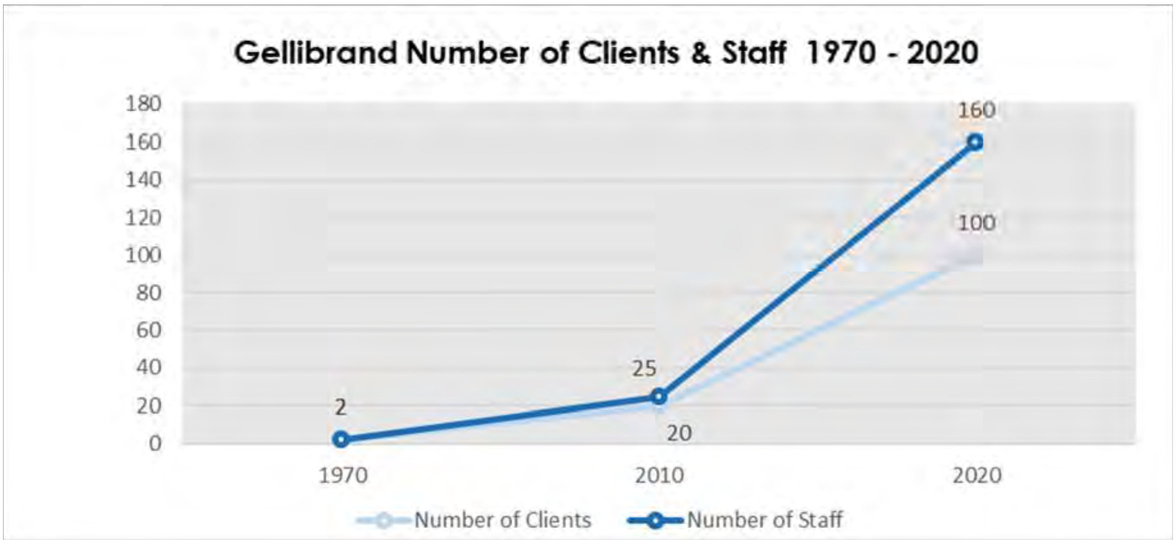
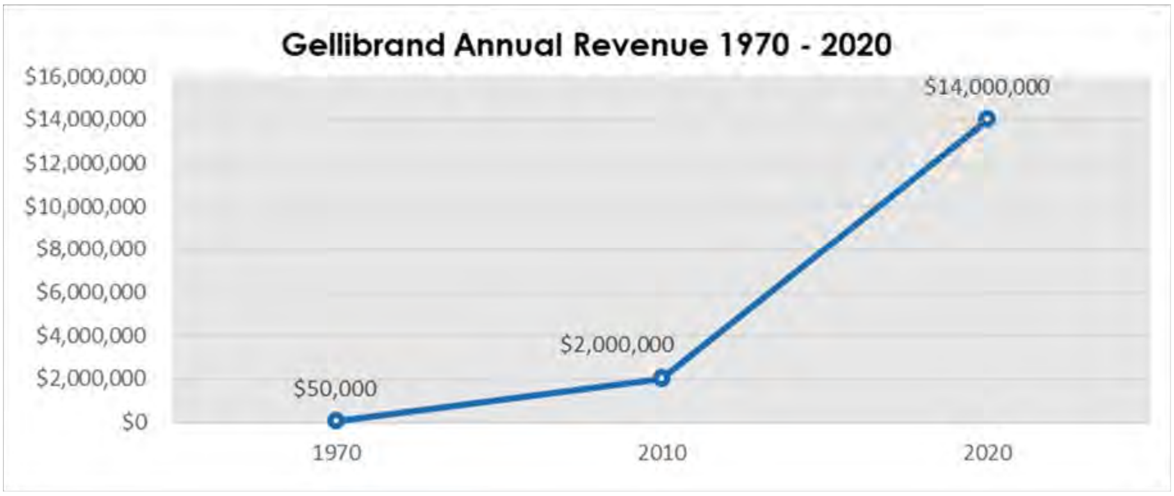
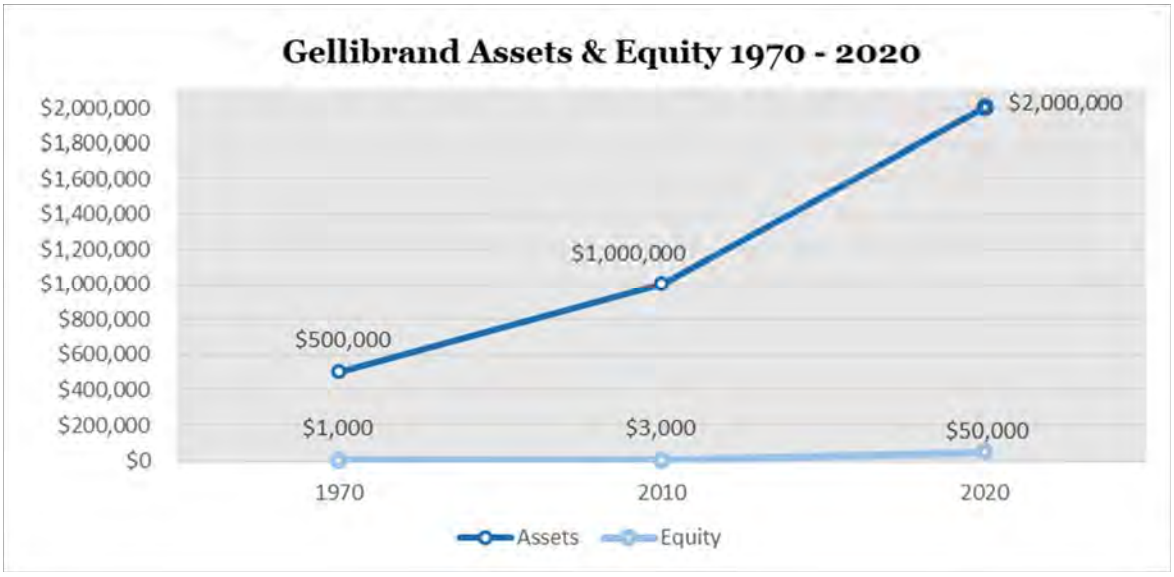
Growth of Gellibrand







