

Local Community Services Association
Financial statements
For the year ended 30 June 2022

Local Community Services Association

ABN: 66 025 175 245

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Local Community Services Association

ABN: 66 025 175 245

Committee's report

For the year ended 30 June 2022

Your committee members submit the financial report of Local Community Services Association for the financial year ended 30 June 2022.

Committee members

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

Tairyn Vergara
Skye Sear
Margaret Tipper
Paul Sekfy
Fran Stead
David Beddoe
Tina Reynolds

Principal activities

The principal activity of the association during the financial year is:

LCSA is a not for profit association whose purpose is to prevent social exclusion and promote social inclusion and community strengthening through supporting, developing and promoting neighbourhood centres and other community based and community managed organisations which focus on community development, social inclusion and community focussed services

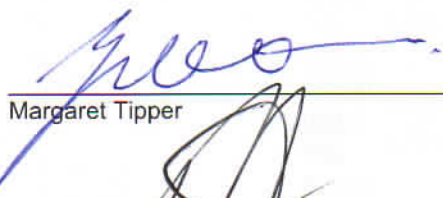
Significant changes

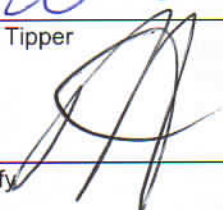
No significant change in the nature of these activities occurred during the year.

Operating result

The profit of the Association for the financial year after providing for income tax amounted to \$71,031.

Signed in accordance with a resolution of the members of the committee:



Margaret Tipper


Paul Sekfy

Dated 20 September 2022

Local Community Services Association

ABN: 66 025 175 245

Income statement

For the year ended 30 June 2022

	2022 \$	2021 \$
Income		
Conference Income	72,930	-
Fees for Service	28,500	70,279
Grants	656,359	456,882
Membership Income	40,650	38,747
Other Income	27,353	7,886
	<hr/> 825,791	<hr/> 573,793
Expenses		
AGM Expenses	-	500
Audit Fees	2,600	2,400
Bad Debts	-	(750)
Bank Fees	260	219
Bookkeeping	20,228	19,708
Cleaning	-	359
Coaching/Consultancy	2,000	6,678
Community Engagement	-	500
Computer Expenses	5,472	1,084
Conference	64,428	-
Conference/Forums	900	3,426
Consultants/Program Dev	3,750	-
Depreciation	-	707
Donations	-	25,000
EC Meeting Expenses	4,321	7,051
Electricity	1,806	1,612
Equipment/Furniture	-	82
Insurance	6,871	5,027
IT Expenses	6,049	573
Leasehold Improve Amortised	-	919
Lodgement/Legal Fees	-	941
Management Fee	15,000	-
Meeting Expense	1,830	489
Moving Expenses	2,000	-
Office - Shared Services	441	-
Personal Protection Equip	1,854	-
Planning Day	14,744	2,500
Postage/Courier	1,689	-
Printing/Photocopier	227	-
Program Cost	50,453	-
Provision - Loss on Conference	-	32,260
Removals	400	-
Rent	64,983	62,904
Rent - Shared Expenses	11,515	2,864
Resources	1,919	1,208
Salaries & Oncosts	454,325	350,701
Sponsorship	-	327
Staff Travel	1,305	5,307
Stationery	-	399

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.

Local Community Services Association

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Income statement

For the year ended 30 June 2022

	2022 \$	2021 \$
Storage	529	-
Strategic Plan	-	1,745
Subscriptions	2,329	2,553
Telephone/Internet	2,510	2,360
Training	-	12,000
Video Conferencing	385	-
Website	7,640	6,775
	<hr/> 754,760	<hr/> 560,428
Surplus/(loss)	<hr/> 71,031	<hr/> 13,365
Retained earnings at the beginning of the financial year	199,329	185,963
Retained earnings at the end of the financial year	<hr/> <hr/> 270,360	<hr/> <hr/> 199,329

