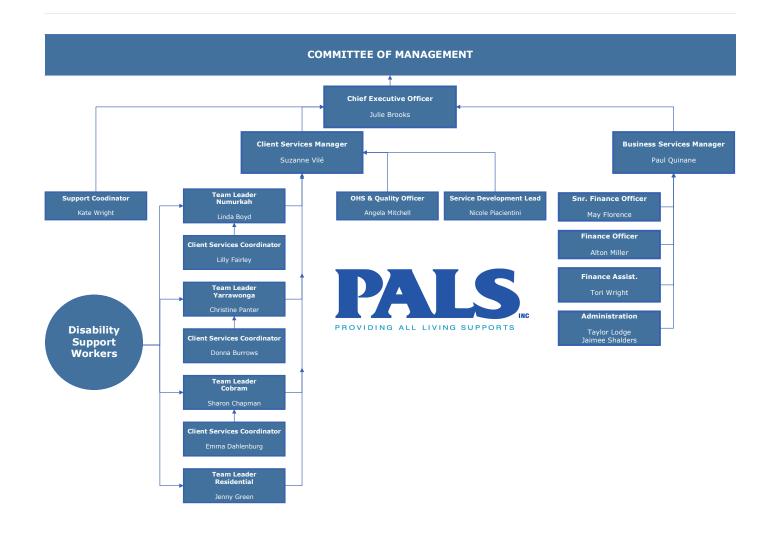




ANNUAL REPORT **2019-2020**





Online Via Zoom

10th Annual General Meeting

Providing All Living Supports (PALS) Inc.



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 elect an Auditor.

Item 6. To transact any other business of which 7 days' notice has been given to the Secretary in writing.

Item 7. Other Business



CEOREPORT

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I would like to start
by acknowledging the
resilience of you all; our
customers, staff, and
families, for your ability
to change practices to
comply with the many
health directives, and
your agility.

Like many, PALS has had a challenging year, however at the time of writing, I am pleased to be able to report we do not have any reported COVID-19 cases within our organization or in our region which is the absolute best we can hope for.

This may not be well known but there are many families still not receiving services due to their family members' health concerns or particular vulnerabilities, so it is to them my concern is greatest.

Despite the easing of restrictions there are many in our communities that remain very isolated and it is these families that we need to be most conscious of, and to maintain our connection.

This has tested us all in so many ways, but the patience and understanding, the hard work, the kindness and the respect shown has been truly outstanding and I congratulate you all for what has been the most difficult year many of us have ever endured.

2020 has also been a very sad year for our organization with the sudden passing of our colleague and friend Debra Hargreaves.



Deb worked for PALS for just over 5 years and was much loved by the residents at the houses, as she was by the staff. Her contribution to our organization was truly outstanding and she will continue to be missed.

It is also important to recognize that we have had several staff who have lost loved ones from their immediate families this year and other staff who have been seriously ill. Please know you are all in our thoughts.

From our business perspective despite the huge drop in demand for our services due to the Coronavirus restrictions,

PALS has been the beneficiaries of the Federal Government financial incentives which has contributed to our ability to report a profit this last financial year.

However, there has been an increased burden and a huge load on organizations to meet the compliance obligations associated with the pandemic and this has kept our back of house staff fully engaged – so to this team on behalf of the Board I thank you.

PALS divested itself of the Cobram Laundrette earlier this year and the PALS Opportunity Shop moved to a bigger location in Numurkah.

PALS thanks the volunteers of the Numurkah community who assisted in making this happen and for their ongoing support of this venture.

PALS welcomed a new Committee of Management member in Mick Leyden last month.

Mick has a strong affiliation with the sector in his private and professional life and brings a youthful insight to the role. I personally wish to thank the Committee of Management members for their contribution throughout this year and especially to Bronwyn Stanley - our Chair for her support.

Lastly to the management team and the support workers – what a crew!

You are an amazing bunch of individuals! Your commitment, enthusiasm and work ethic never ceases to amaze. Thank you.

Stay safe and well. Julie Brooks.

WHAT A CREW!



CHAIRPERSON REPORT

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Wow! What a year 2020 has turned out to be.

Our world was tipped upside down this year by lockdowns, new rules, masks, social distancing, border closures and even toilet paper shortages!

As well as a host of new and differing experiences for a lot of people. We have welcomed new people to PALS and sadly said goodbye to others.

In this period of uncertainty, the Board would like to acknowledge and say thank you to everyone who has continued to support and be supported by our organisation.

Thank you to our CEO Julie and the team at PALS Inc

For responding to this crisis calmly and competently and ensuring the safety of our participants and workers.

Thank you to all our staff.

Who are also working on the ground in COVID times, learning new processes and systems while supporting people in our community, your role is vital to keeping people safe.

Thank you to all our clients and their support networks.

For your resilience and for navigating the changes this year has brought.

I would personally like to also thank the Committee of Management

For their continued commitment to ensuring our vision and mission continue. Our mission to connect people with their local community has never been more important.

