

# **Housing for the Aged Action Group Inc.**

ABN: 80 348 538 001

## **Financial Report**

For the Year Ended 30 June 2023

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

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For the Year Ended 30 June 2023

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# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Committee's Report For the Year Ended 30 June 2023

Your Committee members submit the financial report of Housing for the Aged Action Group Inc for the financial year ended 30 June 2023.

### Committee Members

The names of Committee members and their position at the date of this report are:

<u>Name</u>	<u>Executive position</u>
Pamela Young	- Chairperson
Kris Spark	- Vice Chairperson
Maeve Browne-Cooper	- Secretary
Karen Abols	- Treasurer
Hoda Nahal	
Andrew Rogers	
Pauline Crameri	
Margaret O'Loughlin	
Ann Bronwell (Appointed Nov 22)	
Phyll Williams (Retired Nov 22)	

### Principal Activities

The principal activities of the Association during the financial year were as follows: Housing for the Aged Action Group Inc is a community based organisation specialising in the housing needs of older people. The mission of the Association is to engage and work with older people through community activism, services and advocacy to achieve social change and housing justice. The Association's service arm is the Home at Last Service which provides a one-stop shop of housing information, support, advice and advocacy.

### Significant Changes & Events Subsequent to the Balance Date

COVID-19: Access to the Association was significantly impacted by Victorian Government orders issued in the period from 2019/20 to 2022/23 as part of the measures to reduce the spread of COVID-19. However, in October 2022 the Victorian Government's pandemic declaration came to an end, and since then the Association has returned to what they consider 'normal' operations albeit some adjustments and adaptations to the working environment. Nevertheless, whilst it is not considered that any unfavourable impact is expected to continue, the impact on Revenue may not be able to be determined for the next 12 month period.

Other than the above, there were no significant changes in the state of affairs, nor events subsequent to the balance date, of the Association other than those referred to in the accounts and notes thereto.

### Operating Result

The operating surplus (income tax exempt) amounted to \$521,416 (2022: \$148,513 surplus).

### Committee Member Benefits

No Committee member has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Association, controlled entity or a related body corporate with a Committee member, a firm of which a Committee member is a member or an Association in which a Committee member has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Committee members shown in the Association's financial statements, or the fixed salary of a full-time, part-time, or casual employee of the Association, controlled entity or related body corporate.

### Auditor's Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012* can be found on the page following this report.

Signed in accordance with a resolution of the members of the Committee



.....

Pamela Young – Chairperson



.....

Karen Abols - Treasurer

Dated at Melbourne this 25<sup>th</sup> day of October 2023



Oak Audit & Assurance Pty Ltd  
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Mornington VIC 3931

## Auditor's Independence Declaration

To Housing for the Aged Action Group Inc,

In accordance with the requirements of section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012*, as lead auditor for the audit of Housing for the Aged Action Group Inc for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

*Oak Audit & Assurance*

OAK AUDIT & ASSURANCE PTY LTD  
Authorised Audit Company (ASIC) Reg # 527784

**Scott A Cosgriff**  
Director

Mornington, 25 October 2023

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
<b>Income</b>			
Revenue	2	<u>3,520,552</u>	<u>2,877,187</u>
<b>Total Income</b>		<b>3,520,552</b>	<b>2,877,187</b>
<b>Expenses</b>			
Accounting & consultancy fees		7,859	91,923
Audit expenses		4,850	4,525
Client brokerage		270,498	176,311
Depreciation and amortisation expense	2	57,354	32,055
Employee benefits expense		2,321,810	2,159,127
Finance costs		11,759	-
Interest expense		-	17
Meeting expenses		3,367	4,853
Motor vehicle expenses		62,876	46,748
Office expenses		79,181	57,246
Other expenses		24,848	45,250
Rent & storage		40,076	74,360
Research project expenses		54,303	10,641
Training & development		8,655	4,841
Travel and accommodation		22,826	4,340
Volunteer & student expenses		28,874	16,437
<b>Total Expenses</b>		<b>2,999,136</b>	<b>2,728,674</b>
<b>Surplus for the year</b>		<b>521,416</b>	<b>148,513</b>
<b>Other Comprehensive Income</b>			
- Items that will not be reclassified to profit or loss		-	-
- Items that may be reclassified subsequently to profit or loss when specific conditions are met		-	-
<b>Total Comprehensive Income for the year</b>		<b>521,416</b>	<b>148,513</b>

