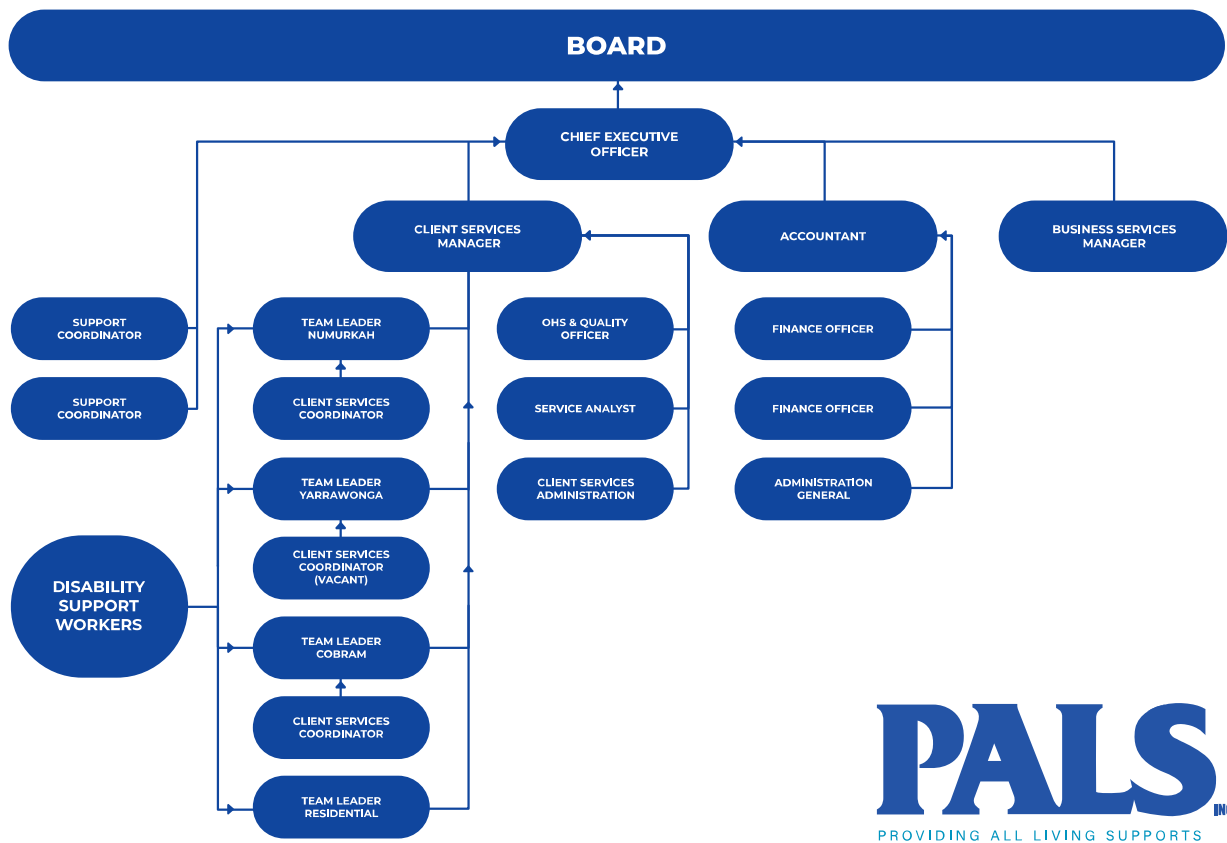




PALS^{INC}
PROVIDING ALL LIVING SUPPORTS

2021-2022
ANNUAL REPORT





2021/2022 board members

Mick Leyden

CHAIR

Mick is a program manager with 20 years' experience in both corporate and not for profit organisations. Mick is experienced in designing, developing and evaluating innovative multi year community service projects and programs. He has a Master of Politics and Policy and is currently studying a Master of Business Administration. He has also been the carer of a family member with disability for 15 years.



John Bouchier

TREASURER UNTIL 24TH NOVEMBER

John who is employed as an Irrigation Officer with Agricultural Victoria, is also a part time farmer on the family dairy farm at Strathmerton as well as farming his own hobby farm at Numurkah. John is very community minded and has held many roles with Community Service Organizations over the years but currently is Chair of the Floridan Park Reserve (Pony Club of Numurkah and District) and a member of the Goulburn Valley Aero Club.

John joined the Board of Northern Disability Services in 1982-3 and held the position of Chair prior to the amalgamation to form Providing All Living Supports (PALS) Inc which occurred in 2011. John is the last original Board member of the amalgamated organizations.

Barry Small

SECRETARY

Barry is an experienced non-executive director, serving on the boards of a palliative care provider and multiple disability service providers. He is a Certificated Member of Governance Institute of Australia and has been in the role of Secretary at PALS since December 2021.

Barry retired from paid employment in 2018. His professional expertise and experience include risk management, governance, strategy development, process improvement, quality systems and compliance. Not-for-profit industries that Barry has worked in include education, health and aged care.





Brian Hardy - TREASURER / ACTING CEO

Brian has over 30 years experience in disability services within the Victorian Government and in large non-government organisations, including Scope and Vision Australia. Brian is particularly interested in helping not-for-profit organisations be successful businesses that are true to their mission and values. Brian's key areas of expertise include financial management, business strategy, marketing and service design and innovation. Brian is a Graduate of the Australian Institute of Company Directors. He has a Master of Entrepreneurship and Innovation from Swinburne University and a Master of Arts from Latrobe University.