Message from the President

It is again a privilege to present the President's annual report for Gellibrand Support Services for 2020. The Committee has worked diligently this year. Ann McGowan has fulfilled the role of Secretary/Public Officer for some 18 months now and we thank her for her work in this role. It with much disappointment that we say goodbye to Ann in this role for the Committee. Ann is looking to enjoy some much-deserved time with her grandchildren. We thank her for her amazing work in fundraising and specifically for our Christmas party. We look forward to her continuing to contribute in this space in the coming years.

As foreshadowed last year, our Treasurer, Shabir Alidina, will be stepping down at the coming Annual General Meeting (AGM). We thank Shabir for his strong contribution and the wonderful work he has done developing reports for the Committee. Shabir leaves us in a strong financial position and we cannot thank him enough for his commitment and energy. I am delighted to advise that Evan Dukas has accepted the role of Treasurer going forward and he will be formally installed at the AGM. Joe Morrison and Elena Ashley have once again provided excellent counsel to the COM as a whole, especially in the vital area of Governance. Luke Hockey has continued to provide the valuable insights to the COM in relation to direct clients supports, these contributions are invaluable.

Obviously, the impact of COVID-19 has been of great significance to the disability sector generally and to Gellibrand in particular. It has forced us to take even greater measures to protect the wellbeing of our clients and team members. The COM has been immensely impressed with the way that Gellibrand, at every level, has met the challenges presented by the pandemic and coped with difficult situations in a thoroughly professional and person-centred way. We cannot thank them enough.

Indeed, for our Clients, the effect of COVID-19 has not all been negative. It has actually created opportunities for Clients to enjoy some additional activities that they, the team members and management have developed together in response to changed conditions. For instance, a recreation shift has been implemented at all sites to support Clients to be more active while their usual programs are restricted.

It is very pleasing that, despite the operational difficulties encountered during the year, Gellibrand recorded a strong surplus for the 2019/20 year. The Treasurer's report provides comprehensive details of all Gellibrand's financial activities. The result reflects the effect of the hard work of management and team members alike and the responsive approach to opportunities that Gellibrand, as a whole, takes.

The passion and commitment of the CEO and the management team to Gellibrand overall and its Clients especially, remain strong. This, together with the dedication of the Committee, are key elements to Gellibrand's continuing success as a respected organisation in the disability field.

These factors will sustain us while we continue to adapt to the additional demands of COVID. It is unfortunate that there will not be a Gellibrand Christmas party this year. This will be felt especially by our Clients but we are very hopeful that we can all celebrate Christmas in July in 2021.

I wish everyone associated with Gellibrand, the Clients and their families, the team members, the management and Committee Members a safe and peaceful holiday season.

This will be my last President's report and I would like to include some reflections on the development of the committee and the organisation over all the years of my involvement. As a retirement project, I have been typing up the diaries I've kept since 1990, and will illustrate my comments with selected quotes.

Message from the President

I have been on the committee of this organisation since the Williamstown Rotary Club decided to use the money it raised through Bingo to build two houses in Williamstown for adults with an intellectual disability forty years ago. I have been President for much of that time.

Initially there was the Rotary Mentally Retarded Persons Centre Committee which negotiated with Council and Victorian Railways to lease land near Williamstown Railway station for a 'peppercorn rental', supervised the design and construction two houses, devised staffing models and policies and selected staff and residents, and changed its name to the more sensitive Urimbirra.

The houses were opened in 1982 and were dedicated to providing a home-like setting for the residents, with a 24-hour "House-parent" model of staffing. There was no paid co-ordinator or office. Management was done by the committee which consisted mainly of Rotarians and relatives of residents. I was a local councillor, a GP and the parent of a young child with a disability.

There have been many changes over the years. The need for a coordinator and an office became apparent. Stephen was appointed and a second-hand caravan was placed in the back yard. Stephen was a strong advocate for residents and staff and was instrumental in getting a proper office built beside the garage in the 1990s. The committee became more broadly-based with community members and people involved in the 'disability field' and more staff were appointed as the staffing model evolved. Christine served as a loved and valued House Supervisor for some years but resigned as a matter of principal when the Committee was not responsive to staff concerns that a newly appointed co-ordinator was not suitable for the position.

