

Kingsway Community Care Inc

ABN 81 702 792 536

Special Purpose Financial Reports

For the Year ended 30 June 2019

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North Caringbah NSW 2229

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Kingsway Community Care Inc

ABN 29 351 382 130

Statement by Committee

The Committee hereby states that:

1. The financial statements and notes


- (a) comply with requirements of the Australian Charities and Not For Profits Commission Act 2012 including relevant Australian Accounting Standards, the Constitution and the Associations Incorporation (NSW) Act 2009; and
- (b) give a true and fair view of the financial position as at 30th June 2019 and performance and cashflows for the year ended on that date of the association;

2. The provisions of the Charitable Fundraising Act and the conditions attached to the Authority to Fundraise have been complied with;

3. Internal Controls exercised by the Organisation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

4. In the Committee's opinion having reviewed the cashflows since balance date and also considering the continuing support to the organisation from Kingsway Community Church there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

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



Two handwritten signatures in blue ink are present. The first signature is written above a horizontal dotted line. The second signature is written below a horizontal dotted line.



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

SHEDDEN & GREEN PARTNERS

ABN 43 723 342 276

INDEPENDENT AUDIT REPORT

To: The Members of Kingsway Community Care Inc

Report on the Audit of the Financial Report

We have audited the special purpose financial report of Kingsway Community Care Inc, which comprises the Balance Sheet as at 31 December 2018, and the statement of income and other comprehensive income, cashflow statement notes to the accounts and the statement by the management committee

In our opinion the financial report of Kingsway Community Care Inc has been prepared in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 and the constitution, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2018 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent required for special purpose financial reports, and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

We conducted the 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 registered entity in accordance with the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibility of Those Charged with Governance for the Financial Report

The responsible entities of the registered 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 of the financial report is appropriate to meet the requirements of the ACNC Act

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and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities 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, the responsible entities are responsible for assessing the registered 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 the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

The audit objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. As part of an audit in accordance with 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of responsible entities' 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 registered 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 related disclosures in the financial report or, if such disclosures are inadequate, to modify the audit opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the registered 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 the audit.



Shedden & Green Partners
Lawrence R Green FCA – Partner
Dated: 9 September 2019
Miranda NSW

Kingsway Community Care Inc
Balance Sheet
As at 30 June 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash		73,227	1,024
Bonds		8,805	8,805
Other Receivables		-	1,130
Prepayments		-	1,486
Current account - Kingsway Church		(400)	(950)
GST Recoverable / (Payable)		(1,044)	3,600
Total Current Assets		\$ 80,588	\$ 15,095
Non-Current Assets			
Motor vehicles at cost		43,182	43,182
Less: motor vehicles accumulated depreciation		(43,182)	(41,205)
Total Non-Current Assets		-	1,977
Total Assets		\$ 80,588	\$ 17,072
Liabilities			
Accrued expenses		61,649	11,087
Employee provisions		22,778	18,089
Grants in Advance		60,000	-
Payroll Liabilities		18,020	27,450
Total Liabilities		\$ 162,447	\$ 56,626
Net Assets		\$ (81,858)	\$ (39,554)
Accumulated Funds and Reserves			
Accumulated Funds	2	\$ (81,858)	\$ (39,553)

The above Statement is to be read in conjunction with the attached notes

Kingsway Community Care Inc
Income Statement
For the Year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue			
Donations, Fundraising		137,889	142,011
Sundry Income		6,275	1,419
Grants received		77,064	87,738
FACS Funding		420,104	200,065
Residents rental		118,245	69,748
Shop Takings		68,681	70,835
		<u>828,257</u>	<u>571,816</u>
Expenditure			
Staffing		544,494	383,526
Administration		64,719	47,096
Property		171,390	137,373
Program		87,092	31,377
Operating		2,867	3,206
Total Expenses		<u>870,562</u>	<u>602,579</u>
Net Surplus/(Deficit)		<u>\$ (42,305)</u>	<u>\$ (30,763)</u>