Bronwyn Stanley - VICE CHAIR

Bronwyn is an experienced NDIS Support Coordinator with a demonstrated history of working in the disability sector for over 15 years. Bronwyn is a proud foster carer and grew up in the district. She has worked in a number of areas including Quality Management, Business Management, Finances, Project Coordination and NDIS planning.



Paige Comensoli - BOARD

I am a lawyer and have worked both in-house and in private practice, as well as in executive management. Typically, I advise on operations, projects, commercial transactions, and acquisitions/sales, with a particular focus on compliance, governance and risk management. I am passionate about all things NDIS and its evolution as one of Australia's largest social reforms. My NDIS practice includes advising NDIS providers on how to navigate the ever-changing regulatory framework. I have also assisted NDIS participants on a pro bono basis with appeals at the NDIS division of the AAT.

I have worked with a diverse range of clients, in particular: universities; disability service providers; medical and allied health practitioners; private hospital operators; franchisors & franchisees; retailers; tech companies; start-ups and 'disruptors'; NFPs, and social enterprises

Therese O'Beirne - BOARD

Therese is an experienced senior leader with over ten years in community and human services leading small and large multi-disciplinary teams in disability, aged, employment services, mental health, family violence, and child protection services. Her passion for diversity, equity and inclusion are what drives her to support organisations to deliver excellent outcomes for their clients, customers, and the wider community.

Therese thrives to deliver bespoke solutions for her clients ranging from strategic overview and planning, service design, co-design, and project management. She ensures the magnitude of change management and cultural embeddedness of any project is at the forefront of her expertise. Therese has recently graduated a Bachelor of Arts from Deakin University in Anthropology and World Religions and Post Graduate in Disability and Inclusion.





chair report

Looking outside of PALS, a new minister has taken on responsibility for the NDIS and a new Chair and CEO of the NDIA have been appointed.

We welcome these steps. We particularly welcome the inclusion of people with disabilities at the core of the NDIA leadership and governance. We wish Minister Shorten, Chair Kurt Fearnley AO and CEO Rebecca Falkingham all the very best.

In addition, we welcome the recently announced independent review into the NDIS. For many people with disabilities the NDIS has been transformational, however this positive impact is not evenly distributed and far too many people are left behind or forced to fight the supports they need to truly exercise choice and control.

At a board level we welcomed new members Paige Comensoli, Therese O'Beirne, Barry Small and Brian Hardy. I feel incredibly fortunate to work with such a professional, capable, compassionate and engaged group of people. They have been wonderful additions to our team.



As I reflect on the time since the last annual general meeting, I can't help but feel it has been a year of inflection, transition and renewal.

We have gradually transitioned from the initial shock of the pandemic to learning to live with the ongoing reality. We have become used to masks, RATS and evolving isolation and contract tracing rules. We recognise that this has had a significant impact on our clients, families and staff and thank you all for your flexibility and understanding.

We have said goodbye to a stalwart of the PALS Board. John Bouchier initially joined the board of Northern Disability Services (a predecessor of PALS) in 1982.

Over 40 years he has worked to create opportunities for people with disabilities to lead a life of choice, dignity and opportunity. His contribution to our organisation cannot be underestimated. While John remains an important part of the PALS community, the board thank him for his significant contribution and wish him all the very best for the future.

We also farewelled Julie Brooks as CEO. Julie has been a member of the PALS team in various roles for over 15 years, including the last 5 as CEO. Julie has overseen a turbulent period in PALS history through the transition to the NDIS and the COVID pandemic. Throughout, PALS has continued to deliver high quality services to our community, while maintaining a strong financial position.

Julie has left a significant legacy at PALS that will be long remembered. We are very grateful for her tireless efforts and contribution to our organisation's success and wish her all the best for her future projects.

Earlier this year we were delighted that PALS was recommended for reaccreditation against the NDIS Practice Standards. The NDIS Practice standards form an important element in the regulatory framework that ensure people with disability are supported by organisations that appropriately value both quality support and participant safety. It is a credit to the efforts of PALS team that we continue to deliver our services in line with the Practice Standards.

PALS is well placed for an exciting new chapter, with the Tri State games held in our region in November and new team members joining soon. We believe an exciting future is in front of us and look forward to strengthening the connections between PALS, the people we support and our communities more generally.

Thank you to our clients and families. You place your trust in our team to support you to live your life. We recognise that trust is not easily given and we value it highly. Thank you for your support.

Finally, I would like to extend my sincere thanks to our wonderful staff across all programs.

The strongest deciding factor in choosing a support provider is the strength of connection between our clients and our staff. We would like to thank our team for their tireless effort, compassion and commitment to supporting our clients. You make PALS the wonderful place that it is.

Mick Leyden
Chair, PALS Board



ceo report



The impact of the COVID pandemic has continued to affect our clients, families, staff and the overall operation of PALS over the past year. It provides ongoing challenges to ensure everyone remains safe and healthy.

The recent floods across Northern Victoria are having ongoing impact across the whole community. Fortunately most PALS operations were not severely affected, but we have worked with families and the community to provide whatever extra support we can.

Throughout the year there have been many wonderful stories of people finding joy and achievement in pursuing the things they love, The reports from Suzanne Vile and her team illustrate just a few of these. This is what makes working at PALS so rewarding.

PALS is in a strong financial position to build on our strengths and grow our organisation to support more people over the next few years. In 2021-22 PALS has a surplus of \$510,000. At 30 June 2022 PALS had net assets of \$7.4 million.

PALS is making a major investment a new enterprise wide IT system. This will streamline rostering, billing, staff certifications and much more. Reduced administration time will provide opportunities for better services. The system has been developed by Visualcare especially for organisations like us who work mostly with the NDIS.

