



# Annual Report

2022/2023

*A Community of Care*

SCOPE Inc trading as Fina Australia





## **Our Mission**

Every day, we plan  
and work together  
so our clients enjoy  
full, rich lives.

## As at June 30, 2023, Fina comprised:



**18**

RESIDENTIAL  
SUPPORT  
LOCATIONS

**6**

OWNED  
BY FINA

**8**

OTHER IN-HOME  
ACCOMMODATION  
FACILITIES

**4**

SPECIALISED DISABILITY  
ACCOMMODATION  
FACILITIES



**41**

CLIENTS

**35**

SUPPORTED  
RESIDENTIAL  
ACCOMMODATION

**6**

SPECIALISED  
DISABILITY  
ACCOMMODATION



**186**

STAFF

**22**

MANAGEMENT  
AND ADMIN

**2**

FINA  
KITCHEN

**9**

AREA  
COORDS

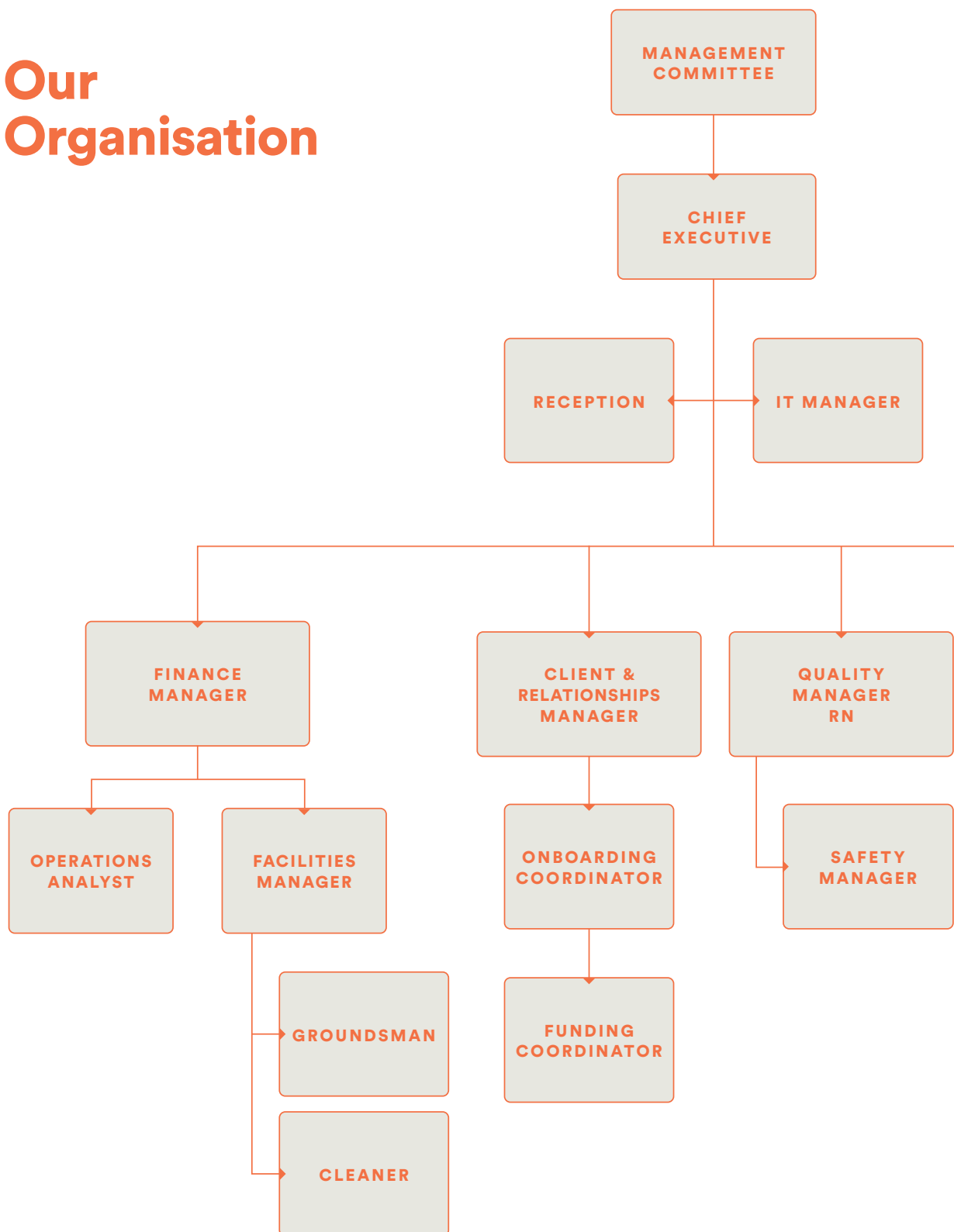
**152**

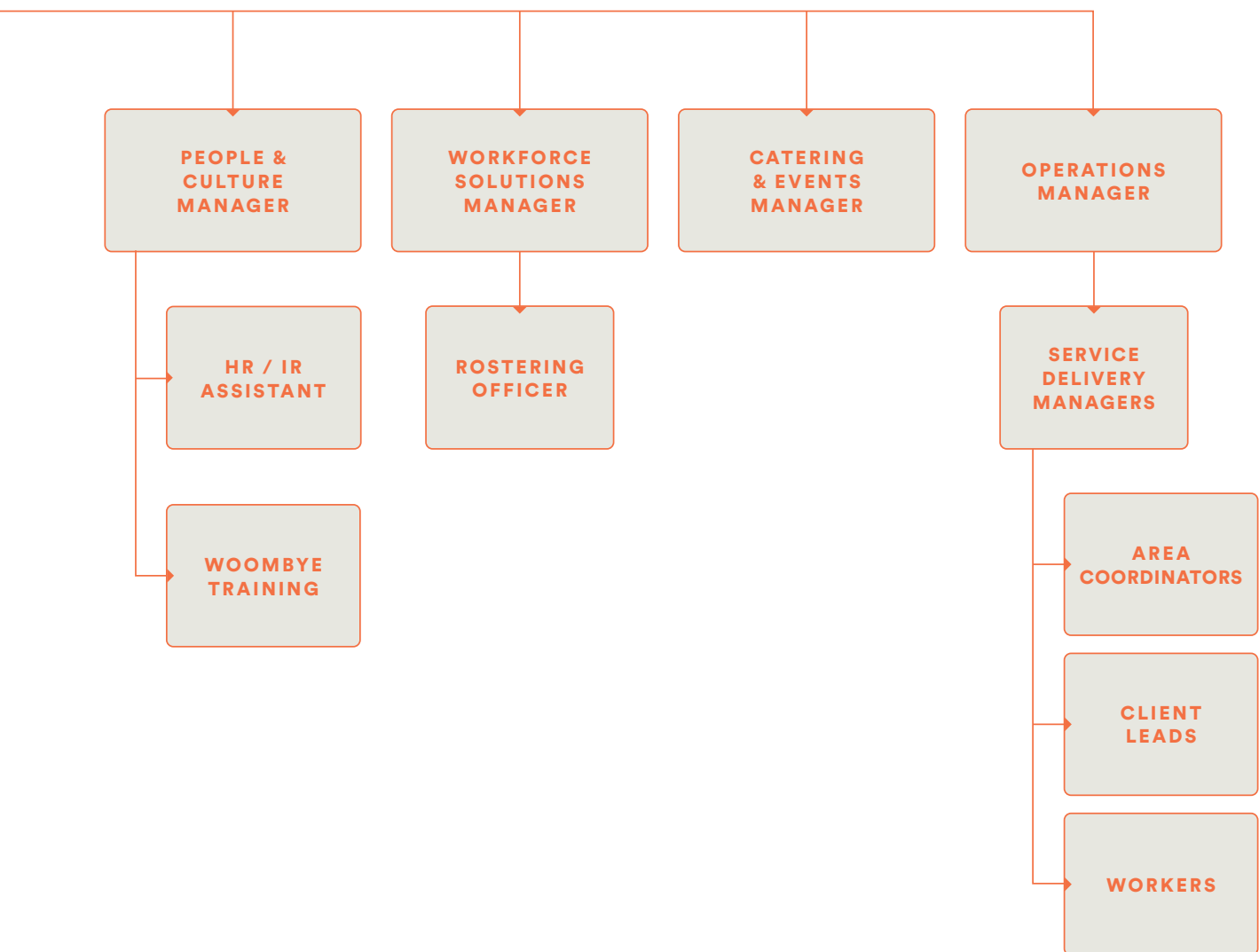
SUPPORT  
WORKERS

**1**

ACTIVITY  
MANAGER

# Our Organisation







# | The Fina Way

~~Fear,~~ courage

~~Despair,~~ hope

~~Doubt,~~ certainty

~~Sadness,~~ joy

~~Darkness,~~ light

~~Turmoil,~~ peace

~~Ignorance,~~ understanding



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## We are inspired by the life of St Fina.