The above Statement is to be read in conjunction with the attached notes

Kingsway Community Care Inc

ABN 64 001 231 134

Statement of Cash Flows

For the Year ended 30 June 2019

	2019 \$	2018 \$
Cash Flows (used in)/from Operating Activities		
FACS Funding	420,104	200,065
Other Grants received	137,064	87,738
Shop takings	68,681	70,835
Donations and fundraising	137,889	142,011
Other operating receipts	124,520	71,167
Payments to suppliers and employees	<u>(822,765)</u>	<u>(520,279)</u>
Net Cash Flow (Used In)/from Operating Activities	<u>65,493</u>	<u>51,537</u>
Net Cash Flow used in investing activities -		
(Increase)/Decrease in GST Recoverable	4,644	1,044
(Increase)/Decrease in Other Receivables	1,130	1,130
(Increase)/Decrease in Prepayments	1,486	-
Increase in Loan to Kingsway	<u>(550)</u>	<u>(550)</u>
	<u>6,710</u>	<u>1,624</u>
Net (decrease)/increase in cash held	72,203	(8,717)
Cash at the beginning of the period	<u>1,024</u>	<u>9,741</u>
Cash at the end of the financial period	<u><u>\$73,227</u></u>	<u><u>\$1,024</u></u>

Note to the Statement of Cash Flows**Reconciliation of Net Cash (Used in)/From Operating Activities to Operating Surplus**

Operating Surplus	(42,305)	(30,763)
Depreciation	1,977	6,477
Changes in Assets & Liabilities -		
Increase in Payroll Liabilities	(9,430)	20,572
Increase in Employee Provisions	4,689	4,689
Increase/(Decrease) in Grants in Advance	60,000	-
Increase/(Decrease) in Accrued Expenses	<u>50,562</u>	<u>50,562</u>
Net Cash provided by Operating Activities	<u><u>\$65,493</u></u>	<u><u>\$51,537</u></u>

The above Statement is to be read in conjunction with the attached notes

Kingsway Community Care Inc
Notes to and Forming Part of the Financial Statements
For the Year ended 30 June 2019

1 Summary of Significant Accounting Policies

These special purpose financial reports have been prepared in order to satisfy the requirements of the Australian Charities and Not For Profits Commission Act 2012 and its Regulations, The Associations Incorporation Act NSW 2009, the Constitution and the needs of members. They are drawn up in accordance with the historical cost convention.

The accounting policies adopted are consistent with those of the previous financial year.

(a) Taxation

The organisation is registered with ACNC as a public benevolent charity and as a deductible gift recipient. Accordingly donations to KCC are tax deductible to the donor.

(b) Revenue Recognition

Grants revenue is brought to account on an accrual basis once received. Donations are brought to account on a cash basis.

(c) Segments

Kingsway Community Care is a ministry of Kingsway Community Church. It provides community support programs and services.

(d) Economic Dependence

The organisation's primary activity is funded by donations and grants. Accordingly the ongoing operation of the activity is economically dependent upon these continuing to be received. KCC was partly financially dependent upon Kingsway Community Church during the year and at year end.

	2018	2017
	\$	\$
2 Accumulated Funds		
Accumulated Funds/(Deficiency) at the beginning of the year	(39,553)	(8,790)
Surplus/Deficiency for the year	<u>(42,305)</u>	<u>(30,763)</u>
Balance carried forward at the end of the year	<u>\$ (81,858)</u>	<u>\$ (39,553)</u>

3 Related Parties

The names of Committee Members who have held office at any time during the financial year are:-

Jennifer White
 Sharon Naylor
 Elissa Stewart
 Jodie Thelning
 David Drury
 Brad Perkins

None of the Committee Members received any remuneration from the organisation and there are no entitlements to them for superannuation or other retirement benefits upon retirement from office, with the exception that Jennifer White and Sharon Naylor receive wages paid at normal hourly rates for their work in administration roles within the Association.

Kingsway Community Church (ABN 56 593 853 910) is an associated entity providing administrative and other support to the Association.

4 Financial Risk

The entity holds all monies in an Australian bank which is subject to Australian Government guarantee. There is no exposure to currency, market or other financial risks. Funds held are not sufficient to attract a material level of interest income so no sensitivity analysis of this has been included.

