PalliativeCare
AUSTRALIAN CAPITAL TERRITORY

Palliative Care ACT Incorporated

ABN 58 256 209 619

Financial Report

For the Year Ended 30 June 2022

Palliative Care ACT Incorporated

ABN 58 256 209 619

Contents

For the Year Ended 30 June 2022

Palliative Care ACT Incorporated

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DIRECTORS' REPORT

For the Year Ended 30 June 2022

Directors

The names of each person who has been a Director throughout the year and at the date of this report are:

Louise Mayo	President	Appointed November 2013
Cons Sfyris	Deputy President	Appointed November 2014
Jenni McMullan	Secretary	Appointed November 2013
Wayne Bolin	Treasurer	Appointed November 2021
Matt Reid	Director	Appointed November 2021
Luke Sheehy	Public Officer	Appointed November 2020
Vicki Thompson	Director	Appointed November 2017
Carolyn Smith	Director	Appointed November 2019
Vlad Aleksandric	Director	Appointed November 2021

Below are the number of meetings and those attended by each Director:

Director	Total No. of Meetings	No. of Meetings Attended
Louise Mayo	10	10
Cons Sfyris	10	10
Jenni McMullan	10	**9**
Wayne Bolin	10	10
Matt Reid	10	10
Luke Sheehy	10	8
Vicki Thompson	10	10
Carolyn Smith	10	9
Vlad Aleksandric	10	9

Principal Activities

The principal activities of the organisation during the financial year were to influence, foster and promote palliative care through the delivery of quality care at the end of life for all and to offer support to the terminally ill, their carers and families.

This was done by:

- delivering volunteer palliative care services that support clients and their families with care, compassion, respect and dignity
- promoting palliative care in the community
- providing education in aspects of palliative care
- establishing a non-clinical respite facility
- advocating for, and promoting provision of best quality palliative care services
- supporting other like-minded organisations through partnerships and collaboration.

Significant Changes

The COVID-19 outbreak that began in early 2020 has impacted the way of life, economy and financial markets in Australia. It continued to affect the ability of Palliative Care ACT to undertake its standard operations as usual during the second year of the pandemic, with our volunteer services constrained by visitation restrictions, however despite these constraints they were able to provide 9,322 hours of support.

Despite the challenges *Leo's Place*, a non-clinical home away from home continued to provide respite to people living with a diagnosed life-limiting illness, and their families and carers. A total of 16,702 hours of respite have been provided up to 30 June 2022.

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DIRECTORS' REPORT

For the Year Ended 30 June 2022

Palliative Care ACT also received a grant to support the mental health of carers who have been looking after loved ones during the pandemic. Support has been provided in a variety of ways, as identified in consultation with recipients, to over 60 families, with the grant ending in October 2022.

Operating Result

The surplus from ordinary activities in 2021-22 amounted to $62,421 (2020-21: $330,002), primarily due to community donations.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*, for the year ended 30 June 2022 has been received and can be found on page 3 of the financial report.

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

President

Treasurer

Dated this 24th day of October 2022

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AUDITOR'S INDEPENDENCE DECLARATION UNDER S60-40 OF THE *AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012* TO THE BOARD OF PALLIATIVE CARE ACT INCORPORATED

As lead auditor of Palliative Care ACT Incorporated, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Australian Charities and Not-For-Profits Commission Act 2012* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

James Barrett, FCA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 26th day of October 2022

Palliative Care ACT Incorporated

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	Note	2022	2021
		$	$
Revenue	2	1,563,027	1,144,563
Other income	2	73,268	140,031
Employee benefits expense	3	(1,003,694)	(666,204)
Depreciation expense	3	(15,951)	(6,949)
Volunteer program expense		(2,977)	(7,707)
Audit and consultancy expenses		(27,150)	(18,387)
Funding and program expenses		(128,735)	(69,062)
Rental and utilities expenses		(124,936)	(138,420)
Vehicle expense		(9,328)	(10,428)
Insurance expense		(14,803)	(6,569)
Advertising and promotional expenses	3	(24,355)	(9,266)
Minor equipment and computer expenses		(67,198)	(36,488)
Other expenses		(34,504)	(32,401)
(Loss) / Gain on investment		(120,243)	47,289
Current year surplus before income tax		62,421	330,002
Income tax expense	1(j)	-	-
Net current year surplus		62,421	330,002
Other comprehensive income for the year		-	-
Net current year surplus attributable to members of the Association		62,421	330,002

The accompanying notes form part of these financial statements.

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Statement of Financial Position

For the Year Ended 30 June 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	782,166	787,255
Accounts receivable and other debtors	5	42,596	4,913
Other current assets	6	16,603	16,835
Financial assets	7	1,159,164	1,108,659
TOTAL CURRENT ASSETS		2,000,529	1,917,662
NON-CURRENT ASSETS			
Plant and equipment	8	48,258	34,101
TOTAL NON-CURRENT ASSETS		48,258	34,101
TOTAL ASSETS		2,048,787	1,951,763
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	101,788	77,522
Other liabilities	10	355,172	313,915
Employee provisions	11	53,306	84,226
TOTAL CURRENT LIABILITIES		510,266	475,663
TOTAL LIABILITIES		510,266	475,663
NET ASSETS		1,538,521	1,476,100
EQUITY			
Retained earnings		1,538,521	1,476,100
TOTAL EQUITY		1,538,521	1,476,100

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2022

2022

	Retained Earnings	Total
	$	$
Balance at 1 July 2021	1,476,100	1,476,100
Net surplus for the year	62,421	62,421
Balance at 30 June 2022	1,538,521	1,538,521

2021

	Retained Earnings	Total
	$	$
Balance at 1 July 2020	1,146,098	1,146,098
Net surplus for the year	330,002	330,002
Balance at 30 June 2021	1,476,100	1,476,100

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 June 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Contributions received		1,761,706	1,438,249
Interest received		2,861	10,507
Payments to suppliers and employees		(1,481,876)	(973,173)
GST remitted to the ATO		(98,286)	(70,186)
Net cash generated from operating activities		184,405	405,397
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of investments in equity instruments at fair value through profit or loss		41,486	-
Payments for investments in equity instruments at fair value through profit or loss		(812,722)	(157,638)
Proceeds from investments in financial assets at amortised cost		604,850	282,508
Proceeds from sale of property, plant and equipment		7,000	-
Payments for purchase of plant and equipment	8(a)	(30,108)	(29,070)
Net cash (used in) / provided by investing activities		(189,494)	95,800
Net (decrease) / increase in cash and cash equivalents held		(5,089)	501,197
Cash and cash equivalents at beginning of financial year		787,255	286,058
Cash and cash equivalents at end of financial year	4	782,166	787,255

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2022

The financial report was authorised for issue by those charged with governance on 24th October 2022 by the Board.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

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

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

Accounting Policies

a. Revenue and Other Income

Operating Grants, Donations and Bequests

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

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Association:

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

If a contract liability is recognised as a related amount above, the Association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Interest Income

Interest income is recognised using the effective interest method.

Dividend Income

The Association recognises dividends in profit or loss only when the Association's right to receive payment of the dividend is established.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Fair Value of Assets and Liabilities

The Association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Association would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e., unforced) transaction between independent, knowledgeable, and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the Association at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the Association's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

c. Property, Plant and Equipment

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

Plant and equipment

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

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

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

Notes to the Financial Statements

For the Year Ended 30 June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Property, Plant and Equipment (continued)

Depreciation

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

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

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	12.5%
Office Equipment	10% to 50%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

d. Financial Instruments

Initial recognition and measurement

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

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

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Financial Instruments (continued)

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are taken to profit or loss rather than other comprehensive income.

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;

Notes to the Financial Statements

For the Year Ended 30 June 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. Financial Instruments (continued)

Derecognition (continued)

- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Association no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

e. Impairment of Assets

At the end of each reporting period, the Association reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

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

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

f. Employee Provisions

Short-term employee provisions

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

Other long-term employee provisions

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g. Cash and Cash Equivalents

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

h. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

i. Goods and Services Tax (GST)

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

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

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

j. Income Tax

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

k. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l. Comparative Figures

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

m. Critical Accounting Estimates and Judgements

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

m. Critical Accounting Estimates and Judgements (continued)

Key estimates

i) *Impairment*

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

ii) *Useful lives of property, plant and equipment*

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

Key judgements

i) *Performance obligations under AASB 15*

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.

ii) *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The Association expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

n. Economic Dependence

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

o. Adoption of New and Revised Accounting Standards

Initial adoption of AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The Association has adopted AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: *Application of Tiers of Australian Accounting*, replaces the previous Reduced Disclosure Requirements (RDR) framework. The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

Notes to the Financial Statements
For the Year Ended 30 June 2022

NOTE 2: REVENUE AND OTHER INCOME

	Note	2022 $	2021 $
Revenue			
Grants		572,653	556,938
Project income		97,012	100,336
Leo's Place – Grants and other income		608,244	363,296
Fundraising and membership		167,540	58,415
Donations		83,892	62,941
Other revenue		33,686	2,637
		1,563,027	1,144,563
Other income			
Interest income		3,166	10,507
Dividends income		63,102	12,200
Gain on disposal of assets		7,000	-
COVID-19 stimulus and rebates		-	117,324
		73,268	140,031
Total revenue and other income		1,636,295	1,284,594

NOTE 3: RESULT FOR THE YEAR

The result for the year includes the following significant expenses:

	Note	2022 $	2021 $
Employee benefits expense		1,003,694	666,204
Advertising and promotional expenditure		24,355	9,266
Depreciation expense	8(a)	15,951	6,949

The result for the year includes the following expenses, which incurred for the operation of Leo's Place and are included in the expense figures reported in the Statement of Profit or Loss and Other Comprehensive Income:

	2022 $	2021 $
- employee benefits expense	437,938	148,783
- rental expense	65,179	56,384
- utilities expense	11,782	5,041
- depreciation expense	5,063	3,199
- other expenses	91,896	70,331
	611,858	283,783

NOTE 4: CASH AND CASH EQUIVALENTS

	Note	2022 $	2021 $
Cash at bank		574,043	446,674
Cash on hand		266	220
Investment cash account		207,857	340,361
Total cash and cash equivalents	15	782,166	787,255

Palliative Care ACT Incorporated

ABN 58 256 209 619

Notes to the Financial Statements

For the Year Ended 30 June 2022

NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

	Note	2022 $	2021 $
CURRENT			
Accounts receivable		15,594	2,492
GST receivable		357	69
Accrued income		12,918	-
Other debtors		13,727	2,352
Total current accounts receivable and other debtors		42,596	4,913

(a) Financial assets at amortised cost classified as accounts receivable and other receivables

	Note	2022 $	2021 $
Accounts receivables and other receivables		42,596	4,913
Less: GST receivable		(357)	(69)
Less: Accrued income		(12,918)	-
Less: Other receivables		(13,727)	(2,352)
Financial assets classified as accounts receivable and other receivables	15	15,594	2,492

NOTE 6: OTHER CURRENT ASSETS

	2022 $	2021 $
CURRENT		
Prepayments	16,603	16,835
	16,603	16,835

NOTE 7: FINANCIAL ASSETS

	Note	2022 $	2021 $
CURRENT			
Financial assets measured at amortised cost		122,667	727,517
Investments in equity instruments designed as fair value through profit or loss		1,036,497	381,142
		1,159,164	1,108,659

a) Financial assets measured at amortised cost

	Note	2022 $	2021 $
Term deposits		122,667	727,517
	15	122,667	727,517

b) Investments in equity instruments designated as at fair value through profit or loss

	Note	2022 $	2021 $
Listed investments			
Shares in listed corporations		1,036,497	381,142
	15	1,036,497	381,142

Notes to the Financial Statements
For the Year Ended 30 June 2022

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Note	2022	2021
		$	$
PLANT AND EQUIPMENT			
Motor vehicles			
At cost		42,909	41,895
Accumulated depreciation		(22,333)	(37,597)
Total motor vehicles		20,576	4,298
Office equipment			
At cost		40,083	48,679
Accumulated depreciation		(23,460)	(34,998)
Total office equipment		16,623	13,681
Leo's Place assets			
At cost		19,320	19,320
Accumulated depreciation		(8,261)	(3,198)
Total Leo's Place assets		11,059	16,122
Total property, plant and equipment		48,258	34,101

(a) Movements in Carrying Amounts

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

	Motor Vehicles	Office Equipment	Leo's Place Assets	Total
	$	$	$	$
Balance at 1 July 2021	4,298	13,681	16,122	34,101
Additions	20,909	9,199	-	30,108
Disposals	(19,895)	(17,795)	-	(37,690)
Depreciation write back	19,895	17,795	-	37,690
Depreciation expense	(4,631)	(6,257)	(5,063)	(15,951)
Carrying amount at 30 June 2022	20,576	16,623	11,059	48,258

NOTE 9: ACCOUNTS PAYABLE AND OTHER PAYABLES

		2022	2021
CURRENT			
Accounts payable		51,601	1,176
Other payables and accrued expenses		50,187	76,346
		101,788	77,522

a) Financial liabilities at amortised cost classified as accounts payable and other payables

	Note	2022	2021
Accounts payable and other payables		101,788	77,522
Less: Other payables and accrued expenses		(50,187)	(76,346)
Financial liabilities classified as accounts payable and other payables	15	51,601	1,176

Notes to the Financial Statements

For the Year Ended 30 June 2022

NOTE 10: OTHER LIABILITIES

	2022 $	2021 $
CURRENT		
Income in advance	355,172	313,915

Leo's Place (HUB) Funding:

The majority of Palliative Care ACT's other liability balance is related to funds provided for Leo's Place (previously known as the HUB) and requires to be spent on specific programs or purposes. These amounts include:

- $238,850 was received from various bodies and donors to construct a facility / centre (the HUB) that offers short-term palliative care respite in Canberra. Income will be recognised based on the cost incurred when the project commences.
- $58,000 was received from various bodies and donors to sponsor a number of nights at Leo's Place that will be offered to patients and their carers in the financial year 2022-23. While raising the funds, Palliative Care ACT publicly stated the objective of the fundraising and publicly reinforced its commitment that the funds raised through this appeal are to be used only in respect of the stated purposes. Income will be fully recognised in the financial year ended 30 June 2023.