Fina was born in 1238 in the small hill-town of San Gimignano in Tuscany. At the age of 10 years, she developed a paralytic illness and she spent the remainder of her life on a bed made from a wooden pallet. She died in 1253 at the young age of 15. Miracles have been attributed to her relics which are kept in a chapel in San Gimignano where she is still venerated.

# Financial Year 2022/2023 Overview

**The Financial Year 2022/2023 resulted in the small increase in our net current year surplus. The value of our total current assets appreciated by almost \$375,000.**

Overall, 2022-23 marked a strengthening of our organisation's balance sheet of about \$205000 – from an equity position at 30/6/22 of \$3,828,094 to \$4,032,870 2870 as of June 30, 2023. Cash on hand at the end of the financial year was \$1,142,236, an improvement of over \$626,000 from last year.

*It is pleasing to note that Fina's total revenue grew from approximately \$14.5 million in 2022 to \$19.15 million at the end of the financial year 2022-23.*





## President's Report

**I am pleased to present the Annual Report for SCOPE Inc (trading as Fina Australia) for the financial year 2022/2023.**

Fina's achievements in the FY 2022-23 have been marked by a strategic expansion of our services and enhanced reputation with particular regard to our work with psychosocial clients exhibiting significantly complex behaviours requiring close supervision.

### Covid-19

Yet again, waves of Covid-19 variants swept across the country. And again, we were able to deploy Fina's sophisticated Covid-19 response system which we established at the outset of the pandemic. Fina's response to Covid-19 more than meets requirements of the relevant government agencies with regard to staff vaccination and post-Covid return to work protocols.

*While Fina recorded Covid infections in both clients and staff, there were far fewer than would have been expected.*

Nonetheless, the Covid-19 pandemic remains a matter of concern. Fina management and staff continue to be vigilant and continue to adhere to our Covid-19 management system.

### Fina's Client Base

Fina's client base was 41 at the end of FY 22-23. We support 35 clients in residential accommodation and, currently, 6 clients in specialised disability accommodation.

### Fina's Reputation

In the FY 2022-23, I am delighted to report that Fina emerged from a detailed and very thorough external NDIS compliance audit with flying colours. This is a testament to the dedication of our managers and our staff and speaks to our methodologies, our systems and our attention to detail.

Again, Fina continued to build on its positive relationships with Queensland Health's Mental Health Service, Queensland Police, Queensland's Forensic Disability Services, Queensland's Department of Seniors, Disability Services and Aboriginal and Torres Strait Islander People and the Office of the Public Guardian (QLD).

We continue to work closely with these important agencies and I am proud to report that Fina is a preferred agency for work in support of psychosocial clients with significant behaviours of concern.

The "Fina Way" has been demonstrably successful in improving the lives of these people in a way that, 12 months ago, would have been unimaginable.

The challenges involved in working with these psychosocial clients are significant and it is noted that many other providers refuse to engage with such individuals.

That these providers refuse to work with psychosocial clients is unsurprising. There is currently no existing model or regulatory framework to adequately support these seriously institutionalised people.

I am delighted to report that Fina is taking a leadership position in remedying this situation.



## Fina's Future

*Having built our systems, our processes and a sophisticated recruitment and training regime for our Support Organisation and our specialised Complex Response Teams, Fina looks forward to building and populating our bespoke robust accommodation solutions which we refer to as "The Glasshouses".*

We have in-principle agreements in place with a financier, developer, mental health advisor and a highly regarded forensic psychologist organisation with extensive experience in supporting psychosocial clients with significant behaviours of concern.

Our Fina "Glasshouse" project is exciting and plays to Fina's strengths. It is the direct result of years of planning and development of how we support our clients.

More importantly, it will change the lives of a cohort of clients whose support options are otherwise limited to incarceration.

## Thanks

I take this opportunity to thank my colleagues on the Committee of Management, our Chief Executive Officer, John Hunter, the senior leadership team and indeed all our staff for the dedication, the energy and passion that they continue to bring to our work at Fina.

As ever, the year ahead will not be without its internal and external challenges.