Every 3 years registered providers of services under the NDIS are subject to a major external audit of their compliance with the NDIS Quality and Safety Standards.

Meeting these standards fully is a tough job and PALS came through the exhaustive process with no major issues. The audits recommended some small changes to improve service quality even more. PALS welcomes these recommendations and we are proactively working to improve the quality of services we deliver.

The change of government at the federal level has brought some changes to the NDIS, with a new Board and CEO. The new Minister, Bill Shorten, has foreshadowed some important reforms that should improve the experience of all NDIS participants and make it easier for organisations to provide quality support. We look forward to seeing these changes in place.

Lastly, I want to thank Julie Brooks for her leadership of PALS through enormous change and some tough times. Julie's passion and commitment have been outstanding. Everyone at PALS wishes her the very best in the next phase of her life.

Other changes in the leadership team are happening as Angela Mitchell and Hayley Chapman have taken up exciting new career options. They have both made enormous contributions to PALS and we will miss them.

Thank you all our clients
and families for choosing
PALS.

Thank you to all our fantastic team for their
commitment to our clients and to PALS

Brian Hardy
Acting CEO



client service manager report



This year has been one of challenges, but with the uptick in the number of people who are vaccinated, and the lessening of some of the state restrictions, it has been wonderful to be able to support people more in their communities.

I wish to acknowledge the amazing work everyone did, and continue to do, to reduce the spread of COVID 19. We cared for customers with COVID 19 and thankfully none of our customers or staff were hospitalised due to COVID.

We have continued to deliver services that promote inclusion. Some of the highlights of the year have been:

- The International Day of Disability Celebrations at Tunzafun at Mulwala. This was a wonderful event with some of our customers volunteering with the rides etc. One of our customers continues to volunteer each fortnight at Tunzafun.
- Commencing a new Cobram program for people who live alone. They come to the Hub to socialise and engage in preparing a meal that they all share. This has been well-received.
- Two people gaining part-time retail positions.
- Employing a person with disability in our organisation. Joshua brings a wonderful spirit into the workplace. He is great on the computer and is supporting us to research and create some new activities.
- 8 customers completing a Hospitality Course in Cobram.
- The wonderful contribution our customers involved in fundraising for the community. For example, they organised an event called Snag for a Swag that raised over \$700 for homeless people.
- Being invited to attend support the students at the dress rehearsal for the Wizard of Oz show at Numurkah High School. The school children and customers really enjoyed this.
- Continuing our school lunches program for Numurkah Primary School. This builds great community connections.
- The preparations for the TriState Games in Barooga. PALS has been involved in the organising of this event and we wish the PALS Panthers every success.
- Presenting at an Expo for school leavers from Cobram Special School.

Like all organisations and businesses, we have had some staff changes in the last year, due to people reassessing what they want to do with their lives or moving to a new chapter.

While this has been challenging and sad for PALS, I want to acknowledge the wonderful contribution they have all made.

It has also seen us welcome some new people into the organisation, with fresh eyes and ideas, so we are in a period of renewal.

I want to acknowledge our support teams who continue to provide a great level of service and are committed to the people we are privileged to serve.

At a broader level, I look forward to seeing some changes to the NDIS resulting from a change of NDIS leadership. As we all want it to work effectively for everyone.

PALS is a registered NDIS provider, and it is pleasing to know we have successfully regained NDIS certification this year. What does that mean to you? It means you know that PALS welcomes independent auditors look at our practices. We have been found to meet the required standards associated with quality service providers and we have complied with our legal and regulatory obligations. PALS is a not-for-profit and we are required to use any funds to support people with disabilities in our area.

Unregistered providers are not independently audited and are not required to maintain the same standards that we do. Before you choose a provider ensure you understand the differences between registered and unregistered providers and any risks that may raise for the quality of service you get.

Thanks for choosing PALS for your services, we value this greatly, and we look forward to supporting you and offering a greater range of opportunities in the coming months.

Keep safe and well.

Suzanne Vilé

Client Services Manager



business service manager report



With swollen rivers at the forefront of our minds, we hope that each and every one of our customers, staff and families has remained safe and from harm's way.

These past two pandemic years has taught us that as a community we are resilient and stronger when we band together.

PALS has had a very challenging time with recruitment this past 12 months, however, is in a good position with a greater number of support workers than ever before.

For the first time, PALS has invested in Traineeships for staff to support them in obtaining qualifications in the disability field. These traineeships mean that staff can study and learn on the job at the same time, putting the latest techniques learned into action; day to day with our customers, thereby building a better provision of supports.

We have having difficulties in recruiting middle management (Team Leaders and Service Coordinators) as the demand is high for people in this area within disability. I would like to take this opportunity to thank those that have stepped into the roles to ensure our services are maintained to the highest standard.

We welcome our new Residential Team Leader Donna Gane, who has hit the ground running and is proving to be a great asset in the position.

It was this time last year I reported with enthusiasm that we welcomed a new Accountant Hayley Chapman.

In her time with PALS Hayley has made some significant improvements in developing and building efficiencies into our systems. Now it is with great sadness that we see Hayley has taken up an exciting new role to progress her career. Thank you Hayley for your contribution to PALS, we wish all the best for future endeavours.

Angela Mitchell (Quality and OHS Manager) has also taken on a great opportunity to further develop her skills elsewhere. Angela completed a bachelor's degree in Health and Rehabilitation Science whilst working with PALS and will now pursue her career within the local health sector. Congratulations Angela on your new role with NCN Health and again we wish you all the very best for what the future may hold for you.