Matthew Hoyle had been working as a casual carer while he was a student and in 1995 his commitment and skills in the administrative area were recognized at a time when we were suddenly without a coordinator.

"David Fisher rang. He wanted me to appoint Veronica as acting Co-ordinator and Matthew Hoyle as her Administrative Assistant, pronto. So I did that."

I first saw Matthew in action soon after this when Veronica was on leave and he was Acting-acting Coordinator. A serious and sensitive issue arose in relation to one of the residents and I was very impressed with the mature and thorough way he negotiated this difficult situation.

In May 1995 we made an important decision:

"We accepted position changes, job role statements and salary levels for Veronica and Matthew. I hope to God we've got it right. Parsimonious Treasurers could cost us dearly in every way if we offend and lose Veronica. She has been doing two jobs brilliantly, but she doesn't want to keep doing two jobs, it's too tiring. So Matthew is going to be Co-ordinator/Manager, on an EO's hourly pay rate, and Veronica's going back to House Supervisor, but wanting us to recognise her broader skills and experience by paying her appropriately".

Things were different in those days, and the Hoyle family was by no means the only one with multiple connections with the organisation. Residents had family members on the committee and working in management. Committee members had family members working as carers. Williamstown was a small town and friendships and alliances complicated things further. This made for some interesting meetings and delicate handling of conflict of interest issues.

Message from the President

With young Matthew at the helm, a period of growth and development started, always guided by the evolving mission/vision of providing a high-quality service to people living with a disability.

"The Urimbirra meeting. It was meatier than it often is. Matthew is proposing that we expand by joining CRANA in Altona and we debated that. Not a bad idea, we thought. He's also proposing that we 'package' the salaries of the House Supervisors".

Early in 1997, we made another lovely appointment in Margaret Given.

"Matthew and I did three interviews for the House Supervisor from 3 til 6. We appointed a young woman who has survived 2 years in a very tough, rough CRU in Altona. We hope she'll do well and stay longer than her predecessor did."

And stay she did, growing in passion and competence, as she took on various management roles, but always retaining her contact with the residents.

The committee has also grown and evolved, and is now very conscious of its roles and responsibilities in overseeing the large and complex organisation that is Gellibrand Support Services. The road ahead looks positive and we have a Committee full of energy and ready to tackle everything that comes. I look forward to seeing what the next year brings and working with this group of committed and generous individuals.

It has been a privilege and pleasure and, at times, a challenge, to be part of this organisation for so long, and what has kept me engaged and committed, I think, has been the way Matthew and the management team have guided us to do things 'the Gellibrand way', keeping the welfare of clients as central and promoting the satisfaction of staff by recognising and utilising the special skills they have to offer the organisation.

Mary Burbidge

President

Message from the CEO

It has been a challenging year at Gellibrand, one like we have never seen before. COVID has forced us to think differently in a range of environments and across a range of people. We have rewritten rosters and explored a variety of technologies for maintaining connection for clients to their families and reviewed many of our NHS procedures to ensure compliance with COVID safe practices. Within Gellibrand, we have never had to use words such as donning and doffing stations. It has been a steep learning curve for us but it will take us forward in a helpful way.

I would like to start my report by thanking the Gellibrand team. Gellibrand has been managing the COVID situation since March this year. I have no doubt Gellibrand would not be in the position it is in if it had not been for the flexibility and dedication of the Gellibrand team. I would like to thank each and every person who has gone the extra mile, spent hours working in PPE, been flexible with their rosters and working hours, been patient when sometimes we needed time to figure things out and last but not least, for their ongoing dedication and commitment to the health and safety of the people we support. It has been a year like no other, but it has been a year where I have been humbled and reassured by the dedication shown. COVID is far from over and I ask the Gellibrand team to stay the path, continue to make good choices outside of their work hours, and maintain the current level of commitment to the people we support.

To our Committee of Management who have put in so many extra hours in the last year due to the increased requirements around COVID. I thank you. Your ongoing support and flexibility in meeting the government needs of the organisation remains unquestionable. I would like to especially acknowledge Shabir for his financial acumen and leadership. Also, for the wonderful shape that he leaves our financial reporting and financial situation. Ann McGowan, there are no words for the gratitude that Gellibrand has for all the wonderful work that you have done in relation to our Christmas raffle. We look forward to your ongoing contribution in this area. Both Shabir and Ann have decided this year to step down from our Committee of Management, their contributions will be missed and although I am disappointed, I understand and appreciate the pressures of outside commitments.

This year we undertook our first certification audit under the NDIS. I am pleased to report that we successfully passed with only a few minor nonconformances that require attention. The feedback received from the external auditors as well as families was greatly appreciated and is above and beyond what we could have asked for. External auditors talked about the positive energy that they felt across the organisation. This came from the conversations with families, team members, management and clients. All of our policies and procedures and the level of compliance the Gellibrand has achieved in relation to policy. I would like to thank the families and clients who participated in the audit process and for the feedback we received. All feedback is helpful regardless of whether it is positive or constructive. It was lovely however, when asked for ratings out of 10, some families provided 20's! Gellibrand would never claim to be a perfect organisation but it is certainly a small win for us that some families see the good in what we do.

