

Down Syndrome Association of Victoria Inc.

ABN 59 901 963 154

Financial Report

For the Year Ended 30 June 2020

Down Syndrome Association of Victoria Inc.

ABN 59 901 963 154

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Down Syndrome Association of Victoria Inc.

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Income Statement For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
Income		
Activity Income	140,715	153,554
Fundraising Events	29,133	23,769
Recurrent DHS Income	291,681	401,619
DET Funding	128,180	136,362
Information for Life (w DSA)	84,181	-
NDIA – Providing a Voice	4,499	-
Vic Disab Advoc Grants	187,141	-
Club 21 Income	55,428	37,346
Philanthropic Grant Acquittal	85,875	111,965
Government Covid Assistance	117,000	-
Disposal of Assets	-	2,804
Donations	156,072	162,709
Investment Income	49,744	60,383
Membership Fees	12,540	35,391
Sundry Income – Other	18,026	3,540
Training Event Income	45,543	81,738
Total Income	1,405,758	1,211,180
Expenses		
Employee Benefits	(972,204)	(718,114)
Activity Expenses	(27,535)	(31,699)
Bank charges & Management fees	(7,328)	(15,691)
Professional and Consulting fees	(79,989)	(190,490)
Depreciation – PPE	(8,927)	(6,819)
Fundraising Expenses	(19,921)	(20,326)
General Admin	(60,030)	(77,538)
Grant Related Expenditure	(59,588)	(600)
IT, Internet and Telephone	(35,326)	(39,508)
Motor Vehicle Expenses	-	(4,036)
Occupancy Expenses	(120,780)	(111,045)
Repairs & Maintenance	(4,136)	(6,179)
Total Expenses	(1,395,764)	(1,221,562)
Net Surplus / (Loss) for the year	9,994	(10,382)

The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.

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Statement of Comprehensive Income For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
Net Surplus / (Loss) for the year	9,994	(10,382)
Other Comprehensive Income		
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		
Fair value gains / (loss) on financial assets	<u>(28,193)</u>	<u>6,770</u>
Total comprehensive Income / (Loss)	<u>(18,199)</u>	<u>(3,612)</u>

The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.

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Balance Sheet As at 30 June 2020

	Note	2020 \$	2019 \$
Current Assets			
Cash and cash equivalents		1,046,642	838,753
Trade receivables and other debtors		75,721	29,550
Prepayments		-	13,533
Total Current Assets		<u>1,122,363</u>	<u>881,836</u>
Non-Current Assets			
Financial assets	2	1,015,153	948,405
Property, Plant and Equipment	3	6,942	10,842
Right of use assets		139,904	-
Total Non-Current Assets		<u>1,161,999</u>	<u>959,247</u>
Total Assets		<u>2,284,362</u>	<u>1,841,083</u>
Current Liabilities			
Trade creditors and other payables		26,082	77,341
Unearned revenue and grants	4	577,933	241,488
GST liability		34,401	14,190
Payroll liabilities		63,879	58,959
Employee provisions	6	66,806	51,458
Lease liabilities		101,909	-
Total Current Liabilities		<u>871,010</u>	<u>443,436</u>
Non-Current Liabilities			
Employee provisions	6	7,147	4,849
Lease liabilities		36,696	-
Total Non-Current Liabilities		<u>43,843</u>	<u>4,849</u>
Total Liabilities		<u>914,853</u>	<u>448,285</u>
Net Assets		<u>1,369,509</u>	<u>1,392,798</u>
Equity			
Financial assets reserve	5	22,835	51,028
Accumulated funds		1,346,674	1,341,770
Total Equity		<u>1,369,509</u>	<u>1,392,798</u>

The accompanying notes form part of the financial statements

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Statement of Changes in Equity For the Year Ended 30 June 2020

	Financial asset reserve \$	Accumulated funds \$	Total \$
Balance at 1 July 2018	44,258	1,352,152	1,396,410
Loss for the year	-	(10,382)	(10,382)
Other comprehensive income	6,770	-	6,770
Balance at 30 June 2019	51,028	1,341,770	1,392,798
Cumulative adjustment upon adoption of new accounting standard – AASB 16	-	(5,090)	(5,090)
Balance at 1 July 2019	51,028	1,336,680	1,387,708
Surplus for the year	-	9,994	9,994
Other comprehensive income / (loss)	(28,193)	-	(28,193)
Balance at 30 June 2020	22,835	1,346,674	1,369,509

The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.