And of course, Julie Brooks our CEO has also called it a day, as you no doubt read. You may have joined us in sending Julie off with best wishes earlier this October. Julie led PALS with passion and commitment and can look back with pride on the organisation she has built.

It does feel a little like a “changing of the guard” at PALS, so it is important to recognise the people leaving the organisation have all had significant & positive impacts to our service and I would like to thank them all for their contribution to our business and our community. There is an opportunity for new people to bring in fresh ideas and new enthusiasm to provide the best possible service for the people we support.

Finally, your ongoing support is required for both our Cobram and Numurkah Op Shops. We appreciate your donations now more so as we prepare to provide this essential service to anyone impacted by the floods in our region. I must also thank our numerous volunteers that support us throughout the year.

Yet another turbulent year of growth, for us both financially and emotionally and we are all looking forward to a much steadier year in 2023.

Stay safe and well and enjoy your Christmas with loved ones!

Paul Quinane

Business Services Manager

meetings of board members.

Attendance by each board member was as follows.

FY21/22	Board	Meetings attended	
	Membership period	Eligible to attend	Present
Bronwyn Stanley	Full Year	12	10
John Bouchier	Full year	12	4
Faye Audino	01/07/2021 - 31/10/2021	4	2
Mick Leyden	Full year	12	11
Therese O'Beirne	20/08/2021 – 30/06/2022	11	11
Paige Comensoli	20/08/2021 – 30/06/2022	11	10
Barry Small	20/08/2021 – 30/06/2022	11	11
Brian Hardy	25/11/2021 – 30/06/2022	8	7

FY21/22	Finance and Audit Board	Meetings attended	
	Membership period	Eligible to attend	Present
Bronwyn Stanley	Full Year	6	5
John Bouchier	01/07/2021 – 10/12/2021	4	1
Mick Leydon	Ex officio	4	2
Paige Comensoli	20/08/2021 – 10/12/2021	2	1
Barry Small	20/08/2021 – 10/12/2021	2	2
Brian Hardy	28/01/2022 – 30/06/2022	2	2

FY21/22	Quality and Risk Board	Meetings attended	
	Membership period	Eligible to attend	Present
Bronwyn Stanley	01/07/2021 – 10/12/2021	4	3
John Bouchier	01/07/2021 – 10/12/2021	4	0
Mick Leydon	Ex officio	4	2
Paige Comensoli	20/08/2021 – 30/06/2022	4	3
Barry Small	20/08/2021 – 30/06/2022	4	4



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

Special Purpose Financial Statements

For the year ended 30 June 2022

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Providing All Living Supports (PALS) Inc.

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

	Notes	2022 \$	2021* \$
Revenue & Income	4	5,914,214	7,058,698
Employee benefits expense		4,809,212	4,558,678
Administration expenses		271,648	234,372
Rent, rates and utilities		177,667	152,106
Program and client expenses		96,910	99,584
Depreciation expense	8	142,818	119,919
Repairs and maintenance		131,850	125,182
Motor vehicle expense		55,253	52,755
Cost of goods sold		16,448	25,916
Interest expense		-	6,506
Loss/(gain) on sale of property, plant & equipment		(297,640)	(12,067)
		<u>5,404,166</u>	<u>5,362,951</u>
Surplus before income tax expense		<u>510,048</u>	<u>1,695,747</u>
Income tax expense	1(c)	-	-
Net surplus		<u>510,048</u>	<u>1,695,747</u>
Other comprehensive income		-	-
Total comprehensive result for the year		<u>510,048</u>	<u>1,695,747</u>

*30 June 2021 comparative balances have been amended as a result of a prior period error and change in accounting policy accounted for retrospectively, as detailed within notes 2 & 3 respectively.

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Providing All Living Supports (PALS) Inc.

Statement of financial position

As at 30 June 2022

	Notes	2022 \$	2021* \$
ASSETS			
Current assets			
Cash and cash equivalents	5	4,679,626	4,268,206
Trade and other receivables	6	445,310	283,598
Other current assets	7	261,778	35,743
Total current assets		5,386,714	4,587,547
Non-current assets			
Property, plant and equipment	8	3,062,908	3,310,464
Total non-current assets		3,062,908	3,310,464
Total assets		8,449,622	7,898,011
LIABILITIES			
Current liabilities			
Trade and other payables	9	368,430	342,986
Other Liabilities	10	126,178	145,845
Provisions for employee entitlements	11	530,594	484,114
Total current liabilities		1,025,202	972,945
Non-Current liabilities			
Provisions for employee entitlements	12	13,020	23,714
Total non-current liabilities		13,020	23,714
Total liabilities		1,038,222	996,659
Net assets		7,411,400	6,901,352
EQUITY			
Accumulated surpluses		7,411,400	6,901,352
Total Equity		7,411,400	6,901,352

*30 June 2021 comparative balances have been amended as a result of a prior period error and a change in accounting policy, both accounted for retrospectively, as detailed within note 2 and note 3 respectively.

The statement of financial position should be read in conjunction with the accompanying notes.

Providing All Living Supports (PALS) Inc.

Statement of changes in equity

For the year ended 30 June 2022

	Notes	Accumulated Funds \$	Revaluation Reserve \$	Total \$
Balance at 30 June 2020		4,523,743	323,000	4,846,743
Correction of a prior period error	2	836,929	-	836,929
Change in accounting policy - Inventory	3	(75,067)	-	(75,067)
Change in accounting policy – P,P&E	3	-	(323,000)	(323,000)
Change in accounting policy - Software-as-a-service	3	(80,000)	-	(80,000)
Net Surplus		1,695,747	-	1,695,747
Other comprehensive income		-	-	-
Balance at 30 June 2021		6,901,352	-	6,901,352
Net Surplus		510,048	-	510,048
Other comprehensive income		-	-	-
Balance 30 June 2022		7,411,400	-	7,411,400

The statement of changes in equity should be read in conjunction with the accompanying notes.