This year we have also achieved things that we are proud of including:

- Increasing our individual support to people to help them achieve their goals
- Linking people to increased opportunities in our local community whether it be helping them with employment, securing housing, staying healthy or having a break.
- Introducing COVID safe practices and personal protective equipment to support clients and staff
- Repainting, repairing and installing security and fences at various sites
- Upgrading computers and phones to allow staff to work remotely and from home
- Refurnishing and modernising Gorman House
- Relocating our Numurkah Op Shop to a new more accessible building
- Supporting innovative housing solutions for local people
- Reimagining day programs and working with clients to continue to access community support
- Establishing a Support Coordination service to help people navigate the NDIS

As we head into this next period, we remain committed to supporting people with disability to achieve their goals, navigate the NDIS, and connect with their community.

Thank you.

Bronwyn Stanley- Chairperson
PALS Inc Committee of Management





CLIENT SERVICES MANAGER

REPORT

66

This year has been a year of 3 parts. The latter part of 2019 and early 2020, saw us delivering more services and to more customers than ever before.

With new NDIS funding, we supported customers to go on holidays, go to events, engage with their wider family and of course participate in the TriState games in Adelaide - and be overall team winners!

However, things quickly changed in March due to the COVID 19 pandemic and the accompanying Public Health restrictions.

We ceased all activities at the Hubs, and closed Gorman House and the Opportunity Shops, but continued to provide essential individual support and support the residents in our group homes.

When the restrictions later eased, we started to deliver more individual support. We also provided some services in the Hubs for those requiring these services, however we also needed to keep the numbers low to ensure we adhered to the restrictions about the maximum number of people in a room.

We also re-opened the Opportunity Shops and Gorman House to a small number of people.

We are now back to delivering similar levels of individual support that we did in February, and more customers have returned to small group activities at our Hubs.

With the further easing of restrictions in regional Victoria, we are offering more services and with the warmer weather we will hope to be able to offer more outdoor activities.

However, it is unclear when we will be able to offer the full range of programs again.

I would like to give a big THANK YOU for the outstanding work of our service team who have constantly adapted and successfully kept COVID 19 out of our services.

I hope this will continue!

I would also like to welcome Chris
Panter and Sharon Chapman. They
have commenced as Team Leaders in
Yarrawonga and Cobram respectively.
We have also recruited 12 new
Support Workers, so welcome to
the team!

A highlight for me, has also been working with three customers and their families to create a new home of their own in Numurkah.

I would like to commend Nancy and Denis Dunn for their commitment to building a home for their son and others with disabilities. The house is now finished, and PALS looks forward to shortly commencing providing 24/7 support in their new home.

None of us, knows what the next few months will bring, but please know PALS is taking every precaution to keep delivering safe services within any restrictions that apply.

We look forward to continuing to provide you with the supports you need and want.



I am pleased to announce that during 2021 we aim to implement a new service aimed at young people with disabilities. This will have a strong focus on supporting their transition from school, assisting them to be included in their local community and to engage in work or further education.



BUSINESS SERVICES MANAGER

REPORT

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A Roller Coaster Ride would be the best way to describe the past 12 months.

Since my last report I had the pleasure of attending the weeklong 2019 Tri-State Games held in Port Adelaide / Semaphore, a historic occasion as it also saw PALS Panthers come home with the Gold for the first time in the 21 years of participating in the event.

Many of you would be aware that Cobram Barooga have won the bid to host the this years Tri-State Games, that would see some 450+ visitors to the region to participate.

With the uncertainty of the long term effects of Coronavirus the Tri-State Games committee were forced to postpone the event.

This of course means that 2021 and 2022 will be our turn to host the games, so fingers crossed we have made significant headway to beating this virus, and that PALS Panthers can defend their title.

Of course as with many businesses COVID 19 would prove to be one of the toughest periods of time that PALS has endured, but endure we have.

There is no doubt that the Government assistance with JobKeeper allowance have assisted PALS in keeping their doors open and to a large extent the vast majority of pre-COVID staff numbers. The Victorian government restrictions has of course had an impact on our customers coming into service, which saw a stall in recruitment. In October I'm glad to say we have recommenced recruiting new staff to meet our growing demand.

It appears that PALS eligibility for the JobKeeper allowance from the government may be coming to an end soon, which is a good sign, indicating that our staff employment is becoming more secure and just as important; that our customers are feeling safe with our staff and with PALS.



Have you seen our new website?...

This a vast improvement on the old site with large buttons making it user friendly, bright and vibrant and a great place to keep up to date with the latest organisational news, and social media. The team have worked hard on this over the past months and we hope you will visit the site regularly and see what's new on our notice board.

Technology has changed the way we operate...

PALS has embraced this change like never before. It may be one of the only silver linings to take from the COVID 19 environment we all find ourselves in. The team is now more mobile and more connected than ever before, with staff having regular online face-to-face meetings and greater sharing of information, thanks to some timely upgrades to our dated computer systems.

Training our staff has been a priority...

Training has been difficult, with many providers unavailable to deliver face-to-face training, however online training is finally coming into it's own and I suspect there will be much more training conducted online and or a combination of face-to-face interaction via Zoom, as we move forward.

Our Op Shops

Have had a tough time with having to close at the initial outset of the Government restrictions, to opening shorter hours and fewer days. As always PALS saw this as an opportunity.