The Accompanying Notes Form Part of These Financial Statements

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Statement of Financial Position

As at 30 June 2023

	Notes	2023 \$	2022 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	2,094,498	2,135,655
Trade and other receivables	4	184,904	36,765
Other assets	5	33,623	21,647
<b>Total Current Assets</b>		<b>2,313,025</b>	<b>2,194,067</b>
<b>Non-Current Assets</b>			
Plant & equipment	6	68,512	56,374
Right-of-use assets	9	440,713	-
Other assets	5	20,183	15,158
<b>Total Non-Current Assets</b>		<b>529,408</b>	<b>71,532</b>
<b>Total Assets</b>		<b>2,842,433</b>	<b>2,265,599</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	7	144,135	97,873
Income in advance	2(i)	408,430	901,305
Employee benefits	8	338,127	282,776
Lease liabilities	9	73,236	-
<b>Total Current Liabilities</b>		<b>963,928</b>	<b>1,281,954</b>
<b>Non Current Liabilities</b>			
Employee benefits	8	26,041	28,947
Lease liabilities	9	376,350	-
<b>Total Non Current Liabilities</b>		<b>402,391</b>	<b>28,947</b>
<b>Total Liabilities</b>		<b>1,366,319</b>	<b>1,310,901</b>
<b>Net Assets</b>		<b>1,476,114</b>	<b>954,698</b>
<b>Equity</b>			
Retained Earnings		1,476,114	954,698
<b>Total Equity</b>		<b>1,476,114</b>	<b>954,698</b>

The Accompanying Notes Form Part of These Financial Statements

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Statement of Changes in Equity

For the Year Ended 30 June 2023

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Retained Earnings</b>		
Opening Balance	954,698	806,185
Surplus for the Period	521,416	148,513
Other Comprehensive Income	-	-
<b>Closing Balance of Retained Earnings</b>	<b>1,476,114</b>	<b>954,698</b>

The Accompanying Notes Form Part of These Financial Statement

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Statement of Cash Flows For the Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
<b>Cash flows from operating activities:</b>			
Receipts from grants, trust income, donations and other sources		4,096,327	3,246,574
Payments to suppliers & employees		(4,011,962)	(2,618,651)
Interest received		9,732	1,557
Interest and finance costs paid		(62,876)	(17)
<b>Net cash provided by operating activities</b>	12	<u>31,221</u>	<u>629,463</u>
<b>Cash flows from investing activities:</b>			
Payments for purchase of plant and equipment		(38,013)	(28,517)
Proceeds from sale of property, plant and equipment		-	-
<b>Net cash used in investing activities</b>		<u>(38,013)</u>	<u>(28,517)</u>
<b>Cash flows from financing activities:</b>			
Leases procured (repaid) - Hire Purchase Equipment		-	(11,355)
Leases (repaid) - Right-of-Use assets		(34,365)	-
<b>Net cash used in financing activities</b>		<u>(34,365)</u>	<u>(11,355)</u>
<b>Net (decrease) / increase in cash and cash equivalents held</b>		(41,157)	589,591
<b>Cash &amp; cash equivalents at beginning of year</b>		<u>2,135,655</u>	<u>1,546,064</u>
<b>Cash &amp; cash equivalents at end of financial year</b>	3	<u><b>2,094,498</b></u>	<u><b>2,135,655</b></u>

The Accompanying Notes Form Part of These Financial Statements



# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Material Accounting Policies

#### Basis of Accounting

##### **Statement of Compliance and Financial Reporting Framework**

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

The special purpose financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and Interpretations to the extent outlined in the section below this paragraph, and the disclosure requirements of the following standards:

AASB 101: *Presentation of Financial Statements*

AASB 107: *Statement of Cash Flow*

AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*

AASB 124: *Related Party Disclosures*

AASB 1048: *Interpretation of Standards*

AASB 1054: *Australian Additional Disclosures*

The financial statements do not comply with all of the recognition and measurement requirements in Australian Accounting Standards. The material accounting policies adopted in the special purpose financial statements are set out in Note 1 below, and indicate how the recognition and measurement requirements in Australian Accounting Standards have not been complied with, noting the material areas that are not in compliance with the standards are as follows:

- AASB 15 *Revenue from Contracts with Customers* → Philanthropic Income recognition/deferral.
- AASB 1058 *Income of Not-for-Profit Entities* → Philanthropic Income recognition/deferral.

