

CONNECT:INNER WEST
Community Transport Group Inc.

Annual Report 2021 – 2022





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Connect: Inner West Community Transport Group Inc. acknowledges the Gadigal people of the Eora nation, the traditional custodians of the land on which we work. We pay respect to their Elders: past, present and emerging.



Connect: Inner West Community Transport Group Inc. (Connect) is a not-for-profit organisation, which has been providing transport services since 1983. We believe in equal access so everyone can access the facilities and services they need.

We are an association registered in NSW under the Associations Incorporation Act (2009) and are a registered charity with the Australian Charities and Not-for-profits Commission.

Connect provides a door to door transportation service for seniors, people who need help getting out and about, people with a disability and other eligible people who can't afford or have difficulty accessing private or public transport.

Community Transport services in NSW are determined by where you live or as allocated by My Aged Care assessors. Our services are generally for those people living in the former Leichhardt and Marrickville Local Government Areas (now part of the Inner West Council). These include the suburbs of Annandale, Balmain, Balmain East, Birchgrove, Leichhardt, Lilyfield, Rozelle, Dulwich Hill, Enmore, Lewisham, Marrickville, Petersham, St Peters, Stanmore, Sydenham, Tempe and some parts of Newtown and Camperdown.

Connect services are primarily funded under two different programs:

- The Commonwealth Home Support Program (CHSP), which is focused on older people who need help getting out and about, and
- The NSW Community Transport Program (CTP) which is aimed at those who are "Transport Disadvantaged". This is when you have limited or no access to private transport and can't make use of 'conventional' transport, like buses or trains. Unlike CHSP, these services are available to a person of any age, with or without a disability.

Connect is a registered National Disability Insurance Scheme (NDIS) provider and is able to provide services for people with a disability under the age of 65. Our NDIS services are not geographically constrained to the Inner West.

We also provide transport to the recipients of Home Care Packages (HCP) under contract with their respective HCP providers. Our HCP services are not geographically restrained to the Inner West.

We are passionate about providing a range of tailored transport options, enabling people to not only access the facilities and services they need, but to participate in community life and social activities, remaining as active and independent as possible.

In the 2021/22 financial year, despite almost 6 months under lockdown, we provided approximately 25,000 trips to Connect clients. Our services include individual and group transport to medical and personal appointments and shops, shopping trips, shuttle services, social activities and recreational outings.

About Us

Vision

A community in which all individuals and groups have access to appropriate transport options in order to fully enable their participation, development and well-being within the community.

Purpose

To provide and promote safe and affordable transport services, that fully enable all individuals and groups to maintain or achieve their independence and quality of life within their community.

Values

Equity	Services accessible to – and utilised by – all those in need of them, irrespective of age, gender, cultural or religious affiliation, sexual orientation, mental or physical ability.
Safety & wellbeing	Striving to ensure the safety and to enhance the wellbeing of our organisation’s workers, clients, and the wider community.
Quality	Best practice services responsive to new demands, opportunities and innovations.
Resilience	The maintenance of high quality community transport options for the future through strategic planning, advocacy and networking.
Collaboration	Engaging our clients and the community in service planning and working collaboratively with community and government organisations to build the regional capacity of community transport.
Integrity & compliance	Transparent governance, legally compliant administration, and ethically sound practice.
Sustainability	Developing ecologically sustainable transport options for the community.



Connect has implemented a strategic business plan, that aims to increase organisational resilience and maximise opportunities as we strive towards Connect's Vision.

We look to initiate new, flexible service models that respond to the needs of a broader client base, resourced through diversified income streams, and built through community and stakeholder collaboration.

In doing this, we will remain true to our core Values and build on our strengths, including our 'care factor', staff expertise, and community connection.

Strategic Areas



Innovative transport solutions for positive social outcomes



Long term financial sustainability



Stakeholder and community engagement



Organisational capacity and resilience





The governing body of Connect is an elected volunteer Board who oversee the strategic direction and performance of the organisation. The Board is comprised of individuals with relevant expertise and a strong commitment to locally based community transport services.

