

Spinal Cord Injuries Australia

ABN: 93 001 263 734

Financial Statements

For the Year Ended 30 June 2021

Spinal Cord Injuries Australia

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For the Year Ended 30 June 2021

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Spinal Cord Injuries Australia

Directors' Report 30 June 2021

The directors present their report on Spinal Cord Injuries Australia for the financial year ended 30 June 2021.

Directors

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

Names	Position	Appointed/Resigned	Director since
Christine Tink *	President		2016
Michael Gerard Rabbitt *	Chairman		2017
Brett Stevenson *	Director	Resigned November 2020	
Chris Nicholls *	Director		2017
David Ham *	Director	Appointed November 2020	2020
George Panos	Director		2019
Glen Davis	Director		2020
Leesa Addison	Director		2019
Michelina Pelosi *	Director	Appointed November 2020	2020
Paul Crake *	Director		2018
Robert Vander Kraats *	Director	Resigned November 2020	
Stewart Calderwood	Director		2012
Shirley Carpenter	Company Secretary		2020

* Denotes a person with disability

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

Principal activities

The principal activity of Spinal Cord Injuries Australia during the financial year was the provision of a range of services designed to maximise personal independence for all members and clients.

No significant changes in the nature of the Organisation's activity occurred during the financial year.

Spinal Cord Injuries Australia

Directors' Report

30 June 2021

Strategy for achieving the objectives

Organisational Strategy

We have continued to work on our organisational strategy which was launched in late 2019. Our organisational purpose is "To create a world where people with spinal and neuro conditions and their loved ones thrive". To deliver on our purpose, our strategy is focused on "Delivering a better today" and "Building a better tomorrow". This is underpinned by six pillars:

- Freedom to choose
- A place to call home
- Meaningful work
- Care for my wellbeing
- Create an inclusive future
- Pioneer the evidence

We are pleased with our progress and achievements in several critical initiatives. The following highlights the key initiatives and achievements for 2020/21:

- We were successful in receiving grant funding to expand our Inclusive Employment Service which promotes and supports the employment of people with physical disabilities as well as bringing in new contract work to our disability social enterprise. This service also expanded with new employment partners signing up to the service.
- Our Peer and Family support service was successful in receiving a grant to start the service in the Australian Capital Territory.
- We were successful in tendering to run the Centralised Booking Service for Wheelchair Accessible Taxis in the Sydney metropolitan area. This is a new disability social enterprise and is a contracted service for Transport for NSW.
- All services have expanded in terms of revenue and client numbers. We have also expanded the number of clients supported across both spinal and neurological conditions.
- Work was undertaken to strengthen governance across our organisation. The Clinical Governance and Research frameworks were fully implemented with a new Clinical Governance and Research Board Sub Committee now in operation. This committee has consumer representatives, external specialists as well as lived experience on the committee. Significant work also continued enhancing our critical incident management and general risk management processes across the organisation and at the Board level.
- We upgraded and enhanced our core technology platforms. We completed the upgrade to SharePoint, replaced several old devices, transitioned to a new outsourced Help Desk provider (Cubesys), completed our Hardware Remediation, and upgraded our Finance System to WIISE.
- Asset management was a key focus and implementation of the Asset Management Plan. All NeuroMoves sites had their upgrades and branding completed. All SCIA sites had risk assessments conducted and emergency management plans reviewed and developed. We relocated two Sydney NeuroMoves sites to new enhanced "hub" sites which has doubled the capacity from the previous sites. We also expanded and opened a new shared office space in Melbourne.
- COVID impacted on the progress of making significant gains in reducing our back-office expenditure throughout the year. Significant changes were made to our processes for our Plan Management service which has seen improved payment timeframes.

How principal activities assisted in achieving the objectives

The principal activities assisted the Organisation in achieving its objectives through the alignment of each departments and individual's performance plans to the strategic plan, with individual and departmental key performance indicators.

Performance measures

The following measures are used within the Organisation to monitor performance:

- Key performance measures at the departmental level, appropriate to the needs of each department.
- Key performance measures at the individual level, flowing from the departmental measures.
- Social Return on Investment, to measure the social value being created through each program area.

Spinal Cord Injuries Australia

Directors' Report

30 June 2021

COVID Response

Management of COVID continued throughout 2020/21. Formal COVID policies and plans were developed and reviewed as the restrictions and the various government policies changed across Australia. As SCIA is a national organisation there was ongoing monitoring and adjustments to our policies and processes and many COVID Safe plans and work practices developed.

