

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

ICN 8076

GENERAL PURPOSE FINANCIAL REPORT - REDUCED DISCLOSURE REQUIREMENTS

For the Year Ended 30 June 2020

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**GENERAL PURPOSE FINANCIAL REPORT - REDUCED DISCLOSRE REQUIREMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

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DIRECTORS' REPORT

The Directors submit the financial report of the Council for Aboriginal Alcohol Program Services Aboriginal Corporation (CAAPS) for the financial year ended 30 June 2020.

OPERATING AND FINANCIAL REVIEW

The surplus from ordinary activities of the Corporation amounted to \$420,714 (2019: \$72,643). In addition there was a comprehensive loss this year of \$347,751, being the establishment of an unexpended grants reserve of \$195,325 and a decrease in revaluation reserve of \$152,426 (2019: \$157,814 following the revaluation of buildings and improvements).

PRINCIPAL ACTIVITIES

The principal activities of CAAPS during the financial year were to provide care and support services to Aboriginal and Torres Strait Islander people, families and communities who were affected by addiction to alcohol and other drug related problems.

There were no significant changes in the nature of the activities of the Corporation during the year.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any matter or circumstance that has significantly affected or may significantly affect the operations of the Corporation, the results of those operations, or the state of affairs of the Corporation, in future financial years.

LIKELY DEVELOPMENTS

The Corporation will focus on increasing the support services available to the Aboriginal and Torres Strait Islander people.

ENVIRONMENTAL REGULATION

The Corporation's operations are not subject to any significant environmental regulations under either Commonwealth or Territory legislation. However, the Directors believe that the Corporation has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Corporation.

DISTRIBUTIONS

The Corporation's rule book precludes it from distributing any surpluses to members. Accordingly, no distributions were paid, recommended or declared by the Corporation during the year.

DIRECTORS

The Directors of the Corporation at any time during or since the end of the financial year are:

Name	Position
Darren Johnson	Chairperson
Carlene (Kay) Ann Gehan	Vice Chair
Francis Ah Mat	Director
Ashum Owen	Director
Michael Torres	Director, appointed 22 November 2019
Michael Levy	Independent Director

DIRECTORS' REPORT (continued)

DIRECTORS' MEETINGS

The number of directors' meetings and the number of meetings attended by each of the directors of the Corporation during the financial year are:

Director	No of meetings held	No of meetings attended
Darren Johnson	6	5
Carlene (Kay) Ann Gehan	6	6
Francis Ah Mat	6	6
Ashum Owen	6	3
Michael Torres	4	3
Michael Levy	6	6

AUDITOR'S INDEPENDENCE DECLARATION

At no time during the financial year ended 30 June 2020 was an officer of the Corporation the auditor, a partner in the audit firm, or a director of the audit company that undertook the audit of the Corporation for that financial year.

The lead auditor's independence declaration forms part of the directors' report for the financial year ended 30 June 2020.

PROCEEDINGS ON BEHALF OF THE CORPORATION

During the year, no person has made application for leave in respect of the Corporation under section 169-5 of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (the Act).

During the year, no person has brought or intervened in proceedings on behalf of the Corporation with leave under section 169-5 of the Act.

This report is made in accordance with a resolution of the directors and is signed for and on behalf of the Board of Directors by:



Director
Date: 16 November 2020



Director
Date: 16 November 2020

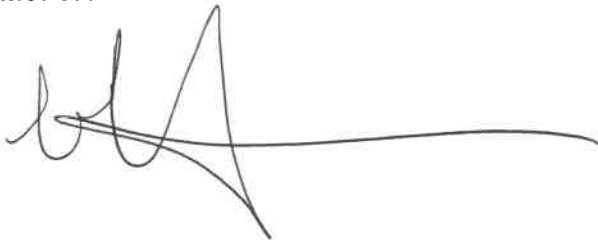
The Directors
Council for Aboriginal Alcohol Program Services Aboriginal Corporation
60 Boulter Road
Berrimah NT 0828