The General Manager reports directly to the Board and is responsible for a team of 23 staff members, as at 30 June 2022.

The team is made up of 15 drivers and bus assistants, and 8 office-based staff, who provide client liaison, scheduling, service coordination, fleet management and administrative support, enabling Connect to provide continued service to around 1,500 active clients.

Board of Directors				
(as at 30 June 2022)				
Name	Position Held	Appointment/ Cessation <small>(if occurred mid year)</small>	Attendance	
			A	B
Frank Breen	Chair	Continuing	8	8
Tim Sussman	Vice Chair	Continuing	8	5
Vic Andallo	Treasurer	Continuing	8	8
Helen Cahill (OAM)	Director	Continuing	8	8
Julie Robotham	Director	Continuing	8	7
Charles Watson	Director	Continuing	8	7

- A Number of meetings held.
- B Number of meetings the director attended.



The Team

Connect Staff Team (as at 30 June 2022)	
In the office	Position Held
Brett Andrews	General Manager
Bich Letran	Operations Manager (Maternity Leave)
Rhonda Byrne	(Acting) Operations Manager (PT)
Zarina Nawaz	Finance Officer (PT)
Ellie Rule	Operations Support Officer (PT)
Kristy Gregory	Scheduling & Admin Officer
Tarryn Melville	Scheduling & Admin Officer
Vesna Sajinovic	Data Entry Officer (Casual)
On the road	
Jane Bennett	Bus Assistant (Casual)
Simon Bennetts	Driver (Casual)
Michael Frey	Senior Transport Officer
Julius Grafton	Driver (Casual)
Mark Lockie	Driver / Bus Assistant (Casual)
Regan Matthews	Driver / Bus Assistant (Casual)
Chelsea Nichols	Driver / Bus Assistant (Casual)
Daniel Palmer	Driver / Bus Assistant (Casual)
Susan Roseby	Driver / Bus Assistant (Casual)
Brendan Smith	Bus Assistant (Casual)
Raymond Srour	Driver
Susan Tozer	Driver / Bus Assistant (Casual)
Taunee Tubbs	Driver / Bus Assistant (Casual)
Trinh Verteouris	Bus Assistant (Casual)
Gordon Watson	Driver



Moving House

We have unpacked and are operating effectively from our new premises on Sydenham Road, Marrickville. We moved across the tracks just in time to miss what would have been our third flood of the year. We are now on higher ground and enjoying the views from our lovely big windows – even city ‘glimpses’ from the kitchen.

Drivers all undertook an induction to the premises practicing their reversing skills enabling all the vehicles to fit into their new shaped home quickly and easily.



Team News



The newest (and possibly the cutest) member of the Connect team joined us this year.

Connect’s Operations Manager, Bich Letran and her partner Eduardo Kaminsky bought the lovely Chloe Isadora Kaminsky into the world on Friday, 1st April.

It might be a while before we see Chloe on the buses, but in the mean time, we wish them all the best in their new exciting, joyous (and likely sleepless) adventure!

Sydney Disability Connection Expo

Connect spent a weekend in July at the Sydney Disability Expo in Darling Harbour talking to NDIS participants and providers and raising awareness about the services Connect provides and how we assist our clients every day within the community. We met an array of wonderful people working within the sector.

Even Chewbacca dropped in to find a new support crew!



International Women’s Day

Celebrated since 1911, the theme for this year’s IWD was ‘Break The Bias’.

“Whether deliberate or unconscious, bias makes it difficult for women to move ahead. Knowing that bias exists isn’t enough. Action is needed to level the playing field.”



Connect promotes a gender equal environment.

A world free of bias, stereotypes, and discrimination.

A world that is diverse, equitable, and inclusive.

A world where difference is valued and celebrated.

Together we can forge women’s equality.



Year in Review

Weekends Away

Our overnight and weekend outings were put on hold temporarily while we dealt with the aftermath of floods and resurgence of Covid in its many varieties.