Message from the CEO

It has been an incredibly difficult year for clients and their families. Gellibrand was required to follow the care facility directions provided by DHHS in relation to managing COVID in all the houses. This has meant that clients and families have not seen each other for many months. I have not and will not underestimate the impact that the separation has had on both families and clients. My hope is that in some small way, we have facilitated connection with the implementation of things such as Google hubs to allow clients to video chat with each other and their families. This, in no way, replaces real connections that come from seeing people in person but I hope will that it has assisted families and clients to stay connected in some small way. To those families who supported their family members to move in to Gellibrand houses during the COVID period, I would like to thank you for your understanding and to acknowledge the difficulty will that this situation has created for you. Supporting a family member to move into supported living is a stressful process under normal circumstances. Then adding COVID restrictions meant that once the family member has moved in, they could not visit which meant that the difficulty compounded considerably. I look forward to a non-COVID time where families and clients can connect again as normal and enjoy each other's company in whatever environments for however long it works for them. I thank every family and every client for their patience and understanding as we have navigated and implemented the required restrictions.

It is hard to imagine what Christmas and New Year looks like under COVID, but I hope that each and every person is able to enjoy the Christmas season with their family and friends in some way. I have no doubt that there are many of us are keen to make it to 2021 and hit reset on what has been a challenging year.

Treasure's Report

I am pleased to present the audited financial statements for the year ended 30 June 2020. For every organisation, the year 2019-20 was unprecedented due to COVID19 challenges. The team at Gellibrand demonstrated remarkable resilience and continued to provide services with outstanding commitment throughout the year.

The financial accounts were audited by Gellibrand's independent auditors Collins & Co Audit Pty Ltd and found to be true and fair. Gellibrand has a consistent process for the monthly review of its financial accounts consisting of review by the Finance Committee and the Committee of Management.

The year 2019-20 operations resulted in a surplus of $1.78 Million or 11.3% of revenue. The revenue includes a one-time COVID19 Government Assistance of $647K, and therefore ordinary surplus is $1.13 Million or 7.5% of revenue. The comparative surplus for the financial year ended 30 June 2019 was $786K or 7.1% of revenue.

Revenue

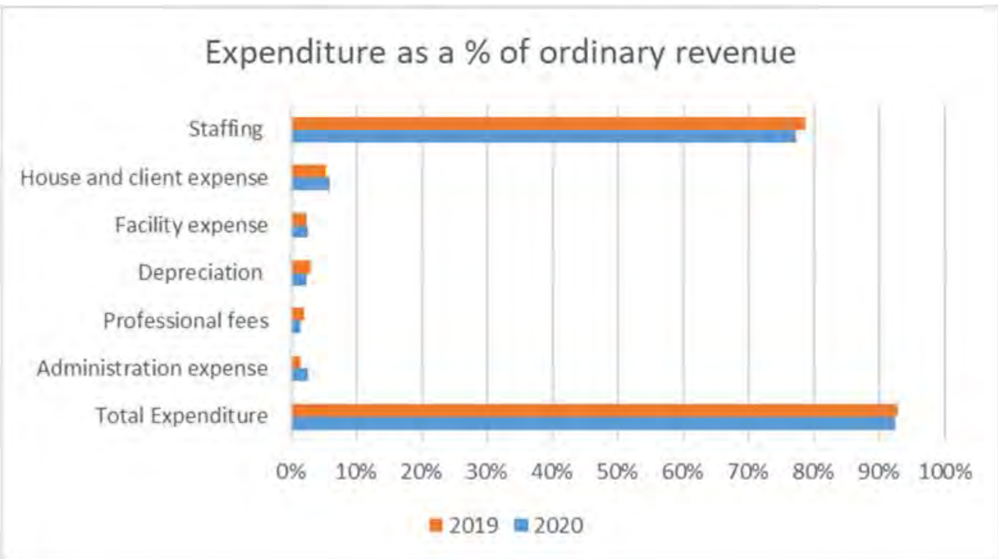
The total revenue for the year was $15.72M, including Government Assistance. The ordinary revenue without the Government Assistance was $15.07M, which increased 36% over the previous year. The increase in revenue is mainly because new houses commenced during the year and growth in packages across all services.

The primary source of revenue during the year was NDIS packages for clients.

Expenditure

The total expenditure of Gellibrand for the year was $13.94M representing an increase of 35% from the previous year. This increase is in line with a revenue increase of 36%. Overall expenditure for the year as a percentage of ordinary revenue was 92.51% compared to 92.91% for the previous year.

The graph below shows a comparison of the percentage of expenses to revenue from 2018-19 to 2019-20. Staffing and overall expenditure are better than the previous year, leading to excellent cost management despite the year's challenges.



Treasurer's Report

Capital expenditure

During the year, Gellibrand spent $510K on capital expenditure, the main share being $243K in IT Equipment and systems, $100K in motor vehicles, and $167K in Furniture and Equipment. The expenditure demonstrates Gellibrand's commitment to continued investments in technology and infrastructure to provide the right tools and equipment to provide an outstanding service to our clients. Compared to the previous year, Gellibrand has spent an additional 1% of revenue towards regular up-keep of houses and providing excellent services to our clients.