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LOWRYS ACCOUNTANTS



Colin James, FCA
Registered Company Auditor

Date: 16 November 2020
Darwin

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Income			
Revenue from grants and contributions	2A	4,385,002	3,744,481
Interest received	2B	5,993	18,651
Other revenue	2C	210,930	136,806
Gain on disposal of property, plant and equipment	2D	3,182	909
Total Contribution		<u>4,605,107</u>	<u>3,900,847</u>
Expenses			
Employee benefits expense	3A	3,123,425	2,762,033
Depreciation and amortisation	3B	38,474	6,531
Interest expense on lease liabilities		3,550	-
Other expenses	3C	1,018,944	1,059,640
Total Expenses		<u>4,184,393</u>	<u>3,828,204</u>
Net surplus for the year		<u>420,714</u>	<u>72,643</u>
Other comprehensive income/(loss)			
Adjustment to revaluation reserve		-	(14,071)
Decrease in revaluation reserve		(152,426)	(143,743)
Establishment of unexpended grant reserve		(195,325)	-
		<u>(347,751)</u>	<u>(157,814)</u>
Total comprehensive income/(loss) for the year		<u>72,963</u>	<u>(85,171)</u>

The accompanying notes form part of these financial statements.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	1,724,654	1,272,143
Trade and other receivables	5	23,386	4,706
Other current assets	6	185,815	27,427
Total current assets		<u>1,933,855</u>	<u>1,304,276</u>
Non-current assets			
Property, plant and equipment	7	2,678,448	2,735,528
Right of use assets	8	55,720	-
Total non-current assets		<u>2,734,168</u>	<u>2,735,528</u>
Total assets		<u>4,668,023</u>	<u>4,039,804</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	307,360	290,159
Contract liabilities	10	317,547	64,168
Lease liabilities	8	25,539	-
Provisions	11	257,753	206,709
Total current liabilities		<u>908,199</u>	<u>561,036</u>
Non-current liabilities			
Lease liabilities	8	1,318	-
Provisions	11	28,330	18,443
Total non-current liabilities		<u>29,648</u>	<u>18,443</u>
Total liabilities		<u>937,847</u>	<u>579,479</u>
Net Assets		<u>3,730,176</u>	<u>3,460,325</u>
ACCUMULATED FUNDS			
Retained surplus		3,417,611	3,190,659
Reserves	18	312,565	269,666
Total accumulated funds		<u>3,730,176</u>	<u>3,460,325</u>

The accompanying notes form part of these financial statements.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Retained Surplus	Revaluation Reserve	Unexpended Grants Reserve	Total Equity
	\$	\$	\$	\$
ACCUMULATED FUNDS				
Balance at 1 July 2018	3,118,016	427,480	-	3,545,496
Surplus for the year	72,643	-	-	72,643
Other comprehensive loss for the year	-	(157,814)	-	(157,814)
Closing Balance at 30 June 2019	3,190,659	269,666	-	3,460,325
Balance at 1 July 2019	3,190,659	269,666	-	3,460,325
Surplus for the year	420,714	-	-	420,714
Prior period adjustment	1,563	-	-	1,563
Other comprehensive loss for the year	(195,325)	-	195,325	-
Adjustment to revaluation reserve	-	(152,426)	-	(152,426)
Closing Balance at 30 June 2020	3,417,611	117,240	195,325	3,730,176

The accompanying notes form part of these financial statements.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