Providing All Living Supports (PALS) Inc.

Statement of cash flows

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers and government funding		5,502,064	6,953,397
Payments to suppliers and employees		(5,502,505)	(4,975,819)
Interest received		9,483	10,365
Borrowing Costs		-	(6,506)
Net cash inflow from operating activities	13	<u>9,042</u>	<u>1,981,437</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(168,862)	(113,824)
Proceeds from Sale of Non-Current Assets		571,240	14,209
Net cash outflow from investing activities		<u>402,378</u>	<u>(99,615)</u>
Cash flows from financing activities			
Repayment of borrowings		-	(475,455)
Net cash outflow from financing activities		<u>-</u>	<u>(475,455)</u>
Net increase in cash and cash equivalents held		411,420	1,406,367
Cash at the beginning of the financial year		4,268,206	2,861,839
Cash at the end of the financial year	5	<u>4,679,626</u>	<u>4,268,206</u>

The statement of cash flows should be read in conjunction with the accompanying notes.

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 1. Summary of significant accounting policies

(a) Basis of accounting

In the Committee of Management's opinion, Providing All Living Supports (PALS) Inc. (the 'Association') is not a reporting entity because there are no users dependent on general purpose financial statements.

These special purpose financial statements that have been prepared for the sole purpose of complying with the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012* to prepare and distribute financial statements to the members and must not be used for any other purpose. The Committee of Management has determined that the accounting policies adopted are appropriate to meet the needs of the members.

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Reporting Standards (IFRS) requirements. The entity has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate the Association has elected to apply options and exemptions within the AIFRS which are applicable to not-for-profit entities.

The following is a summary of material accounting policies adopted by the entity in preparation of the financial statements. The financial statements have been prepared in accordance with applicable Accounting Standards and Australian Accounting Interpretations and other authoritative pronouncements with the exception of the following:

- AASB 7 – Financial Instruments - Disclosures
- AASB 9 – Financial Instruments
- AASB 13 – Fair Value Measurement
- AASB 16 – Leases
- AASB 102 – Inventories
- AASB 119 – Employee Benefits
- AASB 124 – Related Party Disclosures
- AASB 132 – Financial Instruments - Presentation

The financial statements are prepared in accordance with the historical cost convention. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year. Comparative information has been reclassified where appropriate to enhance comparability.

(b) Revenue & Income

(i) Grants and other government funding

Under AASB 15 operating grant revenue and other government funding which have enforceable obligations and specific performance obligations, is recognised either at a point-in-time or over-time as and when specific performance obligations are met. Where specific performance obligations are not met, the grant revenue is deferred on the balance sheet as a contract liability (refer to note 10).

Where operating grants and other government funding do not have enforceable obligations attached or do not have sufficiently specific performance obligations required to be fulfilled these grants are recognised in accordance with AASB 1058. Grants accounted for under AASB 1058 are recognised as income at a point-in-time at the earlier of receipt of the related funding or when an unconditional right to the income is established.

Capital grants received to enable the Association to acquire or construct a recognisable non-financial asset to be controlled by the entity are accounted for under AASB 1058. The transfers received are initially recognised as an unexpended grant liability (refer to note 10), which is released as income over time as obligations are met. For most capital grants, the obligations are deemed to have been met in accordance with the stage of completion of the underlying non-financial asset.

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 1. Summary of significant accounting policies (continued)

(ii) Sales revenue, Client fees and brokerage

Sales revenue, Client fees and brokerage income are recognised as revenue under AASB 15 at the point-in-time the performance obligation is delivered, being when the services are provided to the client or the sale is made.

(iii) Donations, fundraising income & other contributions

Donations, fundraising income and other contributions are recognised as income under AASB 1058 upon receipt, except where a donation involves a specific performance obligation in which case the donation is deferred on the balance sheet as a liability (refer to note 10) and released to revenue as performance obligations are fulfilled.

(iv) Rental revenue

Rental income is recognised over-time as it becomes due by the tenant. Any rental income received in excess of rents owing is treated as a contract liability called rent received in advance (refer note 10).

(v) Interest

Interest income is recognised on an accrual basis taking into account the interest rates applicable to the financial assets.

(c) Income tax

Income tax is not provided for in the financial statements as the Association is recognised as tax exempt under the Income Tax Assessment Act and therefore not subject to tax.

(d) Maintenance and repairs

Maintenance and repairs are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case are capitalised and depreciated in accordance with note 1(i).

(e) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes deposits at call, which are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of any outstanding bank overdrafts.

(g) Trade and other receivables

Debtors are brought to account at their nominal amounts. A provision is brought to account for expected credit losses.

(h) Inventory

The Association receives items of donated inventory for sale within its op shop. These donated inventory items are not brought to account and therefore are held at a nil value.

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 1. Summary of significant accounting policies (continued)

(i) Property, plant and equipment

Each class of property, plant & equipment is carried at cost as indicated, less where applicable, any accumulated depreciation. Assets acquired at nominal or no costs are brought to account at their fair value.

Property

Land & buildings are measured at cost, less depreciation for buildings.