Working capital

The cash and bank balance of 30 June 2020 is at $5.70 million compared to $2.96M for the previous year. The net working capital (current assets less current liabilities) was $3.4M compared to $1.5M in the prior year. The current ratio is 2.14 compared to 1.71 for the previous year. The minimum benchmark for the current ratio is 1 (i.e. current assets = current liabilities) which shows that Gellibrand has far exceeded its ability to meet its financial commitments.

Equity

Gellibrand's Equity (all assets minus all liabilities) as of 30 June 2020 is $3.4M compared to $1.63M previous year, and the increase is due to outstanding surplus generated during the year. A healthy equity position allows the Committee of Management to allocate funds for further enhancement of facilities and resources and grow Gellibrand services to be of value to our community.

Please refer to the attached audited financial statements for a detailed review of our results.

I want to thank the Committee of Management and the Finance Committee for their support to the finance team, the management team for their resilience and support during this challenging year, and the entire Finance team to keep up with the excellent work.

I would also like to thank Gellibrand families for their continued support and commitment to our operations and our funders NDIA, DHHS & ATO to prompt allocation and disbursement of funding to Gellibrand during the year 2019-20.

Shabir Alidina
Treasurer

GELLIBRAND SUPPORT SERVICES INC.

ABN 16 025 675 584

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584

CONTENTS	**PAGE**

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
COMMITTEE'S REPORT

The Committee of Management present their report on Gellibrand Support Services (Gellibrand) for the financial year ended 30 June 2020.

Committee Members

The names of Committee of Management Members in office during the financial year and up to the date of this report are:

Name	**Portfolio**
Ms M. Burbidge	Chair of the Committee of Management (COM) Member of the Remuneration Committee
Ms A.McGowan	Member of the COM Member of the Remuneration Committee Acting Secretary
Ms E Ashley	Member of the COM Member of the Governance Committee
Mr J Morrison	Member of the COM Chair of the Governance Committee Member of the Finance & Risk Committee
Mr S Alidina	Treasurer of the Committee of Management Chair of the Finance & Risk Committee
Mr L Hockey	Member of the COM Member of the Finance & Risk Committee

Principal Activities

The principal activity of the entity during the financial year was:

The provision of residential care for individuals with disabilities to pursue a quality of life and dignified lifestyle choices available in the general community.

Significant Changes

No significant changes in the nature of the entity’s activity occurred during the financial year.

Operating Results

The surplus for the year attributable to the entity amounted to $1,776,131 (2019: $785,853 - surplus).

Significant Changes in State of Affairs

No significant changes in the entity's state of affairs occurred during the financial year.

Signed in accordance with a resolution of the Members of the Committee.

President:

Ms M. Burbidge

Treasurer

Mr S Alidina

Dated this day of October 2020

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 $	2019 $
REVENUE			
DHS Grants		1,235,827	7,268,241
National Disability Insurance Scheme (NDIS) Income		13,254,098	3,128,989
Other Income	**2**	1,207,011	647,530
Interest Received		21,254	34,609
TOTAL REVENUE		**15,718,190**	**11,079,369**
EXPENDITURE			
Administration Expenses		386,244	154,616
Amortisation & Depreciation Expenses		354,267	343,095
Equipment < $1,000		83,498	60,855
Insurance		6,204	5,885
Household Expenses		378,988	232,971
Professional Fees		216,547	215,681
Repairs & Maintenance		122,452	34,490
Resident Expenses		180,311	70,092
Salary Expenses		11,440,668	8,613,781
Staff Expenses		169,475	60,543
Staff Training		52,962	40,968
Transportation Expenses		269,769	221,742
Utilities Expenses		280,674	238,797
TOTAL EXPENDITURE		**13,942,059**	**10,293,516**
Net Surplus/(Deficit) Attributable to the Association		**1,776,131**	**785,853**

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	2020 $	2019 $
Net Surplus/(Deficit) Attributable to the Association	**1,776,131**	**785,853**
Other Comprehensive Income for the Year	-	-
Total Comprehensive Income for the Year	1,776,131	785,853
Total Comprehensive Income Attributable to the Association	**1,776,131**	**785,853**

The income statement is to be read in conjunction with the audit report and the notes to the financial statements.

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	5,706,872	2,957,801
Trade and other receivables	4	654,174	491,984
Other current assets	4	64,118	128,358
TOTAL CURRENT ASSETS		**6,425,164**	**3,578,143**
NON CURRENT ASSETS			
Property, plant and equipment	5	2,352,005	2,188,029
Intangible assets	6	141,820	-
TOTAL NON-CURRENT ASSETS		**2,493,825**	**2,188,029**
TOTAL ASSETS		**8,918,989**	**5,766,172**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	1,910,919	799,385
Provisions	8	1,029,331	1,286,065
Lease liabilities	10	60,081	-
TOTAL CURRENT LIABILITIES		**3,000,331**	**2,085,450**
NON-CURRENT LIABILITIES			
Provisions	8	820,227	435,425
DHHS Equity Interest in Honey Grove Property	9	1,611,411	1,611,411
Lease liabilities	10	77,003	-
TOTAL NON-CURRENT LIABILITIES		**2,508,641**	**2,046,836**
TOTAL LIABILITIES		**5,508,972**	**4,132,286**
NET ASSETS		**3,410,017**	**1,633,886**
EQUITY			
Accumulated funds		3,410,017	1,633,886
TOTAL EQUITY		**3,410,017**	**1,633,886**

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Accumulated funds $	Total $
Original Balance as at 1 July 2018	848,033	848,033
Surplus/(Deficit) Attributable to the Association	785,853	785,853
Balance as at 30 June 2019	**1,633,886**	**1,633,886**
Surplus/(Deficit) Attributable to the Association	1,776,131	1,776,131
Balance as at 30 June 2020	**3,410,017**	**3,410,017**

The statement of changes in equity is to be read in conjunction with the audit report and the notes to the financial statements.