STATEMENT OF CASH FLOWS**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
Cash flows from/(used in) operating activities			
Grants and contributions received		4,638,381	2,635,102
Other receipts		192,250	137,621
Interest received		5,993	18,651
Payments to suppliers and employees		(4,222,625)	(3,890,447)
Lease interest paid		(3,550)	-
Net cash flows from/(used in) operating activities	16	<u>610,449</u>	<u>(1,099,073)</u>
Cash flows used in investing activities			
Proceeds from sale of property, plant and equipment		3,182	909
Acquisition of property, plant and equipment		(37,255)	(28,325)
Other		(71,710)	(14,071)
Net cash flows used in investing activities		<u>(105,783)</u>	<u>(41,487)</u>
Cash flows used in financing activities			
Payment of lease liabilities		(52,155)	-
Net cash flows used in financing activities		<u>(52,155)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		452,511	(1,140,560)
Cash and cash equivalents at the beginning of the year		<u>1,272,143</u>	<u>2,412,703</u>
Cash and cash equivalents at the end of the year	4	<u><u>1,724,654</u></u>	<u><u>1,272,143</u></u>

The accompanying notes form part of these financial statements.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

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COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

The financial statements cover Council for Aboriginal Alcohol Program Services Aboriginal Corporation as an individual entity, incorporated and domiciled in Australia. Council for Aboriginal Alcohol Program Services Aboriginal Corporation is a Corporation registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-profits Commission Act 2012* (the Acts).

Principal place of business

60 Boulter Road
Berrimah NT 0828

Registered office

60 Boulter Road
Berrimah NT 0828

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are required by the Acts and are general purpose financial statements - Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements have been prepared in accordance with:

- *Corporations (Aboriginal and Torres Strait Islander) Regulations 2017* and the *Australian Charities and Not-for-profits Commission Regulations 2013*; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

Accounting Policies

(a) Revenue

The Corporation has applied AASB 15: *Revenue from Contracts with Customers* (AASB 15) and AASB 1058: *Income of Not-for-Profit Entities* (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: *Revenue* and AASB 1004: *Contributions*. The details of accounting policies under AASB 118 and AASB 1004 are disclosed separately since they are different from those under AASB 115 and AASB 1058, and the impact of changes is disclosed in Note 1.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

Note 1: Summary of Significant Accounting Policies (continued)

(a) Revenue (continued)

In the current year

Operating Grants, Donations and Bequests

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

When both these conditions are satisfied, the Corporation:

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

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

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

Capital Grant

When the Corporation receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Corporation recognises income in profit or loss when or as the Corporation satisfies its obligations under terms of the grant.

Interest Income

Interest income is recognised using the effective interest method.

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

In the comparative period

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control for the grant and it is probable that the economic benefits gained from the 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 the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (continued)

(a) Revenue (continued)

When grant revenue is received whereby the Corporation 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.

The Corporation 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 profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

(b) Property, Plant and Equipment

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

Valuation of buildings, at fair value

The building were independently valued at 30 June 2018 by Herron Todd White. At 30 June 2019 and 30 June 2020, the directors have performed a directors' valuation on the buildings. The directors have reviewed the assumptions adopted by the valuers in 2018 and do not believe there has been a significant change in the assumptions at 30 June 2020 (or at 30 June 2019). The directors therefore believe the carrying amount of the buildings correctly reflects the fair value at 30 June 2020.

Plant and equipment

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

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life to the Corporation commencing from the time the asset is held ready for use.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**Note 1: Summary of Significant Accounting Policies (continued)****(b) Property, Plant and Equipment (continued)**

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

<u>Class</u>	<u>Rate</u>
Buildings	5%
Plant and equipment	33⅓%
Motor vehicles	10% - 50%

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

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

(c) Leases**The Corporation as lessee**

At inception of a contract, the Corporation assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Corporation where the Corporation is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Corporation uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- lease payments under extension options of lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Corporation anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (continued)

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Corporation becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Corporation commits itself to either purchase or sell the asset.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit and loss' in which case transaction costs are recognised as expenses in profit or loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: *Revenue from Contracts with Customers*.

