- Grow our supported accommodation programs
- Grow our Community Access programs.
- Advocate for our clients needs via the NDIS systems.

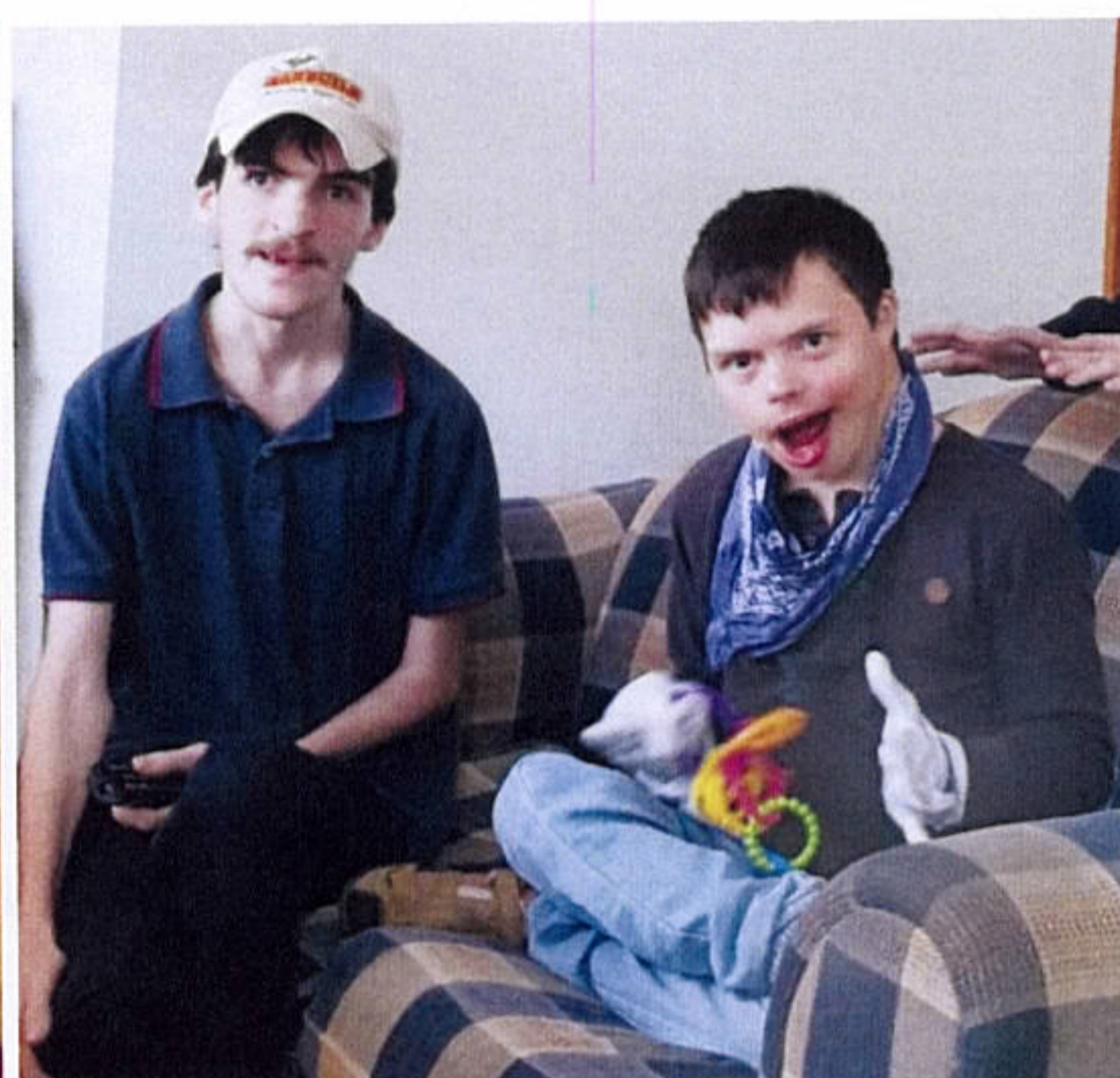
Next Steps



- Maintain the support services we provide.
- Continue to invest in staff and capabilities.
- Develop the Tura Beach Community Access hub.
- Advocate for our clients needs.



