

Outback Futures Limited

ABN: 68 457 355 933

Financial Statements

For the Year Ended 30 June 2020

Outback Futures Limited

ABN: 68 457 355 933

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For the Year Ended 30 June 2020

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Outback Futures Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	4	2,159,304	1,489,330
Expenditure			
Employee expense	5	1,430,006	753,667
Audit fees		4,505	5,096
Banking fees		2,570	1,748
Clinical expense		102,789	122,277
Computer and software		26,483	19,986
Consultants		11,000	4,490
Fundraising expense		5,044	315
Government fees		-	2,989
In-Kind marketing expense		5,771	-
In-Kind travel expense		19,636	34,273
Insurance		7,437	4,835
Marketing expense		13,707	42,367
Non-Clinical expense		42,049	24,099
Office expense		45,177	15,070
Repairs and maintenance		-	60
Rent		26,000	26,000
Travel - airfare		62,151	111,119
Travel - accommodation		28,248	32,720
Travel - other		26,776	26,071
Other expenses		15,611	9,536
		1,874,960	1,236,718
Profit before income tax		284,344	252,612
Other comprehensive income for the year		-	-
Total comprehensive income for the year		284,344	252,612

The accompanying notes form part of these financial statements.

Outback Futures Limited

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Statement of Financial Position As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	871,855	481,177
Trade and other receivables	7	84,355	27,390
Term investments	6	192,288	100,000
Prepayments		54,793	988
NON-CURRENT ASSETS			
Managed fund		39,317	-
TOTAL NON-CURRENT ASSETS			
		39,317	-
TOTAL ASSETS			
		1,242,608	609,555
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	51,765	14,487
Annual leave provision	9	54,817	25,182
Contract liabilities		283,234	22,727
TOTAL CURRENT LIABILITIES			
		389,816	62,396
NON-CURRENT LIABILITIES			
Long service leave provision	9	21,289	-
TOTAL NON-CURRENT LIABILITIES			
		21,289	-
TOTAL LIABILITIES			
		411,105	62,396
NET ASSETS			
		831,503	547,159
EQUITY			
Retained earnings		549,947	405,656
Board designated operating reserve		281,556	141,503
TOTAL EQUITY			
		831,503	547,159

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2020

2020

	Retained Surplus	Operating Reserve	Total
	\$	\$	\$
Balance at 1 July 2019	405,656	141,503	547,159
Total comprehensive income	284,344	-	284,344
Transfers to/from board reserve	(140,053)	140,053	-
Balance at 30 June 2020	549,947	281,556	831,503

2019

	Retained Surplus	Operating Reserve	Total
	\$	\$	\$
Balance at 1 July 2018	185,522	109,025	294,547
Total comprehensive income	252,612	-	252,612
Transfers to/from board reserve	(32,478)	32,478	-
Balance at 30 June 2019	405,656	141,503	547,159

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from operating activities	2,356,636	1,445,520
Payment to suppliers and employees	(1,932,851)	(1,286,683)
Interest received	6,210	1,711
Net cash provided by/(used in) operating activities	10 <u>429,995</u>	<u>160,548</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment in managed funds	<u>(39,317)</u>	-
Net cash provided by/(used in) investing activities	<u>(39,317)</u>	-
Net increase/(decrease) in cash and cash equivalents held	390,678	160,548
Cash and cash equivalents at beginning of year	481,177	320,629
Cash and cash equivalents at end of financial year	6 <u><u>871,855</u></u>	<u><u>481,177</u></u>

The accompanying notes form part of these financial statements.

Outback Futures Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers Outback Futures Limited as an individual entity. Outback Futures Limited is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2020 were to provide regular, professional and consistent mental and allied health and well-being services to rural and remote Queenslanders.

The functional and presentation currency of Outback Futures Limited 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 Company 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 107 *Statement of Cash Flows*, 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.

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Company has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Company has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations.

The key changes to the Company's accounting policies and the impact on these financial statements from applying AASB 15 and AASB 1058 are described below.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Change in Accounting Policy

Donations, gifts and grants

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 1058 and AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed or recognised at the point in time that the control of the services pass to the customer.

Having reviewed the terms and conditions of grants received by the Company, some of them are within the scope of AASB 1058 and others within AASB 15 which has resulted in deferral of revenue for these monies under the Grants Received in Advance account.

Given the nature of gifts and donations, they are assessed to be recognised upon receipt of monies which is within the scope AASB 1058.

Leases - Adoption of AASB 16

The Company has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Company as a lessee

Under AASB 117, the Company assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Company or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Company has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss and other comprehensive income on a straight line basis.

The nature of the Company's leases did not contain contract liabilities under the scope of AASB 16 and thus no right-of-use assets or lease liabilities have been recognised.