Classification and subsequent measurement

Financial Liabilities

Financial liabilities are subsequently measured at:

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

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

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

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

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

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

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (continued)

Measurement is on the basis of two primary criteria:

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

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

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

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

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

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Corporation initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

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

Derecognition

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

Derecognition of financial liabilities

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (continued)

Derecognition of financial assets

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

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

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie has no practical ability to make unilateral decision to sell the asset to a third party).

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

The Corporation recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income; and
- lease receivables.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Corporation uses the simplified approach to impairment, as applicable under AASB 9.

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to trade receivables and lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the Corporation recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to the asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (continued)

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

(e) Impairment of Non Financial Assets

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

Where the assets are not held primarily for their ability to generate net cash inflows the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus 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 class of asset.

(f) Employee Benefits

Short-term employee benefits

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

The Corporation's obligations for short-term benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee provisions

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

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

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(g) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. The Corporation did not have an overdraft during the year.

(h) Trade and Other Receivables

Trade and other receivables include amounts receivable from clients for accommodation and food provided in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(i) Goods and Services Tax

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

Cash flows are included in the cash flow statement on a net basis. 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.

(j) Income tax

The Corporation is a Public Benevolent Institution and is endorsed by the Australian Taxation Office to access income tax exemption under Subdivision 50-A of the Income Tax Assessment Act 1997.

(k) Fringe Benefits Tax

The Corporation, as a Public Benevolent Institution, is also endorsed by the Australian Taxation Office to access the FBT exemption.

(l) Provisions

Provisions are recognised when the Corporation 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(m) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Corporation during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(n) Comparative Figures

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

(o) Critical Accounting Estimates and Judgements

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

Key estimates

Valuation of buildings, at fair value

The buildings were independently valued at 30 June 2018 by Herron Todd White. At 30 June 2019 and 30 June 2020, the directors have performed a directors' valuation on the buildings. The directors have reviewed the assumptions adopted by the valuers in 2018 and do not believe there has been a significant change in the assumptions at 30 June 2020 (or at 30 June 2019). The directors therefore believe the carrying amount of the buildings correctly reflects the fair value at 30 June 2020.

Useful lives of property, plant and equipment

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

Key judgements

Employee benefits

For the purpose of measurement, AASTB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Corporation expects that most employees will use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows the directors believe that obligations for annual leave entitlements satisfy the definition of short-term employee benefits.

(p) Economic Dependency

The continued operation of the Council for Aboriginal Alcohol Program Services Aboriginal Corporation is dependent on funding from the Commonwealth and Northern Territory Governments. At the date of this report, the Board of Directors has no reason to believe the support will not continue.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(q) Fair Value of Assets and Liabilities

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

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

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

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

(r) New and Amended Accounting Policies Adopted

Initial adoption of AASB 16

The Corporation has adopted AASB 16: *Leases* retrospectively with the cumulative effect of initially applying AASB 16 recognised at 1 July 2019. In accordance with AASB 16 the comparatives for the 2019 reporting period have not been restated.

The Corporation has recognised a lease liability and right-of-use asset for all leases (with the exception of short term and low value leases) recognised as operating leases under AASB 117: *Leases* where the Corporation is the lessee. The lease liabilities are measured at the present value of the remaining lease payments. The Corporation's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments.

The right-of-use assets for motor vehicles was measured at its carrying amount as if AASB 16: *Leases* had been applied since the commencement date, but discounted using the Corporation's weighted average incremental borrowing rate on 1 July 2019.

The following practical expedients have been used by the Corporation in applying AASB 16 for the first time:

- for a portfolio of leases that have reasonably similar characteristics, a single discount rate has been applied;
- leases that have remaining lease term of less than 12 months as at 1 July 2019 have been accounted for in the same way as short-term leases;
- the use of hindsight to determine lease terms on contracts that have options to extend or terminate; and
- not applying AASB 16 to leases previously not identified as containing a lease under AASB 117 and Interpretation 4.

