Council on the Ageing (NSW) Inc

ABN 31 090 328 955

Financial Statements

For the Year Ended 30 June 2020

Council on the Ageing (NSW) Inc

ABN 31 090 328 955

Contents

For the Year Ended 30 June 2020

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Directors' Report

30 June 2020

The directors present their report on Council on the Ageing (NSW) Inc for the financial year ended 30 June 2020.

General information

Directors

The names of the directors in office at any time during, or since the end of the year are:

Names	Position	Appointed/Resigned
Joan Hughes	President	
Daryl Bates	Vice President	Resigned on 30 April 2020
Janet Beale	Treasurer	
Laurie Axford	Vice President (as of August 2020)	
Sara Graham		Term expired on 28 November 2019
Stephen Ginsborg		
Raymond Lim		
Myra Hamilton		Appointed on 20 September 2019
Geoff Banting		Appointed on 19 June 2020
Sharon Burns		Appointed on 19 June 2020
Susan Moylan Coombs		Appointed on 19 June 2020

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities and significant changes in nature of activities

The principal activities of Council on the Ageing (NSW) Inc during the financial year were to represent the interests and wellbeing of older people in New South Wales to governments, organisations and the public. The Association applies funds including government grants to the development of the social policy, information and programs pertaining to older persons in New South Wales.

There were no significant changes in the nature of Council on the Ageing (NSW) Inc's principal activities during the financial year.

Review of operations

The Association’s revenue increase by $171,924 to $1,075,717 and generated a surplus of $147,048. This operating result is mainly due to the accounting treatment of funds received from Challenger for the Mature Age Worker project during the financial year. At 30 June 2020, net assets stood at $320,745 made up primarily of cash and term deposits.

Directors' Report

30 June 2020

Significant changes in state of affairs

On 11 March 2020, the World Health Organisation declared COVID-19 to be a pandemic, and as a result the global business and economic environment is extremely uncertain.

The Association has managed the pandemic by ensuring; It has sufficient working capital to meet all obligations, Its activities are scalable, Its operations are capable of being managed and run remotely as all systems are cloud based and all team members have been given access to systems and resources and are able to effectively work from home. The Association has instituted a work from home policy which will continue to be reviewed as the progress of the pandemic unfolds. The audit risk environment is being actively monitored and staff and clients are fully appraised of new requirements and audit work is being undertaken accordingly.

Other than these matters, there have been no significant changes in the state of affairs of the Association during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results or the state of affairs of the Association in future financial years.

Auditor's independence declaration

A copy of the Auditors' Independence Declaration as required under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 3 of the financial report.

This director's report, is signed in accordance with a resolution of the Board of Directors.

Treasurer: Janet Beale .

Janet Beale

Director: Raymond Lim ....

Raymond Lim

Dated this 16th day of September 2020

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE DIRECTORS OF COUNCIL ON THE AGEING (NSW) INC.

As auditor of Council on The Ageing (NSW) Inc for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd

Robert Neilson

Director

Sydney

16 September 2020

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
Sales revenue	5	1,075,717	903,793
Other income	5	40,336	2,329
Office expenses		(26,302)	(46,376)
National survey expenses		-	(73,160)
Rental expenses		-	(117,378)
Employee expenses		(657,741)	(493,100)
Administrative expenses		(183,505)	(170,405)
Depreciation expense – right of assets	10	(61,642)	-
Depreciation expense – fixed assets		(3,806)	(3,393)
Other expenses		(36,009)	(46,642)
Surplus/(Deficit) for the year		147,048	(44,332)
Other comprehensive income		-	-
Total comprehensive income for the year		147,048	(44,332)

The accompanying notes form part of these financial statements.

Council on the Ageing (NSW) Inc

ABN 31 090 328 955

Statement of Financial Position

As At 30 June 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalent - cash at bank and in hand		185,546	69,116
Other receivables		22,290	56,502
Financial assets – term deposit		298,724	202,627
Other assets	6	18,891	21,328
TOTAL CURRENT ASSETS		525,451	349,573
NON-CURRENT ASSETS			
Property, plant and equipment		334	2,020
Right of use asset	10	72,439	-
Intangible assets		3,560	6,415
TOTAL NON-CURRENT ASSETS		76,333	8,435
TOTAL ASSETS		601,784	358,008
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	44,538	48,221
Other liabilities	8	101,797	101,500
Employee benefits	9	54,189	34,590
Lease liabilities	10	80,515	-
TOTAL CURRENT LIABILITIES		281,039	184,311
TOTAL LIABILITIES		281,039	184,311
NET ASSETS		320,745	173,697
EQUITY			
Retained earnings		320,745	173,697
TOTAL EQUITY		320,745	173,697

The accompanying notes form part of these financial statements.