*Fina is well placed to meet them head on.*





# Financial Statements


For the year ended  
30 June 2023

# Auditor's Independence Declaration

## Under S 307C of the Corporations Act 2001 to the Directors of Fina Australia

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of FINA Australia. As the lead audit partner for the audit of the financial report of FINA Australia for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

- (i) the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm	 <b>sps audit</b>
Name of Partner	Graeme Shepherd Registered Company Auditor No. 15264
Date	6/10/2023
Address	Unit 9, Serenity Waters 123 Brisbane Road Mooloolaba QLD 4557

The accompanying notes form part of these financial statements.



# Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	2	19,162,751	14,584,611
Other income	2	681,592	591,278
Employee benefits expense	3	(13,705,861)	(9,785,090)
Depreciation and amortisation expense	3	(267,901)	(187,584)
Interest expense on financial liabilities	3	(21,478)	(16,154)
Rental expense	3	(35,184)	(29,857)
Direct support costs		(99,572)	(37,541)
Other expenses		(5,509,571)	(4,921,053)
<b>Current year surplus before income tax</b>		<b>204,777</b>	<b>198,609</b>
Income tax expense		-	-
<b>Net current year surplus</b>		<b>204,777</b>	<b>198,609</b>
Other comprehensive income		-	-
<b>Total other comprehensive (losses)/income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>204,777</b>	<b>198,609</b>
Surplus attributable to members of the entity		204,777	198,609
Total comprehensive income attributable to members of the entity		204,777	198,609

The accompanying notes form part of these financial statements.

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# Statement of Financial Position

For the year ended 30 June 2023

	Note	2023 \$	2022 Restated \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,142,236	515,790
Trade and other receivables	5	210,997	525,012
Inventories	6	-	2,425
Other current assets	7	82,725	18,380
<b>TOTAL CURRENT ASSETS</b>		<b>1,435,958</b>	<b>1,061,607</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	3,941,305	3,870,087
Intangible assets	9	543,764	465,533
Right-of-use assets	10	45,729	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,530,798</b>	<b>4,335,619</b>
<b>TOTAL ASSETS</b>		<b>5,966,757</b>	<b>5,397,227</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	1,285,561	936,309
Employee provisions	12	602,601	632,824
Lease liability		45,725	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,933,887</b>	<b>1,569,134</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	11	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,933,887</b>	<b>1,569,134</b>
<b>NET ASSETS</b>		<b>4,032,870</b>	<b>3,828,093</b>
<b>EQUITY</b>			
Retained surplus		2,231,343	2,026,566
Reserves		1,801,527	1,801,527
<b>TOTAL EQUITY</b>		<b>4,032,870</b>	<b>3,828,093</b>

The accompanying notes form part of these financial statements.

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# Statement of Changes in Equity

For the year ended 30 June 2023

Note	Retained Surplus \$	Revaluation Surplus \$	Total \$
<b>Balance at 1 July 2021</b>	1,827,957	1,103,497	2,931,454
<b>Comprehensive Income</b>			
Surplus for the year attributable to owners of the entity	198,609	-	198,609
Other comprehensive income for the year			
Revaluation of land and buildings	-	698,030	698,030
Total other comprehensive income	-	698,030	698,030
<b>Total comprehensive income attributable to owners of the entity</b>	198,609	698,030	896,639
<b>Balance at 30 June 2022</b>	2,026,566	1,801,527	3,828,093
<b>Balance at 1 July 2022</b>	2,026,566	1,801,527	3,828,093
<b>Comprehensive Income</b>			
Surplus for the year attributable to owners of the entity	204,777	-	204,777
Other comprehensive income for the year	-	-	-
Total other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	204,777	-	204,777
Transactions with owners, in their capacity as owners, and other transfers	-	-	-
<b>Total transactions with owners and other transfers</b>	-	-	-
<b>Balance at 30 June 2023</b>	2,231,343	1,801,527	4,032,870

The accompanying notes form part of these financial statements.

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# Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donations, bequests and raffles		20,081,712	14,456,184
Payments to suppliers and employees		(19,125,493)	(13,831,803)
Interest received		14,725	99
Interest paid		(21,478)	(16,154)
Net cash generated from operating activities		<u>949,467</u>	<u>608,326</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		8,710	8,140
Payment for property, plant and equipment		(203,042)	(394,312)
Payment for intangible assets		(124,528)	(232,962)
Net cash used in investing activities		<u>(318,860)</u>	<u>(619,134)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liabilities		(4,162)	-
Net cash used in financing activities		<u>(4,162)</u>	<u>-</u>
Net increase in cash held		626,446	(10,808)
Cash on hand at beginning of the financial year		515,790	526,598
Cash on hand at end of the financial year	4	<u><u>1,142,236</u></u>	<u><u>515,790</u></u>

The accompanying notes form part of these financial statements.