For those who have visited the Cobram Broadway St Op Shop, you will see what a fantastic job our staff have done with updating their counter and a significant clean up all round.

Our Numurkah Op Shop took the opportunity to expand by moving to a new location and we have had some great feedback and a show of support.

Both Op Shops are now taking donations, so please we are in need of items for both Cobram and Numurkah.





All in all a turbulent year of growth, for us both financially and emotionally.

Stay safe and well and enjoy your Christmas with loved ones whether in person or online.

Paul Quinane - Business Services Manager.

MINUTES

Of the Annual General Meeting (AGM)

Held at 6.00 pm, 30th October 2019 at The Shamrock Hotel Numurkah

Welcome:

Chair Bronwyn Stanley welcomed everyone to the 9th AGM and thanked them for their attendance. PALS holds the AGMs in different towns each year as PALS services are widely dispersed.

Acknowledgement of Traditional Owners:

Chair Bronwyn Stanley acknowledged the Yorta Yorta people who are the traditional custodians of the land on which we meet tonight, and also paid respect to their elders, past and present.

Housekeeping & Fire Exits

Chair Bronwyn Stanley pointed out the exits and the bathrooms. Bronwyn also invited everyone to stay behind and enjoy refreshments at the close of the meeting.

ATTENDANCE:

Anna Vogel Sharon Chapman

Julie Brooks Bronwyn Stanley Heather Seiter Christine Panter

Suzanne Vile **Andy Allert** Peter Allert Nancy Dunn Lee McGlynn

Wayne O'Dwyer **Andy Cusick** Maureen Batty

John Bouchier Tayla Rapson Fred Oldaker

Ray Hoggard Taylor Lodge Kate Wright Darren Seiter Matthew Langford

Tori Wright Ray Allert

Cameron Allert Brendan Dunn **Denis Dunn** Val Wakefield

Marg Ryan Don Batty

Angela Mitchell Jade Swinney Kerri Mahney Jazmin Clark Jean Clark

Leisa Hodgson Reid Pethuru Angela Sterry **Noel Clark** Peter Clark May Florence

APOLOGIES:

Jenny Green Claire Sharp Ron Sharp James Darby

Nancy Haebich Andrea O'Neil

Kellie Lee Loft Barry Mason Nicole Piacentini **Tracey Ewert**

Alan Thompson Marg Brown

Trish Ryan Linda Boyd Paul Quinane

Motion:

That the Apologies be accepted.

Seconded: Don Batty Moved: Denis Dunn

Carried

23



INTRODUCTION:

PALS has had a very successful year not least because of the reported surplus of \$179,000K but also because of the hard work of everyone to ensure the transition to the NDIS went as smoothly as it could.

It has proceeded well, and everyone should be very proud of their contribution including families and carers who have done an exceptional job of adapting to the changes.

PALS has also obtained certification against the NDIS practice standards and developed up a new strategic plan. Following the Consultant's report PALS has opted to not proceed with the merger with MHA Care at this time.

PALS has experienced substantial growth in demand for its services this year; it is about to launch a new website and was successful in obtaining a workforce grant of \$128K.

PALS has set up a brand new Advisory Committee compiled of PALS participants who will report directly to the Committee of Management. PALS is looking forward to being the host town for the Tri State Games in 2020 – 2021.

The Committee of Management of PALS would also like to acknowledge and thank the family of the late Barry John Firns who bequeathed part of his estate to PALS earlier this year.

MINUTES OF PREVIOUS 2018 AGM

Motion: That the Minutes of the 2018 AGM be accepted as true and correct.

Moved: Mathew Langford Seconded: Don Batty Carried



FINANCIAL REPORT

That the audited statement of accounts and Financial Report by Mogg Osborne as published in the 2019

Annual Report be accepted as true and correct.

John Bourchier congratulated CEO Julie Brooks and the Finance team for their excellent work balancing the books and keeping a focused eye on the accounting processes. John commented that the amount of material now submitted at Board meetings has improved significantly.

Moved: Noel Clark Seconded: Mathew Langford

Carried

ELECTION OF COM MEMBERS

In accordance to the PALS Constitution and Election Rotation, the following members' positions are declared vacant:

Bronwyn Stanley

Bronwyn has renominated. There are several other vacancies on the Board. Bronwyn announced Christine Panter's nomination and introduced Christine to the room. Christine is a local Yarrawonga resident and is a registered nurse. Bronwyn also announced Sasha Parish's nomination who was an apology tonight but who is a local Cobram resident.

Motion: That Bronwyn Stanley, Christine Panter and Sasha Parish

be elected to the COM.

Moved: Noel Clark Seconded: Mathew Langford Carried

ELECTION OF AUDITOR

Two quotes were received for the Auditor's position for 2019 - 2020:

Johnsons MME from Albury who quoted \$13,000 and

Mogg Osborne Pty Ltd who quoted \$11,195

Motion: That Mogg Osborne be elected as Auditor for the next year.

Moved: John Bourchier Seconded: Maureen Batty Carried

Ouestions

No Questions submitted.