Finally in May, an eager group embarked on another fun-filled weekend adventure, this time to the historic region of Windsor and the Hawkesbury. We were blessed with the rarity of sunshine and lovely temperatures for the entire weekend – the first drops of rain falling only as we delivered our final clients safely back to their homes on Sunday afternoon.



We made our way to Windsor via the Lindt Factory Outlet to stock up on goodies, to see us through the three days (or maybe just the one, depending on an individual's' consumption rate!!). With treats packed into the bus, we took a scenic drive through Windsor Downs and on to Windsor, following along the river, witnessing the devastation left by the recent floods.

After dropping in to the Hawkesbury Regional Museum for some history of the area, we stopped off in the Windsor Mall to have lunch, a stroll, and some light shopping. Some clients managed to find another sweet shop – just in case we were already running low on sugar after the Lindt store.



The group embarked on a scenic drive of the Windsor Heritage Trail, which encompassed several notable, heritage listed buildings in Windsor Town and concluded with dinner at the Macquarie Arms hotel, the oldest hotel in Australia.



The following day, we headed north to explore the Hawkesbury River Towns. Our first stop off was Ebenezer Church, the first Presbyterian Church in Australia.

Whilst enjoying delicious scones and hot tea, our group was given an interesting history talk about Ebenezer, the Church and the local school, by resident expert Ted Brill. Ted and his wife Sue have been hosting visitors to the Church for many years, providing visitors with their exceptional Devonshire tea and homemade jams!

With full bellies yet again (which soon became the theme of the trip), we set off to Hadden Farm owned by Neil and Darcy Shedden since 1979. The farm is operated as a horse spelling agistment property.

Darcy hopped onto the bus and provided a guided tour around the stunning property from the comfort of the bus. A small splinter group made the tour on foot, guided by Darcy's daughter Bree.





Thanking Bree and Darcy for their kind hospitality, we then made our way to the much anticipated Tizzana Winery.

Our host John, provided everyone with samples of their beautiful locally made produce. We also enjoyed a homemade lunch of fresh sandwiches and the best apple pie in the Hawkesbury, perhaps even the country!

On our final day we were hosted at the Kurrajong Radio Museum by the very gracious Pat O'Toole. Pat gave us insight to the history of radio, providing some colourful tales surrounding many of the pieces, and how they came to be there. The entire collection has curated over many years by Pats husband Ian.



We finished our weekend away off, circling back to Windsor to visit the Windsor Mall Sunday Markets. After a bit of a shop – and more food, we completed our tour and headed home, pretty tired – and planning the next adventure.

Convoy to Cook – Hands Off Our Wheels!

In May 2022 Connect joined forces with other Sydney based community transport organisations to raise awareness of proposed changes to aged care funding through the 'Support at Home' program.

Community transport vehicles from several organisations, filled with disgruntled seniors participated in the convoy, banding together to send a united message – **"hands off our wheels!"**



The 'Support at Home' program has been under development for a couple of years now, with an original planned introduction of 1 July 2023. It is intended to replace the Commonwealth Home Support Program CHSP (most of Connect clients fall under this scheme), Home Care Packages and the Short – Term Restorative Care Program.

Social Media

Connect continues to increase its social media and engagement through Facebook and Instagram, ensuring timely news and content is delivered on a regular basis.

We try where possible to share pictures of our clients on fun social outings to be shared with friends and family. If any of our clients take photos on outings, we are also happy to share these across our social media platforms if provided to us.

Don't forget to follow us!



<https://www.facebook.com/connectinnerwest.org.au>



https://www.instagram.com/connect_inner_west_ctg/

**It is with pleasure that I present the
Connect: Inner West Community
Transport Group Inc. ('Connect')
Chair's Report for the 2021 – 2022
financial year.**



For the last two years, I have written about the challenges of the Covid pandemic. As the General Manager has noted, this continued into the 2021 – 2022 financial year, with greater Sydney subject to Public Health Orders restricting movement for almost six months. I am again proud to say, that Connect once again accepted the challenges posed by Covid, and continued delivery of essential services to our valued clients and local community.