Our Journey Continues





Connections Plus Australia Incorporated

ABN: 39 736 696 723

Financial Statements

For the Year Ended 30 June 2019

Connections Plus Australia Incorporated

ABN: 39 736 696 723



New Day Program location – Tura Beach

Connections Plus Australia Incorporated

ABN: 39 736 696 723

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Connections Plus Australia Incorporated

ABN: 39 736 696 723

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

Income	2019 \$	2018 \$
ADHC Income:		
- Accom Support Grant	-	390
Aging Parent Carers:		
- Grant - Quarterly	-	17,935
Attendant Care:		
- AC Client Package	-	33,400
Buildings:		
- Fees received	160	3,020
Flexible Respite:		
- Grant Quarterly	-	(7,944)
- Reimbursements	-	164
- Respite packages	-	450
Host Family:		
- Grant Quarterly	-	20,323
NDIS		
- Support Co-ordination	8,043	282
- Comm Access Daily Inc	1,977,195	1,883,170
- Support Accom Inc	943,673	752,826
- Continence Products Reimbursement	2,298	1,048
- Client Reimbursement	3,673	5,242
- SDA Inc	32,405	-
Donations	70,100	86,235
Interest received	6,823	5,166
Member subscriptions	18	34
Reimbursements - Other Outside Agencies	45,458	89,275
Reimbursements - Sundry	2,736	2,805
Sundry income	47	13,009
Southern Fun Club:		
- CHSP Flex Respite	9,251	9,114
Supported Accommodation:		
- Accommodation Income	54,514	55,352
Total income	3,156,394	2,971,296
Expenses		
Advertising & promotions	973	4,097
Attendant Care Packages:		
- Contract carer	-	4,083
- Travel	-	267
- Other	-	42,077
Auditors remuneration	7,705	5,620
Bad debts expense	11,037	46,776

The accompanying notes form part of these financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	2019	2018
	\$	\$
Bank charges	80	72
Buildings expenses	102,715	53,135
Computer expenses	23,979	2,015
Community participation	-	3,291
Contract Carer - Admin/Meetings	769	2,211
Depreciation expense	64,026	47,062
Donations	67,133	53,259
Electricity	1,979	1,635
Flexible Respite:		
- Contract carer	-	2,510
- Travel	-	330
- Other	-	2,907
Host Family:		
- Contract carer	-	726
- Travel	-	25
- Other	-	1,226
Insurance - general	21,694	13,983
ISO Certification	-	1,142
Licenses and permits	825	677
Materials	9,157	8,912
Motor vehicles:		
- Expenses	45,293	43,434
- Loss on disposal	-	2,273
NDIS:		
- NDIS Support Accom Carer	662,300	533,431
- NDIS Support Accom Travel	3,250	10,295
- NDIS Support Accom Expenses	14,474	6,396
- NDIS Comm Access Carer	995,877	1,016,993
- NDIS Comm Access Travel	59,997	39,581
- NDIS Comm Access Expenses	71,293	25,971
- NDIS Comm Access Client Expenses	2,598	6,500
- NDIS Support Co-ordination expense	4,490	-
Outside Agency:		
- Contractor	17,643	36,793
- Travel	124	401
- Agency expenses	6,799	9,015
Postage	236	394
Printing and stationery	2,683	3,368
Rent	17,303	17,303
Repairs and maintenance	1,039	725
Salaries	492,565	391,168
Southern Fun Club	9,333	3,041
Subscriptions	-	2,078

The accompanying notes form part of these financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
Superannuation - Staff	211,117	74,780
Superannuation - Carers	311	112,608
Supported Accommodation:		
- Support Worker	1,812	198
- Support Worker expenses	141	19
Accommodation expenses	38,279	44,895
Telephone	8,430	8,524
Training	5,104	4,438
Travel & conference	5,607	6,809
Workers compensation insurance	43,670	16,533
Other expenses	1,831	1,670
Total Expenses	3,035,671	2,717,672
Surplus before income tax	120,723	253,624
Income tax expense	3(a) -	-
Surplus from continuing operations	120,723	253,624
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	120,723	253,624