GUEST SPEAKERS:

SUZANNE VILÉ, TAYLA RAPSON, JADE SWINNEY, FRED OLDAKER & JAZ CLARK

Bronwyn introduced Suzanne Vilé PALS Client Services Manager.

Suzanne congratulated everyone for their hard work in this past year – all the families and carers and the participants for adapting to the changes in the NDIS. Suzanne also thanked the staff for their contribution throughout this challenging time of change – appreciating everyone's patience.

Suzanne introduced Tayla Rapson, Team Leader of Yarrawonga.

Tayla was happy to meet some of the families and clients from the Cobram and Numurkah townships. Tayla spoke about her work, the oversight of Gorman House the short-term accommodation residence; the group activities happening at Orr St and the individual supports delivered at home and in the local community.

Tayla introduced Jade Swinney who is the Coordinator of the Orr St campus.

Jade introduced Fred and Jaz – Then spoke about the some of the exciting things they are doing with their lives. Jaz spoke about her voluntary work for 'Lidz4Kidz' – Collecting, washing and sorting the lids to go toward creating prosthetic limbs for kids; Studying her Certificate 1 in Work Education and Transition Education; Volunteering at Country Buddies (a child care centre) and In-frame (a picture framing business); visiting other towns ie Benalla looking at street art and learning about the artists. Jaz said she was proud of the achievements she had made while at PALS – like controlling her emotions.

Fred told us he had attended PALS for 8 years.

In the past 12 months he has lost 25kg in weight due to his learning about food and fitness, riding his bike for exercise and choosing healthy foods. He has learnt to cook now and read a recipe; he is able to buy the ingredients himself and then prepare the meal. He enjoys science experiments, going to Glenrowan and learning about Ned Kelly and the bushrangers and hanging out with his friends. He enjoys talking about the future and making choices about his life.

JULIE BROOKS - ANNA VOGEL

TRIBUTE TO DON BATTY RETIRING COMMITTEE OF MANAGEMENT MEMBER

Both Julie and Anna read tributes to Don for his amazing 47-year contribution to PALS and Cobram Gateway Services before this.

There are not many disability services in the Cobram region that Don has not had some considerable involvement in, including the Cobram Special School, Sturt St in Cobram, the Op shop and of course PALS which without doubt Don is a founding father. His contribution to our sector is outstanding and difficult to quantify. Anna who has known Don since she was at Special School spoke fondly of the support that Don had personally shown to her and thanked him for this.

Don in his response explained the reasons for his passionate involvement with disability and the sector was due to his younger brother who had a profound intellectual disability and who ended his life in Kew Cottages before it was closed. Don believed he was leaving the sector in good hands with all of the changes in the NDIS world and that he was pleased we were serving the families and the clients of the Moira shire well. Raymond Hoggard also thanked Don and Maureen for their contribution and wished them a long and happy retirement.





Meeting Closed

At 7:15 pm and was followed by finger food buffet - enjoyed by all.

Authorization

These minutes are a true and accurate record



Committee

Of Management Attendances

Name	Period as board member 2019/2020	No. of Meetings attended
Bronwyn Stanley	Full Year	11
Julie Brooks	Full Year	11
John Bourchier	Full Year	10
Phil West	Full Year	10
Sasha Parish	November 2019-June 2020	6
Chris Panter	July 2019-June 2020	7
Mallory Williams	July 2019-August 2019	2
Don Batty	July 2019-October 2019	2



PROVIDING ALL LIVING SUPPORTS (PALS) INC.

ABN: 38 788 328 554

Financial Report

For The Year Ended 30 June 2020

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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 2020.

Committee Members

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

Bronwyn Stanley - Chair John Bourchier - Deputy Chair/Treasurer Phil West Chris Panter Sasha Parish

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.

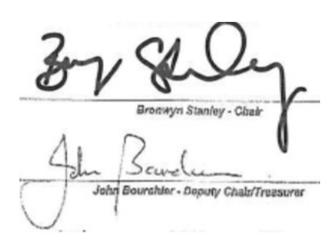
However, the operations of the association have been impacted by the Covid-19 pandemic and government enforced business closures and social distancing requirements. Please see Note 12 to these financial statements for more information.

Operating Result

The net surplus for the year ended 30/06/2020 was \$619,198.

The net surplus for the year ended 30/06/2019 was \$179,410

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



Dated this 21st day of October 2020

ABN: 38 788 328 554

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

	Note	2020 \$	2019 \$
Revenue	2	5,071,875	4,640,752
Other income	2	477,398	86,471
Employee benefit expense		(3,026,182)	(2,417,797)
Depreciation and amortisation expenses		(115,060)	(119,029)
Sundry expenses		(1,766,334)	(1,985,209)
Interest expense	3	(22,499)	(25,779)
Current year surplus before income tax		619,198	179,410
Income tax expense - endorsed as income tax exempt	1a		
Net current year surplus		619,198	179,410
Other comprehensive income Total comprehensive income for the year		<u>-</u>	<u>-</u>
Net current year surplus attributable to members of the association Total comprehensive income attributable to members of the		619,198	179,410
association		619,198	179,410