After achieving and exceeding our contractual trip KPIs with TfNSW for the first time in 2020/21, it was disappointing but of course understandable that this did not occur in 2021/22.

With essential travel only permitted for the first half of the year, the Board recognised that it was vital for Connect to maintain and support its dedicated workforce in order to resume our high quality service as soon as possible. Come the new year, Connect was ready for action!

While Covid disrupted normal operations, much work was done on progressing the 2021 – 2023 Strategic Plan. The Board's focus remains on client service, financial viability, staffing, and good governance.

One thing that unfortunately persists in challenging form is achieving long term financial sustainability. Re-launching Connect's NDIS business is one strategic aim that has commenced. Connect continues its efforts to broaden its income base, and actively manages its operating costs.

In late June 2022, Connect was offered, and accepted a new 12-month contract with TfNSW to continue provide community transport services effective 1 July 2022. Short-term contracts continue to provide planning and investment uncertainty not just for Connect, but all community transport providers across NSW.

Through the year, Connect allocated resources to assess the impact of the proposed 'Support at Home' program on the organisation's financial viability. On the information we had, our analysis indicated that Connect had a very narrow path to financial viability in this program. The new funding model would likely have impacted negatively on the quality of support we currently provide our valued clients in the inner west.



Chair's Report

Connect participated in sector wide advocacy against the proposed 'Support at Home' in addition to making its own representations. While it is pleasing that the proposed 'Support at Home' introduction has been pushed back to 1 July 2024 pending review, contract uncertainty is never more than 12 months away.

Through the year, the Board continued to meet via Zoom. The Board membership was stable and my colleagues and I continue to develop a deeper understanding of the community sector. The Board is supported in its role through the provision of detailed management and financial reports. I thank my Board colleagues for their contribution.

I would like to acknowledge the management and staff of Connect for their dedicated work through another difficult and challenging year

Finally, I would like to recognise our clients. Thank you for your continued support.

Francis Breen
Chair



Chair's Report

The 2021-2022 financial year has been another eventful period. It seems such a long time ago, but we spent most of the first half of the year under lockdown. Again, this had a significant impact on Connect services, staff and clients.



With Public Health Orders in place restricting movement across greater Sydney, Connect, like all other metropolitan community transport providers, saw a significant downturn in our activity as measured by 'trips'.

Notwithstanding, as an essential service, we continued to provide our shopping and medical transport to clients. There was a significant staff focus on cleaning, maintaining distancing as best we could and the wearing of PPE such as masks.

As restrictions lifted toward the end of 2021, clients were keen to get out and about socially. Despite astonishing levels of rainfall through 2022, staff (and clients of course) persevered with organising, delivering and enjoying our popular social program.

I was pleased the Board agreed to support staff through the pandemic. Connect invests heavily in staff recruitment, orientation and on the job training and support. Unlike many employers, Connect did not let any staff go, mindful of the need to resume high quality services at scale at the appropriate time. Connect was able to do this by drawing on its own financial reserves and through various job support programs.

It is worth noting that should the proposed 'Support at Home' program that was to be introduced on 1 July 2023 have been in place through 2021/22, Connect would have been unlikely to have made it through as a financially viable business.

Organisations in community transport, meals, respite, and social support sectors have high fixed overheads which do not change regardless of whether one or one hundred services are provided. As mentioned in our 'Year in Review', Connect campaigned against the proposed 'Support at Home' program. It is pleasing that this proposed program has now been pushed back to 1 July 2024 pending further review.



General Manager's Report

In May 2021, Connect moved into new premises on Sydenham Rd Marrickville. Having spent over 10 years at the former premises in Carrington Rd, Marrickville, the time was right to move on.

Two objectives were achieved with this move:

- manage overhead costs; and
- provide a safer working environment for staff.