Plant and Equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. Plant and equipment 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.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding land, is depreciated on a diminishing-value basis over the asset's useful life to the Association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Buildings	2.5%
Leasehold improvements	2.5% - 20%
Plant & Equipment	2.5% to 67%
Furniture & Fixtures	5% to 50%
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.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount exceeds its estimated recoverable amount. Gains and losses on disposal of assets are determined by comparing proceeds with the carrying amount of the assets disposed. The gains/losses are included in the statement of comprehensive income.

(j) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. As the Association is a not-for-profit entity for accounting purposes, the value in use is the depreciated replacement cost of the asset.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within normal trading terms.

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 1. Summary of significant accounting policies (continued)

(l) Provisions for employee entitlements

(i) Employee benefits

A provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. All employee benefits have been measured at the nominal value accrued as a balance date plus on costs where applicable. Where an employee's long service leave is yet to vest (i.e. 7 years' service has not been reached), the long service leave provision is adjusted for the estimated probability that the employees service will reach 7 years and long service leave will vest. Where employees are subject to the Victorian Portable Long Service Leave Benefits Scheme the provision has been reduced by amounts estimated to be recoverable from the Portable Long Service Authority. An employee benefit liability is classified as a current liability if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months. This includes all annual leave and unconditional long service leave, irrespective of when the liability is expected to be settled.

(ii) Superannuation

The Association contributes in accordance with the Government Superannuation Levy as a minimum, together with an additional contribution for some employees in line with contractual arrangements. Contributions are recognised as an expense as they become payable.

(m) Leases

Lease costs are expensed in the period to which they relate.

(n) Critical Accounting Estimates and Judgements

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

(o) Comparative Figures

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

(p) Economic dependence

The Association is dependent on the National Disability Insurance Scheme (NDIS) for the majority of its revenue used to operate the business. At the date of this report the Committee of Management has no reason to believe NDIS funding will not continue for the foreseeable future.

(q) New Accounting Standards and Interpretations

A number of Australian Accounting Standards and interpretations have been issued or amended since the last reporting date and are applicable to the entity but are not yet effective. The Committee has assessed the impact of these amendments and they are immaterial to the Association. They have not been adopted in the preparation of the Financial Statements at balance date.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 2. Correction of a prior period error

A prior period error has been identified in the current period in respect to funds received which had been deferred on the balance sheet as 'other liabilities' balances as set out below. This includes amounts incorrectly classified as 'Client Monies Held in Trust'. The association has reassessed the performance obligations in respect to these funds in the current year and determined that no sufficiently specific performance obligations exist, therefore the association has concluded that these amounts should not have been deferred on the balance sheet under AASB 15, but instead recognised on receipt under AASB 1058. This prior period error has been corrected retrospectively in accordance with AASB 108, with the impact of this correction detailed as follows.

	30 June 2021 financial statement balances \$	Adjustment \$	Amended 30 June 2021 balances \$
<u>Balance sheet Impact</u>			
Contract Liability (Grants in advance)	167,691	(51,045)	116,646
Unexpended Capital Grants	100,410	(90,410)	10,000
Unexpended Donations	12,886	(12,886)	-
Client Monies Held in Trust	514,089	(494,890)	19,199
Other liabilities	795,076	(649,231)	145,845
Net assets	6,708,855	649,231	7,358,086
Accumulated funds	6,385,855	649,231	7,035,086
Total Equity (1)	6,708,855	649,231	7,358,086

(1) This includes an opening equity adjustment of \$836,929 as at 1 July 2020 in respect to amounts deferred on the balance sheets as at this date.

Statement of Profit of Loss and Other Comprehensive Income Impact

Revenue	7,246,396	(187,698)	7,058,698
Net Surplus	1,862,112	(187,698)	1,674,414

Note 3. Changes in accounting policies

Inventory

Within the 30 June 2021 financial statements, the associations accounting policy was to bring to account items donated to the op shop for sale based on the Committee's estimate of the replacement cost value of this inventory in accordance with AASB 102. In the current year the Committee has determined that it is not practical to bring to account these donated inventory items, and therefore has elected to opt out of AASB 102 and change the accounting policy to not bring donated inventory items to account going forward. Accordingly, the associations amended accounting policy is to hold donated inventory items at a nil value. The impact of this change in accounting policy has been adjusted for retrospectively, as detailed below. There has been no impact on the prior year net surplus recorded, with the adjustment brought to account as an opening equity adjustment as at 1 July 2020.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 3. Changes in accounting policies (continued)

Property Plant and equipment

Within the 30 June 2021 financial statements, the associations accounting policy was to account for land assets at market value based on an independent valuation. In the current year the Committee has made a change in accounting policy to account for land assets at cost as opposed to fair value. Accordingly, a retrospective adjustment has been made to reverse out prior valuation adjustments and bring land values back to their original cost base. There has been no impact on the prior year net surplus recorded, with the adjustment brought to account as an opening equity adjustment as at 1 July 2020.

Software-as-a-service

The International Financial Reporting Standards Committee (IFRC) has issued two final agenda decisions which impact software-as-a-service (SaaS) arrangements. As a result, the association has changed its accounting policy in respect to such SaaS arrangements, where the Association is not deemed to control the software, to expense the related costs as opposed to capitalising these costs as an intangible asset. Accordingly, a retrospective adjustment has been made to expense amounts previously capitalised as an intangible asset and reverse out related amortisation previously brought to account, with the adjustment brought to account as an opening equity adjustment as at 1 July 2020.