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from rent, operations and grant funding		16,682,544	10,870,509
Receipts from other income		1,530	615
Payments to employees and suppliers		(13,396,739)	(9,661,489)
Interest received		21,254	34,609
Net cash generated from/(used in) operating activities	**11**	**3,308,589**	**1,244,244**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(546,455)	(269,457)
Proceeds from Sale of Property, Plant and Equipment		37,946	15,590
Net cash (used in)/provided by investing activities		**(508,509)**	**(253,867)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(51,009)	-
Net cash generated from/(used in) financing activities		**(51,009)**	**-**
Net increase/(decrease) in cash held		2,749,071	990,377
Cash and cash equivalents at beginning of financial year		2,957,801	1,967,424
Cash and cash equivalents at end of financial year	**3**	**5,706,872**	**2,957,801**

The statement of cash flows is to be read in conjunction with the audit report and the notes to the financial statements.

Note 1. Statement of Significant Accounting Policies

This financial report includes the financial statements and notes of the Gellibrand Support Services Inc., an incorporated association, which is incorporated in Victoria under the Associations Incorporation Reform Act 2012.

Basis of preparation

Gellibrand Support Services Inc. applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 201 0-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards- Reduced Disclosure Requirements of the Australian Accounting Standards Board, the *Australian Charities and Not for Profits Commission Act* 2012 and the *Associations Incorporation Reform Act* (Victoria) 2012. The association is a not-for-profit association for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, 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 have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The Association is exempt from paying income tax under the *Income Tax Assessment Act* 1997.

b. Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the 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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Note 1. Statement of Significant Accounting Policies *(continued)*

b. Property, Plant and Equipment *(continued)*

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Depreciation on motor vehicles has been provided on the diminishing balance method. Depreciation on the carrying amount of a revalued depreciable asset is determined by the remaining useful life of that asset.

The depreciation rates used for each class of asset are:

Class of Fixed Asset	Depreciation Rate
Property, Plant and Buildings	5%
Furniture and Fittings	15%
Motor Vehicles	23%
Computers	33%
Office Equipment	25%

The carrying amount of property, plant and buildings is reviewed annually by management to ensure it is not in excess of the recoverable amount from those assets. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Computer software is accounted for in accordance with AASB 138 intangible Assets. Software is recognised at cost less accumulated amortisation, which is calculated at rates based on the estimated life of the relevant assets.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the comprehensive income statement.

Maintenance and Repairs

The cost of repairs and maintenance is charged as an expense as it is incurred, except where the replacement of a component of an asset changes the nature of the asset, in which case the costs are capitalised and depreciated in accordance with note (b). Other routine operating maintenance, repair and minor renewal costs are also charged as expenses as incurred

Note 1. Statement of Significant Accounting Policies *(continued)*

c. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from fees charged for care provided to residents is recognised upon the delivery of the service to the customers.

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

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entitie

The activities of Gellibrand are supported by grants received from federal and state governments.

The mandatory date of adoption for AASB 15 and AASB 1058 was 1 January 2019. The Association has elected to apply the modified retrospective approach allowable under the Standard, reflecting the cumulative impact arising from adoption (if any) as an adjustment to opening accumulated surplus at 1 January 2019. As a result, comparative financial information has not been restated.

AASB 15 involves the use of a five-step recognition model for recognising revenue, the steps are:

Step 1 – Identify the contract with the customer
Step 2 – Identify the sufficiently specific performance obligations to be satisfied
Step 3 – Measure the expected consideration
Step 4 – Allocate that consideration to each of the performance obligations in the contract
Step 5 – Recognise revenue

AASB 1058 measures income by reference to the fair value of the asset received. The asset received, which could be a financial or non-financial asset, is initially measured at fair value when the consideration paid for the asset is significantly less than fair value, and that difference is principally to enable the entity to further its objectives. Otherwise, assets acquired are recognised at cost.

Where the asset has been measured at fair value, AASB 1058 requires that elements of other Accounting Standards are identified before accounting for the residual component. These standards are:

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 1004 Contributions
- AASB 137 Provisions, Contingent Liabilities & Contingent Assets
- AASB 9 Financial Instruments

Interest Revenue

Interest revenue is recognised when the association obtains control over the funds which is generally at the time of receipt.

Donations

Donation income is recognised when the association obtains control over the funds which is generally at the time of receipt.