Council on the Ageing (NSW) Inc

ABN 31 090 328 955

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Retained Earnings	Total
	$	$
Balance at 1 July 2019	173,697	173,697
Surplus for the year	147,048	150,995
Balance at 30 June 2020	320,745	324,692

2019

	Retained Earnings	Total
	$	$
Balance at 1 July 2018	218,029	218,029
(Deficit) for the year	(44,332)	(44,332)
Balance at 30 June 2019	173,697	173,697

The accompanying notes form part of these financial statements.

Council on the Ageing (NSW) Inc

ABN 31 090 328 955

Statement of Cash Flows

For the Year Ended 30 June 2020

	2020	2019
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	292,024	304,459
Payments to suppliers and employees	(1,065,083)	(1,134,976)
Interest received	6,798	5,111
Received grants	978,054	817,600
Net cash provided by/(used in) operating activities	211,793	(7,806)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceed from/(purchase) of property, plant and equipment	734	(9,302)
Proceeds from term deposit withdrawal	(96,097)	(55,146)
Net cash (used in) investing activities	(95,363)	(64,448)
CASH FLOWS FROM FINANCING ACTIVITIES:	-	-
Net increase/(decrease) in cash and cash equivalents held	116,430	(72,254)
Cash and cash equivalents at beginning of year	69,116	141,370
Cash and cash equivalents at end of financial year	185,546	69,116

The accompanying notes form part of these financial statements.

The financial report covers Council on the Ageing (NSW) Inc (The Association) as an individual entity. Council on the Ageing (NSW) Inc is a Not-for-profit Association, registered and domiciled in Australia.

The principal activities of Council on the Ageing NSW Inc during the financial year were to represent the interests and wellbeing of older people in New South Wales to governments, organisations and the public. The Association applies funds including governments grants to the development of the social policy, information and programs pertaining to older persons in New South Wales.

The functional and presentation currency of Council on the Ageing (NSW) Inc is Australian dollars.

The financial report was authorised for issue by the Directors on 16 September 2020.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and Associations Incorporations Act 2009.

2 Change in Accounting Policy

Revenue from Contracts with Customers – Adoption of AASB 15

The Association has adopted AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities for the first time in the current year with a date of initial application of 1 July, 2019.

The Association has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July, 2019.

The key changes to the Association's accounting policies and the impact on these financial statements from applying AASB 15 and AASB 1058 are described below.

Grants – operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 1058 and AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed or recognised at the point in time that the control of the services pass to the customer.

Having reviewed the terms and conditions of grants received by the Association, some of them are within the scope of AASB 1058 and others within AASB 15 which has resulted in deferral of revenue for these monies.

2 Change in Accounting Policy (continued)

Leases – Adoption of AASB 16

The Association adopted AASB 16 Leases using the modified retrospective method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated. The impact of adopting AASB 16 is as follows.

The Association recognised right-of-use assets of $134,081 and lease liabilities of $134,081 (current liabilities $109,406, and non-current liabilities $24,675) at 1 July 2019, for leases which were previously classified as operating lease commitments. There was no effect on net assets or total equity at that date.

	$
Operating lease commitments at 30 June 2019 financial statements	50,942
Add: renewed leases	88,843
Discounted using the incremental borrowing rate at 1 July 2019	(5,704)
Lease liabilities recognised at 1 July 2019	134,081

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 5.5%.

3 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Leases

Prior year

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

Current year

Right of use assets

The Association recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the relevant commencement date less any lease incentives received. Unless the Association is reasonably certain to obtain ownership of the leased asset at the end of the relevant lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the relevant lease term. Right-of-use assets are subject to impairment.

3 Summary of Significant Accounting Policies (continued)

(b) Leases (continued)

Lease liabilities

At the commencement date of the relevant lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the relevant commencement date), and amounts expected to be paid under residual value guarantees. The Association applies the practical expedient to not separate non-lease components from lease components, and instead accounts for each lease component and any associated lease components as a single lease component.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Association uses the incremental borrowing rate at the relevant lease commencement date if the interest rate implicit in the lease is not readily determinable. After the relevant commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(c) Revenue and other income

For comparative year

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.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

Council on the Ageing (NSW) Inc receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

3 Summary of Significant Accounting Policies

(c) Revenue and other income (continued)

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognized that are recoverable.

Donations

Donations and bequests are recognised as revenue when received.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:
1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Association have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

3 Summary of Significant Accounting Policies

(c) Revenue and other income (continued)

Grant income (continued)

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Association considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Property, plant and equipment

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

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Computer Equipment	33.33%

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.

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial instruments are recognised initially on the dater that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at amortised cost, are financial assets where the business model is to hold assets to collect contractual cash flows; and the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Association uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

3 Summary of Significant Accounting Policies

(f) Financial instruments (continued)

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flow is discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial Liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade and other payable.

(g) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Cash and cash equivalents

Cash and cash equivalents comprise 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.

Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Summary of Significant Accounting Policies

(i) 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.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key judgments - grant income

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the Association, review of the grants' terms and conditions.