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# Notes to the Financial Statements

For the year ended 30 June 2023

The financial statements cover Fina Australia Ltd as an individual entity, incorporated and domiciled in Australia. Fina Australia Ltd is a company limited by guarantee, and a not-for-profit organisation registered with the Australian Charities and Not-for-profits Commission Act 2012.

## Note 1 Summary of Significant Accounting Policies

### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements are in Australian Dollars and have been rounded to the nearest dollar.

### Accounting Policies

#### (a) Revenue and Other Income

##### *Operating Grants, Donations and Bequests*

When the entity receives operating grant funding, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the Entity:

- 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 Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

##### *Capital Grant*

When the Entity 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) recognised under other Australian Accounting Standards.

The Entity recognises income in profit or loss when or as the Entity satisfies its obligations under terms of the grant.

##### *Interest income*

Interest income is recognised using the effective interest method.

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

#### (b) Inventories

Inventories held for sale are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

#### (c) Property, Plant and Equipment

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

##### **Freehold Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

# Notes to the Financial Statements

## For the year ended 30 June 2023

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

### Plant and Equipment

Plant and equipment are measured on a cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

### Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5 - 7.5%
Furniture, fixtures and fittings	10 - 66.7%
Motor vehicles	18.7 - 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. Gains are not classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

## (d) Leases

### The Entity as lessee

At inception of a contract, the Entity 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 Entity where the Entity 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 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 commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Entity uses the incremental borrowing rate.

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 Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

# Notes to the Financial Statements

For the year ended 30 June 2023

## Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity has adopted the relief under AASB 2019-8 and measures the right of use assets at cost on initial recognition.

## (e) Financial Instruments

### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

## (f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible 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 asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

## (g) Employee Benefits

### Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as part of current trade and other payables in the statement of financial position.

### Other long-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

## (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) Trade and Other Debtors

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold.

# Notes to the Financial Statements

## For the year ended 30 June 2023

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

### (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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

### (k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

### (l) Intangible Assets Software

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

### (m) Provisions

Provisions are recognised when the entity 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

### (n) Comparative Figures

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

### (o) Critical Accounting Estimates and Judgements

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

#### Key estimates

##### (i) Impairment

The freehold land and buildings were independently valued in 2022 by an independent valuer. The valuation was based on the fair value less costs of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

##### (ii) Useful lives of property, plant and equipment

As described in Note 1(c), the company reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

#### Key judgements

##### (i) Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows (despite an informal internal policy that requires annual leave to be used within 18 months), the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

### (p) Economic Dependence

The Entity is dependent on the Federal and State Government Departments ("Department") for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the Department will not continue to support the Entity.



# Notes to the Financial Statements

For the year ended 30 June 2023

## Note 2 Revenue and Other Income

	2023	2022
Revenue	\$	\$
Revenue from grants:		
— NDIS income	15,994,922	11,054,276
— Continuity of support income	3,100,696	3,290,078
— Wages subsidy	10,909	88,545
— Café income	56,223	151,711
<b>Total revenue</b>	<b>19,162,751</b>	<b>14,584,611</b>
<b>Other Income</b>		
— Interest received on bank accounts	14,725	99
— Gain on disposal of property, plant and equipment	-	1,091
— Other	7,266	34,920
— Donations	78,334	167,501
— Client contributions	581,267	387,667
<b>Total other income</b>	<b>681,592</b>	<b>591,278</b>
<b>Total revenue and other income</b>	<b>19,844,343</b>	<b>15,175,888</b>

## Note 3 Surplus for the Year

	2023	2022
	\$	\$
<b>a. Expenses</b>		
Finance costs:		
— interest expense on financial liabilities	21,478	16,154
Total interest expense	21,478	16,154
Impairment losses on financial assets	-	-
Net loss on disposals		
Employee benefits expense:		
— contributions to defined contribution superannuation funds	1,198,991	789,380
— Wages and salaries	12,506,870	8,995,710
Total employee benefits expense	13,705,861	9,785,090
Rental expense:		
— short-term lease expense	35,184	29,857
Total rental expense	35,184	29,857
Depreciation and amortisation:		
— land and buildings	91,969	66,250
— motor vehicles	39,053	29,679
— furniture and equipment	132,722	91,655
— right of use	4,157	-
Total depreciation and amortisation	267,901	187,584

