



PROVIDING ALL LIVING SUPPORTS

2018/2019

## ANNUAL REPORT

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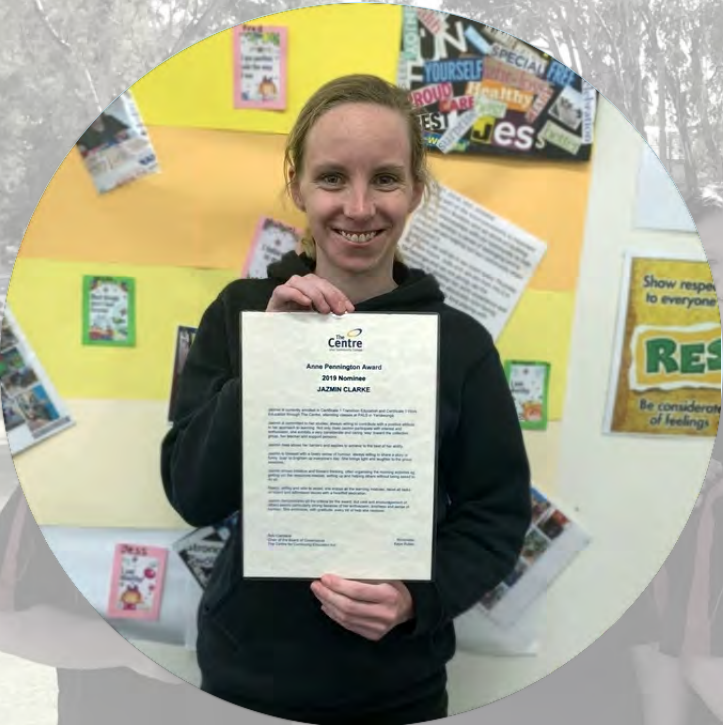
Website: [www.palsinc.org.au](http://www.palsinc.org.au)

ABN: 38 788 328 554

Suite 8, Level 1/3 Witt street Yarrawonga

Po Box 735 Yarrawonga VIC 3730







# *Who We Are*

## About Us

Providing All Living Supports (PALS) Inc. was established in 2011 to provide services for people with disabilities. PALS is driven to provide greater choice in services to enable people to live a quality life and enable greater participation in the community.

PALS is a not for profit organisation, based in the Moira Shire Area, providing services in Northern Victoria and Southern NSW, and currently operates from 10 locations in three towns – Cobram, Numurkah and Yarrawonga.

Services are personalised and include centre-based group activities, community-based group activities, assistance with self-care and daily tasks, individual support in home or community, short term accommodation, supported independent living, specialist disability accommodation, employment pathways, volunteer opportunities, business enterprises and support coordination.

### Our Mission

Co-ordinate, strengthen and improve services which connect people to their community.

### Our Vision

A fully inclusive community where all people achieve their potential.

### Our Values

**Participation:** promoting community inclusion.

**Choice:** promoting independence by ensuring client choice.

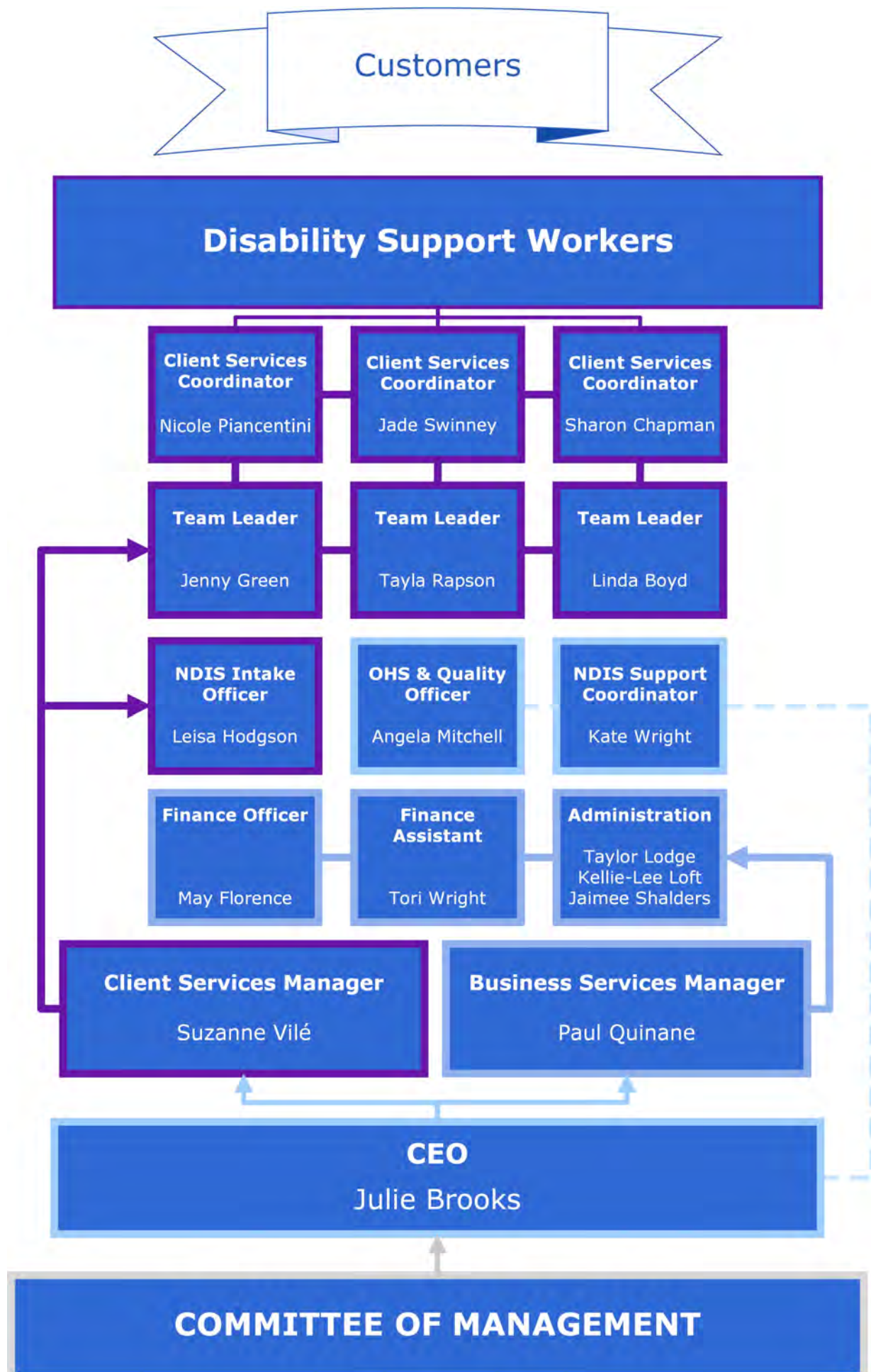
**Responsive:** services that adapt and change.