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Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
Cash Flows from Operating Activities		
Grants received	1,118,001	1,038,062
Membership fees	12,540	39,584
Interest income	11,086	8,257
Investment income	28,385	40,412
Government assistance regarding Covid-19	117,000	-
Other receipts	400,353	189,842
Payments to suppliers and employees	(1,277,758)	(1,152,525)
Interest expense	(7,853)	-
	<hr/>	<hr/>
Net cash provided by / (used in) operating activities	7 401,754	163,632
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(5,027)	5,001
Net proceeds from/(payment for) financial assets	(94,941)	(92,821)
	<hr/>	<hr/>
Net cash (used in) / provided by investing activities	(99,968)	(87,820)
Cash Flows from Financing Activities		
Payment of lease liabilities	(93,897)	-
	<hr/>	<hr/>
Net cash (used in) / provided by financing activities	(93,897)	-
Net increase / (decrease) in cash held	207,889	75,812
Cash and cash equivalents at the beginning of the financial year	838,753	762,941
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	1,046,642	838,753
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The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The committee has prepared the financial statements on the basis that the association is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (Victoria). The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the committee has determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Income Tax

The association is exempt from income tax under the provision of Section 50-5 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

Property, plant and equipment are carried at cost less, where applicable, accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cashflows that will be received from the assets employment and subsequent disposal. The depreciable amount of all fixed assets is depreciated on a straight line method commencing from the time the assets is held ready for use.

The depreciation rates used for each class of assets are:

Furniture, Fixtures and Fittings	11.0 – 36.0%
Plant and Equipment	20.0 – 36.0%
Computer Software and Systems	20.0 – 36.0%

There has been no change to the depreciation rates from the previous years.

(c) Leases

The Association as a 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 is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (lease with 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.

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

(c) Leases (continued)

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.

Prior year policy

AASB16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements. The standard is effective for accounting periods beginning on or after 1 January 2019. The date of initial application for the association will be 1 July 2019.

The association has performed an impact assessment of AASB16 and has determined that the requirements of the standard are not expected to impact the association.

(d) 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 (ie trade date accounting is 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 15.63.

Classification and subsequent measurement

Financial liabilities

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.

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

Financial assets

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

- 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.

Derecognition

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

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the association no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

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.

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 (eg 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.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The association used the simplified approaches to impairment, as applicable under AASB 9. The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

Recognition of expected credit losses in financial statements

At each reporting date, the association recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(e) Impairment of Assets

At each reporting date, the association reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset carrying value. Any excess of the asset carrying value over its recoverable amount is expensed to the income statement.

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.

(f) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(g) 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..

(h) Cash and cash equivalents

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

(i) Revenue

The association has applied AASB 15 *Revenue from Contracts with Customers* (AASB 15) and AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) at 1 July 2019. 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(k).

In the current year

When the association received 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 C:

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

(i) Revenue (continued)

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- 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.

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 the profit or loss when or as the association satisfies its obligations under the terms of the grant.

Interest income is recognised using the effective interest method.

The association recognises dividends in profit or loss only when the Entity's right to receive payment of the dividend is established.

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

In the comparative period

Grants are recognised as revenue when the association gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant. Non-reciprocal grants are recognised as revenue when the grants is received or receivable. Conditional grants may be reciprocal or non reciprocal depending on terms of the grant. Reciprocal grants carried forward as unearned revenue on the balance sheet.

Interest revenue and distribution income from investments are recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donations are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as unearned revenue on the balance sheet.

(j) 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. 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 balance sheet are shown inclusive of GST.

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

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

Initial application of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

First time adoption of AASB15 and AASB 1058 has not resulted in a material impact on the recognition of revenue.

(k) New and Amended Accounting Policies Adopted by the Association (continued)

Initial application of AASB 16 Leases

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 association has recognised a lease liability and right-of-use asset for all leases recognised as operating leases under AASB 117 Leases where the association is the lessee.

The lease liabilities are measured at the present value of the remaining lease payments. The Association's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments.

The right of use assets was measured at its carrying amount as if AASB 16: Leases had been applied since the commencement date, but discounted using the Association's incremental borrowing rate per lease term as at 1 July 2019.

The following practical expedients have been used by the association in applying AASB 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied;
- leases that have remaining lease term of less than 12 months as at 1 July 2019 have been accounted for in the same way as short-term leases;
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate;
- applying AASB 16 to leases previously identified as leases under AASB 117: Leases and Interpretation 4: Determining whether an arrangement contains a lease without reassessing whether they are, or contain, a lease at the date of initial application; and
- not applying AASB 16 to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The Association's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities was 4.32%.