The Association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures.

##### **New or Amended Accounting Standards and Interpretations Adopted**

A number of Australian Accounting Standards and Interpretations have been issued or amended but are not yet effective, and have not been early adopted. The impact of these new or amended Accounting Standards is not expected to give rise to material changes in the Association's financial statements.

#### **Basis of Preparation**

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs. They do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The Committee have reviewed the business outlook and the assets and liabilities of the Association and are of the opinion that the use of the going concern basis of accounting is appropriate.

The following material accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these special purpose financial statements:

##### **(a) Comparative Figures**

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

##### **(b) Taxation**

The Association is exempt under section 50-30 of the *Income Tax Assessment Act 1997* as amended, as a non-profit organisation. As such, no allowance has been made for Income Tax.

The Association is registered with the Australian Charities and Not-for-profits Commission as a Public Benevolent Institution and is endorsed as a Deductible Gift Recipient.

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Material Accounting Policies (Continued)

#### (c) 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.

#### (d) Plant and Equipment

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

Plant and equipment are measured using the cost model. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

#### Depreciation

Plant and equipment are depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

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

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Plant & Equipment	4 years
Motor Vehicles	4 years
Computer equipment	3 years

\* Assets under \$1,000 are considered minor assets and are taken to the profit and loss as an expense when incurred.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in results from Continuing Operations in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

#### (e) Impairment of Assets

At the end of each reporting period, the Association reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in results from Continuing Operations.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Material Accounting Policies (Continued)

#### (f) Trade and Other Receivables

Trade and other receivable include amounts due from customers and donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

#### (g) Revenue and Other Income

The Association has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058), to most material government grant and income streams, except for material philanthropic income (see statement of non-compliance below).

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

All revenue is stated net of the amount of goods and services tax (GST).

#### ***Operating Grants, donations, and bequests***

When the Association receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Association:

- i) identifies each performance obligation relating to the grant - recognises a contract liability for its obligations under the agreement
- ii) recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

- i) recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- ii) recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- iii) recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Association recognises income in profit or loss when or as it satisfies its obligations under the contract.

#### ***Philanthropic income & grants (non-compliance with recognition & measurement requirements)***

All philanthropic and other grant income has been deferred upon receipt, and not recognised as revenue until the related expenses are incurred, without assessing whether there are enforceable performance obligations to transfer a good or service to a third party which are sufficiently specific to know when the performance obligation has been satisfied. This does not comply with AASB 15 Revenue from Contracts with Customers, or AASB 1058 income of Not-for-profit Entities. The Association believes the most useful and reliable measurement and recognition of philanthropic revenue is in the period the resources allocated to the project are consumed.

#### ***Interest income***

Interest is recognised using the effective interest method.

#### ***Other income***

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

#### ***Volunteer services***

The Association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Material Accounting Policies (Continued)

#### (h) 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 assets and liabilities statement. 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.

#### (i) 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 Association 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.

#### (j) Income in advance (Contract Liability)

Income in advance represent the Association's deferment of income received for certain revenue streams, as outlined in the Revenue accounting policy note. In these instances, consideration received is not recognised as revenue until the related expenses are incurred under the respective projects.

#### (k) Employee Entitlements

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.

Where an employee's long service leave entitlement is satisfied by contributions to a portable long service leave industry fund: payments to the fund are expenses when incurred, a provision for long service leave is recognised up until the current year end, and an asset is also recorded in the statement of financial position representing the estimated future claims for leave taken that is expected to be reimbursed by the portability fund regulator.

Contributions made to employee superannuation funds are charged as expenses when incurred.

#### (l) 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### (m) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### (n) Leases

Leases are capitalised on the balance sheet when material, by recognising a 'right-of-use' asset and a lease liability for the present value of the obligation, in line with the requirements of AASB *Leases*.