	30 June 2021 financial statement balances \$	Adjustment \$	Amended 30 June 2021 balances \$
<u>Balance sheet Impact</u>			
Inventory	75,067	(75,067)	-
Property, Plant & equipment	3,633,464	(323,000)	3,310,464
Intangible assets	58,667	(58,667)	-
Net assets*	7,358,086	(456,734)	6,901,352
Accumulated funds*	7,035,086	(133,734)	6,901,352
Revaluation reserves	323,000	(323,000)	-
Total Equity*	7,358,086	(456,734)	6,901,352

*30 June 2021 financial statements balances in respect to net assets, accumulated funds and total equity balances above reflect the 30 June 2021 financial statements balances after taking into account the correction of the prior period error detailed within note 2.

Statement of Profit of Loss and Other Comprehensive Income Impact

Depreciation expense	141,252	(21,333)	119,919
Net Surplus*	1,674,414	21,333	1,695,747

*30 June 2021 financial statements balance in respect to net surplus above reflects the 30 June 2021 financial statements balances after taking into account the correction of the prior period error detailed within note 2.

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 4. Revenue

	2022 \$	2021 \$
Revenue from Contracts with Customers (AASB 15)		
<i>Recognised at a point in time:</i>		
NDIS Commonwealth government funding:		
- Client – Individual activity	1,573,802	1,438,964
- Client – Group activity	1,320,999	1,128,714
- Client – Residential	1,824,546	2,154,381
Sales Revenue		
- Broadway shop revenue	243,706	238,434
- Melville shop revenue	95,280	76,959
- Canteen revenue	16,734	17,661
Commonwealth Government JobKeeper subsidies received	-	1,413,600
Disability Support for Older Australians Funding	283,563	304,974
Direct client charges	200,964	203,153
Other revenue	24,865	(700)
<i>Recognised over time:</i>		
Interest revenue	9,483	10,365
Rental revenue	2,000	20,800
	<u>5,595,942</u>	<u>7,007,305</u>
Income of Not-for-Profit Entities (AASB 1058)		
Donations and fundraising	26,144	1,393
Commonwealth Government stimulus – COVID Cash Flow Boost	-	50,000
NDIS COVID support funding	209,482	-
Other grant funding	45,746	-
Other income	36,900	-
	<u>318,272</u>	<u>51,393</u>
Total Revenue	<u>5,914,214</u>	<u>7,058,698</u>

Government funding by body

The ACNC recommends separate disclosures for the revenue generated from government funding, which are set out as follows (noting that the funding disclosed in this table reflects both "Revenue from Contracts with Customers" and "Income of Not-for-Profit Entities" per the sections above):

<i>Commonwealth Government funding:</i>		
National Disability Insurance Agency (NDIS payments)	4,928,829	4,722,059
Department of Health and Aged Care	283,563	304,974
Department of Employment and Work Place Relations	45,746	-
ATO	-	1,463,600
	<u>5,258,138</u>	<u>6,490,633</u>

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 5. Current assets - Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank	891,641	2,984,900
Term deposits	3,786,805	1,281,606
Cash on hand	1,180	1,700
	<u>4,679,626</u>	<u>4,268,206</u>

Note 6. Current assets – Trade and other receivables

Trade debtors	450,070	277,032
Less: Provision for expected losses	(12,749)	-
BAS refundable	7,989	6,566
	<u>445,310</u>	<u>283,598</u>

Note 7. Current assets – Other current assets

Contract assets	195,048	-
Prepayments	54,443	28,754
Yarrawonga Office – security deposit	4,890	4,890
Other assets	2,094	-
Other assets	5,303	2,099
	<u>261,778</u>	<u>35,743</u>

Note 8. Non-current assets - Property, plant and equipment

Land at cost	551,000	692,000
Buildings at cost	2,250,000	2,400,000
Less: Accumulated depreciation	(315,900)	(287,448)
	<u>1,934,100</u>	<u>2,112,552</u>
Leasehold Improvements at cost	529,075	477,842
Less: Accumulated depreciation	(224,604)	(208,284)
	<u>304,471</u>	<u>269,558</u>
Plant & Equipment at cost	483,953	463,446
Less: Accumulated depreciation	(430,797)	(419,826)
	<u>53,156</u>	<u>43,620</u>
Furniture & Fixtures at cost	314,568	301,620
Less: Accumulated depreciation	(231,986)	(214,635)
	<u>82,582</u>	<u>86,985</u>
Motor Vehicles at cost	578,795	560,327
Less: Accumulated depreciation	(441,196)	(454,578)
	<u>137,599</u>	<u>105,749</u>
Total Property, plant and equipment	<u>3,062,908</u>	<u>3,310,464</u>

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 8. Non-current assets - Property, plant and equipment (continued)

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Carrying amount 1 July 2021	Additions	Disposals	Depreciation	Carrying amount 30 June 2022
	\$	\$	\$	\$	\$
Land	692,000	-	(141,000)	-	551,000
Buildings	2,112,552	-	(128,323)	(50,129)	1,934,100
Leasehold Improvements	269,558	51,233	-	(16,320)	304,471
Plant & Equipment	43,620	31,383	(43)	(21,804)	53,156
Furniture & Fixtures	86,985	13,953	-	(18,356)	82,582
Motor Vehicles	105,749	72,293	(4,234)	(36,209)	137,599
	<u>3,310,464</u>	<u>168,862</u>	<u>(273,600)</u>	<u>(142,818)</u>	<u>3,062,908</u>

Note 9. Current liabilities – Trade and other payables

	2022	2021
	\$	\$
Trade creditors	73,334	93,427
Payroll liabilities	293,306	244,123
Credit Cards	1,790	5,436
	<u>368,430</u>	<u>342,986</u>

Note 10. Current liabilities – Other Liabilities

Contract Liability (Grants in advance)	99,462	116,646
Unexpended Capital Grants	-	10,000
Client Monies Held in Trust	26,716	19,199
	<u>126,178</u>	<u>145,845</u>