*The accompanying notes form part of these financial statements.
These statements should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.*

Local Community Services Association

ABN: 66 025 175 245

Balance sheet

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Current assets			
Cash and cash equivalents	3	497,547	522,204
Trade and other receivables	4	-	20,482
Other current assets	5	5,904	67,907
Total current assets		<u>503,451</u>	<u>610,593</u>
Non-current assets			
Property, plant and equipment	6	-	-
Total non-current assets		<u>-</u>	<u>-</u>
Total assets		<u>503,451</u>	<u>610,593</u>
Current liabilities			
Trade and other payables	7	9,727	35,294
Income in Advance	8	76,200	286,634
Provision for Annual Leave		41,974	35,593
Time in Lieu Accrued		336	-
Other current liabilities	9	50,358	8,434
Total current liabilities		<u>178,595</u>	<u>365,955</u>
Non-current liabilities			
Provision Long Service Leave		54,496	45,309
Total non-current liabilities		<u>54,496</u>	<u>45,309</u>
Total liabilities		<u>233,091</u>	<u>411,264</u>
Net assets		<u>270,360</u>	<u>199,329</u>
Members' funds			
Retained earnings		270,360	199,329
Total members' funds		<u>270,360</u>	<u>199,329</u>

The accompanying notes form part of these financial statements.

These statements should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.

Local Community Services Association

ABN: 66 025 175 245

Cash Flow Statement

	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	754,093	872,612
Payments to suppliers and employees	(779,216)	(569,934)
Interest received	53	83
Net cash provided by (used in) operating activities	<u>(25,070)</u>	<u>302,761</u>
Net increase (decrease) in cash held	(25,070)	302,761
Cash at beginning of financial year	<u>522,617</u>	<u>219,856</u>
Cash at end of financial year	<u>497,547</u>	<u>522,617</u>

Local Community Services Association

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Notes to the financial statements

For the year ended 30 June 2022

The financial statements cover Local Community Services Association as an individual entity. Local Community Services Association is a not-for-profit association incorporated in New South Wales under the Associations Incorporation Act 2009 ('the Act') and reporting under the Australian and Not-for-profits Commission Act 2012.

The principal activity of the association for the year ended 30 June 2022 is:

LCSA is a not for profit association whose purpose is to prevent social exclusion and promote social inclusion and community strengthening through supporting, developing and promoting neighbourhood centres and other community based and community managed organisations which focus on community development, social inclusion and community focussed services

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

In the opinion of the committee of management, Local Community Services Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This financial report is a special purpose financial report in accordance with the disclosure of AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities to the extent applicable as required by the ACNC Regulation 2013.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

The financial statements and material accounting policies all comply with the recognition and measurement requirements in the Australian Accounting Standards.

2 Summary of significant accounting policies

Income tax

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

Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

These notes should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.

Local Community Services Association

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Notes to the financial statements

For the year ended 30 June 2022

Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Property, plant and equipment

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

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

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Impairment of non-financial assets

At the end of each reporting period, the association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

These notes should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.

Local Community Services Association

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Notes to the financial statements

For the year ended 30 June 2022

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.

Local Community Services Association

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Notes to the financial statements

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
3 Cash and cash equivalents			
CBA Cheque Account #561		14,847	28,918
CBA Cash Management #588		524	1,046
CBA On Line Saver Account #585		461,960	476,908
CSB Investment Account-Bendigo		-	75
Bank Guarantee 52 William St		15,670	15,670
Bond - 617 Elizabeth St		4,546	-
Electronic Clearing Account		-	(413)
		<u>497,547</u>	<u>522,204</u>
4 Trade and other receivables			
Current			
Trade Debtors		-	20,482
		<u>-</u>	<u>20,482</u>
5 Other assets			
Current			
Income Accrued		-	9,927
Prepayments		528	-
Prepaid 2020 Conference		-	32,402
Conference 2021		-	17,150
Prepaid Rent		2,173	5,339
Prepaid Website		3,203	3,088
		<u>5,904</u>	<u>67,907</u>

These notes should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.