The Corporation's weighted average incremental borrowing rate on 1 July 2019 applied to the lease liabilities was 6.41%.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note 1: Summary of Significant Accounting Policies (Continued)

(r) New and Amended Accounting Policies Adopted (continued)

Initial adoption of AASB 15 and AASB 1058

The Corporation has applied AASB 15: *Revenue from Contracts with Customers* and AASB 1058: *Income of Not-for-Profit Entities* using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: *Revenue* and AASB 1004: *Contributions*.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

		2020 \$	2019 \$
Note 2:	Revenue and Other Income		
Note 2A	Revenue from government and other grants and contributions		
	Commonwealth government grants - recurrent	2,645,873	2,501,476
	Commonwealth government grants - non-recurrent	200,000	2,500
	Territory government grants - recurrent	991,104	988,804
	Territory government grants - non-recurrent	392,524	69,737
	Other grants - recurrent	337,368	152,499
	Other grants - non-recurrent	99,930	3,636
	Unexpended grants -adjustments	(282,547)	25,802
		<u>4,384,252</u>	<u>3,744,454</u>
	Other contributions - donations	750	27
	Total revenue from grants and contributions	<u><u>4,385,002</u></u>	<u><u>3,744,481</u></u>
Note 2B	Interest		
	Interest received from financial institutions	<u>5,993</u>	<u>18,651</u>
Note 2C	Other revenue		
	Recoveries	30,043	1,174
	Client/tariff income	105,622	126,862
	Insurance claims	13,226	8,642
	ATO Cash Flow Boost	50,000	-
	Other	12,039	128
	Total other revenue	<u><u>210,930</u></u>	<u><u>136,806</u></u>
Note 2D	Gain on disposal of property, plant and equipment		
	<i>Motor vehicles</i>		
	Written down value	-	-
	Proceeds from disposal	3,182	909
	Gain from disposal of property, plant and equipment	<u><u>3,182</u></u>	<u><u>909</u></u>
Note 3:	Expenses		
Note 3A	Employee benefits expense		
	Salaries and wages	2,664,204	2,401,794
	Staff on-costs	425,989	314,610
	Staff turnover costs	8,423	12,644
	Personnel development	24,809	32,985
	Total employee benefits expense	<u><u>3,123,425</u></u>	<u><u>2,762,033</u></u>
Note 3B	Depreciation and Amortisation		
	<i>Depreciation</i>		
	Motor vehicles	7,361	272
	Plant and equipment	7,822	6,259
	Total Depreciation	<u>15,183</u>	<u>6,531</u>
	<i>Amortisation</i>		
	Right of use asset - Motor vehicle	23,291	-
	Total depreciation and amortisation	<u><u>38,474</u></u>	<u><u>6,531</u></u>

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
Note 3: Expenses (continued)		
Note 3C Other expenses		
Audit fees	15,250	6,775
Board costs	1,197	1,030
Communication costs	29,126	36,917
Consultancy fees	55,071	44,771
Contractor	102,469	103,191
Finance costs	45,797	31,435
Health promotion	10,508	24,785
Information resources	28,179	35,057
Information technology	103,251	71,037
Motor vehicle expenses	41,499	91,279
Office consumables	14,050	13,883
Program/course expenses	16,083	22,802
Property management expenses	296,922	328,086
Property, plant and equipment costs	144,554	132,154
Residential expenses	114,988	116,438
Total other expenses	<u>1,018,944</u>	<u>1,059,640</u>
Note 4: Cash and Cash Equivalents		
Cash on hand	332	2,000
Cash at bank	1,724,322	1,270,143
Total cash and cash equivalents	<u>1,724,654</u>	<u>1,272,143</u>
Note 5: Trade and Other Receivables		
Trade debtors	30,273	8,993
Provision for impairment	(6,887)	(4,287)
Total current trade and other receivables	<u>23,386</u>	<u>4,706</u>
The Corporation does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.		
No collateral has been pledged for any of the current or non-current trade and other receivable balances.		
Note 6: Other Current Assets		
Prepayments	180,995	22,787
OPAL fuel	1,575	1,079
Other	3,245	3,561
Total other current assets	<u>185,815</u>	<u>27,427</u>