The following tables summarises the impact of transition to AASB 16 on Associations earnings at 1 July 2019 and the impact of adopting AASB 16 on the Association's Balance Sheet as at 30 June 2020 and its Income Statement for the year then ended for each of the line items affected:

STATEMENT OF CHANGES IN EQUITY (EXTRACT) AS AT 30 JUNE 2020

Category	AS REPORTED AT 30 JUNE 2019	IMPACT OF ADOPTING AASB 16	AMOUNT UNDER AASB 16 AT 1 JULY 2019
	\$	\$	\$
Equity	1,387,798		
AASB 16 adoption		(5,090)	
Equity under AASB 16 at 1/07/2019	1,387,798	(5,090)	1,387,708

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

(k) New and Amended Accounting Policies Adopted by the Association (continued)

BALANCE SHEET (EXTRACT) AS AT 30 JUNE 2020

Category	AS REPORTED AT 30 JUNE 2020	ADJUSTMENTS	BALANCES WITHOUT ADOPTION OF AASB 16
	\$	\$	\$
Non-Current Assets			
Right of use assets	139,904	(139,904)	-
Total Non-Current Assets	1,161,999	(139,904)	1,022,095
Current Liabilities			
Trade creditors and other payables	26,083	7,123	33,206
GST Liability	34,401	(647)	33,754
Lease liabilities	101,909	(101,909)	-
Total Current Liabilities	871,010	(95,433)	775,577
Non-Current Liabilities			
Lease liabilities	36,696	(36,696)	-
Total Non-Current Liabilities	43,843	(36,696)	7,147
Net Assets	1,369,509	(7,775)	1,361,734
Equity			
Financial asset reserve	22,835	-	22,835
Accumulated funds	1,346,674	(7,775)	1,338,899
Total Equity	1,369,509	(7,775)	1,361,734

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Notes to the Financial Statements For the Year Ended 30 June 2020

Note 1: Summary of Significant Accounting Policies (continued)

(k) New and Amended Accounting Policies Adopted by the Association (continued)

INCOME STATEMENT (EXTRACT) FOR THE YEAR ENDED 30 JUNE 2020

Category	AS REPORTED AT 30 JUNE 2020	ADJUSTMENTS	BALANCES WITHOUT ADOPTION OF AASB 16
	\$	\$	\$
Sundry Income	22,525	(8,667)	13,858
Total Income	1,405,758	(8,667)	1,397,091
Rent	-	(117,476)	(117,476)
Depreciation – Right of use Assets	(104,928)	104,928	-
Interest Expense – Lease liabilities	(8,350)	8,350	-
Total Expenses	(1,395,764)	(4,198)	(1,399,962)
Net Surplus (Loss) for the year	9,994	(12,865)	(2,871)

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Notes to the Financial Statements For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Note 2: Financial Assets		
Available-for-sale financial assets	1,015,153	948,405

Available-for-sale financial assets comprise listed investments.
There are no fixed returns or fixed maturity date attached to this investment.

Note 3: Property, Plant and Equipment

Furniture & Fittings - at Cost	9,655	9,655
Less accumulated depreciation	(4,504)	(3,443)
Total furniture & fittings	5,151	6,212
Office Equipment – at cost	8,279	20,874
Less accumulated depreciation	(6,488)	(16,244)
Total office equipment	1,791	4,630
Total property, plant and equipment	6,942	10,842

Movements in carrying amounts

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

Furniture & Fittings

Carrying amount at start of the year	6,212	4,081
Acquisitions	-	3,109
Depreciation expense	(1,061)	(978)
Carrying amount at end of year	5,151	6,212

Office Equipment

Carrying amount at start of the year	4,630	5,137
Acquisitions	5,027	3,254
Depreciation expense	(7,866)	(3,761)
Carrying amount at end of year	1,791	4,630

Motor Vehicle

Carrying amount at start of the year	-	10,640
Acquisitions	-	-
Depreciation expense	-	(2,080)
Disposals	-	(8,560)
Carrying amount at end of year	-	-

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Notes to the Financial Statements For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Note 4: Unearned Revenue and Grants		
Flora Frank Leith Empowerment	5,002	5,000
My Time Coalition Revenue	41,584	39,274
Westpac Foundation	4,000	10,000
Income in advance	8,990	-
DS Advisory Network	-	900
William Angliss	-	1,250
Gandel Training Room Fitout	-	30,000
DET Grant	90,000	68,180
Information for Life	84,181	-
City of Monash	2,375	-
Providing a Voice	40,488	-
Building Knowledge	197,228	-
Prog-Path to Indep/Inclusive Communication	84,575	-
Pierce Armstrong Foundation	-	10,000
DHHS Vic Disab Advoc CRM	-	53,040
DHHS Disab Advoc - Advoc W/shop	10,000	23,844
DHHS Supporting Carers Grant	9,410	-
General	100	-
Total unearned revenue	<u>577,933</u>	<u>241,488</u>

Note 5: Financial Asset Reserve

Non-Current

Financial asset reserve	<u>22,835</u>	<u>51,058</u>
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The financial assets reserve records revaluations of financial assets.