The Association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

The accompanying notes form part of these financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Statement of Financial Position As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	926,473	714,318
Trade and other receivables	7	98,378	252,991
TOTAL CURRENT ASSETS		1,024,851	967,309
NON-CURRENT ASSETS			
Property, plant and equipment	8	395,609	387,954
TOTAL NON-CURRENT ASSETS		395,609	387,954
TOTAL ASSETS		1,420,460	1,355,263
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	33,345	92,313
Short-term provisions	10	191,100	191,100
Employee benefits	11	30,502	27,060
TOTAL CURRENT LIABILITIES		254,947	310,473
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		254,947	310,473
NET ASSETS		1,165,513	1,044,790
EQUITY			
Retained earnings		1,165,513	1,044,790
TOTAL EQUITY		1,165,513	1,044,790

The Association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

The accompanying notes form part of these financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Statement of Changes in Equity For the Year Ended 30 June 2019

2019	Retained Earnings
	\$
Balance at 1 July 2018	1,044,790
Operating result	120,723
Balance at 30 June 2019	1,165,513
2018	Retained Earnings
	\$
Balance at 1 July 2017	791,166
Operating result	253,624
Balance at 30 June 2018	1,044,790

The Association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

The accompanying notes form part of these financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Statement of Cash Flows For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from operating activities		3,347,143	2,924,083
Payments to suppliers and employees		(3,070,131)	(2,706,363)
Interest received		6,823	5,165
Net cash provided by/(used in) operating activities		<u>283,835</u>	<u>222,885</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment		-	22,728
Payment for property, plant and equipment		(71,680)	(181,596)
Net cash provided by/(used in) investing activities		<u>(71,680)</u>	<u>(158,868)</u>
Net increase/(decrease) in cash and cash equivalents held		212,155	64,017
Cash and cash equivalents at beginning of year		714,318	650,301
Cash and cash equivalents at end of financial year	6	<u>926,473</u>	<u>714,318</u>

The accompanying notes form part of these financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Notes to the Financial Statements

For the Year Ended 30 June 2019

The financial report covers Connections Plus Australia Incorporated as an individual entity. Connections Plus Australia Incorporated is a not-for-profit Association, registered and domiciled in Australia. The Association was incorporated on 13th November, 1992 under the Associations Incorporation Act 1984 (NSW) (#Y1614240). The association is registered with the Australian Business Register - Australian Business Number 39 736 696 723. The Association is registered for tax purposes as a Public Benevolent Institution and is endorsed to access the following tax concessions GST Concession, FBT Exemption, and Income Tax Exemption. The association is registered for Goods & Services Tax purposes. The association holds an authority to fundraise for charitable purposes (# CFN12661) under the Charitable Fundraising Act 1991 (NSW). This authority remains in force until 25 April 2020. On the 14 January 2015 the Association changed its name from Respite Care Bega Valley Incorporated to Connections Plus Australia Incorporated.

The functional and presentation currency of Connections Plus Australia Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Change in Accounting Policy

Financial Instruments Adoption of AASB 9

The Association has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 July 2018.

As part of the adoption of AASB 9, the Association adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Association's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the Association has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 July 2018.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Notes to the Financial Statements For the Year Ended 30 June 2019

2 Change in Accounting Policy

Financial Instruments Adoption of AASB 9

Classification of financial assets

The financial assets of the Association have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income - debt instruments (FVOCI - debt)
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in no change to the recognition of credit loss (bad debt provisions).

3 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied. Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

Donations

Donations and bequests are recognised as revenue when received.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(c) Revenue and other income

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(d) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(e) Property, plant and equipment

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

Fixed asset class	Depreciation rate
Holiday House Building & Improvements	2.5% - 5%
Buildings Plant & Equipment	20% - 33.3%
Motor Vehicles	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(f) Financial instruments Financial assets

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

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

Interest income, gains or losses 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 for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held).

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

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

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Other financial assets measured at amortised cost

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 Association 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 Association comprise of trade payables.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Employee benefits

Provision is made for the Association'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(i) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(j) Ongoing Government Financial Support

The accounts have been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. In the event that current government contracts and funding were to cease, the association would have to significantly restructure its operations to meet its commitments.

Notes to the Financial Statements

For the Year Ended 30 June 2019

3 Summary of Significant Accounting Policies

(k) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association or refer to Note 2 for details of the changes due to standards adopted.