A structured governance approach was developed in the early stages of the pandemic which has been beneficial and allowed SCIA to manage COVID, keep our clients and staff safe while maintaining our focus on our organisational strategy. We also supported our members through webinars, ongoing communications, and distribution of relevant and appropriate COVID material to assist both our members and clients in knowing where the most appropriate information sources were. We also ran several Well Being sessions for members and clients and conducted member check ins.

All staff were consulted and engaged on a regular and ongoing basis. A separate COVID section was implemented on our Intranet, the CEO conducted regular All Staff virtual updates (on most occasions weekly) and there was a weekly update in our weekly staff newsletter.

All offices and sites were modified with COVID Safe work practices, increased cleaning, and additional PPE. Our NeuroMoves service implemented telehealth when we were required to close our physical sites. In the latest rounds of lockdowns NeuroMoves were considered an essential service so we have been able to keep our sites open for some clients and have adopted extensive safe work practices to ensure our clients and staff were safe. This has made a positive difference to clients as well as improved the morale for our staff.

All services have been able to continue to operate either from staff working from home or modifying the safe work practices to allow them to either work from their respective offices or to work directly with clients. The focus on enhancing our technology platforms and infrastructure has in large part allowed this to happen. It's been a very positive example of how we can continue to be agile and operate our services.

Despite COVID we have seen significant revenue growth against the previous year, which was also heavily affected by COVID restrictions. SCIA were eligible for Job Keeper support for the period of March 2020 to September 2020 based on the eligibility criteria which measured the impact of COVID on the performance of the organisation.

COVID has, however, delayed some of the activities we were going to implement to manage our back-office costs. This work is being prioritised for 2021/22. We have also found that the annual leave liability has increased as staff have not been taking their scheduled annual leave due to the COVID restrictions. As COVID remained for the full financial year we are implementing a new Leave Policy which will be effective from the new financial year to reduce the annual leave liability to a more acceptable level.

Meetings of directors

During the financial year, 9 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Christine Tink *	9	8
Michael Gerard Rabbitt *	9	9
Brett Stevenson *	4	2
Chris Nicholls *	9	8
David Ham *	5	5
George Panos	9	9
Glen Davis	9	9
Leesa Addison	9	9
Michelina Pelosi *	5	5
Paul Crake *	9	8
Robert Vander Kraats *	4	1
Stewart Calderwood	9	8

Spinal Cord Injuries Australia

Directors' Report

30 June 2021

Members' guarantee

Spinal Cord Injuries Australia is registered under the Australian Charities and Not-for-profit Commission Act 2012 and is an entity limited by guarantee. If the organisation is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards any outstanding obligations of the organisation. At 30 June 2021 the number of members was 2,923 (2020: 2,587).

At 30 June 2021 the collective liability of members was \$ 58,460 (2020: \$ 51,740).

Director information

Christine Tink *

Experience

President

Christine is the owner of an Australia-wide interiors and homewares business, selling to retail customers online; and directly to commercial customers. With a lifelong career in the fashion trade, and currently employing over twenty staff, Christine is fully engaged with the needs of modern business. A motor vehicle accident in 2008 left her with a C4/C5 spinal cord injury.

Michael Gerard Rabbitt *

Experience

Chairman

Michael has an extensive corporate career in the insurance industry at IAG and NRMA, which gives him a strong understanding of the needs of member-based organisations. His wealth of experience includes managing profitable portfolios, leading teams of people and developing and implementing strategy. Michael became a paraplegic as a result of a compensable work accident in 1992.

Brett Stevenson *

Experience

Director

Brett has owned and run an independent business offering grain marketing and price risk management services to Australian farmers for over twenty years. Longterm committed client partnerships are the core of the business. Prior to that he spent time with Dalgety in commodity futures, and financial markets with ANZ, Midland and Swiss Bank Australia. Brett's spinal cord injury, resulted in C5/C6 incomplete quadriplegia.

Chris Nicholls *

Experience

Director

Chris owns and manages an accessibility consultancy, occupational therapy service, and a start-up rehabilitation platform that utilises sensor technology. He has also held numerous management roles and worked at SCIA for ten years, has a background in IT, and is a current Board Member at Wheelchair Sports NSW. Chris is a T6 paraplegic after a motorcycle accident.