Note 1. Statement of Significant Accounting Policies *(continued)*

c. Revenue Recognition (*continued*)

National Disability Insurance Scheme

NDIS incorporates the following claims:

- Supported Independent Living (SIL)
- Independent Support Package (ISP)
- Support Co-ordination (SC)

Revenue from NDIS is recognised on accrual basis

d. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

A bank overdraft facility is used on occasions and interest is recognised as an expense as it accrues.

e. Employee Entitlements

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 settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

f. 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.

g. Comparative Figures

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

h. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Note 1. Statement of Significant Accounting Policies *(continued)*

i. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

j. Trade receivables

All trade receivables are recognised at their fair value amounts receivable less provision for doubtful debts. The ability to collect trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

k. Cash Flow Statement

For the purpose of the cash flow statement, cash includes cash on hand, bank and money market investments, readily convertible to cash, net of outstanding bank overdrafts and short term cash borrowings.

l. Segment Information

Gellibrand is a non-profit organisation operating in the market for residential care of adults with a disability in Victoria.

m. Economic Dependence

The association is dependent on the Department of Human Services and the National Disability Insurance Scheme (NDIS) for the majority of its revenue used to operate the business. At the date of this report, the Committee has no reason to believe that the funding bodies will not continue to support the association.

n. Leased Assets

For any new contracts entered on or after 1 July 2019, the Association considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration’. To apply this definition the Association assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Association

- the Association has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

- the Association has the right to direct the use of the identified asset throughout the period of use.

The Association assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Statement of Significant Accounting Policies ***(continued)***

Measurement and recognition of leases as a lessee

At lease commencement date, the Association recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Association, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Association depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Association also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Association measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Association's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Association has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Accounting for Leases under AASB 16

The adoption of this new Standard has resulted in the Association recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting AASB 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

For contracts in place at the date of initial application, the Association has elected to apply the definition of a lease from AASB 117 and has not applied AASB 16 to arrangements that were previously not identified as lease under AASB 117.

The Association has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of AASB 16, being 1 January 2019. At this date, the Association has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Association has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of AASB 16.

Statement of Significant Accounting Policies *(continued)*

Accounting for Leases under AASB 16 (*continued*)

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets the Association has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straightline basis over the remaining lease term.

For those leases previously classified as finance leases, the right-of-use asset and lease liability are measured at the date of initial application at the same amounts as under AASB 117 immediately before the date of initial application.

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 5%.

The Association has benefited from the use of hindsight for determining the lease term when considering options to extend and terminate leases.

o. Key Estimates

(i) Impairment

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

p. Key Judgements

(i) Provision for Impairment of Receivables

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable from members in relation to unpaid memberships. The committee has made no provision for impairment due to doubtful debts.

q. New, Revised or Amending Accounting Standards and Interpretations Adoptec

The Association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Association.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The Board of Committee Members has elected not to early adopt any of the new and amended pronouncements.

	2020 $	2019 $
Note 2. Other Income		
Resident Rent	563,791	650,223
Donation Income	1,530	615
COVID-19 Government Assistance Payments	647,500	-
Gain/(Loss) on Disposal of Assets	(5,810)	(3,308)
	1,207,011	647,530
Note 3. Cash and Cash Equivalents		
Cash on Hand	40,223	22,659
Cash at Bank	4,352,640	1,636,981
Cash on Term Deposit	1,314,009	1,298,161
	5,706,872	2,957,801
Note 4. Trade and Other Receivables		
Trade Receivables	664,493	520,712
Less Provision For Doubtful Debts	(10,319)	(28,728)
	654,174	491,984
Prepaid Expenses	47,279	52,486
Other Receivables	10,642	210
Accrued Income	5,742	75,207
Supplier Advance Payment	455	455
	64,118	128,358
	718,292	620,342
Note 5. Fixed Assets		
Property, Plant And Equipment At Cost	3,507,926	3,421,369
Less Accumulated Depreciation	(2,010,791)	(1,867,182)
	1,497,135	1,554,187
Furnitures And Fittings - At Cost	423,426	342,857
Less Accumulated Depreciation	(198,156)	(151,105)
	225,270	191,752
Computers And Equipment - At Cost	467,407	223,620
Less Accumulated Depreciation	(192,653)	(122,465)
	274,754	101,155
Motor Vehicles - At Cost	947,236	1,008,877
Less Accumulated Depreciation	(592,390)	(667,942)
	354,846	340,935
Total property, plant and equipment	2,352,005	2,188,029

Note 5. Property, Plant and Equipment *(continued)*

(b) Reconciliation of movement in carrying values

	Property, Plant and Equipment	Furnitures and fittings	Computer and Office Equipment	Motor Vehicles	Total Property, Plant and Equipment
Written down value at 1 July 2018	**1,725,255**	**226,171**	**75,992**	**255,148**	**2,282,566**
Additions	-	10,953	65,241	193,263	**269,457**
Disposals	-	-	-	(20,899)	**(20,899)**
Depreciation expense	(171,068)	(45,372)	(40,078)	(86,577)	**(343,095)**
Written down value at 30 June 2019	**1,554,187**	**191,752**	**101,155**	**340,935**	**2,188,029**