Kingsway Community Care Inc
Notes to and Forming Part of the Financial Statements
For the Year ended 30 June 2019

5 Segment of Operations

Kingsway Community Care Inc. is a not for profit organisation started by Kingsway Community Church to oversee the various community projects they have been operating in the Sutherland Shire. These projects include:

A refuge for young women aged 16-20 years who are homeless or at risk of becoming homeless. These young women come from a background of family breakdown, poverty, domestic violence, abuse or neglect. Jacaranda Cottage provides a safe and supportive place for young women to manage these issues and move forward into independent living.

Southern Cross Kids Club – exists to provide a fun, safe and encouraging environment for children at risk. Camp is run annually in April for children who have been victims of abuse, neglect and abandonment. These kids are able to reconnect on a monthly basis with a mentor in a safe and fun space. Southern Cross Kids is marking a remarkable difference in many young lives.

Platform Nine is a transitional housing project that provides a platform or place of transition for individuals or families who have no place to go. They provide an environment where guests feel they are connected and empowered to find more permanent housing solutions. Platform Nine provides a place to stay for up to 3 months, a community of people to care and support and a pathway to assist in preparing for the future. Platform Nine is more than just a bed, it's a place to belong.

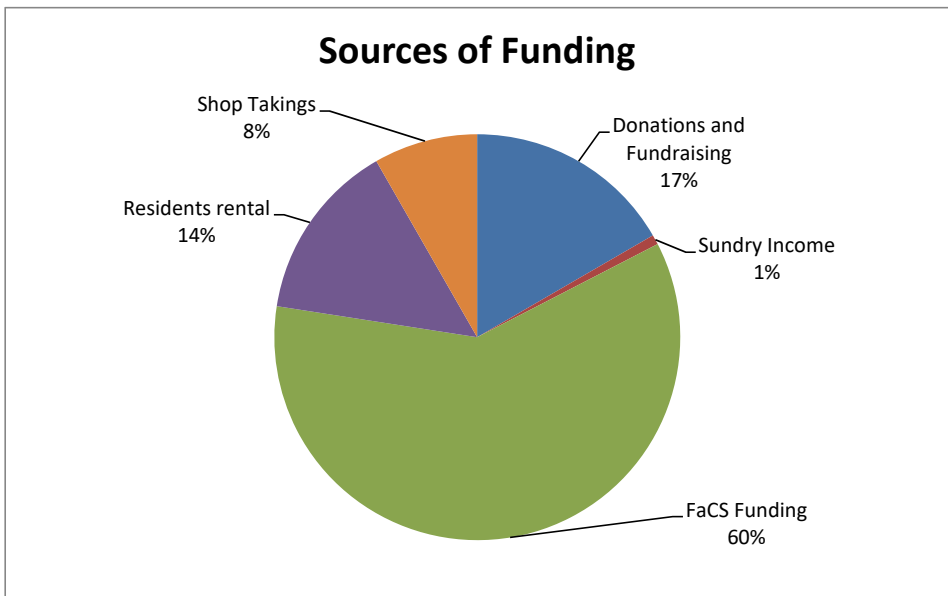
SeeChange - a community of people that believe every person has incredible value, though this value can sometimes be lost because of challenging circumstances in life that come our way. They want to help people rediscover a sense of purpose, value, dignity and strength for whatever life has for them. They operate a community dinner once a month in Jannali.

The activities are centred in Sutherland Shire in the south of Sydney.

6 Charitable Fundraising

The entity is the holder of an Authority to Fundraise CFN/22517 expiring 18/9/2024

	2019	2018
	\$	\$
Funds raised by donations and fundraising during the year were:		
There were no fundraising appeals using traders.	137,889	142,011



Kingsway Community Care Inc
Detailed Income and Expenditure Statement
For the Year ended 30 June 2019