David Ham *

Experience

Director

David is owner operator of "Nundi", an 850 Ha wool-growing property located at Oberne Creek in NSW. He is a high functioning incomplete quadriplegic following a bicycle accident in 2017 resulting in a spinal cord injury to C3/C4. He has strong interests in sailing his International Flying Dutchman Class dinghy and continues cycling on a recumbent tricycle. He is also the deputy captain of the local RFS brigade. David has a particular interest in the challenges facing people living with disability in regional Australia.

Directors' Report

30 June 2021

Director information

George Panos

Experience

Director

George is currently the CEO of a global design and environment practice, and a former CFO of an Architectural and Design practice. He has extensive business, commercial and operational experience across several industries. George previously worked for companies such as PwC, CSR, GUD group and Boral. He is a qualified accountant, lawyer and has completed a MBA.

Glen Davis

Experience

Director

Glen is Professor of Clinical Exercise Sciences at the University of Sydney, where he is also Director of the Clinical Exercise and Rehabilitation Unit within the Sydney School of Health Sciences. His main research and innovation activities are to deploy novel assistive technologies, surveillance technologies and other medical devices to clinical populations to improve 'dose-potency' of exercise for health, fitness and functional outcomes in these populations. He has a particular focus on the use of functional electrical stimulation (FES) and robotic technologies, including neuroprostheses, for individuals with spinal cord injury and stroke, to improve their quality of life.

Leesa Addison

Experience

Director

Leesa is a digital product and business transformation consultant, former Chief Information Officer and senior executive with 25 years' experience working in technology and innovation. She has worked as a CIO for both membership and disability organisations, with broad experience working across all types of business structures and sizes. She assists organisations to identify and develop new products and solutions and builds technology environments focussed on transforming business models, operating environments and managing enterprise risk.

Michelina Pelosi *

Experience

Director

Michelina has worked in a variety of roles and industries from administration to marketing and in recent years also training and public speaking. Michelina has owned her own bridal business and worked for organisations including Qantas, SC Johnson, TAFE NSW, PBF Australia and more recently Total Ability and SDA Liveable Homes. Michelina has also worked for SCIA providing peer support. Michelina has travelled extensively promoting a lived experience to empower and encourage people with disability to live a life unbroken. She sustained a L2/T12 spinal cord injury following a motor vehicle accident in 1989.

Paul Crake *

Experience

Director

Paul is the Director of Total Ability Pty Ltd, which supports people in the disability community with all aspects of driving and vehicular access. Through his previous role at KPMG he has in depth knowledge of industry funding arrangements, working with the NDIS both from a participant and provider viewpoint, and developing viable business models in the Australian disability space. Paul became a T4 paraplegic after being blown from his racing bike into a fence post during a cycling race in New Zealand in 2006.

Spinal Cord Injuries Australia

Directors' Report

30 June 2021

Director information

Robert Vander Kraats *

Experience

Director

Robert is a fully qualified physiotherapist, having previously owned and directed three physio practices. He has also served as a committee member of Sports Physiotherapy Australia and as a Board Member of HeadWest. In 2015, Robert suffered a stroke and as a NeuroMoves client, he is very keen to use his skills and experience to assist with the continued development of the NeuroMoves strategy.

Stewart Calderwood

Experience

Director

Stewart's corporate background is in the finance sector and he has more than 25 years' experience in London and Australia, currently with Ord Minnett. Stewart brings to SCIA client relationship management experience across a wide range of institutional and corporate clients. Stewart became involved with the Back Up Trust, a UK charity, after a diving accident left him temporarily paralysed.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with the Australian Charities and Not-for-profit Commission Act 2012, for the year ended 30 June 2021 has been received and can be found on page 7 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 

Dated this 29th day of October 2021

Spinal Cord Injuries Australia

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Spinal Cord Injuries Australia