Short term leases of twelve months or less are charged as expenses on a straight-line basis over the life of the lease term.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

### 1 Summary of Material Accounting Policies (Continued)

#### (o) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

#### (p) Critical Accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

##### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Association based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Association operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Association unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic. However due to the nature of potential impacts that can take effect, this remains fundamental to disclosure.

##### *Estimation of useful lives of assets*

The Association determines the estimated useful lives and related depreciation and amortisation charges for its plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

##### *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Association and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

##### *Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

##### *Performance obligations under AASB 15*

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Revenue, other income, and expenses	2023	2022
	\$	\$
<b>a) Revenue and other income</b>		
<b>Grants</b>		
CAV RHAAP Funding	318,616	319,837
DHCDE - QLD Funding	254,393	-
DHHS/DFFH Funding - State (i)	1,458,914	1,388,385
DOH Assistance with Care and Housing for the Aged	190,844	376,048
PHN Carefinder funding	322,770	-
Other Grants	62,391	170,987
	2,607,928	2,255,257
<b>Philanthropic trust income &amp; other grants</b>		
Wicking Trust (i)	473,957	402,432
Ian Rollo Currie Foundation (i)	310,369	158,748
Lord Mayors	7,000	-
Ducas Paull Foundation	35,000	25,000
Street Smart Australia	7,250	9,250
	833,576	595,430
<b>Other income</b>		
Interest	9,732	1,557
Donations & Bequests	69,016	24,943
Gain on disposal of assets	-	-
Other	300	-
	79,048	26,500
<b>Total Revenue and other income</b>	<b>3,520,552</b>	<b>2,877,187</b>

### (i) Income in Advance (and Contract Liabilities)

As per the accounting policies, income is deferred when grant funding contracts satisfy the requirements of AASB 15 revenue. Furthermore, the Committee has determined that various philanthropic funding may not comply with the recognition and measured criteria of accounting standards for revenue. Instead, revenue is being recognised when it is appropriately matched with expenditure under these philanthropic projects. Any remaining unspent funds at year end are taken to Income in Advance (Contract Liability) in the balance sheet and carried forward to be recognised as incurred in future periods. Each project has been funded based on the Association providing detailed budget forecasts, and as agreed with the funders, monies are expected to be used exclusively in line with the funding application.

Income in advance (contract liabilities) is made up of the following unspent and unapplied funds at the year end:

Philanthropic funding - Wicking Trust	362,658	454,134
Philanthropic funding - Ian Rollo Currie Foundation	35,772	192,778
Govt Grants 2023/24 - DFFH Grassroots (2023/24 funding)	10,000	-
Govt Grants 2022/23 - DHCDE - QLD (2022/23 funding)	-	254,393
	<b>408,430</b>	<b>901,305</b>

### b) Expenses

Included in the profit and loss are the following expenses:

#### Depreciation & Amortisation

Depreciation on plant & equipment	25,875	32,055
Amortisation on leases/right-of-use assets	31,479	-
	<b>57,354</b>	<b>32,055</b>

#### Audit Services

Fees for services provided in conjunction with the audit of the financial statements, as performed by Oak Audit & Assurance Pty Ltd: \$4,850 (2022 \$4,525).