## Note 4 Cash and Cash Equivalents

	2023	2022
	\$	\$
CURRENT		
Cash at bank	1,142,236	515,790
Total cash on hand as stated in the statement of financial position and statement of cash flows	1,142,236	515,790

## Note 5 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	201,811	516,708
Other receivables	9,186	8,305
Total current accounts receivable and other debtors	210,997	525,012

# Notes to the Financial Statements

For the year ended 30 June 2023

## Note 6 Inventories

	2023 \$	2022 \$
CURRENT		
At cost:		
Inventory	-	2,425
	<u>-</u>	<u>2,425</u>

## Note 7 Other Assets

	2023 \$	2022 \$
Prepayments	82,725	18,380
	<u>82,725</u>	<u>18,380</u>

## Note 8 Property, Plant and Equipment

	2023 \$	2022 \$
<b>LAND AND BUILDINGS</b>		
Freehold land at fair value:		
At independent valuation June, 2022	1,600,000	1,600,000
Accumulated depreciation	(80,000)	(65,075)
Total land	<u>1,520,000</u>	<u>1,534,925</u>

Buildings at fair value:		
At independent valuation June, 2022	2,078,750	2,078,750
Accumulated depreciation	(183,219)	(106,175)
Total buildings	<u>1,895,531</u>	<u>1,972,575</u>
Total land and buildings	<u>3,415,531</u>	<u>3,507,500</u>

### PLANT AND EQUIPMENT

Plant and equipment		
At cost	581,720	469,724
Accumulated depreciation	(378,591)	(313,427)
	<u>203,129</u>	<u>156,297</u>

Furniture, Fixtures and Fittings		
At cost	383,387	380,118
Accumulated depreciation	(310,014)	(296,347)
	<u>73,373</u>	<u>83,772</u>

Motor Vehicles		
At cost	370,703	316,328
Accumulated depreciation	(215,765)	(193,810)
	<u>154,938</u>	<u>122,518</u>

Improvements in progress	94,333	-
Total plant and equipment	<u>525,773</u>	<u>362,587</u>

Total property, plant and equipment	<u>3,941,305</u>	<u>3,870,087</u>
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### Movements in Carrying Amounts

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

	Land \$	Buildings \$	Motor Vehicles \$	Plant and Equipment \$	Total \$
<b>2022</b>					
Balance at the beginning of the year	985,625	1,652,743	119,358	219,865	2,977,591
Additions at cost	122,022	115,330	48,136	95,752	381,240
Disposals	-	-	(15,297)	(823)	(16,120)
Revaluations	906,728	(208,698)	-	-	698,030
Depreciation expense	(41,800)	(24,450)	(29,679)	(74,725)	(170,654)
Carrying amount at the end of the year	<u>1,972,575</u>	<u>1,534,925</u>	<u>122,518</u>	<u>240,069</u>	<u>3,870,087</u>

# Notes to the Financial Statements

For the year ended 30 June 2023

## 2023

Balance at the beginning of the year	1,972,575	1,534,925	122,518	240,069	3,870,087
Additions at cost	-	-	78,874	214,907	293,781
Disposals	-	-	(7,402)	(1,308)	(8,710)
Depreciation expense	(77,044)	(14,925)	(39,053)	(82,831)	(213,853)
Carrying amount at the end of the year	1,895,531	1,520,000	154,938	370,836	3,941,305

## Note 9 Intangible Assets

	2023 \$	2022 \$
Computer software - at cost	593,918	469,391
Accumulated amortisation	(50,154)	(3,858)
Net carrying amount	543,764	465,533

## Movements in Carrying Amount

### 2022

Balance at the beginning of the year	236,428
Additions	232,963
Amortisation charge	(3,858)
	465,533

### 2023

Balance at the beginning of the year	465,533
Additions	124,528
Amortisation charge	(46,296)
	543,764

## Note 10 Right-of-use Assets

The Entity's lease portfolio includes one property. This lease has two years as its lease term.