Grants received by the Association have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

5 Revenue and Other Income

Revenue from continuing operations

	2020 $	2019 $
Sales revenue		
- operating grants	**474,370**	473,372
- client services fees	**269,045**	120,593
- project grants	**271,861**	191,480
- national survey income	**14,000**	80,000
- donations	**24,371**	15,724
- insurance commission	**8,497**	8,730
- membership fees	**5,634**	6,370
- interest income	**7,939**	6,359
- other income	**-**	1,164
Total Revenue	**1,075,717**	903,792

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Revenue and Other Income (Continued)

	2020	2019
	$	$
Other Income		
- Government subsidy	40,336	2,329
	40,336	2,329

COTA NSW were not eligible for JobKeeper, but has received the Federal Cash Boost.

6 Other assets

	2020	2019
	$	$
CURRENT		
Prepayments	16,513	17,977
Accrued income	2,378	3,351
	18,891	21,328

7 Trade and Other Payables

	2020	2019
	$	$
CURRENT		
Trade payables	22,889	27,595
Sundry payables and accrued expenses	9,655	6,369
Other payables	11,994	14,257
	44,538	48,221

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

8 Other Liabilities

	2020	2019
	$	$
CURRENT		
Grant received in advance	99,547	101,500
Deferred income	2,250	-
Total	101,797	101,500

Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Employee Benefits

	2020	2019
	$	$
CURRENT		
Provision for annual leave	54,189	34,590
	54,189	34,590

10 Lease liabilities

The Association has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reporting under AASB 117 and related Interpretations.

	2020	2019
	$	$
CURRENT		
Lease liabilities recognised at 1 July 2019	134,081	-
Less:		
Payment made towards lease liability as at 30 June 2020	(53,566)	-
	80,515	-

Association as a lessee

Information relating to the leases in place and associated balances and transactions are provided below.

	Equipment	Premises	Total
Right-of-use assets	$	$	$
Year ended 30 June 2020			
Balance at the beginning of the year	77,173	56,908	134,081
Depreciation charge	(40,932)	(20,710)	(61,642)
Balance at end of the year	36,241	36,198	72,439

11 Fundraising

	2020	2019
	$	$
Donations	24,371	15,724
Expenses	-	-
	24,371	15,724

12 Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None).

13 Related Parties

(a) The Association's main related parties are as follows:

(i) Insurance and Membership Services Limited (IMS)

The Association is a current client of IMS. During the year ended 30 June 2020, the Association received insurance commissions of $8,497 (2019: $8,730) as a result of the Association's members taking up insurance with the entity.

(ii) COTA Australia Ltd

The Association is a member of COTA Australia Ltd, a Company incorporated in Australia and limited by guarantee. The Association paid levies of $2,000 (2019: $9,039) to COTA Australia Ltd to fund National Policy activities.

(b) The Association's main related parties are as follows:

The total remuneration paid to key management personnel of the Association is $157,680 (2019: $147,825).

14 Events Occurring After the Reporting Date

The financial report was authorised for issue on 16 September 2020 by the board of directors.

The Directors consider that the Covid Pandemic and its related impacts as stated in the directors report, do not affect the recorded amounts of income and expenses and assets and liabilities in these financial statements and is therefore a non-adjusting event. Consequently, there is no impact on the recognition and measurement of assets and liabilities and income and expenses in these financial statements.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

15 Statutory Information

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

Council on the Ageing (NSW) Inc
Level 11, St Martins Tower
31 Market Street
Sydney NSW 2000

Council on the Ageing (NSW) Inc

ABN 31 090 328 955

Directors' Declaration

The responsible persons declare that in the responsible persons' opinion:

- present fairly the financial position of Council on the Ageing (NSW) Inc as at 30 June 2020 and its performance for the year ended on that date;

- 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

- the financial statements and notes 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.

Treasurer: . Janet Beale

Janet Beale

Director: .... Raymond Lim

Raymond Lim

Dated this 16th day of September 2020

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INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF COUNCIL ON THE AGEING (NSW) INC

Opinion

We have audited the financial report of Council on the Ageing (NSW) Inc, (the Association), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Association.

In our opinion:

1. The financial report of Council on the Ageing (NSW) Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001* including:
   (i) 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
   (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Charities and Not-for-profits Commission Regulation 2013* and the *Associations Incorporations Act (NSW) 2009*.
2. We have been given all the information, explanation and assistance necessary for the conduct of the audit;
3. The entity has kept financial records sufficient to enable a financial report to be prepared; and;
4. The entity has kept other records as required by Part 3-2 of *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia; and we have 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibilities

The Directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with *the Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and 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 the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors 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 are also required to provide the Directors 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.

The engagement partner on the audit resulting in this independent auditor's report is Robert Nielson.

LNP Audit and Assurance Pty Ltd

Robert Nielson
Director
Sydney
16 September 2020