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
Note 7: Property, Plant and Equipment		
Buildings and improvements, at fair value	2,910,408	2,838,698
Less: Accumulated depreciation	(296,168)	(143,743)
	<u>2,614,240</u>	<u>2,694,955</u>
Motor vehicles, at cost	118,550	185,643
Less: Accumulated depreciation	(60,603)	(157,590)
	<u>57,947</u>	<u>28,053</u>
Plant and equipment, at cost	63,113	18,779
Less: Accumulated depreciation	(56,852)	(6,259)
	<u>6,261</u>	<u>12,520</u>
Total property, plant and equipment	<u>2,678,448</u>	<u>2,735,528</u>

The land is prescribed property. The Corporation is prohibited from disposing or otherwise encumbering any of the property except for personal property under the value of \$25,000.

Asset Revaluations

The buildings and improvements were independently valued at 30 June 2018 by Herron Todd White.

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

	Buildings and improvements at fair value \$	Motor Vehicles at cost \$	Plant and equipment at cost \$	Total \$
2019				
Balance at the beginning of the year	2,838,698	-	18,779	2,857,477
Additions	-	28,325	-	28,325
Depreciation	(143,743)	(272)	(6,259)	(150,274)
Carrying amount at the end of the year	<u>2,694,955</u>	<u>28,053</u>	<u>12,520</u>	<u>2,735,528</u>
2020				
Balance at the beginning of the year	2,694,955	28,053	12,520	2,735,528
Additions	-	37,255	1,563	38,818
Depreciation	(152,425)	(7,361)	(7,822)	(167,608)
Revaluation adjustments	71,710	-	-	71,710
Carrying amount at the end of the year	<u>2,614,240</u>	<u>57,947</u>	<u>6,261</u>	<u>2,678,448</u>

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
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Note 8: Lease Assets and Lease Liabilities

The Corporation's lease portfolio includes motor vehicles and equipment. These leases have an average of 4 years as their lease term.

Options to extend or terminate

The option to extend or terminate are contained in the motor vehicle leases. These clauses provide the Corporation opportunities to manage leases in order to align with its strategies. All of the extension or termination options which were probable to be exercised have been included in the calculation of the lease asset.

i) AASB 16 related amounts recognised in the balance sheet

Lease assets	2020 \$
Leased motor vehicles	79,011
Accumulated amortisation	(23,291)
Total right of use asset	55,720

Movement in carrying amounts:

Leased motor vehicles:	
Opening balance on initial application of AASB 16	79,011
Addition to right of use asset	-
Amortisation expense	(23,291)
Net carrying amount	55,720

Lease Liabilities

Current	25,539
Non-current	1,318
	26,857

ii) AASB 16 related amounts recognised in the statement of profit or loss

Depreciation charge related to lease assets	23,291
Interest expense on lease liabilities	3,550

Note 9: Trade and Other Payables

Accounts payable	25,615	36,388
Accrued expenses	130,480	134,841
GST payable	57,229	60,601
Other payables	94,036	58,329
Total trade and other payables	307,360	290,159

Settlement of trade creditors is generally net 30 days.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
Note 9: Trade and Other Payables (continued)		
a. Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables:		
- total current	307,360	290,159
- total non-current	-	-
	<u>307,360</u>	<u>290,159</u>
Less GST payable	<u>(57,229)</u>	<u>(60,601)</u>
Financial liabilities as trade and other payables	<u><u>250,131</u></u>	<u><u>229,558</u></u>

No interest is payable on outstanding payables.