PROVIDING ALL LIVING SUPPORTS (PALS) INC. ABN: 38 788 328 554 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS		Ψ	Ψ
CURRENT ASSETS			
Cash on hand	4	2,861,839	2,066,513
Accounts receivable and other debtors	5	373,150	258,438
Inventory	6	75,068	75,068
Other current assets	7	42,267	46,413
TOTAL CURRENT ASSETS		3,352,323	2,446,432
NON CURRENT ACCETS			
NON-CURRENT ASSETS	0	2 644 704	2 752 002
Property, plant and equipment Intangible assets	8 8a	3,641,701 80,000	3,753,002 106,138
TOTAL NON-CURRENT ASSETS	oa	3,721,701	3,859,140
TOTAL NON-CORRENT ASSETS TOTAL ASSETS		7,074,024	6,305,572
101/12/100210		7,074,024	0,303,372
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	1,368,176	1,201,941
Employee provisions	10	426,449	377,615
TOTAL CURRENT LIABILITIES		1,794,625	1,579,556
NON CURRENT LIABILITIES			
NON-CURRENT LIABILITIES	0	400.040	462.006
Accounts payable and other payables	9 10	408,942	463,926
Employee provisions TOTAL NON-CURRENT LIABILITIES	10	23,714	23,714
TOTAL NON-CORRENT LIABILITIES TOTAL LIABILITIES		<u>432,656</u> 2,227,281	<u>487,640</u> 2,067,196
NET ASSETS		4,846,743	4,238,376
		7,040,740	4,200,070
EQUITY			
Reserves		323,000	323,000
Retained surplus		525,000	323,000
Equity Carried Forward		3,923,404	3,923,404
Retained Earnings		48,623	(130,787)
Current Year Surplus		619,198	179,410
Amalgamation Adjustments		(67,481)	(56,650)
TOTAL EQUITY		4,846,743	4,238,376

PROVIDING ALL LIVING SUPPORTS (PALS) INC. ABN: 38 788 328 554 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

		Retained	General	
	Note	Surplus	Reserve	Total
	•	\$	\$	\$
Balance at 1 July 2018		3,792,616	323,000	4,115,616
Comprehensive income				
Net surplus for the year		179,410	-	179,410
Other comprehensive income for the year		-	-	-
NDS Amalgamation (Homewood)		(56,650)	-	(56,650)
Total comprehensive income attributable to				
members of the association for the year		122,760	-	122,760
Balance at 30 June 2019	-	3,915,376	323,000	4,238,376
Balance as at 1 July 2019		3,915,376	323,000	4,238,376
Comprehensive income				
Net surplus for the year		619,198	-	619,198
Other comprehensive income for the year			-	-
Gateway Amalgamation		(10,831)	-	(10,831)
[insert detail]			-	
Total comprehensive income attributable to				
members of the association for the year		608,367	-	608,367
Balance at 30 June 2020	:	4,523,743	323,000	4,846,743
For a description of each reserve, refer to Note 11				

PROVIDING ALL LIVING SUPPORTS (PALS) INC. ABN: 38 788 328 554 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from operations		5,046,624	4,492,581
Payments to suppliers and employees		(4,585,859)	(4,437,567)
Interest (unrestricted) received		24,068	35,117
Net gain / loss on sale of assets		2,154	2,342
Receipts from Covid-19 Stimulus		392,000	-
Net cash provided by/(used in) operating activities	14	878,988	92,474
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3,759)	(41,197)
NDS Amalgamation (Homewood)		(10,831)	(56,650)
Net cash provided by/(used in) investing activities		(14,591)	(97,847)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Repayment of Borrowings)		(69,071)	(30,314)
Net cash provided by/(used in) financing activities		(69,071)	(30,314)
		· ·	<u> </u>
Net increase/(decrease) in cash held		795,326	(35,688)
Cash and cash equivalents at beginning of financial year		2,066,514	2,102,201
Cash and cash equivalents at end of financial year	4	2,861,840	2,066,514

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.

The financial statements were authorised for issue on 21st October by the members of the committee.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

Providing All Living Supports (PALS) Inc. applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

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) and the Associations Incorporation Reform 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

PALS Inc is registered as a charity with the ACNC and is an Income Tax Exempt endorsed Public Benevolent Institution.

The association is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(b) Inventories on hand (Op-shops)

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.

Due to the impact of Covid-19 government enforced closures from March 2020 to June 2020, sales from op-shops were reduced, but so too was the ability to accept donations of goods. Therefore the committee has determined the value of stock-on-hand is materially consistent with the prior year and no adjustment has been made to the value for the year ended 30th June 2020.

(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 (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 association at the end of the reporting period (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 association'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.

PROVIDING ALL LIVING SUPPORTS (PALS) INC. ABN: 38 788 328 554

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

(d) Property, Plant and Equipment

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.

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.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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 in the period in which they occur. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(e) Leases

The Association as lessee

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date:
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost, less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Association to further its objectives (commonly known as peppercorn/concessionary leases), the Association has adopted the temporary relief under AASB 2018-8 and measures the right-of-use assets at cost on initial recognition.

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

(f) Financial Instruments

Initial recognition and measurement

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

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which the association elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The association recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables:
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

(g) 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 an asset may be 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 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 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 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 current accounts payable and other payables in the statement of financial position.