NOT FOR GENERAL PUBLICATION

	2019	2018
	\$	\$
Income		
Donations and Fundraising	137,889	142,011
Sundry Income	6,275	1,419
FACS Funding	420,104	200,065
Other Grants received	77,064	87,738
Residents rental	118,245	69,748
Shop Takings	68,681	70,835
	<u>828,257</u>	<u>571,816</u>
Expenses		
Other Program Costs		
Grant expenditure	25,763	4,245
Groceries	3,118	3,878
TA Accommodation	36,500	-
Supplies	13,289	12,965
Special Events	8,422	10,289
	<u>87,092</u>	<u>31,377</u>
Administration		
Administration fee	42,500	26,617
Bank fees and charges	1,599	269
Depreciation	1,977	6,477
Insurance	1,486	1,886
Fundraising expenses	2,474	434
Internet	-	573
Legal and Accounting	2,800	1,652
Printing and Stationery	2,117	1,840
Subscriptions & Dues	3,010	812
Sundry	1,014	1,521
Telephone	5,742	5,015
	<u>64,719</u>	<u>47,096</u>
Operating		
Equipment less than \$300	2,867	3,206
	<u>2,867</u>	<u>3,206</u>
Employment		
Staff Expenses	1,677	948
Staff Training	626	448
Superannuation	45,171	33,981
Wages & Salaries	480,405	349,939
Staff Leave Provisions	4,689	(9,416)
Workers' Compensation	10,653	5,435
Other Employer Expenses	1,272	2,191
	<u>544,494</u>	<u>383,526</u>
Property		
Cleaning	1,960	1,652
Council Rates	4,330	6,275
Electricity	23,882	20,440
Rent Expense	100,896	61,273
Repairs & Maintenance	29,280	37,681
Strata Levies	3,236	425
Vehicle Expenses	6,526	5,064
Water Rates	1,280	4,563
	<u>171,390</u>	<u>137,373</u>
Total Expenses	<u>870,562</u>	<u>602,579</u>
Net Surplus/(Deficit)	<u><u>(42,305)</u></u>	<u><u>(30,763)</u></u>

The above is to be read in conjunction with the attached notes

Kingsway Community Care Inc
Detailed Income and Expenditure Statement by Program
For the Year ended 30 June 2019

2019	<u>Total</u>	<u>Jacaranda Cottage</u>	<u>Choose Real</u>	<u>Hands Up</u>	<u>Admin</u>	<u>Platform Nine</u>	<u>Seechange OpShop</u>	<u>Southern Cross Kids</u>
Income								
Donations and Fundraising	137,889	63,933		1,422	14,533	57,531	469	
Sundry Income	6,275					456	5,819	
FACS Funding	420,104	112,682				307,422		
Other Grants received	77,064	14,246				62,818		
Residents rental	118,245					118,245		
Admin Fees	81,000				81,000			
Shop Takings	68,681						68,681	
	909,257	190,861	-	1,422	95,533	546,473	74,969	-
Expenses								
Other Program Costs								
Grant expenditure/Welfare sup	25,763	1,339	13,026			11,398		
TA Accommodation	36,500					36,500		
Groceries	3,118	2,307				811		
Supplies	13,289	778			140	11,479	806	86
Special Events	8,422	2,105				778	5,340	200
Workshop expenses	-							
	87,092	6,529	13,026	-	140	60,965	6,146	286
Administration								
Administration fee	123,500	28,500				81,600	13,400	
Bank fees and charges	1,599	258		1,075		164	102	
Depreciation	1,977					1,977		
Insurance	1,486				1,486			
Fundraising expenses	2,474	1,574			885	15		
Legal and Accounting	2,800				2,800			
Printing and Stationery	2,117	450				1,005	663	
Subscriptions & Dues	3,010	266			2,375	369		
Sundry	1,014	43		347	105	518		
Telephone	5,742	2,104				2,368	1,237	33
	145,719	33,196	-	1,422	7,651	88,016	15,402	33

Kingsway Community Care Inc
Detailed Income and Expenditure Statement by Program
For the Year ended 30 June 2019