	Property, Plant and Equipment	Furnitures and fittings	Computer and Office Equipment	Motor Vehicles	Total Property, Plant and Equipment
Written down value at 1 July 2019	**1,554,187**	**191,752**	**101,155**	**340,935**	**2,188,029**
Additions	86,558	80,570	243,793	135,534	**546,455**
Disposals	-	-	-	(35,549)	**(35,549)**
Depreciation expense	(143,610)	(47,052)	(70,194)	(86,074)	**(346,930)**
Written down value at 30 June 2020	**1,497,135**	**225,270**	**274,754**	**354,846**	**2,352,005**

Note 6. Intangible Assets

	Leased Properties	Leased Equipment	Leased Motor Vehicles	Total Right of Use Assets
Written down value at 1 July 2019	**-**	**-**	**-**	**-**
Additions	59,454	17,144	90,882	**167,480**
Disposals	-	-	-	**-**
Depreciation expense	(20,726)	(340)	(4,594)	**(25,660)**
Written down value at 30 June 2020	**38,728**	**16,804**	**86,288**	**141,820**

		2020 $	2019 $
Note 7.	**Trade and Other Payables**		
	Trade & Other Creditors	281,081	122,794
	Grants and Donation for Special Purposes	1,321,668	260,799
	Other Credit Accounts	308,170	415,792
		1,910,919	799,385
Note 8.	**Provisions**		
	Current		
	Annual Leave Provision	474,107	416,714
	Disability Leasing Model	128,220	98,709
	ISP Provision	38,646	26,985
	Long Service Leave Provision	388,358	743,657
		1,029,331	1,286,065
	Non-current		
	Long Service Leave Provision	820,227	435,425
		820,227	435,425

Note 9. DHHS Equity Interest in Honey Grove Property

The Honey Grove property is in the name of Gellibrand, but the Department of Health and Human Services has an interest (approx. 85.65%) in the property equal to their contribution to the initial cost as shown below:

		2020 $	2019 $
	Non-current		
	DHHS Equity Interest	1,611,411	1,611,411
		1,611,411	1,611,411
Note 10.	**Leased Liabilities**		
	Current		
	Leased Premises	34,768	-
	Leased Equipment	3,293	-
	Leased Motor Vehicles	22,020	-
		60,081	-
	Non-current		
	Leased Premises	63,152	-
	Leased Equipment	13,851	-
	Leased Motor Vehicles	-	-
		77,003	-

Note 11. Notes to the Statement of Cash Flows

Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax

Net Surplus/(Deficit) Attributable to the Association	1,776,131	785,853
Non-cash flow items:		
Depreciation	354,267	343,095
Gain/(Loss) on Disposal of Assets	5,810	3,308
Doubtful Debts	10,319	28,728
Changes in assets and liabilities:		
- (Increase)/Decrease in Trade Receivables	(143,781)	(381,113)
- (Increase)/Decrease in Other Assets & Receivables	64,240	(14,810)
- Increase/(Decrease) in Trade And Other Payables	52,666	65,287
- Increase/(Decrease) in Income Received In Advance	1,060,869	218,979
- Increase/(Decrease) in Provisions	128,068	194,917
	3,308,589	1,244,244

Cash and cash equivalents at end of financial year

Cash on Hand	40,223	22,659
Cash at Bank	4,352,640	1,636,981
Cash on Term Deposit	1,314,009	1,298,161
	5,706,872	2,957,801

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the Committee the financial report as set out on pages 2 to 16:

1. Presents a true and fair view of the financial position of Gellibrand Support Services Inc. as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards.

2. At the date of this statement, there are reasonable grounds to believe that Gellibrand Support Services Inc. will be able to pay its debts as and when they fall due.

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

President

____
Ms M. Burbidge

Treasurer

____
Mr S Alidina

Dated this day of October 2020

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion
I have audited the accompanying financial report of Gellibrand Support Services Inc., which comprises the statement of financial position as at 30 June 2020, the income statement and statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the members of the Board.

In my opinion, the financial report of the Association is in accordance with the *Australian Charities and Not for Profits Commission Act* 2012 and the *Associations Incorporation Reform Act* 2012 (Victoria), including:

i. giving a true and fair view of the Association’s financial position as at 30 June 2020 and of its performance for the year ended; and

ii. complying with Australian Accounting Standards as per Note 1, the Australian Charities and Not for Profits Commission Act 2012 and the Associations Incorporation Reform Act 2012.

Basis for Opinion
I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. I am independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report
Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association’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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association’s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 responsible entities.

Conclude on the appropriateness of the 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 controls that I identify during my audit.

Name of Auditor: Frederik R. L. Eksteen

Address: Collins & Co Audit Pty Ltd
127 Paisley Street
Footscray VIC 3011

Date:

GELLIBRAND SUPPORT SERVICES INC.
ABN 16 025 675 584
CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, **Ms M Burbidge** and I, **Mr S Alidina** hereby certify that:

(a) We are members of the committee of the Gellibrand Support Services Inc..

(b) We attended the annual general meeting of the association held on 2020.

(c) We are authorised by the attached resolution of the committee to sign this certificate.

(d) The annual statements for the year ended 30 June 2020 were submitted to the members of the association at the annual general meeting.

Chairperson ______________________________
Ms M. Burbidge

Treasurer ______________________________
Mr S Alidina

Dated this day of 2020