Thanks to Connect's dedicated and efficient team, our move was achieved without disruption to services.

I would like to acknowledge the efforts of all staff for the work they have put in this year to keep the show on the road. Well done!

Finally, I would like to thank the Chair and Directors of the Board for their ongoing commitment to their local community.

Brett Andrews
General Manager



General Manager's Report



Treasurer's Report

After another year disrupted by Covid, Connect has finished the 2021/22 year strongly recording a surplus.



This surplus of \$328,225 would have been higher without the non-recurring expenses associated with Connect's relocation, and the extraordinary impact external factors had on Connect's long term ethical investment accounts.

While there is a strong surplus, recurrent funding is subject to change from year to year. This year saw Connect fund annual wage increases for staff as the Equal Remuneration Order support of ten years standing ceased. The practical effect of small cuts in funding such as this, is to reduce funding available for client support in real terms. Advocacy for both clients and community sector organisations like Connect becomes more and more important where funding is uncertain and subject to political debate.

As the first half of the year was spent more or less under lockdown, fares, bus and driver hire income were down from 2020/2021. Employee and other operating expenses were also down in comparison to 2020/2021, reflecting the delivery of essential services only.

It is worth noting the Board declined to reduce employee headcount in order to maintain a connected workforce for when restrictions eventually lifted. While Connect has had some staffing issues on occasion this year, some other providers have struggled.

Both the Chair and the General Manager have noted the effect that short - term contracts have on planning. The combination of a series of short-term contracts with TfNSW and Covid has resulted in some cautiousness in investing in new vehicles. One area of investment interest to be pursued in 2022/23 is that of electric vehicles. The inner west operating area is ideally suited to these type of vehicles.

While Covid has affected Connect again, accessing Commonwealth financial support has seen the organisation finish the year in a strong cash position. My colleagues and I carefully continue to monitor and review organisational finances.

I would like to thank my colleagues on the Board for their support, the General Manager and his staff for their hard work and dedication, Connect clients and the local community.

Vic Andallo
Treasurer



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

ABN: 68 578 684 316



CONNECT:INNER WEST
Community Transport Group Inc.

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

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Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Directors' Report

30 June 2022

The directors present their report on Connect: Inner West Community Transport Group Incorporated for the financial year ended 30 June 2022.

Board of Directors

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

Frank Breen	Chairman
Vic Andallo	Treasurer
Charles Watson	Director
Julie Robotham	Director
Helen Cahill	Director
Tim Sussman	Director
Brett Andrews	General Manager

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

Principal activities and significant changes in nature of activities

The principal activities of Connect: Inner West Community Transport Group Incorporated during the financial year were to provide transport options to the community of the Inner West of Sydney.

There were no significant changes in the nature of Connect: Inner West Community Transport Group Incorporated's principal activities during the financial year.

Operating results

The profit of the Association after providing for income tax amounted to \$ 328,225 (2021: \$ 128,752).

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of Section 60-40 of the Australian Charities and Not for profits Commission Act 2012, for the year ended 30 June 2022 has been received and can be found on page 2 of the financial report.

Sign off information

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

Director: 
Frank Breen

Director: 
Vic Andallo

Dated this 19th day of August 2022

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Auditor's Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of Connect: Inner West Community Transport Group Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, 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.

KMB Auditing Pty Limited



Robert Berman
Director

North Sydney

Dated this 19th day of August 2022



Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Grant income	4	1,544,162	1,529,274
Interest income	4	20,015	9,481
Other income	4	467,673	436,454
Employee benefits expense		(1,201,543)	(1,323,606)
Depreciation expense		(43,735)	(58,046)
Other operating expenses		(411,168)	(464,805)
Loss on revaluation of listed share investments		(47,179)	-
Profit for the year		328,225	128,752
Total comprehensive income for the year		328,225	128,752

The accompanying notes form part of these financial statements.