2019	<u>Total</u>	<u>Jacaranda Cottage</u>	<u>Choose Real</u>	<u>Hands Up</u>	<u>Admin</u>	<u>Platform Nine</u>	<u>Seechange OpShop</u>	<u>Southern Cross Kids</u>
Operating								
Equipment less than \$300	2,867					2,781	86	
	2,867	-	-	-	-	2,781	86	-
Employment								
Staff Expenses	1,677	80				1,597		
Staff Training	626	391			50	185		
Superannuation	45,171	10,575			8,358	23,014	3,225	
Wages & Salaries	480,405	115,476			75,980	254,998	33,951	
Staff Leave Provisions	4,689				4,689			
Workers' Compensation	10,653	2,791			1,905	5,114	843	
Other Employer Expenses	1,272.45	171				1,101		
	544,494	129,484	-	-	90,981	286,009	38,019	-
Property								
Cleaning	1,960						1,960	
Council Rates	4,330					3,005	1,325	
Electricity	23,882	2,200				19,377	2,305	
Rent Expense	100,896					79,234	21,662	
Repairs & Maintenance	29,280	147				25,480	3,652	
Strata Levies	3,236						3,236	
Vehicle Expenses	6,526				1,974	4,552		
Water Rates	1,280	539				562	179	
	171,390	2,886	-	-	1,974	132,211	34,320	-
Total Expenses	951,562	172,095	13,026	1,422	100,745	569,981	93,973	319
Net Surplus/(Deficit)	\$ (42,305)	\$ 18,765	\$ (13,026)	\$ -	\$ (5,213)	\$ (23,509)	\$ (19,004)	\$ (319)

Kingsway Community Care Inc
Detailed Income and Expenditure Statement by Program
For the Year ended 30 June 2019

2018	Total	Jacaranda Cottage	Choose Real	Admin	Platform Nine	Seechange OpShop	Southern Cross Kids
Income							
Donations and Fundraising	142,011	43,678		23,277	72,465	333	2,258
Sundry Income	1,419			500		919	
FACS Funding	200,065	110,498			89,566		
Other Grants received	87,738		13,568		69,624	4,545	
Residents rental	69,748				69,748		
Admin Fees	54,750			54,750			
Shop Takings	70,835					70,835	
	626,566	154,176	13,568	78,527	301,404	76,633	2,258
Expenses							
Other Program Costs							
Grant expenditure/Welfare sup	4,245				4,245		
Groceries	3,878	3,750			128		
Supplies	12,965	1,015		25	10,709	1,361	(145)
Special Events	10,289	2,669			770	6,210	640
Workshop expenses	-						
	31,377	7,434	-	25	15,852	7,571	495
Administration							
Administration fee	81,367	23,950	617		46,300	10,500	
Bank fees and charges	269	91			113	65	
Depreciation	6,477				6,477		
Insurance	1,886			1,886			
Fundraising expenses	434	434					
Internet	573				573		
Legal and Accounting	1,652			1,652			
Printing and Stationery	1,840	160		31	1,162	488	
Subscriptions & Dues	812	62		424	326		
Sundry	1,521	135			1,150	236	
Telephone	5,015	1,997			1,758	1,144	117
	101,846	26,828	617	3,992	57,859	12,433	117
Operating							
Equipment less than \$300	3,206	1,359			1,847		
	3,206	1,359	-	-	1,847	-	-
Employment							
Staff Expenses	948	228			645		75
Staff Training	448	448					
Superannuation	33,981	9,927		9,203	11,515	3,336	
Wages & Salaries	349,939	111,457		76,730	125,434	34,970	1,348
Staff Leave Provisions	(9,416)			(9,416)			
Workers' Compensation	5,435	1,685		1,141	2,065	543	
Other Employer Expenses	2,190.91	360			1,831		
	383,526	124,104	-	77,658	141,491	38,850	1,423
Property							
Cleaning	1,652				130	1,522	
Council Rates	6,275				5,554	721	
Electricity	20,440	2,403			15,709	2,327	
Rent Expense	61,273				39,107	22,166	
Repairs & Maintenance	37,681	97			34,044	3,540	
Strata Levies	425					425	
Vehicle Expenses	5,064	32		633	4,399		
Water Rates	4,563	586			3,776	201	
	137,373	3,119	-	633	102,719	30,902	-
Total Expenses	657,329	162,845	617	82,308	319,768	89,756	2,034
Net Surplus/(Deficit)	\$ (30,763)	\$ (8,669)	\$ 12,951	\$ (3,782)	\$ (18,365)	\$ (13,123)	\$ 224