Local Community Services Association

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Notes to the financial statements

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
6 Property, plant and equipment			
Property improvements			
Leasehold Improvements at Cost		-	44,088
Leasehold Improve Amortised		-	(44,088)
		<hr/>	<hr/>
		-	-
Plant and equipment			
Computers at Cost		10,707	10,707
Computers Accum Depreciation		(10,707)	(10,707)
		<hr/>	<hr/>
		-	-
7 Trade and other payables			
Current			
Trade Creditors		2,200	2,948
GST Collected		15,070	35,791
GST Paid		(7,543)	(3,445)
		<hr/>	<hr/>
		9,727	35,294
		<hr/>	<hr/>
8 Borrowings			
Current			
Conference 2020		-	36,823
Conference 2021		-	12,814
Grants/Membership in Advance		89,160	236,997
		<hr/>	<hr/>
		76,200	286,634
		<hr/>	<hr/>

These notes should be read in conjunction with the attached compilation report of MEAGHER HOWARD & WRIGHT.

Local Community Services Association

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Notes to the financial statements

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
9 Other liabilities			
Current			
Accrued Expenses		12,667	-
Accrued Audit Fees		2,600	2,500
Accrued Wages		10,530	-
Hesta Super Cont.		-	50
PAYG Withholding		7,520	5,884
Superannuation Payable		3,081	-
First State Super		1,000	-
Great Comm Trspt - P.I. Coaching		12,960	-
		<u>50,358</u>	<u>8,434</u>
10 Retained earnings			
Retained earnings at the beginning of the financial year		199,329	185,963
Surplus/(loss)		71,031	13,365
		<u>270,360</u>	<u>199,329</u>

11 Statutory information

The registered office and principal place of business of the association is:

Local Community Services Association
17/617 Elizabeth St
Redfern 2016

Local Community Services Association

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Statement by members of 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 2 to the financial statements.

In the opinion of the committee and the responsible person declare that in their opinion:

1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy [do not satisfy] the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.



Margaret Tipper



Paul Sekly

Dated 20 September 2022

MEAGHER, HOWARD & WRIGHT
CERTIFIED PRACTISING ACCOUNTANTS
ABN 42 664 097 441

PARTNERS
K.J. WRIGHT J.P. M.COMM. F.C.P.A.
G. MIDDLETON B.COMM. ACA

FINANCIAL PLANNING
DAVID O'CALLAGHAN

ASSOCIATE
L.J. HOWARD O.A.M. J.P. B Ec. F.C.P.A.

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**Independent Auditor's Report
To the Members of Local Community Services Association**

Opinion

We have audited the financial report of Local Community Services Association, ("the Entity"), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee.

In our opinion, the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Entity's financial position as at 30 June 2022 and of its financial performance and cash flows for the year then ended; 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 Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity 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 report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Committee, would be in the same terms if given as at the time of this auditor's report.

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 financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and the Committee for the Financial Report

Management is responsible for the preparation of the special purpose financial report that gives a true and fair view in accordance with the relevant Australian Accounting Standards in accordance with the *Australian Charities and Not-for Profits Commission Regulations 2013* and the *Australian Charities and Not-for-profits*

Commission Act 2012 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial report, management is responsible for assessing the Entity'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 intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

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

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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Meagher Howard & Wright
CPA

Suite 506, 55 Grafton Street
Bondi Junction NSW 2022

Greg Middleton – ICAANZ 24953
Partner

Date 20 September 2022

Local Community Services Association

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Certificate by members of committee

Annual statements give true and fair view of the financial position of incorporated association.

We, being the members of the Committee of the Local Community Services Association, certify that -

The statements attached to this certificate give a true and fair view of the financial performance and position of Local Community Services Association during and at the end of the financial year of the association ending on 30 June 2022.



Margaret Kipper



Paul Sekfy

Dated 20 September 2022