**Dignity & Respect:** valuing each individual through instilling confidence, trust and respect in all that we do.

**Accountability:** showing reliability and personal responsibility.

**Innovative:** finding creative solutions to overcome barriers.

# *Our Organizational Structure*



# *Agenda*

## *9TH ANNUAL GENERAL MEETING*

**Providing All Living Supports (PALS) Inc.**

**6:00pm Wednesday October 30th 2019**

**Shamrock Hotel Numurkah**

### **Business:**

**Item 1.** Welcome. Attendances. Apologies

**Item 2.** To confirm the Minutes of the previous Annual General Meeting and any special meeting.

**Item 3.** To Receive the Reports of Committee and audited statement of accounts.

**Item 4.** To elect members of the Committee of Management in accordance with Rules (51) and (52) of the Constitution. One (1) COM member is to retire due to cessation of time and is eligible for re-election. There are two (2) further positions vacant in this year's election cycle.

**Item 5.** To confirm or vary the amounts of the annual subscription and joining fee.

**Item 6.** To elect an Auditor.

**Item 7.** To transact any other business of which 7 days notice has been given to the Secretary in writing.

**Item 8.** Presentation: Orr Street staff and customers

**Item 9.** Other Business

Official forms for nominations to positions of office as described above are available from the Secretary.

Formal nominations/applications close on 23rd of October 2019.

Please note annual subscriptions are now due.

*The Secretary*

*PALS Inc*

*PO Box 735 Yarrawonga VIC 3730*

*(03) 5862 2641*

# Minutes

Annual General Meeting (AGM) held at 6:00pm, 25th of October 2018,  
at Ku De Ta, Cobram

## Welcome:

President Andrea O'Neill welcomed everyone to the 8th AGM, and thanked everyone for their attendance. PALS holds the AGM in different towns each year as PALS services are widely dispersed.

## Attendance:

Denis Dunn	Michael Hogan	Shelley Johnson
Nancy Dunn	Geoff Groves	Tayla Rapson
Andrew Cusick	Danielle Greaves	Marg Reddick
Gavin Carter	Susan Morrison	Cameron Allert
Suzanne Vilé	Reid Pethuru	Ray Allert
Codie Marshall	Travis Flynn	Maureen Batty
Tom Hawke	Azra Young	Don Batty
May Florence	Hilary McNair	Anna Vogel
Rex Bartell	Linda Whitfield	Peter Allert
Andrea O'Neill	Susane Morrow	Deb Hargraves
Paul Quinane	Jaimee Shalders	Val Wakefield
Bronwyn Stanley	Taylor Lodge	Jean Clark
Mary Corkery	Tori Wright	Noel Clark
Linda Shields	Julie Brooks	Mallory Williams
Wilma Ruyters	John Bouchier	Linda Boyd
Andy Allert	Lindon Mellier	Margaret Ryan
Mary-Rose Mellier		Philomena Mellier

## Apologies:

Jenny Green	Tim McCurdy	James Darby
Claire Sharp	Carmel Allert	Phillip West
Ron Sharp	Sonia Strachan	Penny Hendy
Christine Walker	Christine Perus	Maree Hawthorn
Tracey Mullins	Matthew Langford	Pat Finnen

**Motion:** That the Apologies be accepted.

**Moved:** Don Batty

**Second:** Mallory Williams

**Carried**

## Acknowledgement of Traditional Owners:

President Andrea O'Neill acknowledged the Panarang People who are the traditional owners of the land, and also paid respects to their elders, both past and present.

## Introduction of COM members present:

President Andrea O'Neill briefly introduced COM members in attendance.

## Minutes of 2018 AGM:

**Motion:** To Receive Reports of Committee and Audited Statement of accounts.

**Moved:** John Bouchier

**Second:** Bronwyn Stanley

**Carried**

# Minutes

## Discussion:

Andrea acknowledged the work and effort of staff and clients who participated in the service review. Andrea explained that the service review was akin to having a forensic examination of our service, however the organization was now in much better shape with many of our systems and processes improved and streamlined. Andrea thanked DHHS for their assistance and support throughout this process.

Andrea also advised, after much consideration the Committee of Management had made the decision to hand the property 4 Homewood Drive Mooroopna back to DHHS. DHHS have since appointed House with No Steps to manage this property. PALS is working with the new service provider ensure a smooth transition occurs.

## Reports:

PALS have spoken to MHA regarding potential synergies and ways to develop their relationship. Julie read out the MHA/PALS joint letter to the members about the proposal to combine MHA/PALS. The members discussed what this might mean - Member Denis Dunn asked what are the similarities between MHA & PALS? This was explained.

**Motion:** That the board can proceed with discussions with MHA

**Moved:** Suzanne Vilé

**Second:** Anna Vogel

**Carried**

**Motion:** Presidents report be accepted.

**Moved:** Don Batty

**Second:** Denis Dunn

**Carried**

## Financial Report-John Bouchier:

John Bouchier read the financial report with a loss of \$58,000 due to additional cost, including the Service Review and getting ready for the NDIS.

**Motion:** The Financial report as tabled to be accepted.

**Moved:** John Bouchier

**Second:** Don Batty

**Carried**

## Elect Members of the Committee:

**Motion:** Andrea O'Neill up for Re-election and accepted Don's Nomination.

**Moved:** Don Batty

**Second:** John Bouchier

**Carried**

New members were introduced, Mallory Williams & Bronwyn Stanley.

Old Committee of Management members were formally thanked for their time, effort and contribution. Kay Ferguson, Don McPhee, Heather Palmer & Penny Hendy.

## Membership:

**Motion:** Motion to increase annual membership to \$5.00.

**Moved:** John Bouchier

**Second:** Maureen Batty

**Carried**

# Minutes

## Election of Auditor:

Quotes provided for next year's Financial Audit:

Johnson MME \$13,000

Mogg Osborne \$11,195

**Motion:** Motion to accept Mogg Osborne quote

**Moved:** John Bouchier      **Second:** Denis Dunn

**Carried**

## Other Business:

Nominate a Public Officer as Secretary has just resigned.

**Motion:** Nominate John Bouchier to be Public Officer.

**Moved:** Don Batty      **Second:** Noel Clark

**Carried**

Acknowledgment of the contribution of Penny Hendy for over 30 years of Support to people with disability in our local community.

Acknowledgment of the passing of Jill Ferguson a valued former client of PALS who will be sadly missed.

Linda Boyd and Brendan Dunn spoke about Brendan's work at IGA in Nathalia stocking the shelves.