Other long-term employee benefits

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 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(f) for further discussion on the determination of impairment losses.

(k) Revenue and Other Income

Revenue recognition

The Association has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 15 and AASB 1058, and the impact of changes is disclosed in Note 1(q)

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

In the current year

Contributed assets

The Association receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9, AASB 16, AASB 116 and AASB 138.).

On initial recognition of an asset, the Association recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

The Association recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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:

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

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example, AASB 9. AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- 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.

Capital grant

When the Association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Association recognises income in profit or loss when or as the Association satisfies its obligations under the terms of the grant.

Interest income

Interest income is recognised using the effective interest method. Interest on term deposits maturing after the end of the financial year is accrued to 30th June 2020.

Income from sale of good

PALS operates two opportunity shops. Sale income is recognised at the time the sale is made.

As an ACNC registered charity and DGR, PALS applies the GST concession for sale of donated second-hand goods. Sales are GST-free where there is no change in the original character of the goods.

In the comparative period

Non-reciprocal grant revenue was recognised in profit or loss when the Association obtained control of the grant and it was probable that the economic benefits gained from the grant would flow to the Entity and the amount of the grant could be measured reliably.

If conditions were attached to the grant which must be satisfied before the Association was eligible to receive the contribution, the recognition of the grant as revenue was deferred until those conditions were satisfied.

When grant revenue was received whereby the Association incurred an obligation to deliver economic value directly back to the contributor, this was considered a reciprocal transaction and the grant revenue was recognised in the statement of financial position as a liability until the service had been delivered to the contributor; otherwise, the grant was recognised as income on receipt.

Donations and bequests were recognised as revenue when received.

Interest revenue was recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue was recognised when the right to receive a dividend had been established. Rental income from operating leases was recognised on a straight-line basis over the term of the relevant leases.

Revenue from the rendering of a service was recognised upon the delivery of the service to the customer.

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

(I) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) 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.

(n) Comparative Figures

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

Where the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

(o) 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.

(p) 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

The association has measured op-shop stocks of donated goods at net realisable value. This measurement basis involves significant estimation to determine a pricing level at which such stocks could be sold.

(q) Key Judgements

(i) Provision for impairment of receivables

Trade receivables are reviewed regularly and at the end of the financial year. A provision for any doubtful debts is applied against debtors.

(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.

(iii) 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.

(r) New and Amended Accounting Policies Adopted by the Association

Initial application of AASB 16

The Association has adopted AASB 16: Leases retrospectively with the cumulative effect of initially applying AASB 16 recognised at 1 July 2019. In accordance with AASB 16, the comparatives for the 2019 reporting period have not been restated.

The Committee has assessed there were no right-of-use assets or corresponding lease liabilities required to be brought to account for the year ended 30th June 2020.

Initial application of AASB 15 and AASB 1058

The Association has applied AASB 15: Revenue from Contracts with Customers and AASB 1058: Income of Not-for-Profit Entities using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

The Association has elected to apply AASB 1058 retrospectively only to contracts that are not completed contracts at the date of initial application.

Revenue and Other Income Note 2

Note 2 November and Other moonie		
	2020 \$	2019 \$
Revenue		
Sales revenue:		
 Broadway shop Income** 	213,532	276,547
Melville shop Income**	56,796	76,363
 Canteen Income** 	4,808	4,582
 Laundry Income** 	45,927	49,295
	321,062	406,786
Revenue from clients and funding		
Client - Individual Income	1,346,781	842,268
Client - Group Activity Income	1,278,967	1,470,377
Client - Residential Income	2,125,065	1,921,321
	4,750,813	4,233,966
Total revenue	5,071,875	4,640,752
Other income		
 Fundraising Income** 	40,530	24,645
 Other Funding 	-	5,909
 Interest Income 	24,068	35,117
Rental Income (MVH)	20,800	20,800
 Covid-19 Stimulus - Cashflow Boost 	50,000	-
 Covid-19 Stimulus - JobKeeper Subsidy 	342,000	
Total other income	477,398	86,471
Total revenue and other income	5,549,273	4,727,223

**Cost of Goods Sold

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

Note 3 Surplus for the Year

Function	2020	2019
Expenses	\$	\$
 Interest - Mortgage Nelson St 	22,499	25,779
 Office equipment 	115,060	119,029
 Superannuation (employee benefit expense) 	319,059	307,612
 Wages (employee benefit expense) 	2,707,123	2,110,185
 Other Employment Expenses 	105,514	110,171
 Administration Expenses 	235,729	151,301
Computer & IT	53,914	55,530
— Insurance	33,133	37,937
 Occupancy & Utilities 	158,680	179,062
 Motor Vehicle Expenses 	53,178	70,558
Client - Individual Expenses	23,480	49,436
 Client - Group Activity Expenses 	21,984	69,647
 Client - Residential Expenses 	1,078,569	1,259,225
 Loss on disposal of fixed assets 	2,154	2,342
Total expenses	4,930,075	4,547,814

Note 4 Cash and Cash Equivalents

		2020	2019
	Note	\$	\$
Cash at bank - unrestricted		1,589,313	819,734
Term Deposits	*	1,270,826	1,245,080
Petty Cash		1,700	1,700
	15	2,861,839	2,066,513

^{*} The effective interest rates on short-term bank deposits held during the 2020 financial year were between 0.35%-2.5% These deposits had an average maturity of 3-9 months.