### i) AASB 16 related amounts recognised in the balance sheet

Right-of-use asset	2023 \$	2022 \$
Leased building	49,886	-
Accumulated depreciation	(4,157)	-
Total right-of-use asset	45,729	-

### Movements in carrying amounts:

Leased buildings:		
Opening balance	-	-
Additions	49,886	-
Depreciation expense	(4,157)	-
Net carrying amount	45,729	-

### ii) AASB 16 related amounts recognised in the statement of profit or loss

	2023 \$	2022 \$
Interest expense on lease liabilities	238	-
Rental payments	4,400	-

## Note 11 Trade and Other Payables

	2023 \$	2022 \$
CURRENT		
Trade payables	164,391	184,514
Other current payables	6,813	934
Accounts held in trust	19,559	32,194
GST and PAYG payable	492,191	383,399
Superannuation payable	406,338	274,347
Revenues in advance	75,922	-
Unspent funds	120,348	60,921
	1,285,561	936,309

# Notes to the Financial Statements

For the year ended 30 June 2023

## NON-CURRENT

Trade payables

-	-
-	-

## Note 12 Provisions

	2023	2022
	\$	\$
CURRENT		
Provision for employee benefits: annual leave	546,786	580,320
Provision for employee benefits: long service leave	55,815	52,505
	<u>602,601</u>	<u>632,824</u>
NON-CURRENT		
Provision for employee benefits: long service leave	-	-
	<u>-</u>	<u>-</u>
	<u>602,601</u>	<u>632,824</u>
<b>Analysis of total provisions:</b>	Employee Benefits	Total
Opening balance at 1 July 2022	632,824	632,824
Net movement in provisions during the year	(30,224)	(30,224)
Balance at 30 June 2023	<u>602,601</u>	<u>602,601</u>

### Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

## Note 13 Contingent Liabilities and Contingent Assets

There were no contingent liabilities or assets identified by the directors as having to be reported at the date of preparation of this report.

## Note 14 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

## Note 15 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

## Note 16 Reserves

### a. Revaluation Surplus

The revaluation surplus records revaluations of non-current assets.

## Note 17 Entity Details

The registered office and place of business of the

FINA Australia

The Hub

30 - 54 Aquatic Centre Drive

BURPENGARY QLD 4510



# Notes to the Financial Statements

For the year ended 30 June 2023

**FINA AUSTRALIA**  
**ABN: 73 534 715 669**  
**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of FINA Australia, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 2 to 13, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - (a) comply with Australian Accounting Standards - Simplified Disclosures applicable to the entity; and
  - (b) give a true and fair view of the financial position of the registered entity as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director



Dated this

6

day of

OCTOBER  
~~September~~

2023

# Directors' Declaration

In accordance with a resolution of the directors of FINA Australia, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 2 to 13, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - (a) comply with Australian Accounting Standards - Simplified Disclosures applicable to the entity; and
  - (b) give a true and fair view of the financial position of the registered entity as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director



Dated this

6

day of

OCTOBER  
~~September~~

2023

# Independent Auditor's Report

## Opinion

We have audited the financial report of FINA Australia (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the registered entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (the ACNC Act), including:

- i. giving a true and fair view of the Registered Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 – AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities 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 Registered Entity in accordance with the auditor independence requirements of the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (including Independence Standards) (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 Registered Entity's 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 the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the ACNC Act 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.

The directors 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 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 is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors 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 directors are responsible for assessing the registered 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 the directors 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

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 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 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:

## **Opinion**

We have audited the financial report of FINA Australia (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the registered entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (the ACNC Act), including:

- i. giving a true and fair view of the Registered Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 – AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities 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 Registered Entity in accordance with the auditor independence requirements of the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (including Independence Standards) (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 Registered Entity's 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 the Directors for the Financial Report**

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the ACNC Act 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.

The directors 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 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 is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors 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 directors are responsible for assessing the registered 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 the directors 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

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 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 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 Registered 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 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 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 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 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.



Auditor's name and signature:

Graeme Shepherd  
Registered Company Auditor No. 15264  
Unit9, Serenity Waters  
123 Brisbane Road  
Mooloolaba QLD 4557

Address:

Dated this

6th

day of

October

2023



Fina is a non-government, not-for-profit, NDIS provider of supported accommodation and respite servicing south-east Queensland (Northern Suburbs, Moreton Bay and Sunshine Coast regions).

SCOPE Inc trading as Fina Australia

*A Community of Care*



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