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5 Result for the Year

The result for the year includes the following specific expenses:

	2019	2018
	\$	\$
Other expenses:		
Employee benefit expenses	747,663	595,089
Impairment loss on financial assets	11,037	46,776
Net loss on disposal of property, plant and equipment	-	2,273

6 Cash and Cash Equivalents

Cash at bank and in hand	926,473	714,318
	926,473	714,318

7 Trade and Other Receivables

CURRENT		
Trade receivables	98,378	252,991
Total current trade and other receivables	98,378	252,991

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Notes to the Financial Statements For the Year Ended 30 June 2019

8 Property, plant and equipment

	2019 \$	2018 \$
LAND AND BUILDINGS		
Freehold land At cost	80,000	80,000
Buildings At cost	213,255	213,255
Accumulated depreciation	(80,650)	(75,093)
Total buildings	132,605	138,162
Total land and buildings	212,605	218,162
PLANT AND EQUIPMENT		
Motor vehicles At cost	309,462	269,687
Accumulated depreciation	(154,270)	(120,179)
Total motor vehicles	155,192	149,508
Office equipment At cost	21,338	22,254
Accumulated depreciation	(16,953)	(16,488)
Total office equipment	4,385	5,766
Buildings plant and equipment At cost	98,389	87,828
Accumulated depreciation	(74,962)	(73,310)
Total Buildings plant and equipment	23,427	14,518
Total property, plant and equipment	395,609	387,954

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Notes to the Financial Statements For the Year Ended 30 June 2019

8 Property, plant and equipment

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Buildings	Motor Vehicles	Office Equipment	Buildings plant and equipment	Total
	\$	\$	\$	\$	\$	\$
Year ended 30 June 2019						
Opening balance	80,000	138,162	149,508	5,766	14,518	387,954
Additions	-	-	52,853	1,455	17,373	71,681
Depreciation expense	-	(5,557)	(47,169)	(2,836)	(8,464)	(64,026)
Balance at the end of the year	80,000	132,605	155,192	4,385	23,427	395,609

The Holiday House (building and land) was purchased 22 January 2003 with the assistance of a grant from the Department of Ageing, Disability & Home Care (the Department). One of the terms of the grant was a Caveat by the Department over the title of the Holiday House, being 78% of the proceeds from sale. A provision for this caveat has been booked in the financial statements as a liability of the Association at Note 10 for \$191,100.00.

9 Trade and Other Payables

	2019	2018
	\$	\$
Current		
Trade payables	6,772	32,232
GST payable	(7,316)	(6,098)
Accrued expenses	28,623	62,523
PAYG	5,266	3,656
	33,345	92,313

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

10 Provisions

Current		
Provision for caveat (Note 8)	191,100	191,100

11 Employee Benefits

Current liabilities		
Provision for long service leave	14,665	7,857
Provision for annual leave	15,837	19,203
	30,502	27,060

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Notes to the Financial Statements For the Year Ended 30 June 2019

12 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2019 (30 June 2018: None).

Under the terms of the funding agreements with the state and federal government bodies, any unspent funding may be deducted from future payments. Further, a proportion of any funds advanced for the purpose of purchasing assets may be required to be refunded on disposal of the assets. The financial effect of this possible liability is unable to be determined at the time of this report

13 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Connections Plus Australia Incorporated

ABN: 39 736 696 723

Declaration by Members of the Committee

The Committee declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

President: 

Treasurer: 

Dated: 11/10/2019.

Fundraising Declaration

In the opinion of the committee:-

- (a) the financial report gives a true and fair view of all income and expenditure of the association with respect to fundraising appeals, and
- (b) the balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the association, and
- (c) the provisions of the Charitable Fundraising Act 1991 (NSW), the regulations under the Act and the conditions attached to the authority have been complied with by the association, and
- (d) the internal controls exercised by the association are appropriate and effective in accounting for all income received and applied by the association from any of its fundraising appeals.

President:



Treasurer:



Dated:

14/10/2019.



Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Committee of Connections Plus Australia Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019, there have been:

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

KOTHES
Chartered Accountants

Simon Byrne
Partner
Registered Company Auditor # 153624
Merimbula, 3 October 2019



Independent Audit Report to the members of Connections Plus Australia Incorporated

Report on the Audit of the Financial Report Opinion

We have audited the financial report of Connections Plus Australia Incorporated, which comprises the statement of financial position as at 30 June 2019, the statement of profit or 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 declaration by members of the committee.