3 Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Significant Accounting Policies

(b) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement but may include management of education events, vaccinations, presentations at symposiums. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058). Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Company considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Contract liabilities

In accordance with the implementation of AASB 15 *Revenue from Contracts with Customers*, the amounts receivable from funding bodies are based on the achievement of various milestones established in the contract.

When an amount of consideration is received from a funding body provider prior to the Company providing a good or service prescribed by an agreement, the Company presents the funds which exceed revenue recognised as a contract liability.

Other income

Other income not containing specific performance obligations is recognised on upon receipt within the scope of AASB 1058.

(c) 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 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Significant Accounting Policies

(d) 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. Deposits with maturity dates greater than three months are considered investments.

On initial recognition, investments are measured at fair value plus transaction costs and subsequently measured at amortised cost in accordance with *AASB 9 Financial Instruments*.

(e) Employee benefits

Provision is made for the Company'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. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

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Notes to the Financial Statements For the Year Ended 30 June 2020

4 Revenue

	2020	2019
	\$	\$
Donations - general	269,082	237,313
Donations - recurring	11,755	9,130
Fees & charges	41,093	40,743
Fundraising art	-	970
Fundraising event income	29,314	575
Gifts - philanthropic	490,000	466,000
Government subsidies	275,000	-
Grants - commonwealth	263,235	350,000
Grants - other	686,103	134,500
Interest received	6,210	1,711
In-Kind gifts - marketing	5,771	-
In-Kind gifts - travel	19,636	34,273
Managed fund gain/(loss)	(683)	-
Operational income	-	18,363
Recoupments	-	1,123
Rental income	341	491
Sale of tickets	-	4,080
Sponsorships	61,500	190,000
Sundry income	947	58
	<u>2,159,304</u>	<u>1,489,330</u>

5 Employee Expenses

Wages and salaries	1,220,497	645,860
Annual leave expense	29,634	25,182
Blue card expense	646	451
Criminal history check	285	718
Employee development expense	22,675	17,625
Long service leave expenses	21,289	-
Recruitment	15,160	-
Superannuation contributions	111,289	60,295
Workcover expense	8,531	3,536
	<u>1,430,006</u>	<u>753,667</u>

Outback Futures Limited

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Notes to the Financial Statements For the Year Ended 30 June 2020

6 Cash and Cash Equivalents

	2020	2019
	\$	\$
WBC Central	66,264	285,183
WBC Card Expense	7,861	9,618
WBC Savings	766,969	148,862
WBC Board Reserve Saver	30,261	29,412
Paypal Account	500	8,102
Total cash and cash equivalents	871,855	481,177

Term investments

Baplink Board Reserve	103,437	100,000
Baplink Operating	52,276	-
WBC 12 Month Term Deposit (Bank Guarantee Security)	36,575	-
Total term investments	192,288	100,000

7 Trade and Other Receivables

Trade receivables	84,355	27,390
Total current trade and other receivables	84,355	27,390

8 Trade and Other Payables

Trade payables	12,406	4,802
GST payable	7,611	1,011
Superannuation payable	11,576	-
PAYG withholding payable	20,172	8,674
Total current trade and other payables	51,765	14,487

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.

9 Employee Benefits

CURRENT		
Annual leave provision	54,817	25,182
Total current employee benefits	54,817	25,182
NON-CURRENT		
Long service leave provision	21,289	-
Total non-current employee benefits	21,289	-

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Notes to the Financial Statements For the Year Ended 30 June 2020

10 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

	2020	2019
	\$	\$
Profit	284,344	252,612
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(56,965)	(18,551)
- (increase)/decrease in other financial assets	-	(100,000)
- (increase)/decrease in prepayments	(146,093)	(988)
- increase/(decrease) in trade and other payables	37,278	(8,434)
- (increase)/decrease in contract liabilities	260,507	10,727
- increase/(decrease) in provisions	50,924	25,182
Cashflows from operations	<u>429,995</u>	<u>160,548</u>

11 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

12 Events after the end of the Reporting Period

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

13 Statutory Information

The registered office and principal place of business of the company is:

Outback Futures Limited
16 Grove Street
TOOWONG QLD 4066

Outback Futures Limited

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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*.

Director 

Name: *Peter Muir*

Director 

Name: *WAYNE MIDDLETON*

Dated this *11* day of *OCTOBER* 2020

Independent Auditor's Report to the Members of Outback Futures Limited

Opinion

We have audited the special purpose financial report of Outback Futures Limited (the Company), which comprises the statement of financial position as at 30 June 2020, 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 responsible person's declaration.

In our opinion, the accompanying financial report of the Company 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 2020 and of its financial performance and cash flows for the year then ended; and
- (b) 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 Opinion

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

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Outback Futures Limited (cont.)

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Crowe Audit Australia

CROWE AUDIT AUSTRALIA



Mark Andrejic
Partner

Townsville, 13th October 2020

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.