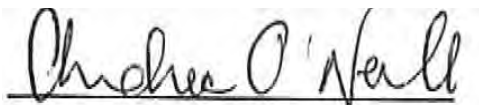
Brendan also works at Nathalia Primary School including sweeping the floor and watering the garden.

Linda Boyd also spoke about the Food Bowl Festival that was held in Numurkah on the 19th, 20th & 21st she spoke of the people that attended from PALS and that Val had Tri States clients dressed up for the Occasion.

## Meeting Closed:

Meeting Closed at 7:15pm followed by Finger Food enjoyed by all.

## Authorization:



## Committee of Management Attendances

Name	Period as Board Member 2018/2019	No. of Meetings Attended
Bronwyn Stanley	Full Year	11
Julie Brooks	Full Year	11
Andrea O'Neill	Oct - Sept 2018	10
Don Batty	Full Year	9
John Bouchier	Full Year	11
Anna Vogel	Oct - Apr 2019	9
Phil West	March - Oct 2019	5
Mallory Williams	Oct - Apr 2019	4
Penny Hendy	Oct - Sept 2018	1



# Chairperson Report

On behalf of the PALS Committee of Management and the Executive Team it is our great pleasure to present the 9th Annual report.

It had been an exciting start to the year with the NDIS transition in the Goulburn area, one of the last roll-out areas for NDIS. The journey through NDIS is not without its challenges, but also provides an exciting opportunity for the organisation to grow and support people in our community.

Some of the highlights for this year include:

- PALS has seen a 33% increase in new people receiving supports from PALS
  - Over 95% of all PALS existing customers have transitioned to NDIS funding
  - PALS has received certification against the NDIS Practice Standards
  - PALS has created a new 2019 - 2024 Strategic Plan that focuses on local supports and assisting people to achieve their goals in life.
  - PALS reported a profit of \$179,410 - a great result in a turbulent time for disability services providers
- This of course would not be possible without the support of our customers, their families, our staff and volunteers, members, committee, donors and the local community.

In particular, we would like to thank the following organisations for their support and donations to PALS Inc:

- Mulwala Water Ski Club
- CWA Yarrawonga
- Ritchies Stores P/L
- Rotary Club of Numurkah
- Thyme for Coffee Café
- Shepparton Greyhounds
- Tocumwal Golf & Bowls Club
- Bluebird Early Education Cobram
- Barooga Sports Club
- Paul Quinane 321 Bike Ride
- Commonwealth Bank Numurkah
- Barry John Firns
- Numurkah Golf Club
- Yarrawonga Rotary

We also have some exciting new changes happening this year including:

- A brand-new client led Advisory Committee that will report to the board
- A brand new and updated Website that will be launched shortly.
- A new workforce grant that will assist PALS to service more people and to grow our work force.
- More activities and services tailored to individuals as the NDIS continues to roll-out.

As you will see throughout this report, PALS Inc continues to be about supporting people to realise their goals, have great experiences and have access to quality staff and supports. Thank you to everyone involved in making PALS the organisation it is today.

Bronwyn Stanley

Chairperson on behalf of the Committee of Management.

# *Client Services Manager Report*

Wow what a year it has been! The introduction of the NDIS in our area has been our major focus. The good news is that the NDIS transition has resulted in increased funding for most of the people we support.

People are increasingly benefiting from having more service options and a greater focus on their goals. This is having a positive effect on their quality of life. To illustrate:

- Many people have been supported to visit Melbourne to go to AFL games, the zoo, see Charlie and the Chocolate Factory while others have attended the Great Chase (a dog racing event)
- One person had a goal to be lose weight and learn to cook healthy meals independently. Through the support we have provided he now regularly goes to the gym, has lost many kilograms and can now cook independently using a recipe.
- Some people have been supported to reconnect to family or friends who don't live in the area.
- A person's family has reported that their daughter has experienced great personal development through her involvement in our services.

We have also welcomed new clients to our services. We currently support over 125 people, this is a significant increase from before the NDIS. Our services have also changed and will continue to do so. For example:

- We have seen huge growth in one-to-one services – this includes in-home and in-community. These services are providing during the day, evenings, weekends and Public Holidays
- We now offer services during Day Service breaks - with many customers wanting to have excursions to special events etc.
- We now offer a transition-to-work program for 5 people who attend Orr St. This is resulted in 4 of them having work placements in local businesses along with gaining more knowledge about how to look for, and gain, work.
- We now provide Support Coordination
- We have started to support people with psychosocial disabilities and some school aged children.

At an organisational level, we have welcomed Leisa Hodgson as our NDIS Intake Coordinator and Kate Wright as our Support Coordinator.

I would like to acknowledge the:

- Strong contribution of our team leaders and support workers - they are both the backbone and face of PALS. We have a strong team who are committed to delivering great services and want to expand our services and continue to improve our practices.
- Great contribution that our community members and groups make to PALS. For example:  
Rick Jones, a taxi owner in Numurkah provided discounted tickets to the AFL and cheap transport for 12 people to attend Melbourne games  
The Rotary Club have supported people to attend Tri-State Games this year  
The Commonwealth Bank provided \$500 to PALS. These funds have been used for paint to spruce up O'Connor St and Dillon St.

## **The year ahead...**

Continuing to transform our organisation and services to effectively operate under the NDIS will continue to be a major focus for the next year. We will continue to offer new services - so watch our newsletters for more information about this.

Suzanne Vilé  
Client Services Manager.

# *Business Services Manager Report*

Time flies when you're having fun, and it seems the past 12 months has just vanished!

The transition toward the NDIS has seen a spike in people requesting new services from PALS. With a steady demand for group programs we are also seeing an increase in individual services and thus an increase in demand for staff. I'll take this opportunity to acknowledge the tremendous job that all our staff have made in adapting to the demand and to the changes the business has faced.

Finding quality staff to deliver services on behalf of PALS continues to be a key focus. Recruitment of experienced and new commers to the industry has proved to have its own challenges, however we will continue to engage the community and think outside the box to meet our customer demands.

Our Op Shops are showing reasonable returns given the uptake of people selling their goods on social media sites such as Facebook Buy, Swap & Sell. We've found that the items being donated to our shops are sometimes not as high value as in past years, however we do appreciate those that have made significant donations over the past 12 months. We continue to make some progress with our reduction in land fill, however, will continue to look at new uses for those donated items not fit for sale. We thank you for your continued support of both our Cobram and Numurkah Op shops.

If you've not been into the Op Shop in recent times, I suggest a visit and check out some of our woodwork program items also for sale.

Our PALS Website has been looking very tired of late and so we will be launching our new and improved site very soon!... Keep an eye out for us at the back half of November.