Note 11. Current liabilities – Provisions for employee entitlements

Annual leave	314,102	259,688
Long service leave	216,492	224,426
	<u>530,594</u>	<u>484,114</u>

Note 12. Non-current liabilities – Provisions for employee entitlements

Long service leave	<u>13,020</u>	<u>23,714</u>
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Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 13. Reconciliation of profit to net cash inflow from operating activities

	2022	2021
	\$	\$
Surplus after income tax	510,048	1,695,747
Depreciation	142,818	119,919
Net (profit)/loss on sale of property, plant & equipment	(297,640)	(12,067)
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(161,712)	60,379
(Increase)/Decrease in other current assets	(226,035)	6,524
Increase/(Decrease) in trade and other payables	25,444	94,907
Increase/(Decrease) in other liabilities	(19,667)	(48,971)
Increase/(Decrease) in provisions for employee entitlements	35,786	64,999
Net cash inflow from operating activities	9,042	1,981,437

Note 14. Commitments

The Association held the following lease expenditure commitments as at balance date:

Within one year	34,335	17,160
Later than one but not later than 5 years	20,261	1,430
	54,596	18,590

Note 15. Contingent Liabilities and Contingent Assets

On 2 March 2020, the Victorian Disability Service (NGO) Agreement 2019 (NGO Agreement) came into effect. PALS subsequently updated its payroll processes to align with the NGO Agreement. As part of PALS' audit processes, the Committee has engaged an external consultant to audit the effectiveness of the new system to ensure employee remuneration and entitlements are in accordance with the NGO Agreement. At the time of adopting these financial statements, the external auditor's findings were not available.

The Committee of Management is not aware of any other contingent liabilities or contingent assets that may exist as at 30 June 2022 (2021: Nil).

Note 16. Key Management Personnel Remuneration

Key Management Personnel (KMP) are defined as people with authority and responsibility for planning, directing and controlling the activities of the entity. The Committee has identified KMP as the members of the Committee of Management and the CEO.

As the Committee are appointed on a voluntary basis there is only one KMP who receives remuneration for their services. As there is only one KMP who is remunerated the Association has applied the exemption provided by the ACNC not to disclose this KMP's remuneration.

Note 17. Economic Dependency

PALS is dependent on the ongoing receipt of government NDIS program revenue to fund the provision of its core services. At the time of signing of these financial statements the Committee of Management had no reason to believe that this government NDIS program funding will not be ongoing.

Providing All Living Supports (PALS) Inc.

Notes to and forming part of the financial statements

For the year ended 30 June 2022

Note 18. Covid-19 Impact

Coronavirus (COVID 19) was first reported to the World Health Organisation as an unknown virus in late December 2019, developments throughout 2021 and 2022 to date are causing great uncertainty in respect to both health and safety and for the global economy. Government imposed restrictions and reductions in staff availability due to illness have continued to impact the services provided by the association.

Note 19. Events occurring after the balance date

No matters have arisen in the period between the end of the financial year and the date of these financial statements that would affect significantly the operations of the Association, the results of those operations, or the state of affairs of the Association, in future financial years.

Providing All Living Supports (PALS) Inc.

Committee of Management's declaration

For the year ended 30 June 2022

As stated in Note 1(a) to the financial statements, in the opinion of the Committee of Management, the Association is not a reporting entity because there are no users dependent on general purpose financial statements. These are special purpose financial statements that have been prepared to meet the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*.

The financial statements have been prepared in accordance with applicable accounting standards and mandatory professional reporting requirements to the extent described in Note 1(a).

The Committee of Management declares that the financial statements and notes set out on pages 2 to 16:

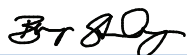
- a) comply with the Accounting Standards, as detailed above, and the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*; and
- b) give a true and fair view of the Association's financial position as at 30 June 2022, and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.

In the opinion of the Committee of Management, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Committee of Management.



Mick Leyden
Chairperson



Bronwyn Stanley (Nov 4, 2022 07:25 GMT+11)

Bronwyn Stanley
Committee member

Yarrawonga, VIC
28 October 2022

Providing All Living Supports (PALS) Inc.

Auditors' Independence Declaration

For the year ended 30 June 2022

Auditors' Independence Declaration

As lead auditor for the audit of Providing All Living Supports Inc. for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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



Ryan Schischka
Director
Johnsons MME

Albury
28 October 2022

Independent auditor's report to the members of Providing All Living Supports (PALS) Inc.

Opinion

We have audited the financial statements, being a special purpose financial statements, of Providing All Living Supports (PALS) Incorporated (the Association), which comprise the statement of financial position at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of accounting policies, other explanatory notes and the Committee of Management's declaration.

In our opinion the financial statements of the Association is in accordance with:

- a) the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and
 - (ii) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Associations Incorporation Reform Regulations 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- b) there are reasonable grounds to believe the Association will be able to pay its debts as and when they fall due; and
- c) other mandatory professional reporting requirements.

Basis of 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 Statements* section of our report. We are independent of the Association in accordance with the auditor independence 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 statements 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.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012*. As a result the financial statements may not be suitable for another purpose.

Independent auditor's report to the members (continued)

Responsibilities of the Committee of Management for the Financial Statements

The Committee of Management of the Association are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements which are appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not for Profits Commission Act 2012* and are appropriate to meet the needs of the members.

The Committee of Management are also responsible for such internal control as the Committee determine necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Johnsons MME
Chartered Accountants



Ryan Schischka
Director

Albury
28 October 2022

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notes

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