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:

follows:				
Cash and	cash equivalents		2,861,839	2,066,513
			2,861,839	2,066,513
Note 5	Accounts Receivable and Other D	Debtors		
			2020	2019
		Note	\$	\$
CURRENT	-		·	·
Accounts F	Receivable		375,226	262,341
Provisions	for Doubtful debts		(2,076)	(3,903)
	nt accounts receivable and other			
debtors		15	373,150	258,438
Note 6	Inventories			
			2020	2019
			\$	\$
CURRENT	-			
Op-shop S	tocktake		75,068	75,068
			75,068	75,068
Note 7	Other Current Assets			
			2020	2019
			\$	\$
CURRENT	-		·	·
Prepaymer	nts		29,823	29,128
Accrued In			4,384	9,225
Yarrawong	a Office - security deposit		8,060	8,060
			42,267	46,412

Note 8 Property, Plant and Equipment

	2020 \$	2019 \$
Land & Buildings:		
Land - at FV (Independent Valuation 01-07-15)	1,015,000	1,015,000
Buildings - at FV (Independent Valuation 01-07-15)	2,400,000	2,400,000
(Accumulated Depreciation - after revaluation)	(233,279)	(177,723)
	3,181,721	3,237,277
Leasehold improvements:		
Corporate Office (Yarrawonga) - at Cost	70,208	70,208
Numurkah GA - at Cost	403,314	403,314
Shipping Container	4,320	4,320
(Accumulated depreciation)	(196,696)	(183,982)
,	281,146	293,860
Total Land, Buildings & Leasehold Improvements	3,462,867	3,531,137
Plant & Equipment		
Office Equipment - at cost	402,816	388,443
(Accumulated depreciation)	(367,538)	(354,394)
Plant & Equipment (Broadway Shop) - at Cost	40,800	40,800
(Accumulated Depreciation)	(34,417)	(33,207)
	41,661	41,642
Motor Vehicles - at Cost	559,635	751,272
(Accumulated Depreciation)	(497,081)	(668,555)
(Noodiffication)	62,554	82,716
	02,004	02,7 10
Furniture & Fixtures - at Cost	275,554	319,737
(Accumulated Depreciation)	(200,935)	(247,159)
,	74,619	72,578
Laundry Furniture & Equipment	-	55,045
(Accumulated Depreciation)		(30,116)
		24,929
Total property, plant and equipment	2 641 701 20	2 752 001 95
Total property, plant and equipment	3,641,701.39	3,753,001.85

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 2018	3,294,258	302,757	28,932	120,235	106,323	3,852,505
Additions	4,320	-	20,081	-	-	24,401
Disposals	-	-	-	(5,546)	-	(5,546)
Depreciation expense	(56,981)	(13,217)	(7,371)	(17,183)	(23,607)	(118,359)
Carrying amount at 30 June 2019	3,241,597	289,540	41,641	97,506	82,716	3,753,002
Balance at 1 July 2019	3,241,597	289,540	41,641	97,506	82,716	3,753,002
Additions	-	-	14,373	12,791	16,125	43,289
Disposals	-	-	-	(20,814)	(19,259)	(40,073)
Depreciation expense	(55,556)	(12,714)	(14,353)	(14,864)	(17,028)	(114,516)
Carrying amount at 30 June 2020	3,186,041	276,826	41,661	74,619.17	62,554	3,641,701

Note 8(a) Intangibles		
	2020	2019
Note	\$	\$
Software	80,000	80,000
Cobram Laundry - Goodwill	-	28,200
Cobram Laundry - Accum Amortisation	-	(2,062)
-	80,000	106,138
* Laundry sold in May 2020		
Note 9 Accounts Payable and Other Payables		
	2020	2019
Note	\$	\$
CURRENT		
Funding - Industry Development	119,317	-
Funding in advance - DHS	37,570	164,071
Funding in advance - Outreach Credits	101,978	119,551
Funding in advance - DHS ISP/Futures Credits	680,256	578,072
Funding in advance - All Other	11,709	14,893
Funding/Donations - Gorman & Nelson	94,082	20,594
Trade Creditors	87,189	65,669
	-	-
GST Liabilities	(8,397)	6,863
Payroll Liabilities	166,498	160,994
Credit Cards	3,022	(409)
Provision / DHS Accreditation	(15,964)	(8,164)
Client Money Trust	22,841	22,841
Client Money Houses	1,563	(1,134)
Loan - ANZ - Nelson St	66,513	58,101
	1,368,176	1,201,941
NON-CURRENT		
Loan - ANZ - Nelson St	408,942	463,926
	408,942	463,926
a. Financial liabilities at amortised cost		
classified as accounts payable and	2020	2019
other payables	\$	\$
Accounts payable and other payables	Ψ	Ψ
total current	1,368,176	1,201,941
total current total non-current	408,942	463,926
Cottai Hori Guiront	1,777,118	1,665,867
Less grants (state) operating received in	.,,	.,,
advance	(819,804)	(861,694)
Less contract liabilities		
Financial liabilities as accounts payable		
and other payables 15 _	957,314	804,173

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

Note 10 Employee Provisions

	Note	2020 \$	2019 \$
CURRENT			
Annual Leave		199,688	157,188
Long Service Leave		219,427	220,427
Long Service Leave - Portability Scheme		7,335	
		426,449	377,615
NON-CURRENT			
Long Service Leave		23,714	23,714
		23,714	23,714
Total provisions		450,163	401,329

Employee provisions - annual leave entitlements

The provision for employee benefits represents amounts accrued for annual leave.