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF



SCOTT TOBUTT
PARTNER

29 OCTOBER 2021
SYDNEY, NSW

Spinal Cord Injuries Australia

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue			
Services income		10,278,953	7,445,675
Government subsidies and grants		2,600,398	2,551,915
Donations		311,163	260,520
Resident contributions		104,629	125,826
Interest income		19,642	28,438
Other income		67,316	68,917
		<u>13,382,101</u>	<u>10,481,291</u>
Other revenue			
Bequested property		-	375,000
Gain on sale of assets		339,951	-
ATO Grants		1,255,500	1,094,500
		<u>1,595,451</u>	<u>1,469,500</u>
Total revenue	4	<u>14,977,552</u>	<u>11,950,791</u>
Operating costs			
Community development		(6,683,923)	(5,706,936)
Community services		(3,615,474)	(3,776,572)
Administration		(4,068,120)	(1,765,344)
Fundraising		(435,519)	(477,452)
Marketing		(287,472)	(429,705)
Development		(387,487)	(241,991)
Total operating costs	5	<u>(15,477,995)</u>	<u>(12,398,000)</u>
Loss for the year		<u>(500,443)</u>	<u>(447,209)</u>
Total comprehensive income for the year		<u>(500,443)</u>	<u>(447,209)</u>

The accompanying notes form part of these financial statements.

Spinal Cord Injuries Australia

Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	4,148,673	2,437,350
Trade and other receivables	7	1,294,752	1,085,602
TOTAL CURRENT ASSETS		<u>5,443,425</u>	<u>3,522,952</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,097,401	4,713,839
Intangible assets	9	117,573	181,704
TOTAL NON-CURRENT ASSETS		<u>5,214,974</u>	<u>4,895,543</u>
TOTAL ASSETS		<u>10,658,399</u>	<u>8,418,495</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	2,328,028	1,766,991
Lease liabilities	11	379,233	101,437
Employee benefits	12	1,265,528	1,039,087
TOTAL CURRENT LIABILITIES		<u>3,972,789</u>	<u>2,907,515</u>
NON-CURRENT LIABILITIES			
Lease liabilities	11	1,670,075	17,961
Employee benefits	12	119,211	96,252
TOTAL NON-CURRENT LIABILITIES		<u>1,789,286</u>	<u>114,213</u>
TOTAL LIABILITIES		<u>5,762,075</u>	<u>3,021,728</u>
NET ASSETS		<u>4,896,324</u>	<u>5,396,767</u>
EQUITY			
Retained surpluses		<u>4,896,324</u>	<u>5,396,767</u>
TOTAL EQUITY		<u>4,896,324</u>	<u>5,396,767</u>

The accompanying notes form part of these financial statements.

Spinal Cord Injuries Australia

Statement of Changes in Equity For the Year Ended 30 June 2021

	Retained Surpluses	Total
	\$	\$
Balance at 1 July 2020	5,396,767	5,396,767
Loss attributable to members of the entity	(500,443)	(500,443)
Balance at 30 June 2021	<u>4,896,324</u>	<u>4,896,324</u>
	Retained Surpluses	Total
	\$	\$
Balance at 1 July 2019	5,843,976	5,843,976
Loss attributable to members of the entity	(447,209)	(447,209)
Balance at 30 June 2020	<u>5,396,767</u>	<u>5,396,767</u>

The accompanying notes form part of these financial statements.

Spinal Cord Injuries Australia

Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	11,272,741	8,310,952
Payments to suppliers and employees	(15,444,936)	(11,425,196)
Donations received	311,163	329,805
Interest received	19,642	28,438
Receipt from grants	4,128,865	3,045,558
Net cash provided by/(used in) operating activities	<u>287,475</u>	<u>289,557</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for intangible assets	-	(30,375)
Purchase of property, plant and equipment	(716,185)	(347,954)
Proceeds on disposal of land and buildings	2,100,783	-
Proceeds on disposal of motor vehicle	39,250	-
Net cash provided by/(used in) investing activities	<u>1,423,848</u>	<u>(378,329)</u>
Net increase/(decrease) in cash and cash equivalents held	1,711,323	(88,772)
Cash and cash equivalents at beginning of year	<u>2,437,350</u>	2,526,122
Cash and cash equivalents at end of financial year	6 <u>4,148,673</u>	<u>2,437,350</u>

The accompanying notes form part of these financial statements.

Spinal Cord Injuries Australia

Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers Spinal Cord Injuries Australia as an individual entity. Spinal Cord Injuries Australia is a not-for-profit organisation, registered and domiciled in Australia.

1 Basis of Preparation

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

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 these financial statements are presented below and have been consistently applied unless otherwise stated.

These financial statements 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.

