

# **North Queensland Combined Women's Services Incorporated**

**ABN: 90 113 698 352**

## **Financial Statements**

**For the Year Ended 30 June 2020**

**North Queensland Combined Women's Services Incorporated**

ABN: 90 113 698 352

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**For the Year Ended 30 June 2020**

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## North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

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

	Note	2020 \$	2019 \$
Revenue	4	2,359,430	1,989,038
Employee benefits expense		(1,640,412)	(1,512,100)
Depreciation and amortisation expense		(17,277)	(19,099)
Finance costs		(12,380)	-
Other expenses	5	(373,428)	(268,516)
<b>Surplus for the year</b>		<b>315,933</b>	189,323
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<b>315,933</b>	189,323

The Entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

# North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

## Statement of Financial Position

As At 30 June 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	1,443,938	929,156
Trade and other receivables		-	1,028
Financial assets		-	355,365
<b>TOTAL CURRENT ASSETS</b>		<b>1,443,938</b>	<b>1,285,549</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	533,780	442,243
<b>TOTAL NON-CURRENT ASSETS</b>		<b>533,780</b>	<b>442,243</b>
<b>TOTAL ASSETS</b>		<b>1,977,718</b>	<b>1,727,792</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	125,249	119,433
Borrowings		-	14,086
Employee benefits	9	239,243	196,031
Other liabilities		10,701	6,666
<b>TOTAL CURRENT LIABILITIES</b>		<b>375,193</b>	<b>336,216</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings		-	84,769
Employee benefits	9	-	20,215
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>104,984</b>
<b>TOTAL LIABILITIES</b>		<b>375,193</b>	<b>441,200</b>
<b>NET ASSETS</b>		<b>1,602,525</b>	<b>1,286,592</b>
<b>EQUITY</b>			
Reserves	10	458,136	458,136
Retained earnings		1,144,389	828,456
<b>TOTAL EQUITY</b>		<b>1,602,525</b>	<b>1,286,592</b>

The Entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

## North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

### Statement of Changes in Equity

For the Year Ended 30 June 2020

#### 2020

	Retained Surplus \$	Reserves \$	Total \$
<b>Balance at 1 July 2019</b>	<b>828,456</b>	<b>458,136</b>	<b>1,286,592</b>
Total other comprehensive income for the period	<b>315,933</b>	<b>-</b>	<b>315,933</b>
<b>Balance at 30 June 2020</b>	<b>1,144,389</b>	<b>458,136</b>	<b>1,602,525</b>

#### 2019

	Retained Surplus \$	Reserves \$	Total \$
<b>Balance at 1 July 2018</b>	<b>639,133</b>	<b>458,136</b>	<b>1,097,269</b>
Total other comprehensive income for the period	<b>189,323</b>	<b>-</b>	<b>189,323</b>
<b>Balance at 30 June 2019</b>	<b>828,456</b>	<b>458,136</b>	<b>1,286,592</b>

The Entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

# North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

## Statement of Cash Flows For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		2,343,584	1,967,383
Payments to suppliers and employees		(1,979,973)	(1,719,849)
Interest received		16,874	21,149
Interest paid		(12,380)	-
Net cash provided by/(used in) operating activities	12	368,105	268,683
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment		(109,834)	(16,487)
Net cash provided by/(used in) investing activities		(109,834)	(16,487)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of borrowings		(98,854)	(14,086)
Net cash provided by/(used in) financing activities		(98,854)	(14,086)
Net increase/(decrease) in cash and cash equivalents held		159,417	238,110
Cash and cash equivalents at beginning of year		1,284,521	1,046,411
Cash and cash equivalents at end of financial year	6	1,443,938	1,284,521

The Entity has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 111, AASB 118, AASB 1004 and related interpretations.

The Entity has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

# North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

The financial report covers North Queensland Combined Women's Services Incorporated as an individual entity. North Queensland Combined Women's Services Incorporated is a not-for-profit Entity, registered and domiciled in Australia.

The principal activities of the Entity for the year ended 30 June 2020 were to provide community services for women in Townsville and the surrounding districts which promote the healthy, safety and well-being of all women.

The functional and presentation currency of North Queensland Combined Women's Services Incorporated is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

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

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

#### 2 Significant Accounting Policies

##### (a) Income Tax

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

##### (b) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

##### (c) Revenue and other income

###### For comparative year

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

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

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2020**

#### **2 Significant Accounting Policies**

##### **(c) Revenue and other income** **For current year**

###### **Grant revenue**

Revenue is recognised at an amount that reflects the consideration to which the entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer revenue is recognised when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

North Queensland Combined Women's Services Incorporated receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

###### **Donations**

Donations and bequests are recognised as revenue when received.