The new website will be user friendly with easy access features such as a "Live Chat" function so we can assist you from your first point of contact. Our Live Chat team can direct you who to speak with and even assist in making an appointment. The website will also be mobile device friendly and will display links to view our Social Media sites where we continue to showcase some of our "good news" stories.

One such good news story is our involvement with #Lids4Kids. A new initiative, involving thousands of volunteers from across Australia who have been saving plastic bottle lids from landfill. Now there is a need to prepare the hundreds of thousands of plastic bottle lids for transport to Canberra. Here, they will consolidate them into a bulk shipment to Envision Hands who will turn them into hand and arm mobility aids for children.

PALS was approached recently by Cobram's Lids 4 Kids Town Coordinator, Julie Cameron who asked if we would consider becoming a "Sorting Station" and to lead any volunteer teams from within our local communities willing to help process the lids collected.

This was a great opportunity for PALS staff, families and customers to give back to the community. After seeking expressions of interest from the staff and clients within our service, PALS agreed to participate in washing, sorting by colour, counting and packing the lids in each of our townships of Numurkah, Cobram and Yarrawonga.

Stay tuned to our website and Social Media Pages to see how you can help!

It would of course be remiss of me to not mention our brilliant and dedicated volunteers that assist us within the Op Shops and other areas. Your assistance is very much appreciated, and we are so grateful for the time and effort you put in week in and week out. Thank You!

In closing I would simply like to express how extremely proud I am of the journey that PALS has been on in a relatively short time. We are an organisation that continues to grow significantly and developing into the support service that you as a parent, carer, advocate and or participant deserve.

Warm regards

Paul Quinane.

Business Services Manager.



# **PROVIDING ALL LIVING SUPPORTS (PALS) INC.**

**ABN: 38 788 328 554**

**Financial Report For The Year Ended  
30 June 2019**

# PROVIDING ALL LIVING SUPPORTS (PALS) INC.

ABN: 38 788 328 554

## Financial Report For The Year Ended 30 June 2019

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## **PROVIDING ALL LIVING SUPPORTS (PALS) INC.**

**ABN: 38 788 328 554**

### **COMMITTEE'S REPORT**

Your committee members submit the financial report of the Providing All Living Supports (PALS) Inc. for the financial year ended 30 June 2019

#### **Committee Members**

The names of committee members throughout the year and at the date of this report are:

*Bronwyn Stanley - Chair*  
*John Bouchier - Treasurer/Secretary*  
*Phil West*  
*Don Batty*  
*Penny Hendy - resigned*  
*Andrea O'Neil - resigned*  
*Mallory Williams - resigned*  
*Anna Vogel - resigned*

#### **Principal Activities**

The principal activities of the association during the financial year were:

- to provide services and facilities to the disability sector throughout Victoria

#### **Significant Changes**

No significant change in the nature of these activities occurred during the year.

#### **Environmental Issues**

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

#### **Matters Subsequent to the End of the Financial Year**

No matters or circumstances have arisen since the end of the financial year which 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 years.

#### **Committee' Benefits**

No committee member has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the association, controlled entity or related body corporate with a committee member, a firm which a committee member is a member or an entity 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 accounts, or the fixed salary of a full-time employee of the association, controlled entity or related body corporate.

#### **Indemnification and Insurance of Directors and Officers**

The association has indemnified all committee members and the chief executive officer in respect of liabilities to other persons (other than the association or related body corporate) that may arise from their position as committee members or chief executive officer of the entity except where the liability arises out of conduct involving the lack of good faith.

The association has not provided any insurance for an auditor of the association or a related body corporate.

#### **Proceedings on Behalf of the Entity**

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.



**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**

**ABN: 38 788 328 554**

**COMMITTEE'S REPORT**

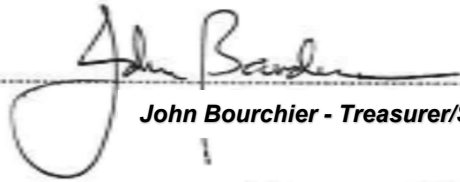
**Operating Result**

The net profit after depreciation amounted to \$179,410 (2018: loss \$58,737.57)

Signed in accordance with a resolution of the Members of the Committee.



***Bronwyn Stanley - Chair***



***John Bouchier - Treasurer/Secretary***

Dated this      3rd                      day of                      October                      2019

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	<b>Note</b>	<b>2019</b> \$	<b>2018</b> \$
Revenue	2	4,727,223	4,486,926
Employee benefit expense	2(a)	(2,417,797)	(2,328,164)
Other employee expenses	2(a)	(110,171)	(96,453)
Depreciation and amortisation expenses	2(a)	(119,029)	(130,511)
Administration Expenses		(244,768)	(281,661)
Occupancy expenses		(179,062)	(185,565)
Motor Vehicle Expenses		(70,558)	(73,491)
Client and Program Expenses		(1,404,087)	(1,424,080)
Loss on disposal of fixed assets	2(b)	(2,342)	(777)
<b>Current year surplus before income tax</b>		<u>179,410</u>	<u>(33,777)</u>
<b>Net current year surplus</b>		<u>179,410</u>	<u>(33,777)</u>
<b>Other comprehensive income</b>			
Fair value re-measurement - net revaluation decrement	2(b)	-	(24,961)
<b>Total other comprehensive income for the year</b>		<u>-</u>	<u>(24,961)</u>
<b>Total comprehensive income for the year</b>		<u>179,410</u>	<u>(58,738)</u>

The accompanying notes form part of these financial statements.

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,066,513	2,102,201
Accounts receivable and other debtors	4	258,438	78,695
Inventory	5	75,068	60,711
Other current assets	6	46,412	40,987
<b>TOTAL CURRENT ASSETS</b>		<u>2,446,431</u>	<u>2,282,594</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	3,753,002	3,852,506
Intangibles	7(a)	106,138	86,808
<b>TOTAL NON-CURRENT ASSETS</b>		<u>3,859,140</u>	<u>3,939,314</u>
<b>TOTAL ASSETS</b>		<u><u>6,305,572</u></u>	<u><u>6,221,908</u></u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	8	1,143,839	1,154,621
Employee provisions	9	377,615	375,615
Borrowings	10	58,101	58,101
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,579,555</u>	<u>1,588,337</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee provisions	9	23,714	23,714
Borrowings	10	463,926	494,240
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>487,640</u>	<u>517,954</u>
<b>TOTAL LIABILITIES</b>		<u>2,067,195</u>	<u>2,106,291</u>
<b>NET ASSETS</b>		<u><u>4,238,377</u></u>	<u><u>4,115,617</u></u>
<b>EQUITY</b>			
Reserves		323,000	323,000
Equity Carried Forward		3,923,405	3,923,405
Retained Earnings		(130,788)	(72,050)
Current Year Surplus		179,410	(58,738)
NDS Amalgamation (Homewood)		(56,650)	-
<b>TOTAL EQUITY</b>		<u><u>4,238,377</u></u>	<u><u>4,115,617</u></u>

The accompanying notes form part of these financial statements.