2 Summary of Significant Accounting Policies

(a) Property, plant and equipment

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

Property, plant and equipment - not for profits - contributed at no cost

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Depreciation

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

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(a) Property, plant and equipment

Depreciation Rates

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

Fixed asset class	Depreciation rate
Buildings	3%
Plant and Equipment	10 - 40%
Motor Vehicles	15 - 25%
Leasehold improvements	10 - 20%

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

(b) Intangibles

Website development

Capitalised website development costs are carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(c) Financial instruments

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

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

Financial assets

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

Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

Classification

On initial recognition, the Organisation classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Organisation changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Organisation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Organisation's historical experience and informed credit assessment and including forward looking information.

The Organisation uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Organisation uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Organisation in full, without recourse to the Organisation to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

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

Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

Trade receivables

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

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

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

Other financial assets measured at amortised cost

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

Financial liabilities

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

The financial liabilities of the Organisation comprise trade payables, bank and other loans and lease liabilities.

(d) Impairment of non-financial assets

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

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

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

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

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Cash and cash equivalents

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

(f) Trade and other payables

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

(g) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(h) Income Tax

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

(i) Revenue and other income

The Organisation recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Spinal Cord Injuries Australia's activities as discussed below.

Fee income

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

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

Donations and collections

Collections, donations and bequests are recognised as revenue when received. Directors acknowledge cash donations may be misstated due to the inherent nature of these items, however processes have been implemented that mitigate the risk to an acceptably low level.

Spinal Cord Injuries Australia

Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(i) Revenue and other income

Grant revenue

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

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

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

Interest revenue

Interest is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(j) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows are presented in the statement of cash flows are included on a gross basis, except for the GST component of investing and financing activities which are disclosed as as operating cash flows.

(k) Adoption of new and revised accounting standards

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Directors do not expect the adoption of these standards to have any impact on the reporting position or performance of the organisation.

3 Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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 organisation. The directors did not make any critical accounting estimates or judgments in the financial statements preparation.

Spinal Cord Injuries Australia

Notes to the Financial Statements For the Year Ended 30 June 2021

4 Revenue and other Income

	2021	2020
	\$	\$
Revenue		
Community development fee income	7,970,079	5,388,835
Community services fee income	2,308,874	1,970,138
Donations	311,163	260,520
Interest income	19,642	28,438
Marketing and fundraising	-	86,702
Resident contributions	104,629	125,826
	<u>10,714,387</u>	7,860,459
Grant revenue		
Government grants - Commonwealth	1,313,998	1,554,430
Government grants - State	1,286,400	997,485
	<u>2,600,398</u>	2,551,915
Other income		
Gain on sale of financial assets	-	697
Gain on sale of non-current assets	-	5,752
Sundry income	67,316	62,468
	<u>67,316</u>	68,917
Other revenue		
Bequested property	-	375,000
Gain on sale of assets	339,951	-
ATO Grants	1,255,500	1,094,500
	<u>1,595,451</u>	1,469,500
Total revenue	<u><u>14,977,552</u></u>	<u><u>11,950,791</u></u>

5 Operating costs and other expenses

Depreciation		
Buildings	23,854	25,643
Leasehold improvements	54,177	30,049
Plant and equipment	298,566	362,354
Motor vehicles	14,831	25,223
Intangible assets	64,131	-
Right of Use - Buildings	467,907	119,343
	<u>923,466</u>	562,612
Other expenses		
Financial statement audit fees	26,100	25,850
NDIS compliance and audit fees	13,486	34,415
Employee benefits expense	12,211,888	9,766,832
Rent expense	237,472	413,524
	<u>12,488,946</u>	10,240,621

Spinal Cord Injuries Australia

Notes to the Financial Statements For the Year Ended 30 June 2021

6 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash on hand	1,500	1,800
Bank balances	1,453,748	893,422
Short-term deposits	2,693,425	1,542,128
	<u>4,148,673</u>	<u>2,437,350</u>

7 Trade and Other Receivables

CURRENT		
Trade receivables	211,773	197,006
Prepayments	90,600	48,531
Accrued income	992,379	840,065
Total trade and other receivables	<u>1,294,752</u>	<u>1,085,602</u>