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,846,119	1,810,850
Trade and other receivables	6	36,432	17,022
Financial assets	7	252,821	-
Other assets	8	104,055	78,457
TOTAL CURRENT ASSETS		2,239,427	1,906,329
NON-CURRENT ASSETS			
Plant and equipment	9	81,054	124,789
TOTAL NON-CURRENT ASSETS		81,054	124,789
TOTAL ASSETS		2,320,481	2,031,118
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	68,243	107,109
Employee benefits provisions	11	118,036	83,913
TOTAL CURRENT LIABILITIES		186,279	191,022
NON-CURRENT LIABILITIES			
Employee benefits provisions	11	34,640	44,759
Make good provision	12	-	24,000
TOTAL NON-CURRENT LIABILITIES		34,640	68,759
TOTAL LIABILITIES		220,919	259,781
NET ASSETS		2,099,562	1,771,337
EQUITY			
Capital Contributed		-	161,032
Reserves		-	356,382
Retained earnings		2,099,562	1,253,923
TOTAL EQUITY		2,099,562	1,771,337

The accompanying notes form part of these financial statements.

Connect Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Statement of Changes in Equity

For the Year Ended 30 June 2022

2022

	Retained Earnings \$	Capital Contributed \$	Other Reserves \$	Total \$
Balance at 1 July 2021	1,253,923	161,032	356,362	1,771,337
Profit/(loss) for the year	328,225	-	-	328,225
Reclassification of capital contributed	161,032	(161,032)	-	-
Reclassification of vehicle replacement fund	356,362	-	(356,362)	-
Balance at 30 June 2022	<u>2,099,562</u>	<u>-</u>	<u>-</u>	<u>2,099,562</u>

2021

	Retained Earnings \$	Capital Contributed \$	Other Reserves \$	Total \$
Balance at 1 July 2020	1,125,171	161,032	356,362	1,642,565
Profit/(loss) for the year	128,752	-	-	128,752
Balance at 30 June 2021	<u>1,253,923</u>	<u>161,032</u>	<u>356,362</u>	<u>1,771,337</u>

The accompanying notes form part of these financial statements.

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial report covers Connect: Inner West Community Transport Group Incorporated as an individual entity. Connect: Inner West Community Transport Group Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2022 were to provide transport options to the community of the Inner West of Sydney.

The functional and presentation currency of Connect: Inner West Community Transport Group Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements and material accounting policies all comply with the recognition and measurement requirements in Australian Accounting Standards.

2 Summary of Significant Accounting Policies

(a) 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 payables are stated inclusive of GST.

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

(b) 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.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Notes to the Financial Statements

for the Year Ended 30 June 2022

Summary of Significant Accounting Policies

(b) Property, plant and equipment

Depreciation

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

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

Fixed asset class	Depreciation rate
Motor Vehicles	Up to 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.

(c) 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.

(d) Employee benefits

Provision is made for the Association's liability for employee benefits, those 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.

(e) 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.

Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Critical Accounting Estimates and Judgments

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Other Income

	2022 \$	2021 \$
Grant income		
- Transport for NSW CHSP (Recurrent)	1,415,608	1,324,732
- Transport for NSW CTP (Recurrent)	104,784	103,033
- Transport for NSW CHSP SACS	-	67,265
- Transport for NSW CHSP Boost	23,770	23,373
- CSSS NDIS Transition Funding	-	10,871
	1,544,162	1,529,274
Other income		
- ATO Job Saver Payment	149,934	-
- Transport for NSW Covid-related vehicle cleaning	117,935	-
- Fares	124,591	151,842
- NDIS	33,493	-
- Outings additional charges	20,445	29,071
- ATO Business Grant Payment	15,000	-
- ATO Cash Flow Boost	-	50,000
- Driver hire	2,346	5,172
- Fuel tax credits	1,902	4,392
- ATO Job Keeper Payment	-	174,000
- Bus/car hire	1,577	7,495
- Member subscriptions	318	523
- Donations	70	536
- Gain on disposal	-	11,923
- Other income	62	1,500
	467,673	436,454
Total Revenue	2,011,835	1,965,728