**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019**

<b>Note</b>	<b>Retained Surplus \$</b>	<b>Financial Assets Reserve \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2017</b>	3,851,355.00	273,000.00	4,124,355.00
<b>Comprehensive income</b>			
Net surplus for the year	(33,777.15)		(33,777.15)
Other comprehensive income for the year	(24,961.00)		(24,961.00)
Revaluation surplus - Land		50,000.00	50,000.00
<b>Total comprehensive income attributable to members of the entity</b>	<b>(58,738.15)</b>	<b>50,000.00</b>	<b>(8,738.15)</b>
<b>Balance at 30 June 2018</b>	<b>3,792,616.85</b>	<b>323,000.00</b>	<b>4,115,616.85</b>
<b>Balance as at 1 July 2018</b>			
<b>Comprehensive income</b>			
Net surplus for the year	179,409.91		179,409.91
Other comprehensive income for the year	-		-
Revaluation surplus - Land		-	-
NDS Amalgamation (Homewood)	(56,650.00)		(56,650.00)
<b>Total comprehensive income attributable to members of the entity</b>	<b>122,759.91</b>	<b>-</b>	<b>122,759.91</b>
<b>Balance at 30 June 2019</b>	<b>3,915,376.76</b>	<b>323,000.00</b>	<b>4,238,376.76</b>

The accompanying notes form part of these financial statements.

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from operating activities		4,492,581	4,920,872
Payments to suppliers and employees		(4,220,074)	(4,382,540)
Interest received		35,117	32,752
Net gain / loss on sale of assets		2,342	-
GST Paid		(217,493)	(287,820)
Net cash provided by/(used in) operating activities	15	92,474	283,264
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	2,273
Purchase of property, plant and equipment		(41,197)	(103,801)
NDS Amalgamation (Homewood)		(56,650)	-
Net cash provided by/(used in) investing activities		(97,847)	(101,529)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of borrowings		(30,314)	(33,814)
Proceeds from borrowings		-	-
Net cash provided by/(used in) financing activities		(30,314)	(33,814)
Net increase/(decrease) in cash held		(35,688)	147,921
Cash and cash equivalents at beginning of financial year		2,102,201	1,954,280
Cash and cash equivalents at end of financial year	3	2,066,514	2,102,201

The accompanying notes form part of these financial statements.

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

The financial statements cover Providing All Living Supports (PALS) Inc. as an individual entity. Providing All Living Supports (PALS) Inc. is an association incorporated in Victoria and operating pursuant to the Associations Incorporation Reform Act 2012.

PALS Inc. is also a registered charity under Australian Charities and Not-for-profits Commission Act 2012

The financial statements were authorised for issue on 3rd October 2019 by the members of the committee.

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the *Associations Incorporation Reform Act 2012* and 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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Accounting Policies**

**(a) Income Tax**

The association is exempt from income tax by virtue of s 50-70 of the Income Tax Assessment Act 1997.

**(b) Inventories on hand**

Stocktakes were performed at both Cobram and Numurkah Op-shops in May 2019. As stock is donated and has a minimal or nil cost base, it has been recorded at net realisable value.

**(c) Fair Value of Assets and Liabilities**

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, information is extracted from the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of an identical or similar financial instrument, by reference to observable market information where identical or similar instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**(d) Property, Plant and Equipment**

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

**Land and Buildings**

Land and buildings are shown at their fair value based on valuations by external independent valuers, less subsequent depreciation for buildings. Eishold Property Valuers, Echuca carried out valuations of Land and Building in 2015 and 2016.

In periods when the freehold land and buildings are not subject to an independent valuation, the Committee conduct Committees' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

The cost of fixed assets constructed by the association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a diminishing value basis over the asset's useful life commencing from the time the asset is available for use. Normally, leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. However, PALS Inc. has no operating lease in place for premises to which leasehold improvements relate to, so the Committee has decided to depreciate leasehold improvements over useful life of improvements, which it has estimated to be 6 years (Yarrowonga office) and 40 years (Numurkah GA).

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

Class of Fixed Asset	Depreciation Rate
Building at Fair Value	2.5%
Leashold Improvements	2.5% - 16.67%
Furniture and Fixtures	7.5% - 40%
Plant & Equipment	7.5% - 67%
Motor Vehicles	7.5% - 25%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

**(e) Leases**

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

There are no finance leases for the current year.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset over the term of the lease.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(f) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

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*(i) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

*(ii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

*(iii) Financial Liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

**Impairment**

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the association recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**Derecognition**

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(g) Impairment of Assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual 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 recognised 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 class of asset.

**(h) Employee Provisions**

**Short-term employee benefits**

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of employee provisions in the statement of financial position.



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**Other long-term employee benefits**

Provision is made for employees' annual leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates approximating the terms of the obligations. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**(i) Cash on Hand**

Cash on hand includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

**(j) Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. 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 recognised at fair value. Amounts are reviewed regularly and adjustments made to provision for doubtful debts or written off as bad debts as required.

**(k) Revenue and Other Income**

Non-reciprocal grant revenue is recognised profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

**(l) Goods and Services Tax (GST)**

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

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

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

**(m) Comparative Figures**

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

**(n) Accounts Payable and Other Payables**

Accounts payable 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 that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 90 days of recognition of the liability.

**(o) Intangibles**

**Goodwill on acquisition of Business of Laundrette**

In 2015, PALS Inc. acquired a laundrette business. At the time of acquisition, intangible asset (goodwill acquired) was recognised in financial statements. Following initial recognition, the intangible asset is carried at cost less any accumulated amortisation and any accumulated impairment losses.

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**Softwares**

Acquired computer softwares are capitalised on the basis of the costs incurred to acquire and install specific software. Following initial recognition, the intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. The intangible asset is amortised on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available to use.

**(p) 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.

**(q) Critical Accounting Estimates and Judgements**

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

**Key Estimates**

**(i) Impairment**

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

**(ii) Inventories**

Inventories on hand are measured at realisable value following the stock take performed in May 2019.

**Key Judgements**

**(i) Provision for impairment of receivables**

The committee has reviewed the list of accounts receivable at the end of the reporting period and is confident that all of the amounts outstanding will be paid and that provision for doubtful debts shown in the financial statements is sufficient.