###### **Interest revenue**

Interest is recognised using the effective interest method.

###### **Other income**

Other income is recognised as revenue when received.

##### **(d) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when it is either expected to be realised or intended to be sold or consumed in a normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in a normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.



## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### 2 Significant Accounting Policies

##### (e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Deposits with maturity dates greater than three months are considered financial assets.

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

##### (f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

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

##### Depreciation

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

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

Fixed asset class	Depreciation rate
Buildings	2.5%
Furniture, Fixtures and Fittings	20%
Motor Vehicles	22.5%
Computer Equipment	10 - 40%

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

##### (g) Borrowings

Borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measure at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting period date, the borrowings are classified as non-current.

##### (h) Employee benefits

Provision is made for the Entity's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

##### *Short term employee benefits*

Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 2 Significant Accounting Policies

#### (h) Employee benefits

##### *Long term employee benefits*

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### (i) Adoption of new and revised accounting standards

The Entity has adopted all standards which became effective for the first time at 30 June 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Entity.

AASB15 provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. AASB 1058 will apply for transactions where the consideration to acquire an asset is significantly less than its fair value, principally to enable a not-for-profit entity to further its objectives. The main impact is that the timing of income recognition will depend on whether there is any performance obligation or other liability and will assist in better matching of income with related expenditure.

The Entity has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. No adjustments on adoption of AASB 15 and AASB 1058 were required to be taken to retained earnings at 1 July 2019.

AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet. The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments. A corresponding right to use the asset will be recognised which will be amortised over the term of the lease. Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.

The Entity has elected to use the exception to lease accounting for short-term leases and leases of low value assets, therefore there has been no impact from the adoption of AASB 16.

### 3 Critical Accounting Estimates and Judgments

The Responsible persons make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

The significant estimates and judgements made have been described below.

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

#### 3 Critical Accounting Estimates and Judgments

##### Key estimates - employee benefit provisions

As described in the accounting policies, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present values of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present values of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

##### Key estimates - useful lives of assets

The entity determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of external events. The depreciation charge will increase where the useful lives are less than previously estimated.

#### 4 Revenue

	2020	2019
	\$	\$
Grant income	2,162,585	1,876,278
Interest received	16,874	21,149
Donations	121,731	85,650
Other income	58,240	5,961
<b>Total revenue</b>	<b>2,359,430</b>	<b>1,989,038</b>

#### 5 Other expenses

	2020	2019
	\$	\$
Operating expenses	153,442	88,947
Client expenses	103,128	72,830
Repairs and maintenance	32,948	52,484
IT expenses	190	33,268
Insurance	80,449	14,223
Motor vehicle expenses	3,271	6,764
<b>Total other expenses</b>	<b>373,428</b>	<b>268,516</b>

## North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

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

#### 6 Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank	1,149,602	639,751
Cash on hand	200	200
Short-term deposits	269,554	264,742
Other cash and cash equivalents	24,582	24,463
<b>Total cash and cash equivalents</b>	<b>1,443,938</b>	<b>929,156</b>

#### Reconciliation of cash

Cash and cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2020	2019
	\$	\$
Cash and cash equivalents	1,443,938	929,156
Financial assets	-	355,365
<b>Balance as per statement of cash flows</b>	<b>1,443,938</b>	<b>1,284,521</b>

# North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

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

### 7 Property, Plant and Equipment

	2020 \$	2019 \$
Leasehold land		
Land	250,000	250,000
Total Land	250,000	250,000
Buildings		
Opening balance	150,000	150,000
Accumulated depreciation	(23,322)	(19,572)
Total buildings	126,678	130,428
Total land and buildings	376,678	380,428
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	61,133	-
Furniture, fixtures and fittings		
Opening balance	41,730	41,730
Accumulated depreciation	(36,185)	(34,798)
Total furniture, fixtures and fittings	5,545	6,932
Motor vehicles		
Opening balance	63,452	63,452
Accumulated depreciation	(36,115)	(28,178)
Total motor vehicles	27,337	35,274
Computer equipment		
Opening balance	89,492	66,170
Accumulated depreciation	(26,405)	(46,561)
Total computer equipment	63,087	19,609
Total plant and equipment	157,102	61,815
<b>Total property, plant and equipment</b>	<b>533,780</b>	<b>442,243</b>