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Notes to the Financial Statements

For the Year Ended 30 June 2022

5 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash on hand	75	250
Bank balances	300,966	511,424
Short-term deposits	1,499,999	1,249,387
Bank guarantee account	45,079	49,789
	<u>1,846,119</u>	<u>1,810,850</u>

6 Trade and Other Receivables

CURRENT		
Trade receivables	20,397	15,241
Accrued interest	16,035	1,781
	<u>36,432</u>	<u>17,022</u>

7 Financial Assets

CURRENT		
Listed shares investments	<u>252,821</u>	-

8 Other non-financial assets

CURRENT		
Prepayments	71,055	78,457
Rental Bond	33,000	-
	<u>104,055</u>	<u>78,457</u>

9 Plant and equipment

Furniture, fixtures and fittings		
At cost	10,765	10,765
Accumulated depreciation	(10,765)	(10,765)
	<u>-</u>	<u>-</u>
Motor vehicles		
At cost	867,036	746,295
Accumulated depreciation	(785,982)	(621,506)
	<u>81,054</u>	<u>124,789</u>
Computer equipment		
At cost	44,926	44,926
Accumulated depreciation	(44,926)	(44,926)
	<u>-</u>	<u>-</u>
Total plant and equipment	<u>81,054</u>	<u>124,789</u>

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Notes to the Financial Statements

For the Year Ended 30 June 2022

10 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	56,216	91,481
Accrued expenses	8,000	5,000
Superannuation payable	1,976	7,022
Deposits received	1,343	1,745
GST payable	708	1,861
	<u>68,243</u>	<u>107,109</u>

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

11 Employee Benefits Provisions

CURRENT		
Provision for annual leave	90,734	83,912
Provision for long service leave	26,010	-
Provision for paid parental leave	1,292	-
	<u>118,036</u>	<u>83,912</u>
NON-CURRENT		
Provision for long service leave	34,640	44,759

12 Make Good Provision

NON-CURRENT		
Provision for Make Good	-	24,000

Connect: Inner West Community Transport Group Incorporated

ABN 68 578 684 316

Directors' Declaration

The board of directors has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the board of directors, the financial report as set out on pages 3 - 10;

- Presents a true and fair view of the financial position of Connect: Inner West Community Transport Group Inc.
- At the date of this statement, there are reasonable grounds to believe that Connect: Inner West Community Transport Group Inc. 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*.

Director


.....
Frank Breen

Director


.....
Vic Andallo

Dated this 19th day of August 2022

Connect: Inner West Community Transport Group Incorporated

Independent Audit Report to the members of Connect: Inner West Community Transport Group Incorporated

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Connect: Inner West Community Transport Group Incorporated, which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income and the statement of changes in equity 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial report of Connect: Inner West Community Transport Group Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

The financial report of Connect: Inner West Community Transport Group Incorporated for the year ended 30 June 2021 was audited by another firm of auditors. We have been unable to obtain sufficient appropriate audit evidence regarding the opening balances and comparatives disclosed in the financial report and the resultant effect, if any, on the statement of comprehensive income for the year ended 30 June 2021.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

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



Connect: Inner West Community Transport Group Incorporated

Independent Audit Report to the members of Connect: Inner West Community Transport Group Incorporated

Responsibilities of Responsible Entities for the Financial Report

The board of directors of the Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible persons are responsible for assessing the Association'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 responsible entities either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Association's internal controls.
- 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 Association'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

Ian Kellaway B.Com, FCA

Paul McGettigan B.Com, CA

Robert Berman B.Com, Affiliate ICAA, CPA



Connect: Inner West Community Transport Group Incorporated

Independent Audit Report to the members of Connect: Inner West Community Transport Group Incorporated

obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KMB Auditing Pty Ltd



Robert Berman
Director

North Sydney

Dated this 19th day of August 2022





**Connect: Inner West
Community Transport Group Inc.**

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