**(ii) Employee benefits**

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

**(r) New Accounting Standards for Application in Future Periods**

An assessment of Accounting Standards issued by the AASB that are not yet mandatorily applicable and their potential impact on the association when adopted in future periods is discussed below:

— **AASB 16: Leases** (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and related Interpretations*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although members of the committee anticipate that the adoption of AASB 16 will impact the association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

— **AASB 1058: Income of Not-for-Profit Entities** (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.

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- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004: *Contributions*.

Although members of the committee anticipate that the adoption of AASB 1058 may have an impact on the association's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

**Note 2 Revenue and Other Income**

	2019	2018
	\$	\$
Other revenue		
— Other Funding	5,909	4,958
— Fundraising Income**	24,645	13,904
— Broadway shop income**	276,547	270,958
— Melville shop income**	76,363	52,350
— Canteen income**	4,582	5,861
— Laundry Income**	49,295	52,700
— Rental Income (MVH)	20,800	20,800
— Client Individual Income	842,268	450,172
— Client Group Activity Income	1,470,377	1,793,579
— Residential Income	1,921,321	1,788,381
— Interest Income	35,117	32,752
— Profit on Sale of Fixed Assets	-	-
	<u>4,727,223</u>	<u>4,486,926</u>
Total Revenue	<u>4,727,223</u>	<u>4,486,926</u>

\*\* Income from Fundraising, Broadway Shop, Melville Shop, Canteen and Laundry is shown net of Cost of Goods sold.

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**Surplus for the Year**

	2019 \$	2018 \$
<b>2 a. Expenses</b>		
Depreciation and amortisation		
— Land and Buildings	56,981	58,442
— Leasehold Improvements	13,217	14,305
— Plant & equipment	24,554	29,642
— Motor Vehicle	23,607	27,435
	<u>118,359</u>	<u>129,824</u>
— Intangibles	670	687
	<u>119,029</u>	<u>130,511</u>
Employee benefit expense		
— Superannuation expense	307,612	300,936
— Wages	2,110,185	2,027,229
	<u>2,417,797</u>	<u>2,328,164</u>
— Other employee benefits (workcover and other employee expenses)	110,171	96,453
Interest expense on financial liabilities		
— Interest on Nelson street loan	25,779	27,207
Total interest expense	<u>25,779</u>	<u>27,207</u>
Rental expense on operating leases		
— minimum lease payments	63,399	57,673
Total rental expense on operating leases	<u>63,399</u>	<u>57,673</u>

**2 b. Significant Revenue and Expenses**

The following significant revenue and expense items are relevant in explaining the financial performance:

Net revaluation decrement on revaluation of Nelson street buildings	-	(24,961)
— Loss on disposal of fixed assets	(2,342)	(777)

**Note 3 Cash and Cash Equivalents**

	2019 \$	2018 \$
<b>Note</b>		
Cash at bank - unrestricted	2,064,813	2,100,551
Petty Cash	1,700	1,650
16	<u>2,066,513</u>	<u>2,102,201</u>

**Reconciliation of cash**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	2,066,513	2,102,201
	<u>2,066,513</u>	<u>2,102,201</u>

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**Note 4 Accounts Receivable and Other Debtors**

		2019 \$	2018 \$
CURRENT			
Accounts Receivable		262,341	81,964
Provisions for Doubtful debts		(3,903)	(3,269)
Total current accounts receivable and other debtors	16	258,438	78,695
<b>Financial Assets classified as loans and receivables</b>			
		2019 \$	2018 \$
Accounts receivable and other debtors			
— total current	16	258,438	78,695

**Note 5 Inventories**

		2019 \$	2018 \$
CURRENT			
Op-shop Stocktake		75,068	60,711
		75,068	60,711

A stocktake was performed in May 2019. Stock is recorded at net realisable value.

**Note 6 Other Current Assets**

		2019 \$	2018 \$
CURRENT			
Prepayments		29,128	26,454
Accrued Income		9,225	6,473
Yarrowonga Office - security deposit		8,060	8,060
		46,412	40,987

**Note 7 Property, Plant and Equipment**

		2019 \$	2018 \$
<b>Land:</b>			
Land - at FV (Independent Valuation 01-07-15)		1,015,000	1,015,000
		1,015,000	1,015,000
<b>Buildings</b>			
Buildings - at FV (Independent Valuation 01-07-15)		2,400,000	2,400,000
(Accumulated Depreciation - after revaluation)		(177,723)	(120,742)
		2,222,277	2,279,258
<b>Leasehold improvements:</b>			
Corporate Office (Yarrowonga) - at Cost		70,208	70,208
Numurkah GA - at Cost		403,314	403,314
Shipping Container		4,320	-
(Accumulated depreciation)		(183,982)	(170,765)
		293,861	302,757
<b>Total Land and Buildings</b>		3,531,138	3,597,015
<b>Plant &amp; Equipment</b>			
Office Equipment - at cost		388,443	369,788
(Accumulated Depreciation)		(354,394)	(348,559)
Plant & Equipment (Broadway Shop) - at Cost		40,800	39,375
(Accumulated Depreciation)		(33,207)	(31,671)
		41,642	28,932
Furniture & Fixtures - at Cost		319,737	325,282
(Accumulated Depreciation)		(247,159)	(236,144)
		72,578	89,139



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Laundry Furniture & Equipment	55,045	55,045
Laundry Furniture & Equipment - Accum Depr	(30,116)	(23,948)
	<u>24,929</u>	<u>31,097</u>
Motor Vehicles - at Cost	751,272	751,272
(Accumulated Depreciation)	(668,555)	(644,948)
	<u>82,716</u>	<u>106,323</u>
Total Plant and equipment	<u>221,864</u>	<u>255,491</u>
Total property, plant and equipment	<u><b>3,753,002</b></u>	<u><b>3,852,506</b></u>

**Movements in carrying amounts**

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

	Land & Buildings	Leasehold Improve-ments \$	Plant and Equipment \$	Furniture and Fixtures \$	Motor Vehicles \$	Total \$
Balance at 1 July 2017	3,327,661	317,062	35,215	143,589	93,013	3,916,540
Additions			2,079	978	40,745	43,801
Net Revaluations	25,039					25,039
Disposals				(3,050)		(3,050)
Depreciation expense	(58,442)	(14,305)	(8,361)	(21,281)	(27,435)	(129,824)
Carrying amount at 30 June 2018	<u>3,294,258</u>	<u>302,757</u>	<u>28,932</u>	<u>120,235</u>	<u>106,323</u>	<u><b>3,852,506</b></u>
Additions	4,320		20,081			24,401
Net Revaluations						-
Disposals				(5,546)		(5,546)
Depreciation expense	(56,981)	(13,217)	(7,371)	(17,183)	(23,607)	(118,359)
<b>Carrying amount at 30 June 19</b>	<u><b>3,241,597</b></u>	<u><b>289,540</b></u>	<u><b>41,642</b></u>	<u><b>97,506</b></u>	<u><b>82,716</b></u>	<u><b>3,753,002</b></u>

**Note 7(a) Intangibles**

Software *	80,000	60,000
Cobram Laundry - Goodwill	28,200	28,200
Cobram Laundry - Accum Amortisation	(2,062)	(1,392)
	<u>106,138</u>	<u>86,808</u>

\* The software is for a new client management system which is still in test mode at the end of June 2019 and should go live in 2019-2020 year. There is no amortisation included for software for 2019 because currently this asset is not ready to use.