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.

Note 11 Reserves

a. General Reserve - Land

The Revaluation Reserve contains revaluation surplus of Land at fair value based on reports from 'Eishold Property Valuers' in 2015 and subsequent increase in land at Nelson St after property developments in 2018.

Note 12 Events after the Reporting Period

Other than the following, the committee is not aware of any significant events since the end of the reporting period.

During the financial year ended 30th June 2020, the operations of PALS have been impacted by the effects of the Covid-19 pandemic and resulting government enforced closures and social distancing requirements.

As Government policy and restrictions relating to Covid-19 are constantly evolving, this continues to create a level of uncertainty over the operating environment.

Given the uncertainty over the period the restrictions on trading and social distancing will be in force, the financial impact cannot be reliably measured at the time of issue of these financial statements, and therefore no adjustments have been made to the financials in regards to Covid-19 for the 2020 financial year.

There are no other events since the balance date to the date of this report that would have a material effect on the operations of the entity.

Note 13 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

PROVIDING ALL LIVING SUPPORTS (PALS) INC. ABN: 38 788 328 554

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

Note 14 Cash Flow Information

	2020 \$	2019 \$
Reconciliation of cash flows from operating activities with net current year surplus		
Net current year surplus Adjustments for:	619,198	179,410
Depreciation expense	115,060	119,029
 Net (gain)/loss on disposal of property, plant and equipment 	2,154	2,342
Movements in working capital:		
 (Increase)/decrease in accounts receivable and other debtors 	(114,712)	(179,743)
 (Increase)/decrease in prepayments 	4,147	(5,426)
 (Increase)/decrease in inventories on hand 	-	(14,357)
 (Increase)/decrease in other assets 	23,983	-
 Increase/(decrease) in accounts payable and other 		
payables	180,323	(10,782)
Increase/(decrease) in employee provisions	48,835	2,000
Net cash generated by operating activities	878,987	92,474

Note 15 Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, local money market instruments, investments in listed shares, receivables and payables, and leases liabilities.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments*, as detailed in the accounting policies to these financial statements, are as follows:

	Note	2020 \$	2019 \$
Financial assets		•	•
Financial assets at amortised cost:			
 Cash and cash equivalents 	4	2,861,839	2,066,513
 Accounts receivable and other debtors 	5	373,150	258,438
Total financial assets		3,234,988	2,324,951
Financial liabilities			
Financial liabilities at amortised cost:			
 accounts payable and other payables 	9	481,859	282,146
borrowings	9	475,455	522,027
Total financial liabilities		957,314	804,173

Note 16 Economic Dependence

To a large extent, the Association is assisted in its activities by operating grants provided by the state and federal governments, as well as funding packages provided to individual clients to cover the cost of services provided by PALS. At the date of this report, the members of the committee had no reason to believe that the government would not continue to provide financial support to the Association and their clients.

Note 17 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

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 Bourchier, 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 2020.

Signed:

Bronwyn Stanley - Chair

Dated:

21/10/2020

Signed:

John Bourchler - Deputy Chair/Treasurer

Dated: 21/10/2020

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.

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 2020, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies, and the certification by members of the committee.

In our opinion, the accompanying financial report of the association is in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 (the ACNC Act), including:

- i. giving a true and fair view of the association's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-Profits Commission Regulation 2013.

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 1 - Basis of Accounting

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 responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Emphasis of Matter 2 - Effects of Covid-19

We draw attention to Note 12 of the financial report, which describes the impacts of Covid-19 government enforced closures and social distancing restrictions on the entity's financial results and ongoing trading environment. Our opinion is not modified in respect to this matter.

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 2020, 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 is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Act 2012 and for such internal control as the committee determines 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 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.

ABN: 38 788 328 554

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROVIDING ALL LIVING SUPPORTS (PALS) INC.

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 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.

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.

Auditor's name and signature:

Peter T Mogg

Name of firm: Mogg Osborne Audit Pty Ltd (Registered Audit Company #327238)

Address: 40-44 High Street

COBRAM VIC

Dated this 22nd day of October 2020

PALS - APPLICATION FOR MEMBERSHIP

(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 wrules of the Association for the time being in force.
Signature of Applicant:
Date:
I, a member of the Association,
nominate the applicant, who is personally known to me, for membership of the Association
Signature of Proposer:
Date:
I,a member of the Association,
second the nomination of the applicant, who is personally known to me, for membership
of the Association
Signature of Proposer:
Date: