



# Annual Report 2018

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# Vision

Our vision is to be the first choice provider of transport services to the frail, elderly, those with disability, their carers and others needing transport.

# Mission

Our mission is to improve people's lives by encouraging and facilitating their mobility, independence and sense of community. Providing transport is our core function, however we offer more than just transport in striving to effectively, efficiently and equitably meet the needs of our clients.

# Values

## **Safety and Compliance**

We commit to prioritising the safety and wellbeing of our people, clients and those who share the road, and adhere to all applicable laws.

## **Client Focus**

We listen to our clients and put their needs first.

## **Acting Ethically**

We operate with honesty, integrity, independence, transparency, equity and fairness.

## **Valuing Others**

We foster a collaborative working environment that values contribution and recognises and respects the views and rights of all.

## **Excellence**

We strive to be the best by continuously improving what we do and how we do it, and by sharing our knowledge, skills and ideas.

## **Teamwork**

We embrace diversity and work together towards our common purpose, communicating freely and sharing decision-making and the tasks involved.

## **Positive Attitude**

We cultivate positivity and goodwill in our business, personal activities and relationships.

# Chairman's Report for 2018

It gives me great pleasure to again present my report as Chairman of the Board of St George Community Transport (STGCT).

From its humble beginnings with one vehicle provided by St George Hospital, the organisation has grown to be a multi-million-dollar enterprise operating 25 vehicles managed with a sophisticated communication system to provide exceptional transport services to the St George and wider community.

This year has been important for the continued development of STGCT and in positioning the organisation for the future.

STGCT would not be able to achieve its objective without the continued support and contributions of our staff and volunteers. With a changing and ageing workforce, increased volunteer opportunities and changing retirement plans, we are competing with many other organisations to maintain our volunteer base.

Fortunately, we have enjoyed a stable staff complement during the year and maintained a strong level of support from volunteers throughout the year.

We have once again maintained a high-quality service for our clients whilst introducing and implementing many changes which have included the introduction of Point to Point and the National Disability Insurance Scheme (NDIS). The resulting new ways of providing supports to people with a disability were embraced by our staff. STGCT successfully completed Third Party Verification with Quality Disability Guidelines and have commenced compliance with Bus Operator Accreditation Standards.

Given the strategic operational importance of information technology and communication within our organisation, we undertook a review of our information technology infrastructure and are in the process of implementing improvements which will ensure we continue to benefit from a robust and efficient system.

At the last Annual General Meeting it was agreed to make amendments to our Constitution which facilitated the change from an Incorporated Association governed by NSW Fair Trading to a Company Limited by Guarantee, regulated by the Australian Securities and Investment Commission. This change was necessary given the need to maintain an appropriate corporate structure to reflect the size and complexity of the organisation and relevant regulatory body.

Sadly, I also must advise of the passing of two of our Directors during the reporting period. In October 2017, Maree Diven was involved in a tragic motor vehicle accident which took her life and hospitalised her husband for an extended period. Maree had only recently retired from the Board in September 2017 and we had thanked her for her contribution during her tenure. Recently in August 2018, we also lost a dear friend and committed STGCT Director and Volunteer Driver Theo Van Waart. Many of you would have known Theo who was an exceptional gentleman and contributor to the STGCT organisation. We are comforted that prior to Theo succumbing to his long health battle he was able to christen his namesake vehicle which is now proudly providing exceptional transport service to Theo's beloved St George Community.

I would like to express my thanks to the members of the Board for their continued involvement and contribution to STGCT and to those who volunteer their services to our organisation.

After 6 years of dedicated service it is also time to farewell our Executive Manager Kate Young who has decided to retire. Kate has been instrumental in the leadership of this organisation to its current position. Kate demonstrated a great passion and love for the objectives and services that STGCT provides. A huge thank you to Kate and best wishes for her future.

With Kate's departure the Board undertook an executive search for a replacement and I am pleased to advise that we were successful in recruiting Carol Strachan to the role as Chief Executive Officer. The new title that reflects the continued evolution of STGCT and the increasing complexity of our operations. I am sure you will all have an opportunity to meet with Carol soon.

On behalf of the Board I would like to acknowledge the efforts and energy of Kate Young, all staff and volunteers. The level of community service and customer satisfaction provided by STGCT would not have been achieved if not for their experience, commitment and passion to provide the best available transport service to the St George Community.

*Chris Tyler*  
Chairman

# Board Members

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Chris Tyler



James Bai



Theo Van Waart



Jennifer Whitten



Kevin Weeks



Stephen Downes



Elizabeth Weston



Robert McCarthy

# Executive Officer's Report

I once more have the pleasure of writing a report about the events of the last year at St George Community Transport (STGCT) but this time I also must say that it is my last report as I will be retiring in August 2018.

What a year it has been and what a huge amount of work our team has undertaken in what can only be described as challenging yet somewhat exciting times of change.

2017-2018 has seen changes to legislative requirements for Community Transport. The Point to Point Transport Commission is the new industry regulator for Community Transport, taxis and hire vehicles in NSW and commenced operations on 1 November 2017. Point to Point legislation sets out the minimum standards for how vehicles, 12 seats or less, are managed, maintained and safety is ensured.

Whilst STGCT already had a very comprehensive management process due to work that has been carried out over the last few years, a review of existing systems and implementation of processes took place to ensure that STGCT meets the new Point to Point requirements.

All the STGCT drivers having met the driving and medical standards and are registered as Point to Point drivers with Services NSW.

For the larger vehicles, 12 seats or more, the regulation is covered by the Bus Operator Accreditation Scheme (BOAS). In November 2017, Mark Scheuer, Transport Coordinator, Nurina Simpson, Manager Consumer Engagement and Simon Flack, Manager Corporate Services, successfully completed the NSW BOAS training course through the Institute of Transport and Logistics Studies at The University of Sydney.

The National Disability Insurance Scheme (NDIS) is the new way of providing supports for Australians with disability, their families and carers. These changes introduced a significantly new way that supports are planned, managed, costed and delivered. NDIS is providing most people with set levels of transport funding so individuals can choose where to purchase their transport. STGCT have provided quotes and

Service Agreements on a case by case basis. We have contacted and assisted 355 clients who were registered under the previous disability funding with this transition.

STGCT is now in a position to manage these changes as we have broadened the knowledge base of our team and developed a culture where change is seen as a natural evolutionary process which can respond to the ever increasing external influences which affect our service.

STGCT also moved from being an Incorporated Association to a Company Limited by Guarantee. This necessitated the development of a New Constitution. I would like to thank Kelvin Ng and his team at Clayton Utz who produced this important document for us.

We have once more been through the Third Party Verification process and I am proud to say we achieved excellent results in all areas. Great Work Team!

In all we have experienced a very productive year that has produced excellent outcomes which not only benefit the organisation but ultimately the reason we are here, our clients.

STGCT is extremely fortunate in the calibre of team members we have in all areas of the organisation. Whether they are volunteers or paid employees these team members not only demonstrate their commitment to the organisation in the quality of their work but more importantly to the clients.

Our team continues to go from strength to strength dealing with the changes that come along with a sensible no fuss approach. When speaking of "our team" I think it important that it is understood that the term is all encompassing and includes everyone, the Board, office staff, drivers, carers, paid staff and all volunteers. Everyone has a vital role to play in delivering services to our clients.

Finally I would like to thank the Board for their support over the last six years and wish everyone well for the years to come.

*Kate Young  
Executive Officer*



# Treasurer's Report

It is my pleasure to present to you the financial report for the 2017-2018 financial year.

St George Community Transport (STGCT) has had another successful year, generating a surplus of \$45,798, primarily as a consequence of carefully managing our expenses to align with the funding we receive from the government. In doing so, we continue to ensure our fleet of vehicles meet the needs of the community.

Transport for NSW increased its funding this year to support a travel training program for the frail aged and people with disability, bringing total government funding we received to \$1.98m. This amount was supplemented by revenue generated directly by our organisation, as well as interest received, bringing our total revenue for the year to \$2.75m, a 2.7% increase over the prior year.

Total operating expenditure was \$2.71m, an 8.2% increase over the prior year, with the main items of expenditure being salaries and associated staff costs of \$1.76m and cost of running and maintaining the vehicle fleet of \$0.51m.

The increase in our expenses this year is mainly due to the need to meet the requirements of the National Disability Insurance Scheme (NDIS), Bus Operator Accreditation Scheme (BOAS), and Point to Point Transport legislation.

The Balance Sheet continues to reflect the strong position of STGCT with total current assets of \$2.35m of which cash and cash equivalents total \$2.27m. The cash component of our assets is committed as follows:

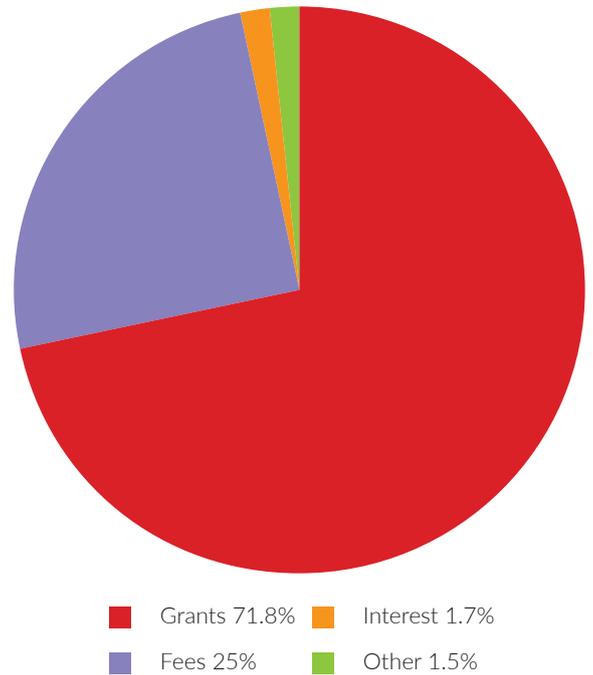
Vehicle replacement reserve	\$1.1m
Employee provisions	\$0.21m
Payables	\$0.11m
Available cash	\$0.85m

Our available cash puts us in a very positive position in terms of being able to fund investments needed to meet future changes in our industry brought about by government reforms.

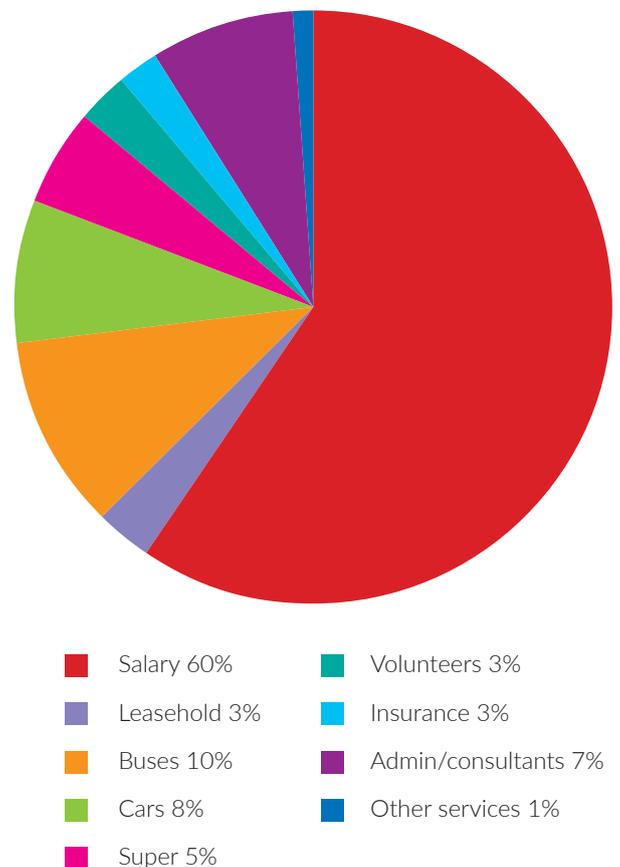
Whilst the foregoing reflects a strong financial position, our strategy continues to focus us on the competitive challenges we face in order to increase our market share in a constantly changing funding environment.

*Robert McCarthy*  
Treasurer

## Source of income



## Distribution of expenditure



# Volunteer Award

It was with great pleasure that Mrs. Kerrie Watson, was nominated for consideration for a Banks Volunteer Award in recognition of her outstanding service and tireless efforts.

Kerrie joined St George Community Transport (STGCT) in 2002 and sixteen years later she is still with us providing an exceptional service to our clients when they call the office.

The work is not easy and can be quite demanding. When Kerrie began with STGCT she worked as a Driver and a Carer but for the last few years she has worked in Administration answering calls and processing bookings.

Kerrie is extremely reliable and provides services to all our clients and other stakeholders. When Kerrie takes a call she has a smile in her voice which immediately puts the caller at ease.

Kerrie sets a fine example to our younger volunteers and is also committed to assisting the organisation to achieve its strategic goals in not only being the biggest (which we are) but also the best Community Transport Organisation.

Kerrie was thrilled to attend Penshurst RSL where she was presented with her award by Honourable Julie Bishop MP Deputy Prime Minister and Minister for Foreign Affairs. Kerrie was accompanied to the event by her husband and daughter who are both very proud of Kerrie.



# Our Team

At STGCT we are so fortunate to have an amazing team of dedicated volunteers and employees. What unites every team member at STGCT is their commitment to 'making a difference', the big hearts and overwhelming desire to provide the best community transport service possible. Many team members have close relatives who travel with STGCT and they also treat every passenger with care, as though they were their own relative.

A staff survey was conducted earlier in the year and 91% of the team agreed that clients' needs are the top priority within the organisation. In response to being asked what everyone liked most in their roles the answers were all about the passengers; the wonderful interactions, meeting new people and feeling good about doing something rewarding and helpful. The STGCT team really does represent 'more than just transport', they are a committed caring community family.



## Team Members 2017–2018

Airoldi	Marco	Ellis	Richard	Mason	Donna	Tsang	Edmond
Bai	James	Fallon	Richard	Mason	Gloria	Tyler	Chris
Baker	Helen	Favorito	Dennis	McCarthy	Robert	Van Waart	Theo
Baker	Russell	Flack	Jenny	McGeough	Stephen	Ward	Judith
Balkwell	Martine	Flack	Simon	Mio Kun	Cecilia	Ware	Keith
Barger	Angelica	Ford	Rick	Morrison	Vivienne	Watson	Kerrie
Bell	Peter	Gooding	Rhonda	Mortensen	Peter	Webb	Amy
Booth	Suzanne	Gramat	Michael	Moy	Ian	Weeks	Ann
Bucciarelli	Lynne	Green	Glenda	Northey	Sydney	Weeks	Kevin
Buttel	Mark	Green	Allan	Packwood	Glenn	Weston	Elizabeth
Campbell	Deirdre	Sullivan	Gayle	Porritt	Tony	Whitley	John
Campbell	Fiona	Grieg	Barbara	Preston	Mark	Whitten	Jennifer
Chung	Cisco	Hansell	Ken	Prosser	Les	Whitwell	Mark
Coleman	Jeffrey	Harrar	Abdel	Pucciarelli	Aspa	Wilkinson	Jason
Condon	Fred	Hayden	Lisa	Rodger	John	Wise	Tracey
Counsel	Anne	Hinton	Bob	Rutter	Denise	Woods	Heather
Cox	Graeme	Holland	Barry	Sazdanov	Victor	Yeomans	Alan
Croucher	Stephen	Humphreys	Pam	Sceivity	Patricia	Young	Kate
Cruise	Boud	Ishak	Anthony	Sceivity	Phillip	Zhai	Tom
Dibben	Shannon	Kelly	Mark	Scheuer	Mark	Zulamovski	Marija
Dillon	Dorothy	Kepping	Alex	Simpson	Nurina		
Dimitropoulos	Julie	Khanafer	Sam	Stenros–Attard	Maria		
Downes	Stephen	Kumah	Nadia	Strum	Geoff		
Dungarwalla	Shamun	Kumar	Roy	Sullivan	Russell		
Dungarwalla	Rose	Lamb	Robert	Swan	Graham		
Edwards	Phil	Levett	Peter	Szczepek	George		
Elder	Craig	Liang	Stephen	Thompson	Bert		
Elliott	Alexa	Martin	Sue	Todd	Peter		

# Service Provision

2017–2018 has seen a lot of improvement and review to the services we provide.

The drivers have all been through the process to become Point to Point registered professional drivers. This involves a lot of checks and tests. There was never any doubt about the safe and professional driving of any of our drivers, however, now they all have proof, with special code on their licence.

This year's client satisfaction survey shows that we have maintained a 100% rating for safe and comfortable driving for two years in a row! Our very high standards and overall experience reported through the survey confirms that everyone is extremely happy with the community transport service we provide.

## Client Survey Results Comparison 2017–2018

	2017 %	2018 %
<b>Drivers</b>		
Friendliness	97	99
Personal presentation	88	99
Reliability and time keeping	97	97
Safe and comfortable driving	100	100
Communication skills	97	99
<b>Bookings and Administration</b>		
Reception accuracy	100	97
Bookings accuracy	100	97
Professionalism	97	100
Communication skills	97	97
Query resolution	97	97
<b>Overall Service</b>		
Prompt service delivery	100	98
Transport options on offer	100	97
Transport cost	100	100
Overall client satisfaction	100	100
Recommending to friends	100	100

There was one improvement that resounded very clearly from the client feedback received: the outings were awesome, fun, interesting and more, more, more please was requested! Well, we listened and have delivered.

Earlier in the year the 'bingo bus', was introduced and there is now a steady number of regular attendees transported to a variety of bingo locations every day of the week.

Wednesday social outings were trialled and loved and are now a regular on the outing calendar. Some of our most popular outings have been to the Dingo Sanctuary and the Alpaca Farm, as you may see from the photographs

Throughout the year there is a steady stream of beautiful compliments about the amazing kind hearted drivers, carers, and team who make this service 'more than just transport'.



## Travel training

STGCT provides free Travel Training for people who want to learn about and gain confidence using public transport.

We were very happy to provide travel training to students in two special needs classes of Moorefield Girls High School. The students successfully completed their training and both their parents and teachers were excited to see their child and student gain more independence and self-confidence.

A local supported employment provider also took advantage of our travel training which enabled their loyal and committed workforce to travel to and from work independently.

The continuation of funding means that we have been able to continue this great work.



# Our Fleet

There have been no significant changes to the fleet during this last year.

We plan to purchase a new Sprinter Bus that will accommodate two wheelchairs and can be used for Individual Transport.



*Theo Van Waart standing proudly in front of the Mitsubishi Rosa named after him.*



Vehicle Make	Number in Fleet	Seats
Mitsubishi ROSA/FUSO	8	4 x 23
		3 x 21 or 17 + 1 wheelchairs
		1 x 17 + 2 wheelchair
Toyota Coaster	2	1 x 20
		1 x 18 or 16 + 1 wheelchair
Mercedes Sprinter	6	1 x 13
		3 x 11 or 3 x 8 + 3 wheelchairs
		1 x 9 or 7 + 1 wheelchairs
		1 x 7 seats + 1 wheelchair
Toyota Camry (Sedan)	9	4
<b>Total</b>	<b>25</b>	<b>308 or 286 plus 10 wheelchairs</b>

# St George Community Transport Project Inc

## Financial Statements for the year ended 30 June 2018

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Before reading the following financial accounts, we note that as at the 10 May 2018, the entity “St George Community Transport Project Inc” became a Company Limited by Guarantee and known as “St George Community Transport Limited.” Hence, there are two sets of financial accounts provided.

Firstly for “St George Community Transport Inc” for the period, 1 July 2017 to 30 June 2018 and the secondly for “St George Community Transport Limited” for the period, 10 May 2018 to 30 June 2018.

## Independent Auditor's Report



Greg Thompson - Registered Company Auditor

SYDNEY  
WOLLONGONG  
DARWIN

### INDEPENDENT AUDITOR'S REPORT

**To: the Members of St George Community Transport Project Inc**

**Report on the Audit of the Financial Report**

#### Opinion

I have audited the financial report of St George Community Transport Project Inc, which comprises the Statement of Financial Position as at 30 June 2018, the Statement of 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 entity's declaration.

In my opinion the financial report of St George Community Transport Project Inc 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 registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013.

#### Basis for Opinion

The audit has been conducted in accordance with Australian Auditing Standards. The auditor's responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Report section of this report. I am independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. Other ethical responsibilities have also been in accordance with the Code.

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

#### Other Information

The responsible entity is responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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Audit Services

## Independent Auditor's Report



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

### **Responsibilities of Responsible Entity for the Financial Report**

The responsible entity of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act*, and for such internal control as the responsible entity determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entity is responsible for assessing the registered entity'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 entity either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entity is responsible for overseeing the registered entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 responsible entity.
- Conclude on the appropriateness of the responsible entity'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 I conclude that a material uncertainty exists, I am 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 my opinion. My 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 registered entity to cease to continue as a going concern.

## Independent Auditor's Report



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

I communicate with the responsible entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

  
Date: 17/08/2018

Greg Thompson

PO Box 70  
Miranda NSW 2228 |

## Statement of Comprehensive Income

	Notes	2018 \$	2017 \$
<b>REVENUE</b>			
Grants		1,975,877	1,927,499
Client contributions		692,553	679,523
Interest		48,164	45,413
Profit on disposal of vehicles		4,589	-
Other		33,759	29,682
<b>TOTAL REVENUE</b>	10a	<b>2,754,942</b>	<b>2,682,117</b>
<b>EXPENSES</b>			
Salary and Related costs		1,759,062	1,530,890
Transport costs (exclude Depreciation)		306,955	334,930
Depreciation and Amortisation	4	204,198	210,113
Rent		73,808	70,286
Volunteers		75,523	81,331
Administration		69,907	95,140
Insurance		61,934	60,047
Auditors Remuneration		11,191	11,050
Loss on disposal of vehicles		-	24,522
Others		146,566	84,692
<b>TOTAL EXPENSES</b>	10a	<b>2,709,144</b>	<b>2,503,001</b>
<b>OPERATING PROFIT/(LOSS) FOR THE YEAR</b>		<b>45,798</b>	<b>179,116</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>	10a	<b>45,798</b>	<b>179,116</b>

The accompanying notes form part of these financial statements.

## Statement of Financial Position

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2	2,268,937	2,024,758
Receivables	3	84,301	56,562
<b>Total Current Assets</b>	10b	<b>2,353,238</b>	<b>2,081,320</b>
<b>Non Current Assets</b>			
Property, Plant and Equipment	4	995,055	1,166,695
<b>Total Non Current Assets</b>	10b	<b>995,055</b>	<b>1,166,695</b>
<b>TOTAL ASSETS</b>	10b	<b>3,348,293</b>	<b>3,248,015</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5	105,138	97,841
Provisions	6	163,121	136,906
<b>Total Current Liabilities</b>	10b	<b>268,259</b>	<b>234,747</b>
<b>Non Current Liabilities</b>			
Provisions	6	50,578	29,611
<b>Total Non Current Liabilities</b>	10b	<b>50,578</b>	<b>29,611</b>
<b>TOTAL LIABILITIES</b>		<b>318,837</b>	<b>264,358</b>
<b>NET ASSETS</b>	10b	<b>3,029,456</b>	<b>2,983,657</b>
<b>EQUITY</b>			
Reserves		1,099,836	977,507
Accumulated funds		1,929,620	2,006,150
<b>TOTAL EQUITY</b>	10b	<b>3,029,456</b>	<b>2,983,657</b>

The accompanying notes form part of these financial statements.

## Financial Statements for the year ended 30 June 2018

**Changes in Equity**

	Asset Replacement Reserve \$	Accumulated Funds \$	Total \$
<b>2018</b>			
Balance at 1 July 2017	977,507	2,006,150	2,983,657
Transfer to Asset Replacement Reserve	-	(122,328)	(122,328)
Profit for the year	-	45,798	45,798
Transfer from Accumulated Funds	122,328	-	122,328
<b>BALANCE AT 30 JUNE 2018</b>	<b>1,099,835</b>	<b>1,929,620</b>	<b>3,029,455</b>

	Asset Replacement Reserve \$	Accumulated Funds \$	Total \$
<b>2017</b>			
Balance at 1 July 2016	893,244	1,911,297	2,804,541
Transfer from Asset Replacement Reserve	-	(84,263)	(84,263)
Profit for the year	-	179,116	179,116
Transfer to Accumulated Funds	84,263	-	84,263
<b>BALANCE AT 30 JUNE 2016</b>	<b>977,507</b>	<b>2,006,150</b>	<b>2,983,657</b>

The accompanying notes form part of these financial statements.

**Statement of Cash Flows**

	Notes	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Grants received		2,170,564	1,927,499
Receipts from Clients		725,731	719,919
Other		84,334	60,926
<b>Total Receipts</b>		<b>2,980,629</b>	<b>2,708,344</b>
<b>Payments</b>			
Employee related		(1,759,062)	(1,530,890)
Suppliers		(949,480)	(725,306)
<b>Total Payments</b>		<b>(2,708,542)</b>	<b>(2,256,196)</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	7	<b>272,087</b>	<b>452,148</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of vehicles		16,409	62,182
Purchases of plant, equipment and intangibles		(48,817)	(131,429)
Others		4,500 -	
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(27,908)</b>	<b>(69,247)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Bank borrowings		-	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH</b>		<b>244,179</b>	<b>382,901</b>
Opening cash and cash equivalents		2,024,758	1,641,857
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	2	<b>2,268,937</b>	<b>2,024,758</b>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

### 1. Statement of Significant Accounting Policies

#### a. General information

The financial statements are special purpose financial statements which have been prepared in accordance with Division 60 of the Australian Charities and not-for-profits Commission Act 2012, applicable Accounting Standards and other mandatory professional reporting requirements and the requirements of the Associations Incorporation Act NSW.

The financial statements cover the economic entity of St George Community Transport Project Inc as an individual economic entity. St George Community Transport Project Inc is an Association, incorporated and domiciled in Australia which is restructured on the 10th May 2018 to a company structure limited by guarantee..

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### b. Basis of preparation

##### Reporting Basis and Conventions

The financial statements have been prepared on an accrual basis and are based on historical costs, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

##### Comparative Figures

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

During the current year, income and expenses have been regrouped and reclassified due to changes in reporting and management accounting system of the Association. As a result, previous year audited figures to that extent have been reclassified and regrouped.

#### c. Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

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

#### d. Revenue

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

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Client fees are brought to account on an accrual basis. Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

Interest revenue is recognised as income on receipt. Year end accrual is calculated for short-term highly liquid investments with original maturities of twelve months or less.

## Notes to the Financial Statements

### e. Property, Plant and Equipment

- i. Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.
- ii. Property, plant and equipment and motor vehicles costing \$1,000 and above individually (or forming part of a network costing more than \$1,000) are capitalised.
- iii. Depreciation is charged with respect to motor vehicles and property plant and equipment so as to charge the cost of those assets against income over the estimated useful life of each asset. The straight line method of depreciation is used, which brings the same charge to account for each year of an asset's life. Motor vehicles depreciation is assessed annually and adjusted as required so that any gain or loss that may otherwise be expected is progressively taken into depreciation charges.

The following depreciation rates have been adopted for Plant and Equipment:

<b>Depreciation Rates</b>	<b>% Rate</b>
Office equipment	25 – 33
Leasehold Improvements	10
Cars	7 – 22
Buses	7 – 12

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### f. Receivables

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

### g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of twelve months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

### h. Payables

Short-term payables for goods and services with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

### i. Employee benefits and other provisions

- i. Salaries and wages, annual leave, sick leave and on costs

Salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

- ii. Long service leave and superannuation

Long service leave is recognised and measured at the discounted amounts for the non-current liabilities. This is provided to employees with five or more years of service, using current rates of pay.

- iii. Consequential on-costs

Consequential costs to employment have not been recognised as liabilities and expenses where the employee benefits to which they relate have not been recognised in the current year.

## Notes to the Financial Statements

### j. Provisions

Provisions are recognised when an entity 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.

### k. Income Tax

No provision for Income Tax is required as the entity is a non-profit incorporated Association and has been endorsed as an income tax exempt charity and deductible gift recipient by the Australian Tax Office. The Association is registered as a Public benevolent institution with the ACNC and is exempt from income tax under the charity tax concessions.

### l. Critical accounting estimates and judgements

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

#### Key estimates

##### Impairment

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

### m. Impairment of Assets

At each reporting date, the entity reviews the carrying values 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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 entity 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.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### n. Financial Instruments

#### Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transactions 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. Financial instruments are classified and measured as set out below.

#### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability, which is extinguished

## Notes to the Financial Statements

or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss

### Classification and subsequent measurement

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

#### i. Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' if they were held for trading for the purpose of short term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets would be subsequently measured at fair value with changes in carrying value being included in profit or loss.

#### ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which are classified as non-current assets.

#### iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Held to maturity investments are included in non-current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. If during the period the entity sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investment would be tainted and reclassified as available-for-sale.

#### iv. Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management.

They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

#### v. Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

### Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

### Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income

## Notes to the Financial Statements

### 2. Cash and Cash Equivalents

	2018 \$	2017 \$
Cash on hand	152	500
Cash at Bank and on Deposit	2,268,785	2,024,258
Closing cash and cash equivalents (as per statement of cash flows)	2,268,937	2,024,758

**Funds held at bank at balance date are planned for allocation to the following areas:**

Vehicle Replacement Reserve	1,099,836	977,507
Employee Entitlements	213,699	166,517
Working Capital	955,402	880,734
Closing cash and cash equivalents (per statement of cash flows)	2,268,937	2,024,758

*Refer Note 8 for details regarding credit risk, liquidity risk, and market risk arising from financial instruments.*

### 3. Receivables

	2018 \$	2017 \$
<b>Current</b>		
Client fees receivable	38,314	16,498
Less: Allowance for impairment	-	-
Prepayments	1,277	5,725
Other receivables	44,710	34,339
	<b>84,301</b>	<b>56,562</b>

## Notes to the Financial Statements

### 4. Property Plant and Equipment

	Plant and Equipment \$	Leasehold improvements \$	Total \$
<b>At 1 July 2017 – fair value</b>			
Gross carrying amount	2,026,807	127,600	2,154,407
Accumulated depreciation and impairment	(892,932)	(94,780)	(987,712)
<b>Net carrying amount</b>	<b>1,133,875</b>	<b>32,820</b>	<b>1,166,695</b>

#### At 30 June 2018 – fair value

Gross carrying amount	2,025,016	127,600	2,152,616
Accumulated depreciation and impairment	(1,056,560)	(101,001)	(1,157,561)
<b>Net carrying amount</b>	<b>968,456</b>	<b>26,599</b>	<b>995,055</b>

#### Movements in carrying amounts

A reconciliation of the carrying amount of each class of plant and equipment at the beginning and end of the current reporting period is set out below.

	Plant and equipment \$	Leasehold improvements \$	Total \$
Year ended 30 June 2018			
Net carrying amount at start of the period	1,133,875	32,820	1,166,695
Additions	44,379	-	44,379
Disposals	11,821	-	11,821
Depreciation expenses	197,977	6,221	204,198
<b>Net carrying amount at end of the period</b>	<b>968,456</b>	<b>26,599</b>	<b>995,055</b>

### 5. Trade and other Payables

	2018 \$	2017 \$
<b>Current</b>		
Creditors and Accruals	100,126	96,455
Other payables	5,012	1,386
<b>TOTAL CURRENT PAYABLES</b>	<b>105,138</b>	<b>97,841</b>

## Notes to the Financial Statements

### 6. Provisions

	2018 \$	2017 \$
<b>Current</b>		
<b>Employee benefits and related on-costs</b>		
Annual leave	105,989	90,087
Long service leave	5,203	4,113
Personal/Other	51,929	42,706
<b>TOTAL CURRENT PROVISIONS</b>	<b>163,121</b>	<b>136,906</b>
<b>Non current</b>		
<b>Employee benefits and related on-costs</b>		
Long service leave	50,578	29,611
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>50,578</b>	<b>29,611</b>

### 7. Reconciliation of Cash Flows from Operating Activities to Net surplus

	2018 \$	2017 \$
Net cash used on operating activities	272,087	452,148
Depreciation and non-cash Items	(204,137)	(210,113)
(Increase) / Decrease in provisions	(47,183)	49
Increase / (decrease) in prepayments and other assets	27,739	(47,623)
(Increase) / Decrease in creditors	(7,297)	9,177
Net profit / (loss) on disposal of plant and equipment	4,589	(24,522)
<b>NET RESULT</b>	<b>45,798</b>	<b>179,116</b>

## Notes to the Financial Statements

### 8. Financial Instruments

The Association's policy is to hold all monies in bank accounts with Australian banks that are subject to the Federal Government guarantee.

The Association has no exposure to foreign currency risk and does not enter into commodity contracts.

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The entity does not have any derivative instruments at 30 June 2018.

#### a. Financial Assets and Financial Liabilities

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

	Notes	Category	Carrying Amount 2018 \$	Carrying Amount 2017 \$
<b>Financial Assets</b>				
Cash and cash equivalents	2	N/A	2,268,937	2,024,758
Receivables	3	Loans and receivables (at amortised cost)	84,301	56,562
<b>Financial Liabilities</b>				
Payables	5	Financial liabilities measured at amortised cost	105,138	97,841

#### b. Credit Risk

Credit risk arises when there is the possibility of the Association's debtors defaulting on their contractual obligations, resulting in a financial loss to the Association. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment). The Association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Association.

Credit risk is managed by the entity and reviewed regularly by the Board. It arises from exposures to customers as well as through deposits with financial institutions.

#### c. Liquidity risk

Liquidity risk is the risk that the Association will be unable to meet its payment obligations when they fall due. The Association continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The Association's disclosure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risks.

The following table summarises the maturity profile of the entity's financial liabilities, together with the interest rate exposure.

## Financial Statements for the year ended 30 June 2018

## Notes to the Financial Statements

## d. Interest rate risk

The Association does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore, for these financial instruments, a change in interest rates would not affect profit or loss or equity. A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility.

	CARRYING AMOUNT \$	-1%PROFIT \$	EQUITY \$	1%PROFIT \$	EQUITY \$
<b>2018</b>					
<b>Financial assets</b>					
Cash and cash equivalents	2,268,937	(22,689)	(22,689)	22,689	22,689
Receivables	84,301	-	-	-	-
<b>TOTAL</b>	<b>2,353,239</b>	<b>(22,689)</b>	<b>(22,689)</b>	<b>22,689</b>	<b>22,689</b>
<b>Financial liabilities</b>					
Payables	105,138	-	-	-	-
<b>TOTAL</b>	<b>2,248,101</b>	<b>(22,689)</b>	<b>(22,689)</b>	<b>22,689</b>	<b>22,689</b>
<b>2017</b>					
<b>Financial assets</b>					
Cash and cash equivalents	2,024,758	(20,248)	(20,248)	20,248	20,248
Receivables	56,562	-	-	-	-
<b>TOTAL</b>	<b>2,081,320</b>	<b>(20,248)</b>	<b>(20,248)</b>	<b>20,248</b>	<b>20,248</b>
<b>Financial liabilities</b>					
Payables	97,841	-	-	-	-
<b>TOTAL</b>	<b>1,983,479</b>	<b>(20,248)</b>	<b>(20,248)</b>	<b>20,248</b>	<b>20,248</b>

## 9. Events after the Reporting Period

No events have occurred subsequent to balance date which will materially affect the financial statements other than reported in Note 10 Transition of Reporting Periods.

## Notes to the Financial Statements

### 10. Transition of Reporting Periods

We noted that the entity become a company limited by guarantee on the 10th of May 2018. During the transition period, all the Assets, Liability, Income and Expenses have been reported through the association structure for ease of comparison and present a true and fair view.

The below reports show the appropriation between the entity structures for the related reporting periods:

#### 10a Periodic Profit and Loss Appropriation

	Association Period 1 Jul 2017 - 9 May 2018	Company Period 10 May 2018 - 30 Jun 2018	As Reported Full Year 1 Jul 2017 - 30 Jun 2018
	\$	\$	\$
<b>Revenue</b>			
Grants	1,906,452	69,425	1,975,877
Client contributions	573,182	119,371	692,553
Interest	39,640	8,525	48,164
Profit on disposal of vehicles	4,589	-	4,589
Other	30,151	3,608	33,759
<b>TOTAL REVENUE</b>	<b>2,554,013</b>	<b>200,928</b>	<b>2,754,942</b>
<b>Expense</b>			
Salary and related costs	1,487,418	271,644	1,759,062
Transport costs (exclude depreciation)	264,843	42,112	306,955
Depreciation and amortisation	175,241	28,957	204,198
Rent	68,850	4,958	73,808
Volunteers	65,642	9,881	75,523
Administration	59,044	10,862	69,907
Insurance	53,280	8,654	61,934
Auditors Remuneration	11,191	-	11,191
Others	113,658	32,908	146,566
<b>TOTAL EXPENSES</b>	<b>2,299,166</b>	<b>409,978</b>	<b>2,709,144</b>
Operating Profit/(Loss) for the year	254,848	(209,050)	45,798
Other Comprehensive Income	-	-	-
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>	<b>254,848</b>	<b>(209,050)</b>	<b>45,798</b>

## Notes to the Financial Statements

### 10b Balance Sheet Appropriation

	Association as at 30 Jun 2018 \$	Company as at 30 Jun 2018 \$	As Reported as at 30 Jun 2018 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2,268,937	-	2,268,937
Receivables	-	84,301	84,301
<b>Total Current Assets</b>	<b>2,268,937</b>	<b>84,301</b>	<b>2,353,238</b>
<b>Non Current Assets</b>			
Property, plant and equipment	-	995,055	995,055
<b>Total Non Current Assets</b>	<b>-</b>	<b>995,055</b>	<b>995,055</b>
<b>TOTAL ASSETS</b>	<b>2,268,937</b>	<b>1,079,356</b>	<b>3,348,293</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	-	105,138	105,138
Provisions	-	163,121	163,121
<b>Total Current Liabilities</b>	<b>-</b>	<b>268,259</b>	<b>268,259</b>
<b>Non Current Liabilities</b>			
Provisions	-	50,578	50,578
<b>Total Non Current Liabilities</b>	<b>-</b>	<b>50,578</b>	<b>50,578</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>318,837</b>	<b>318,837</b>
<b>NET ASSETS</b>	<b>2,268,937</b>	<b>760,518</b>	<b>3,029,456</b>
<b>EQUITY</b>			
Reserves	-	1,099,836	1,099,836
Consolidation Clearing Account	2,268,937	(2,268,937)	-
Accumulated funds	-	1,929,620	1,929,620
<b>TOTAL EQUITY</b>	<b>2,268,937</b>	<b>760,518</b>	<b>3,029,456</b>

## Auditor's Independence Declaration

 Greg Thompson - Registered Company Auditor		SYDNEY WOLLONGONG DARWIN	
<b>AUDITOR'S INDEPENDENCE DECLARATION</b>			
To: the Committee of St George Community Transport Project Inc.			
I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30 June 2018, there have been:			
<ul style="list-style-type: none"><li>- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and</li><li>- no contraventions of any applicable code of professional conduct in relation to the audit.</li></ul>			
 Greg Thompson			
Sydney 23 <sup>rd</sup> day of July 2018			
<b>Sydney</b> PO Box 70 Manda NSW 2228	<b>Wollongong</b> Level 2, 1 Rawson Street Wollongong NSW 2500	<b>Darwin</b> Unit 5, 18 Charlton Court Woolmer NT 0820	<b>Enquiry</b> gthompson@thompsonsaustralia.com.au 0428 274 443 ADN 68 800 147 675
 Limited liability by members approved under Professional Regulation legislation			
Audit Services			

# St George Community Transport Limited

## Financial Statements for the year ended 30 June 2018

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## Independent Auditor's Report



Greg Thompson - Registered Company Auditor

SYDNEY  
WOLLONGONG  
DARWIN

### INDEPENDENT AUDITOR'S REPORT

**To: the Members of St George Community Transport Limited**

**Report on the Audit of the Financial Report**

#### Opinion

We have audited the financial report of St George Community Transport Limited, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period from 10<sup>th</sup> of May 2018 to 30<sup>th</sup> of June 2018 then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entity's declaration.

In our opinion the financial report of St George Community Transport Limited has been prepared in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the period from 10<sup>th</sup> of May 2018 to 30<sup>th</sup> of June 2018 ; and
- b) complying with Australian Accounting Standards 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 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.

#### Other Information

The responsible entity is responsible for the other information. The other information comprises the information included in the registered entity's annual report for the period from 10<sup>th</sup> of May 2018 to 30<sup>th</sup> of June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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LIMITED LIABILITY BY MEMBERS ASSIGNED UNDER FINANCIAL REFORMS LEGISLATION

Audit Services

## Independent Auditor's Report



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

### **Responsibilities of Responsible Entity for the Financial Report**

The responsible entity of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act*, and for such internal control as the responsible entity determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entity is responsible for assessing the registered entity'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 entity either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entity is responsible for overseeing the registered entity's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 responsible entity.
- Conclude on the appropriateness of the responsible entity'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 I conclude that a material uncertainty exists, I am 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 my opinion. My 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 registered entity to cease to continue as a going concern.

## Independent Auditor's Report



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

I communicate with the responsible entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

  
Date: 17/08/2018

Greg Thompson

PO Box 70  
Miranda NSW 2228 |

## Statement of Comprehensive Income for the period from 10 May 2018 to 30 June 2018

	Notes	10 May 2018 – 30 Jun 2018 \$
<b>REVENUE</b>		
Grants		69,425
Client contributions		119,371
Interest		8,525
Profit on disposal of vehicles		-
Other		3,608
<b>TOTAL REVENUE</b>	8a	<b>200,928</b>
<b>EXPENSE</b>		
Salary and related costs		271,644
Transport costs (exclude Depreciation)		42,112
Depreciation and amortisation		28,957
Rent		4,958
Volunteers		9,881
Administration		10,862
Insurance		8,654
Auditors remuneration		-
Others		32,908
<b>TOTAL EXPENSES</b>	8a	<b>409,978</b>
<b>OPERATING PROFIT/(LOSS) FOR THE YEAR</b>	8a	<b>(209,050)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD</b>	8a	<b>(209,050)</b>

The accompanying notes form part of these financial statements.

## Statement of Financial Position as at 30 June 2018

	Notes	30 Jun 2018 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1e	-
Receivables	3	84,301
<b>Total Current Assets</b>	8b	<b>84,301</b>
<b>Non Current Assets</b>		
Property, Plant and Equipment	4	995,055
<b>Total Non Current Assets</b>	8b	<b>995,055</b>
<b>TOTAL ASSETS</b>	8b	<b>1,079,356</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Payables	5	105,138
Provisions	6	163,121
<b>Total Current Liabilities</b>	8b	<b>268,259</b>
<b>Non Current Liabilities</b>		
Provisions	6	50,578
<b>Total Non Current Liabilities</b>	8b	<b>50,578</b>
<b>TOTAL LIABILITIES</b>	8b	<b>318,837</b>
<b>NET ASSETS</b>	8b	<b>760,518</b>
<b>EQUITY</b>		
Reserves		1,099,836
Consolidation Clearing Account	1e	(2,268,937)
Accumulated funds		1,929,620
<b>TOTAL EQUITY</b>	8b	<b>760,518</b>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

### 1. Statement of significant accounting policies

#### a. General Information

The financial statements are a general purpose financial report that has been prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements. The accounts have also been prepared in accordance with the historical cost convention and do not take into account changes in either the general purchasing power of the dollar or in the prices of specific assets.

The financial statements cover the economic entity of St George Community Transport Limited as an individual entity. St George Community Transport Limited is a Company incorporated on the 10th of May 2018 and domiciled in Australia.

The following is a summary of the material accounting policies adopted by St George Community Transport Limited in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### b. Reporting Basis and Conventions

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.

#### c. Comparative Figures

Where required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year accounts. There are no comparative figures for this report as the company was incorporated on 10th May 2018.

#### d. Property, Plant and Equipment

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

##### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

##### Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the company or over the period of lease commencing from the time the asset is held ready for use.

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

<b>Depreciation Rates</b>	<b>% Rate</b>
Office equipment	25 – 33
Leasehold Improvements	10
Cars	7 – 22
Buses	7 – 12

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

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

## Notes to the Financial Statements

### e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments and other term deposits. As at 30 June 2018, Cash and Cash Equivalents were not yet transferred to the bank accounts of the Company. The balance was reported under the Consolidated Clearing Account.

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

Provision has also been made for possible redundancy caused by loss of funding to some projects or changes in the company's operational structure.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

### g. Provisions

Provisions are recognised when the company 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.

### h. Revenue

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

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

Client fees are brought to account on an accrual basis. Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

Interest revenue is recognised on an accrued basis taking into account the interest rates applicable to interest bearing deposits.

### i. Economic Dependence

St George Community Transport Limited is dependent on Government grants for nearly 72% of the revenue received to operate the company. At the date of this report the Board of Directors has no reason to believe that the Government will not continue to support St George Community Transport Limited.

### j. 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

## Notes to the Financial Statements

### k. Impairment of Assets

At each reporting date, the company reviews the carrying values 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 to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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 company 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.