**Note 8 Accounts Payable and Other Payables**

	2019 \$	2018 \$
<b>CURRENT</b>		
Grants (state) operating received in advance	283,621	492,636
Grants Refundable	578,072	324,798
Trade Creditors	65,669	48,512
Accrued Expenses	-	-
Funding Received in Advance	14,893	10,000
Funding-Donations Gorman	20,594	19,594
GST Liabilities	6,863	36,667
Payroll Liabilities	160,994	180,256
Credit Cards	(409)	5,626
	<u>1,130,296</u>	<u>1,118,089</u>

Grants operating received in advance constitutes of \$283,621 in unspent funding received from Department of Human Services (DHS). Grants refundable consists of \$578,072 funding payable back to DHS, related to clients who have left PALS services.

<b>Other Liabilities</b>		
Provision / DHS Accreditation	(8,164)	(5,851)
Client Money Trust	22,841	30,983
Client Money Houses	(1,134)	11,399
<b>Total Current Liabilities</b>	<u><b>1,143,839</b></u>	<u><b>1,154,621</b></u>

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**

**ABN: 38 788 328 554**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**a. Financial liabilities at amortised cost classified as accounts payable and other payables**

	2019 \$	2018 \$
Accounts payable and other payables		
— total current	1,143,839	1,154,621
— total non-current	-	-
	<u>1,143,839</u>	<u>1,154,621</u>
Less grants (state) operating received in advance	<u>(861,693)</u>	<u>(817,434)</u>
Financial liabilities as accounts payable and other payables	16 <u>282,146</u>	<u>337,187</u>

**Collateral pledged**

No collateral has been pledged for any of the accounts payable and other payable balances.

The average credit period on accounts payable and other payables is two months. No interest is payable on outstanding payables during this period.

**Note 9 Employee Provisions**

	2019 \$	2018 \$
<b>Current</b>		
Employee provisions - Annual leave entitlements	157,188	162,188
Long service leave	<u>220,427</u>	<u>213,427</u>
	<u>377,615</u>	<u>375,615</u>
<b>Non-current</b>		
Employee provisions - Long service leave	<u>23,714</u>	<u>23,714</u>
	<u>23,714</u>	<u>23,714</u>
Total provisions	<u><u>401,329</u></u>	<u><u>399,329</u></u>

**Provision for employee benefits**

The provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes total amount accrued for annual leave and long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the association does not expect the full amount of annual leave to be settled wholly within the next 12 months. However, the amount must be classified as a current liability because the association does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

**Note 10 Borrowings**

	2019 \$	2018 \$
<b>Current</b>		
ANZ Loan - Nelson Street	<u>58,101</u>	<u>58,101</u>
	<u>58,101</u>	<u>58,101</u>
<b>Non-current</b>		
ANZ Loan - Nelson Street	<u>463,926</u>	<u>494,240</u>
	<u>463,926</u>	<u>494,240</u>
Total borrowings	16 <u><u>522,027</u></u>	<u><u>552,342</u></u>

**Note 11 Reserves**

**a. Revaluation Surplus - Land**

Revaluation Reserve contains revaluation surplus resulting from disclosure of Land at fair Value based on reports from 'Eishold Property valuers'.

**Note 12 Contingent Liabilities and Contingent Assets**

There are no contingent liabilities or Contingent assets.

**Note 13 Events after the Reporting Period**

The committee is not aware of any significant events since the end of the reporting period.

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Related Party Transactions**

During the year ended 30 June 2019, PALS Inc. did not enter into any related party transactions.

**Note 15 Cash Flow Information**

	2019 \$	2018 \$
<b>Reconciliation of cash flows from operating activities with net current year surplus</b>		
Net current year surplus	179,410	(58,738)
Adjustments for:		
— Depreciation expense	119,029	130,511
— Net (gain)/loss on disposal of property, plant and equipment	2,342	777
— Net revaluation decrement	-	24,961
 Movements in working capital:		
— (Increase)/decrease in accounts receivable and other debtors	(179,743)	84,139
— (Increase)/decrease in prepayments	(5,426)	4,027
— (Increase)/decrease in inventories on	(14,357)	(7,316)
— Increase/(decrease) in accounts payable and other payables	12,207	206,200
— Increase/(decrease) in other liabilities	(22,989)	9,971
— Increase/(decrease) in employee	2,000	(111,270)
	<u>92,474</u>	<u>283,264</u>

**Note 16 Financial Risk Management**

The association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement*, as detailed in the accounting policies to these financial statements, are as follows:

	Note	2019 \$	2018 \$
<b>Financial Assets</b>			
Cash and cash equivalents	3	2,066,513	2,102,201
Accounts receivable and other debtors	4	258,438	78,695
Available-for-sale financial assets:			
— shares in listed corporations		-	-
<b>Total financial assets</b>		<u>2,324,951</u>	<u>2,180,896</u>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost:			
— Accounts payable and other payables	8	282,146	337,187
— Borrowings	10	522,027	552,342
<b>Total financial liabilities</b>		<u>804,173</u>	<u>889,528</u>

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**Note 17      Economic Dependence**

To a large extent, the association is assisted in its activities by operating grants provided by the state government. At the date of this report, the members of the committee had no reason to believe that the state government would not continue to provide financial support to Providing All Living Supports (PALS) Inc..