Spinal Cord Injuries Australia

Notes to the Financial Statements For the Year Ended 30 June 2021

8 Property, plant and equipment

	2021	2020
	\$	\$
LAND AND BUILDINGS		
Freehold land		
At cost	<u>1,160,000</u>	2,660,000
Buildings		
At cost	720,000	1,020,000
Accumulated depreciation	<u>(50,363)</u>	(42,987)
	<u>669,637</u>	977,013
PLANT AND EQUIPMENT		
Works in progress		
Plant and equipment		
At cost	2,683,891	2,415,508
Accumulated depreciation	<u>(1,949,747)</u>	(1,706,463)
	<u>734,144</u>	709,045
Motor vehicles		
At cost	99,181	215,989
Accumulated depreciation	<u>(62,904)</u>	(141,867)
	<u>36,277</u>	74,122
Leasehold Improvements		
At cost	645,746	253,226
Accumulated depreciation	<u>(116,288)</u>	(62,110)
	<u>529,458</u>	191,116
RIGHT-OF-USE		
Right-of-Use - Buildings		
At cost	2,530,792	345,192
Accumulated depreciation	<u>(467,907)</u>	(217,649)
Make good provision	<u>(95,000)</u>	(25,000)
	<u>1,967,885</u>	102,543
Total property, plant and equipment	<u><u>5,097,401</u></u>	<u><u>4,713,839</u></u>

Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

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 \$	Plant and Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Right-of-Use - Buildings \$	Total \$
Year ended 30 June 2021							
Opening	2,660,000	977,013	709,045	74,122	191,116	102,543	4,713,839
Additions	-	-	323,665	-	392,519	2,403,249	3,119,433
Disposals	(1,500,000)	(283,522)	-	(23,014)	-	-	(1,806,536)
Depreciation	-	(23,854)	(298,566)	(14,831)	(54,177)	(467,907)	(859,335)
Make good	-	-	-	-	-	(70,000)	(70,000)
Balance at the end of the year	1,160,000	669,637	734,144	36,277	529,458	1,967,885	5,097,401

9 Intangible Assets

	2021 \$	2020 \$
DigiHub development Cost	192,279	192,279
Accumulated amortisation and impairment	(74,706)	(10,575)
Net carrying value	117,573	181,704
Total Intangible assets	117,573	181,704

Spinal Cord Injuries Australia

Notes to the Financial Statements For the Year Ended 30 June 2021

10 Trade and Other Payables

	2021	2020
Note	\$	\$
CURRENT		
Trade payables	219,662	764,988
Other payables	1,163,949	268,307
Revenue received in advance	627,763	735,978
NDIS-related balances	316,654	(2,282)
	<u>2,328,028</u>	<u>1,766,991</u>

11 Lease liabilities

CURRENT		
Lease liabilities	379,233	101,437
	<u>379,233</u>	<u>101,437</u>
NON-CURRENT		
Lease liabilities	1,670,075	17,961
	<u>1,670,075</u>	<u>17,961</u>

12 Employee Benefits

Current liabilities		
Employee benefits	1,265,528	1,039,087
Non-current liabilities		
Employee benefits	119,211	96,252

13 Contingencies

In the opinion of those charged with governance, the Organisation did not have any contingencies at 30 June 2021 (30 June 2020:None).

Spinal Cord Injuries Australia

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Financial risk management

The main risks Spinal Cord Injuries Australia is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The organisation's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with the accounting policies to these financial statements, are as follows:

	2021	2020
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	4,148,673	2,437,350
Trade and other receivables	1,294,752	1,085,602
Total financial assets	5,443,425	3,522,952
Financial liabilities		
Financial liabilities at amortised cost	2,328,028	1,766,991
Total financial liabilities	2,328,028	1,766,991

15 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Organisation is \$ 1,741,282 (2020: \$ 1,336,642).

16 Events after the end of the Reporting Period

The financial report was authorised for issue on 28 October 2021 by those charged with governance.

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

Spinal Cord Injuries Australia

Responsible Persons' Declaration

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

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

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

Responsible person 

George Panos

Responsible person 

Michael Rabbitt

Dated 29th October 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPINAL CORD INJURIES AUSTRALIA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Spinal Cord Injuries Australia (the Company), which comprises the statement of financial position as at 30 June 2021, 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 financial report of Spinal Cord Injuries Australia, has been prepared in accordance with *Division 60 of the Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standard) (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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

Other Information (cont'd)

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

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

- 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 Company'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 Company 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.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 60-45(3) (b) of the *Australian Charities and Not-for-profits Commission Act 2012*, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 60-30(3)(b), (c) or (d) of the *Australian Charities and Not-for-profits Commission Act 2012*. Our opinion on the financial report is not modified, in our opinion, they have been appropriately addressed by Spinal Cord Injuries Australia.



SCOTT TOBUTT
PARTNER

29 OCTOBER 2021
SYDNEY, NSW