Where it is not possible to estimate the recoverable amount of an asset's class, the company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### l. Critical accounting estimates and judgments

#### Key Estimates

#### Impairment

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

### m. Income Tax

No provision for Income Tax is required as St George Community Transport Limited is a non-profit company and has been endorsed as an income tax exempt charity and deductible gift recipient by the Australian Tax Office. St George Community Transport Limited is registered as a Public benevolent institution with the ACNC and is exempt from income tax under the charity tax concessions.

### n. Receivables

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

### o. Payables

Short-term payables for goods and services with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

## 2. Cash and Cash Equivalents

Cash and Cash Equivalents were not yet transferred to the bank accounts of the Company. The balance was reported under the Consolidation Clearing Account.

## 3. Receivables

	<b>2018</b>
	<b>\$</b>
<b>Current</b>	
Client fees receivable	38,314
Less: Allowance for impairment	-
Prepayments	1,277
Other receivables	44,710
	<b>84,301</b>

## Notes to the Financial Statements

### 4. Property Plant and Equipment

	Plant and Equipment \$	Leasehold improvements \$	Total \$
<b>At 30 June 2018 – fair value</b>			
Gross carrying amount	2,025,016	127,600	2,152,616
Accumulated depreciation and impairment	(1,056,560)	(101,001)	(1,157,561)
<b>Net carrying amount</b>	<b>968,456</b>	<b>26,599</b>	<b>995,055</b>

### 5. Trade and other Payables

	2018 \$
<b>Current</b>	
Creditors and Accruals	100,126
Other payables	5,012
<b>TOTAL CURRENT PAYABLES</b>	<b>105,138</b>

### 6. Provisions

	2018 \$
<b>Current</b>	
<b>Employee benefits and related on-costs</b>	
Annual leave	105,989
Long service leave	5,203
Personal/Other	51,929
<b>TOTAL CURRENT PROVISIONS</b>	<b>163,121</b>
<b>Non current</b>	
<b>Employee benefits and related on-costs</b>	
Long service leave	50,578
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>50,578</b>

### 7. Events after the Reporting Period

No events have occurred subsequent to balance date which will materially affect the financial statements other than reported in Note 8 Transition of Reporting Periods.

## Notes to the Financial Statements

### 8. Transition of Reporting Periods

We noted that the entity become a company limited by guarantee on the 10th of May 2018. During the transition period, all the Assets, Liability, Income and Expenses have been reported through the association structure unless otherwise stated.

The below reports show the appropriation between the entity structures for the related reporting periods:

#### 8a Periodic Profit & Loss Appropriation

As Reported

	Association Period 1 Jul 2017 - 9 May 2018 \$	Company Period 10 May 2018 - 30 Jun 2018 \$	Consolidated Full Year 1 Jul 2017 - 30 Jun 2018 \$
<b>Revenue</b>			
Grants	1,906,452	69,425	1,975,877
Client contributions	573,182	119,371	692,553
Interest	39,640	8,525	48,164
Profit on disposal of vehicles	4,589	-	4,589
Other	30,151	3,608	33,759
<b>TOTAL REVENUE</b>	<b>2,554,013</b>	<b>200,928</b>	<b>2,754,942</b>
<b>Expense</b>			
Salary and related costs	1,487,418	271,644	1,759,062
Transport costs (exclude depreciation)	264,843	42,112	306,955
Depreciation and amortisation	175,241	28,957	204,198
Rent	68,850	4,958	73,808
Volunteers	65,642	9,881	75,523
Administration	59,044	10,862	69,907
Insurance	53,280	8,654	61,934
Auditors Remuneration	11,191	-	11,191
Others	113,658	32,908	146,566
<b>TOTAL EXPENSES</b>	<b>2,299,166</b>	<b>409,978</b>	<b>2,709,144</b>
Operating Profit/(Loss) for the year	254,848	(209,050)	45,798
Other Comprehensive Income	-	-	-
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>	<b>254,848</b>	<b>(209,050)</b>	<b>45,798</b>

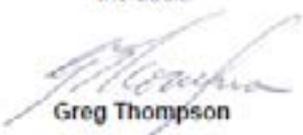
## Notes to the Financial Statements

### 8b Balance Sheet Appropriation

As Reported

	Association as at 30 Jun 2018 \$	Company as at 30 Jun 2018 \$	As Reported as at 30 Jun 2018 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2,268,937	-	2,268,937
Receivables	-	84,301	84,301
<b>Total Current Assets</b>	<b>2,268,937</b>	<b>84,301</b>	<b>2,353,238</b>
<b>Non Current Assets</b>			
Property, plant and equipment	-	995,055	995,055
<b>Total Non Current Assets</b>	<b>-</b>	<b>995,055</b>	<b>995,055</b>
<b>TOTAL ASSETS</b>	<b>2,268,937</b>	<b>1,079,356</b>	<b>3,348,293</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	-	105,138	105,138
Provisions	-	163,121	163,121
<b>Total Current Liabilities</b>	<b>-</b>	<b>268,259</b>	<b>268,259</b>
<b>Non Current Liabilities</b>			
Provisions	-	50,578	50,578
<b>Total Non Current Liabilities</b>	<b>-</b>	<b>50,578</b>	<b>50,578</b>
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>318,837</b>	<b>318,837</b>
<b>NET ASSETS</b>	<b>2,268,937</b>	<b>760,518</b>	<b>3,029,456</b>
<b>EQUITY</b>			
Reserves	-	1,099,836	1,099,836
Consolidation Clearing Account	2,268,937	(2,268,937)	-
Accumulated funds	-	1,929,620	1,929,620
<b>TOTAL EQUITY</b>	<b>2,268,937</b>	<b>760,518</b>	<b>3,029,456</b>

## Auditor's Independence Declaration

 Greg Thompson - Registered Company Auditor		SYDNEY WOLLONGONG DARWIN	
<b>AUDITOR'S INDEPENDENCE DECLARATION</b>			
<p>To: the Committee of St George Community Transport Project Inc.</p> <p>I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30 June 2018, there have been:</p> <ul style="list-style-type: none"><li>- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and</li><li>- no contraventions of any applicable code of professional conduct in relation to the audit.</li></ul> <p> Greg Thompson</p> <p>Sydney 23<sup>rd</sup> day of July 2018</p>			
<b>Sydney</b> PO Box 70 Manda NSW 2228	<b>Wollongong</b> Level 2, 1 Rawson Street Wollongong NSW 2500	<b>Darwin</b> Unit 5, 18 Chertton Court Woolmer NT 0800	<b>Enquiry</b> gthompson@thomsonsaustralia.com.au 0428 274 443 ADN 68 800 147 675
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Audit Services			