**Note 18      Association Details**

The registered office of the association is:  
Providing All Living Supports (PALS) Inc.  
Suite 8 Level 1  
3 Witt Street  
Yarrawonga VIC 3730

The principal place of business is:  
Providing All Living Supports (PALS) Inc.  
Suite 8 Level 1  
3 Witt Street  
Yarrawonga VIC 3730

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION**  
**AND PERFORMANCE OF INCORPORATED ASSOCIATION**

We, Bronwyn Stanley and John Bouchier, being members of the committee of Providing All Living Supports (PALS) Inc., certify that:

The statements attached to this certificate give a true and fair view of the financial position and performance of Providing All Living Supports (PALS) Inc. during and at the end of the financial year of the association ending on 30 June 2019

In Committees' opinion there are reasonable ground to believe that the company 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:

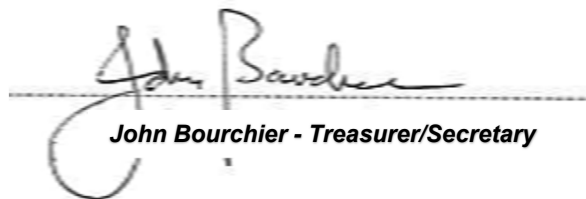
Signed:



**Bronwyn Stanley - Chair**

Dated: 3/10/2019

Signed:



**John Bouchier - Treasurer/Secretary**

Dated: 3/10/2019



**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**

**Report on the Audit of the Financial Report**

***Opinion***

We have audited the financial report of Providing All Living Supports (PALS) Inc. (the association), which comprises the statement of financial position as at 30 June 2019, 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 significant accounting policies, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report of Providing All Living Supports (PALS) Inc. is in accordance with the Part 7 of *Associations Incorporation Reform Act 2012* (Vic) and Div 60 of *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 then ended; and
- ii. that the financial records kept by the association are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements.

In our opinion, Providing All Living Supports (PALS) Inc. has also kept all other records as required by Div 55 (*Record keeping and reporting*) of the ACNC Act 2012.

***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's 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.

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

The committee of the association is responsible for the other information. The other information comprises the information included in the association's annual report for the year ended 30 June 2019, 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 Providing All Living Supports (PALS) Inc. is responsible for the preparation and fair presentation of the financial report, that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Part7 (Div 4) of *Associations Incorporation Reform Act 2012* and Div 60 of *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is 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.

***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:

**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**  
**ABN: 38 788 328 554**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**PROVIDING ALL LIVING SUPPORTS (PALS) INC.**

- 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 committee's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the association to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the association audit. We remain solely responsible for our audit opinion.

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.

**Mogg Osborne Audit Pty Ltd**  
**Authorised Audit Company**

Signed:



Auditor:

**Peter Mogg**  
**Director**

Address:

40-44 High Street  
COBRAM  
VIC 3644

Dated this

9th

day of

October

2019



Est. 1954

## MOGG OSBORNE AUDIT PTY LTD

*Certified Practising Accountants*

A.B.N 58 131 580 017

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9 October 2019

Providing All Living Supports (PALS) Inc  
PO Box 735  
YARRAWONGA, VIC 3730

Dear Committee,

### **Independence Declaration Providing All Living Supports (PALS) Inc**

We have audited the financial statements of Providing All Living Supports (PALS) Inc for the financial period ended 30<sup>th</sup> of June 2019. We will provide you with the following information for the period covered by our engagement and our auditor report:

#### **Independence**

I confirm that:

Mogg Osborne Pty Ltd ('the firm') is independent with respect to Providing All Living Supports (PALS) Inc and its controlled entities in accordance with APES 110 *Code of Ethics for Professional Accountants*, Section 290 Independence – Assurance Engagements and the auditor independence requirements of the *Corporations Act 2001*, as applicable. In particular:

Neither the firm, nor any partners or professional staff members who are members of the audit team nor any managerial (or above) staff members who provide more than 10 hours of non-audit services to Providing All Living Supports (PALS) Inc, nor their immediate family members, have any direct or material indirect financial interest in Providing All Living Supports (PALS) Inc.

Neither the firm nor members of the Providing All Living Supports (PALS) Inc audit team, nor their immediate family members, owe any amount to Providing All Living Supports (PALS) Inc's unless that amount arose in the ordinary course of business in accordance with Providing All Living Supports (PALS) Inc's normal terms and conditions.

Any non-audit services provided to Providing All Living Supports (PALS) Inc have been performed in accordance with the applicable auditor independence requirements as set out above.

There are no business relationships between our firm and Providing All Living Supports (PALS) Inc which may reasonably be thought to bear on independence.

Ref: 1166402\_1

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Directors: P.T. Mogg FCPA, B.Ec.

**Cobram Office:**

40 – 44 High Street, PO Box 101, Cobram, VIC 3644  
Phone 03 5872 1955. Fax 03 5872 1008



Email: [admin@moggosborne.com.au](mailto:admin@moggosborne.com.au)

**Finley Office:**

130 Murray Street, PO Box 105, Finley NSW 2713  
Phone 03 5883 2366. Fax 03 5883 2234

To the best of our knowledge, there are no other relationships, circumstances or conflict of interest situations which could be thought to bear on our independence with respect to Providing All Living Supports (PALS) Inc.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Peter Mogg', is positioned above a dotted line.

.....  
**Peter Mogg**

Director

**Mogg Osborne Audit Pty Ltd**

## APPLICATION FOR MEMBERSHIP

I,.....  
(name and occupation)

of,.....  
(address)

desire to become a member of **Providing All Living Supports (PALS) Inc**

In the event of my admission as a member, I agree to be bound to the rules of the Association for the time being in force.

Signature of Applicant.....

Date.....

---

I,..... a member of the  
(name)

Association, nominate the applicant, who is personally known to me, for membership of the Association

Signature of Proposer.....

Date.....

---

I,..... a member of the  
(name)

Association, second the nomination of the applicant, who is personally known to me, for membership of the Association

Signature of Proposer.....

Date.....



# LIDS

**SEND US YOUR CAPS**  
envision.org.au

**SUPPORT US ON GO FUND ME**  
www.gofundme.com/envision-hands

**Lids 4 Kids**  
proudly supported by

**PALS INC**  
PROVIDING ALL LIVING SUPPORTS

**Want to help?**

- \*Save Your Lids
- \*Remove the Seal
- \*Wash with Soapy Water
- \*Rinse & Dry
- \*Sort by Colour
- \*Drop them into our Collection Points
- \*Repeat!

**Collection Points**

96 Broadway St. COBRAM - PALS Op Shop  
35 Melville St. NUMURKAH - PALS Op Shop  
20a Orr St. YARRAWONGA - PALS Day Services

**EVERY ONE MILLION CAPS = 100 HANDS**

**Volunteer!**  
grab your Volunteer Info Pack when you drop in next.

**HOW YOU CAN HELP THE PLANET**

LET'S DO OUR PART AND HELP END WASTE  
PLASTIC DESTROYING OUR PLANET

**RECYCLING  
PLASTIC BOTTLE  
TOPS IS SO WORTH  
IT**

**Lids4Kids**

Leave us the plastic lids from your milk, water, juice and soft drink bottles and they'll be converted into prosthetic hands for kids.

From this

To this



# KIDS



**PALS INC**  
PROVIDING ALL LIVING SUPPORTS