In our opinion the financial report of Connections Plus Australia Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance for the year ended and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

We also report that:

- (a) the financial statements show a true and fair view of the financial result of fundraising appeals conducted during the year
- (b) the accounting and associated records have been properly kept during the year in accordance with the Charitable Fundraising Act 1991 (NSW) and the Regulations
- (c) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 (NSW) and the Regulations and
- (d) at the date of this report, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

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 Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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.

Responsibilities of Committee for the Financial Report

The Committee of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the Committee determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Committee are responsible for assessing the Association'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 Committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Independent Audit Report to the members of Connections Plus Australia Incorporated (Continued)

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 the 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities' 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 Association'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 Association 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.

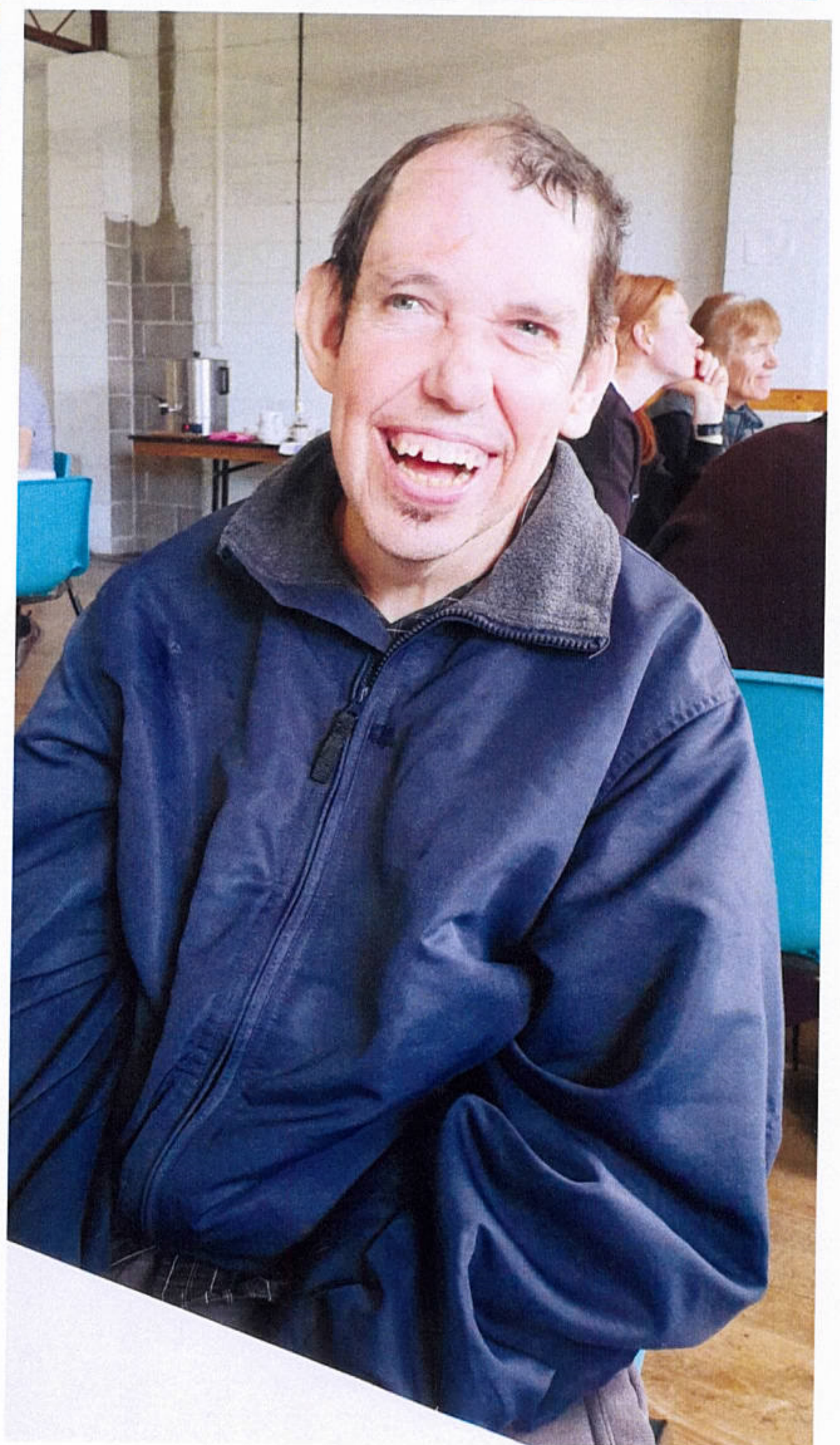
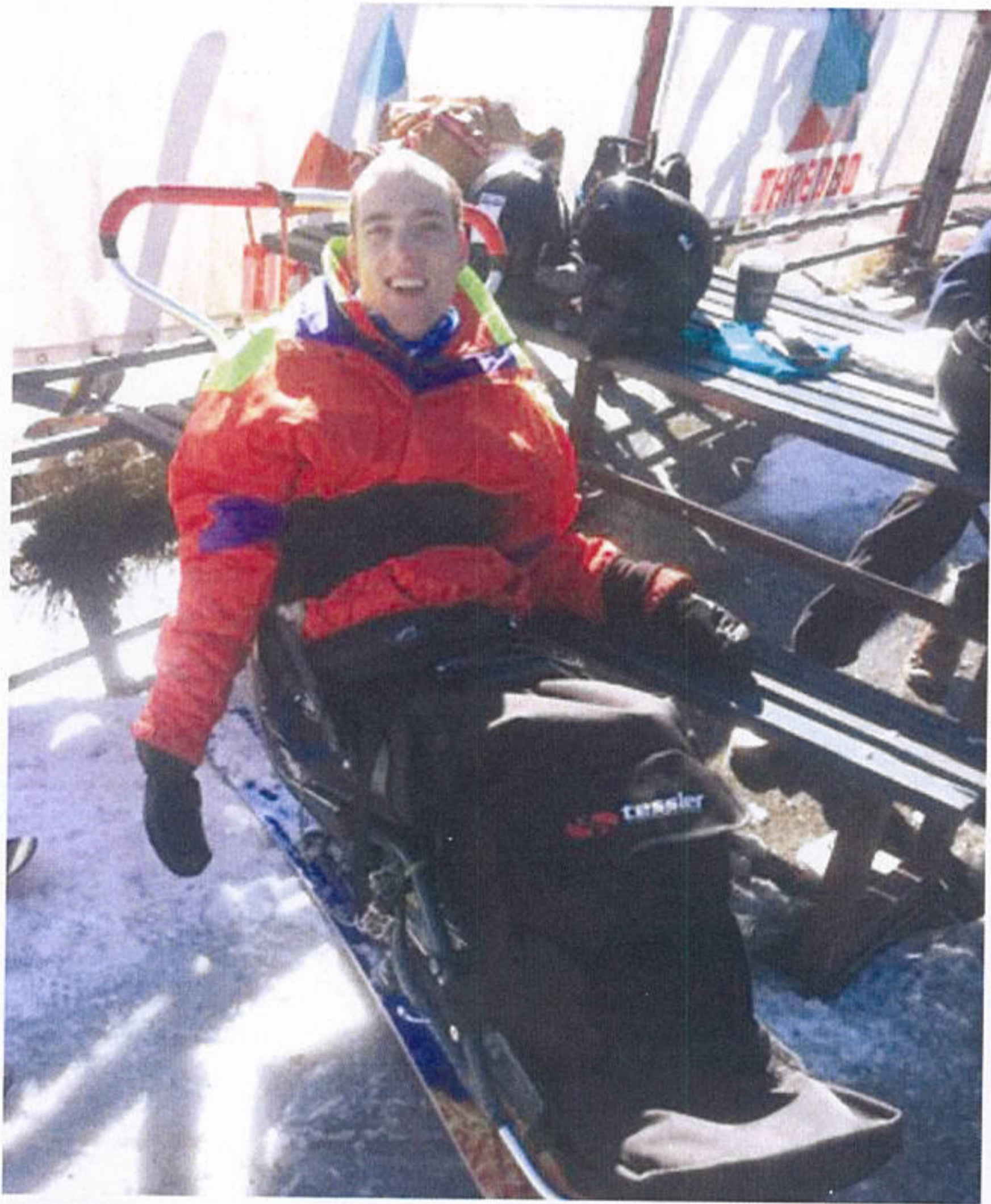
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KOTHES

Chartered Accountants



Simon Byrne
Partner
Registered Company Auditor # 153624
Merimbula, 3 October 2019`



'Delivering Quality Care'