## North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

### Notes to the Financial Statements

For the Year Ended 30 June 2020

#### 7 Property, Plant and Equipment

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

	Capital Works in Progress	Land	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Computer Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2020</b>							
Balance at the beginning of year	-	250,000	130,428	6,932	35,274	19,609	442,243
Additions	61,133	-	-	-	-	48,700	109,833
Disposals	-	-	-	-	-	(1,019)	(1,019)
Depreciation expense	-	-	(3,750)	(1,387)	(7,937)	(4,203)	(17,277)
<b>Balance at the end of the year</b>	<b>61,133</b>	<b>250,000</b>	<b>126,678</b>	<b>5,545</b>	<b>27,337</b>	<b>63,087</b>	<b>533,780</b>

	Capital Works in Progress	Land	Buildings	Furniture, Fixtures and Fittings	Motor Vehicles	Computer Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2019</b>							
Balance at the beginning of year	-	250,000	134,178	8,665	45,514	6,498	444,855
Additions	-	-	-	-	-	16,487	16,487
Depreciation expense	-	-	(3,750)	(1,733)	(10,240)	(3,376)	(19,099)
<b>Balance at the end of the year</b>	<b>-</b>	<b>250,000</b>	<b>130,428</b>	<b>6,932</b>	<b>35,274</b>	<b>19,609</b>	<b>442,243</b>

# North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

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

### 8 Trade and other payables

	2020	2019
	\$	\$
Trade payables	30,449	31,306
GST & PAYG payable	66,963	59,847
Accrued wages	25,127	25,127
Other payables	2,710	3,153
<b>Total trade and other payables</b>	<b>125,249</b>	<b>119,433</b>

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

### 9 Employee benefits

	2020	2019
	\$	\$
CURRENT		
Annual leave	148,587	125,590
Long service leave	90,656	70,441
<b>Total current employee benefits</b>	<b>239,243</b>	<b>196,031</b>
NON-CURRENT		
Long service leave	-	20,215
<b>Total non-current employee benefits</b>	<b>-</b>	<b>20,215</b>

### 10 Reserves

	2020	2019
	\$	\$
Members reserve	205,898	205,898
Motor vehicle reserve	80,914	80,914
Exit plan provision	170,329	170,329
Strategic plan	995	995
<b>Total reserves</b>	<b>458,136</b>	<b>458,136</b>

### 11 Auditors' Remuneration

	2020	2019
	\$	\$
Auditing the financial statements	4,625	5,000

# North Queensland Combined Women's Services Incorporated

ABN: 90 113 698 352

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

### 12 Cash Flow Information

#### (a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:	2020	2019
	\$	\$
Surplus for the year	315,933	189,323
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- impairment of property, plant and equipment	17,277	19,099
- net gain on disposal of property, plant and equipment	1,019	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	1,028	(506)
- increase/(decrease) in trade and other payables	5,816	19,286
- (increase)/decrease in current liabilities	4,035	(9,403)
- increase/(decrease) in employee benefits	22,997	50,884
Cashflows from operations	<u>368,105</u>	<u>268,683</u>

### 13 Contingencies

In the opinion of the Responsible persons, the Entity did not have any contingencies at 30 June 2020 (30 June 2019: None).

### 14 Commitments

The entity did not have any commitments as at 30 June 2020 or 30 June 2019.

### 15 Economic dependence

North Queensland Combined Women's Services Incorporated is dependent on the Department of Communities and Department of Housing and Public Works for the majority of its revenue used to operate the business. At the date of this report, the committee have no reason to believe these Government departments will not continue to support North Queensland Combined Women's Services Incorporated.

### 16 Statutory Information

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

North Queensland Combined Women's Services Incorporated  
50-52 Patrick Street  
AITKENVALE QLD 4814



**North Queensland Combined Women's Services Incorporated**

ABN: 90 113 698 352

**Responsible Persons' Declaration**

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

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

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

Responsible person VERITY BENNETT, TREASURER



Dated this 21 day of October 2020

## Independent Auditor's Report to the Members of North Queensland Combined Women's Services Incorporated

### Opinion

We have audited the special purpose financial report of North Queensland Combined Women's Services Incorporated (the Entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 persons' declaration.

In our opinion, the accompanying financial report of the Entity 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 Entity's financial position as at 30 June 2020 and of its financial performance and cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the 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.

### Emphasis of Matter – Basis of Accounting

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

### Responsibilities of the Responsible Persons' for the Financial Report

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

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

## Independent Auditor's Report

to the Members of North Queensland Combined Women's Services Incorporated  
(cont.)

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

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

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

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

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

*Crowe Audit Australia*

**CROWE AUDIT AUSTRALIA**

  
**Donna Sinanian**

Partner

Townsville, 23 / 10 / 2020.