NOTE 11: EMPLOYEE PROVISIONS

	2022	2021
CURRENT		
Provision for annual leave entitlements	53,306	84,226

Analysis of employee provisions – annual leave entitlements

Opening balance at 1 July 2021	84,226
Additional provisions	58,592
Amounts used	(89,512)
Balance at 30 June 2022	53,306

Employee provisions – annual leave entitlements

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, the Association expects the full amount of the annual leave balance to be settled within the next 12 months. Further, these amounts must be classified as current liabilities since the Association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

NOTE 12: CONTIGENT LIABILITIES AND CONTINGENT ASSETS

The Association did not have any contingencies at 30 June 2022 (30 June 2021: None).

NOTE 13: EVENTS AFTER THE REPORTING PERIOD

Other than the following, the Board is not aware of any significant events since the end of the reporting period.

In June 2022, it was confirmed that Palliative Care ACT will receive $2.598 million over a period of four years from the ACT Government, providing ongoing support for Leo's Place. The fund is part of the ACT Government's multi-million-dollar investment in the community sector, including homelessness services, unpaid carers, and Aboriginal community-controlled health organisations.

Notes to the Financial Statements

For the Year Ended 30 June 2022

NOTE 14: RELATED PARTY TRANSACTIONS

	Note	2022	2021
The Association's main related parties are as follows:		$	$
Key management personnel compensation		187,399	149,846

During the year ended 30 June 2022, Directors of Palliative Care ACT purchased tickets to various events hosted by the Association throughout the financial year. These transactions were provided at ordinary market (arm's length) terms.

NOTE 15: FINANCIAL RISK MANAGEMENT

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, investments in listed shares, accounts receivable and payable.

The totals for each category of financial instruments measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2022	2021
Financial assets			
Financial assets at amortised cost			
Cash and cash equivalents	4	782,166	787,255
Accounts receivable and other debtors	5(a)	15,594	2,492
Short term investments	7(a)	122,667	727,517
Investments in equity instruments designed as at fair value through profit and loss			
Shares in listed corporations	7(b)	1,036,497	381,142
Total financial assets		1,956,924	1,898,406
Financial liabilities			
Financial liabilities at amortised cost			
Accounts payable and other payables	9(a)	51,601	1,176
Total financial liabilities		51,601	1,176

NOTE 16: FAIR VALUE MEASUREMENT

The Association measures and recognises the following assets at fair value on a recurring basis after initial recognition

- financial assets at fair value through profit or loss;

The Association does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

Recurring fair value measurements

	Note	2022	2021
Financial assets			
Financial assets at fair value through profit or loss			
- Shares in listed corporations	7(b), 15	1,036,497	381,142
Total financial assets recognised at fair value on a recurring basis		1,036,497	381,142

Notes to the Financial Statements

For the Year Ended 30 June 2022

NOTE 17: STATUTORY INFORMATION

The registered office and principal place of business of the Association is:
Palliative Care ACT
3 Flemington Road,
Lyneham ACT 2602

NOTE 18: AUDITOR'S REMUNERATION

	2022	2021
Remuneration of the auditor:	$	$
- auditing or reviewing the financial statements	8,800	8,000
- other	1,800	1,500
	10,600	9,500

Palliative Care ACT Incorporated

ABN 58 256 209 619

Directors' Declaration

In the opinion of the Board, the financial statements as set out on pages 4 to 20:

- presents a true and fair view of the financial position of Palliative Care ACT Incorporated at 30 June 2022 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

- at the date of this statement, 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.

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

President

Treasurer

Dated this 24th day of October 2022

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PALLIATIVE CARE ACT INCORPORATED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Palliative Care ACT Incorporated (the association), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Board's declaration.

In our opinion, the accompanying financial report of Palliative Care ACT Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act)*,* including:

(i) giving a true and fair view of the association's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards – AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the ACNC Act and 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 confirm that the independence declaration required by the ACNC Act, which has been given to the directors of Palliative Care ACT Incorporated, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of the Board for the Financial Report

The Board of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Board determines 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 Board is responsible for assessing the ability of the registered entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PALLIATIVE CARE ACT INCORPORATED

Auditor's Responsibility for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- Conclude on the appropriateness of the Board'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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

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

We communicate with the Board 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.

James Barrett, FCA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this 26th day of October 2022