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

3	<b>Cash and cash equivalents</b>	<b>2023</b>	<b>2022</b>
		\$	\$
	Cash at bank and on Hand	1,068,209	1,118,635
	Term Deposits	1,026,289	1,017,020
	<b>Cash at bank and in Hand</b>	<b><u>2,094,498</u></b>	<b><u>2,135,655</u></b>
	<p>Money invested short term in term deposits, as per the Accounting Policy Note 1(c), relates to short term deposits that are readily converted to cash, and as such have been included in the Cash Flow Statement.</p>		
4	<b>Trade and other receivables</b>		
	<i>Current</i>		
	Accounts Receivable	49,308	3,768
	Accrued Income - Contract Asset	135,596	32,997
		<b><u>184,904</u></b>	<b><u>36,765</u></b>
5	<b>Other assets</b>		
	<i>Current</i>		
	Prepayments	645	2,059
	Long service leave portability fund recovery	32,978	19,588
		<b><u>33,623</u></b>	<b><u>21,647</u></b>
	<i>Non-current</i>		
	Long service leave portability fund recovery	20,183	15,158
		<b><u>20,183</u></b>	<b><u>15,158</u></b>
6	<b>Plant &amp; equipment</b>		
	Furniture & Fixtures at Cost	9,579	27,826
	Furniture & Fixtures Accumulated Depreciation	(8,920)	(26,647)
		659	1,179
	Office Equipment At Cost	70,445	97,189
	Office Equipment Accumulated Depreciation	(53,283)	(86,761)
		17,162	10,428
	Motor Vehicles at Cost	122,045	94,900
	Motor Vehicles Accumulated Depreciation	(71,354)	(50,133)
		50,691	44,767
	<b>Total Plant &amp; equipment</b>	<b><u>68,512</u></b>	<b><u>56,374</u></b>
7	<b>Trade and other payables</b>		
	Trade Payables	58,477	11,878
	Other Payables	85,658	85,995
		<b><u>144,135</u></b>	<b><u>97,873</u></b>
8	<b>Employee Benefits</b>		
	<i>Current</i>		
	Provision for Annual Leave	263,135	231,125
	Provision for LSL	74,992	51,651
		338,127	282,776
	<i>Non Current</i>		
	Provision for LSL	26,041	28,947
		26,041	28,947
	<b>Total Employee Benefits</b>	<b><u>364,168</u></b>	<b><u>311,723</u></b>

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
<b>9 Right-of-Use Assets &amp; Lease Liabilities</b>		
<p>The Association entered into a five (5) year lease commencing 1 March 2023, for the lease of refitted office space and carparking spaces, situated at Ross House 247-251 Flinders Lane Melbourne 3000. Monthly lease costs are \$8,591 exclusive of GST per month, increasing by CPI annually.</p>		
<p>The accounting policies at Note 1, detail the Association's accounting policy in relation to recognition and measurement under AASB 16 <i>Leases</i>, with amounts set out below:</p>		
<b>i) Right of Use Assets</b>		
<p>Set out below is the carrying amount of <i>right-of-use assets</i> recognised and the movement during the period:</p>		
Right-of-use assets at 1 July	-	-
Additions/disposals	472,192	-
Depreciation expense for the year	(31,479)	-
	<u>440,713</u>	<u>-</u>
<b>ii) Lease Liabilities</b>		
<p>Set out below are the carrying amounts of <i>lease liabilities</i> and the movements during the period:</p>		
Lease liability at 1 July	-	-
Additions/disposals	472,192	-
Accretion of interest	11,759	-
Payments made	(34,365)	-
	<u>449,586</u>	<u>-</u>
<i>Made up of:</i>		
Current	73,236	-
Non Current	376,350	-
	<u>449,586</u>	<u>-</u>
<b>iii) Results from Continuing Operations Impact</b>		
<p>The following are the amounts recognised in net surplus / (deficit):</p>		
Depreciation expense of <i>right-of-use</i> assets	(31,479)	-
Interest expense on lease liabilities	(11,759)	-
Total amount recognised in net surplus / (deficit)	<u>(43,238)</u>	<u>-</u>

The Association had total cash outflows for leases of \$34,365 in the 2022/23 financial year and non-cash additions to right-of-use assets of \$529,407 and lease liabilities of \$529,407.

The incremental borrowing rate was between 7.75%.

## 10 Capital and Leasing Commitments

### (a) Finance Leases

Minimum lease payments	Nil	Nil
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### (b) Operating Leases

Non-cancellable operating leases contracted for but not capitalised in the financial statements:	Nil	Nil
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See Note 9, for disclosure of operating leases recognised under AASB 16 *Leases*, as 'right-of-use assets' and corresponding 'lease liabilities'.

## 11 Contingencies & Other Commitments

In the opinion of the Committee, the Association did not have any contingencies or other material commitments at 30 June 2023 (30 June 2022: none), not otherwise mentioned elsewhere in the financial statements.



# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Notes to the Financial Statements

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
<b>12 Cash Flow Information</b>		
<i>Reconciliation of Cash Flow from Operations with Profit after Income Tax</i>		
Net income/(loss) for the period	521,416	148,513
<i>Non-cash flows in profit</i>		
Depreciation	25,875	32,055
Amortisation on ROU assets	31,479	-
Interest on Lease Finance	11,759	-
Bad Debts	-	904
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(148,139)	(13,428)
(Increase)/decrease in other assets	(17,001)	(36,805)
Increase/(decrease) in income in advance	(492,875)	375,692
Increase/(decrease) in trade and other payables	46,262	53,629
Increase/(decrease) in employee benefits	52,445	68,903
<b>Cash Flows from operations</b>	<b>31,221</b>	<b>629,463</b>

### 13 Related Party Transactions & Key Management Personnel Disclosures

#### (a) Key Management Personnel

Given the Association has only one 'key management person', as defined under accounting standard AASB 124 Related Party Disclosures, who is remunerated and does not have key management personnel services provided by a 'separate management entity', as an appropriate exception allowable for charities the Association has respectfully elected to not declare the person's remuneration in the annual financial report.

#### (b) Related Party Transactions

During the year, amounts totalling \$1,469 (2022 \$4,981 ) were paid to committee members as reimbursement for project meeting participation, either in reference groups or as community educators. There were no other related party relationships or transactions not otherwise mentioned elsewhere in the financial statements.

### 14 Economic Dependence

The Housing For The Aged Action Group Inc is dependent on grants and trust income for the majority of its revenue used to operate the business. At the date of this report the members of the committee have no reason to believe funders will not continue to support The Housing For The Aged Action Group Inc.

### 15 Events after the end of the Reporting Period

The impact of the Coronavirus (COVID-19), whilst no longer declared officially as a 'pandemic' in Victoria, is viewed as an ongoing matter for consideration. It is not yet quantifiable to estimate the potential impact, positive or negative, after the reporting date. However at this stage nothing has come to the attention of the Committee that would indicate a negative impact to the Association. Whilst restrictions are no longer mandated, the situation has the propensity to rapidly develop and will continue to be dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Other than the above, 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. unless otherwise disclosed elsewhere in this report.

### 16 Association Details

The financial report is for Housing For the Aged Action Group Inc Limited as an individual entity, incorporated and domiciled in Victoria, Australia. The financial report is presented in Australian dollars.

The registered office of the Association is:

1st Floor, Ross House  
247-251 Flinders Lane  
Melbourne, Vic, 3000

# Housing for the Aged Action Group Inc.

ABN: 80 348 538 001

## Committee's Declaration For the Year Ended 30 June 2023

The Committee has determined that the Association is not a reporting entity, and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the Committee:

- a) The Association is not a reporting entity as detailed in Note 1
- b) The attached financial statements and notes (pages 3 to 15) of the Association are in accordance with the *Australian Charities and Not for Profits Commission Act 2012*, including:
  - i. Giving a true and fair view of its financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
  - ii. Are prepared in accordance with the Accounting Policies described in Note 1 to the financial statements and the requirements of the *Australian Charities and Not for Profits Commission Regulation 2013*; and
- c) There are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

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



.....  
Pamela Young – Chairperson



.....  
Karen Abols - Treasurer

Dated at Melbourne this 25<sup>th</sup> day of October 2023

## Independent Auditor's Report:

### - to the Members of Housing for the Aged Action Group Inc

#### Report on the Audit of the Financial Report

##### Opinion

We have audited the financial report of Housing for the Aged Action Group Inc, which comprises the Statement of Financial Position as at 30 June 2023, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, and the Committee's declaration.

In our opinion, the financial report of Housing for the Aged Action Group Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulations).

##### 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 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

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting responsibilities under the *Australian Charities and Not for Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of the above matter(s).

##### Information Other than the Financial Report and Auditor's Report Thereon

The Committee of the Association are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

##### Responsibilities of the Committee for the Financial Report

The Committee of the Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not for Profits Commission Act 2012*. *The Committee's responsibility also includes* such internal control as the Committee determine is necessary to enable the preparation of the 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 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 intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Committee of the Association are responsible for overseeing the Association's financial reporting process.

*(...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 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.

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 Committee.
- Conclude on the appropriateness of the Committees' 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 the Committee 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.

*Oak Audit & Assurance*

OAK AUDIT & ASSURANCE PTY LTD  
Authorised Audit Company (Reg No. 527784)



**Scott A Cosgriff**  
Director

Mornington, 25 October 2023