Note 6: Provisions

Current

Provision for annual leave and long service leave	<u>66,806</u>	<u>51,458</u>
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Non-Current

Provision for long service leave	<u>7,147</u>	<u>4,849</u>
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Notes to the Financial Statements For the Year Ended 30 June 2020

	2020	2019
	\$	\$
Note 7: Reconciliation of cash flow from operations with surplus for the year		
Surplus / (Deficit) for the year	9,994	(10,382)
Non-cash flows items:		
Depreciation – property, plant and equipment	8,927	6,819
Gain on sale of property, plant and equipment	-	(2,804)
Depreciation – Right of use assets	104,928	-
Lease modification	(8,667)	-
Lease interest accrued but not yet paid	497	-
Changes in assets and liabilities:		
(Increase)/Decrease in trade receivables and other debtors	(46,171)	10,579
Decrease in prepayments	4,283	3,229
Increase in grants received in advance	336,445	97,202
Increase in GST liability	20,211	6,681
Increase in payroll liabilities	4,920	21,141
Increase in employee provisions	17,646	2,981
(Decrease)/Increase in trade creditors and other payables	(51,259)	28,186
Net cash (used in) / provided by operating activities	401,754	163,632

Note 8: Events Occurring After the Reporting Date

No significant events have occurred since the reporting date which would impact on the financial position of the association disclosed in the balance sheet as at 30 June 2020 or on the results and cash flow of the association for the year ended on that date.

Note 9: Association Details

The principal place of business of the Association is:

Down Syndrome Association of Victoria Inc.
18/71 Victoria Crescent
Abbotsford VIC 3067

NOTE 10: COVID-19

The impacts of COVID-19 on the association's staff, operations, revenue and costs, are being monitored by the Committee. Management continues to provide the Committee with regular reporting and where necessary, mitigation plans, to ensure the safety and well-being of all staff, as well as the ongoing ability of the organisation to provide continuity of service for all contracts and stakeholders.

Down Syndrome Association of Victoria Inc.

ABN 59 901 963 154

Statement by the Committee

The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012 (Vic) and the Australian Charities and Not-for-profits Commission Act 2012.

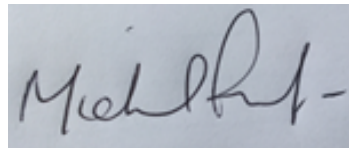
In the opinion of the committee, the financial report:

1. Presents a true and fair view of the financial position of Down Syndrome Victoria as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. At the date of this statement, there are reasonable grounds to believe that Down Syndrome Victoria will be able to pay its debts as and when they fall due.

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



Katrina Enos
President



Michael Pocock
Treasurer

Signed in Melbourne, this 14 day of October

2020

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DOWN SYNDROME ASSOCIATION OF VICTORIA INC.

Opinion

We have audited the financial report of Down Syndrome Association of Victoria Inc., being a special purpose financial report, which comprises the balance sheet as at 30 June 2020, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by the Committee Members.

In our opinion, the financial report of Down Syndrome Association of Victoria Incorporated is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporations Reform Act 2012 (VIC), including:

- (a) giving a true and fair view of the Entity's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 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 Entity 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.

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – 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 requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporations Reform Act 2012 (VIC) and for distribution to members for the purpose of fulfilling the Committee Members' financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee Members for the Financial Report

The Committee Members of the Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporations Reform Act 2012 (VIC) and is appropriate to meet the needs of the members. The Committee Members' responsibility also includes such internal control as the Committee Members determine is necessary to enable the preparation of a 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, Committee Members are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Committee Members either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DOWN SYNDROME ASSOCIATION OF VICTORIA INC. (CONT'D)**

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.
- Conclude on the appropriateness of the Committee Members' 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



McLean Delmo Bentleys Audit Pty Ltd



**Martin Fensome
Partner**

Hawthorn
15 October 2020