Note 10: Contract Liabilities		
<i>Current</i>		
Deferred income	-	64,168
Contract liability	<u>317,547</u>	<u>-</u>
Total contract liabilities	<u><u>317,547</u></u>	<u><u>64,168</u></u>
Balance at the beginning of the year	64,168	-
Reclassified from deferred income on initial application of AASB 15	<u>(64,168)</u>	<u>-</u>
Additions:		
Grants for which performance obligations will only be satisfied in subsequent years	<u>317,547</u>	<u>64,168</u>
Closing balance at the end of the year	<u><u>317,547</u></u>	<u><u>64,168</u></u>

If grants are enforceable and have sufficiently specific performance obligations in accordance with AASB 15 the amount received at that point in time, is recognised as a contract liability until the performance obligations have been satisfied.

Note 11: Provisions		
<i>Current</i>		
Employee benefits - annual leave entitlements	<u>257,753</u>	<u>206,709</u>
<i>Non-current</i>		
Employee benefits - long service leave entitlements	<u>28,330</u>	<u>18,443</u>
Total provisions	<u><u>286,083</u></u>	<u><u>225,152</u></u>

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
Note 12: Expenditure Commitments		
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not recognised in the financial statements		
Operating Lease commitments		
- not later than 12 months	-	97,704
- later than 12 months but not later than five years	-	32,169
- later than five years	-	-
	<u>-</u>	<u>129,873</u>

Finance Lease Commitments

There were no finance lease commitments (2019: \$Nil).

Capital Expenditure Commitments

There were no capital expenditure commitments (2019: \$Nil).

Note 13: Events After the Reporting Period
The directors are not aware of any significant events that have occurred since the end of the reporting period which have an effect on the presentation or require disclosure to the financial statements.

Note 14:	Key Management Personnel Compensation	
<p>Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Corporation, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.</p>		
<p>Key management personnel compensation:</p>		
- short-term employee benefits - current year	158,920	151,339
- post-employment benefits - current year	14,873	14,224
	<u>173,793</u>	<u>165,563</u>

Note 15: Other Related Party Transactions
No remuneration or benefits were paid to the directors during the year.
There were no loans to directors either this year or last year nor was there any outstanding balances from prior years.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	2020 \$	2019 \$
Note 16: Cash Flow Information		
Reconciliation of Cash Flow from/(used in) Operating Activities with Current Year Surplus		
Current year surplus	420,714	72,643
<i>Non-cash flows:</i>		
Gain from disposal of property, plant and equipment	(3,182)	(909)
Depreciation and amortisation	38,474	6,531
<i>Changes in assets and liabilities:</i>		
(Increase) / Decrease in assets:		
Trade and other receivables	(18,680)	815
Other current assets	(158,388)	108,874
Increase/(decrease) in liabilities:		
Trade and other payables	17,201	(192,791)
Contract liabilities	253,379	(1,109,379)
Employee provisions	60,931	15,143
Net cash from/(used in) operating activities	610,449	(1,099,073)

Note 17: Financial Risk Management

The Corporation's financial instruments consist mainly of deposits with banks, receivables and payables and lease liabilities.

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

Financial assets	Note		
Cash and cash equivalent	4	1,724,654	1,272,143
Trade and other receivables	5a	23,386	4,706
Total financial assets		1,748,040	1,276,849
Financial liabilities			
Lease liabilities	8	26,857	-
Trade and other payables	9a	250,131	229,558
Total financial liabilities		276,988	229,558

Fair values

Unless otherwise stated, the directors consider the financial assets and financial liability carrying amount to also be its fair value.

Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised.

Recurring fair value measurements	Note		
Buildings and improvements	7	2,614,240	2,694,955

Buildings and improvements valued by an independent licensed valuer is classified as a level 2 category measurement that is based on inputs other than quoted prices in an active market that are observable for the asset.

COUNCIL FOR ABORIGINAL ALCOHOL PROGRAM SERVICES ABORIGINAL CORPORATION

ABN: 24 981 990 592

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

	2020 \$	2019 \$
Note 18: Reserves		
Movement in reserves		
<i>Revaluation reserve</i>		
Balance at beginning of reporting year	269,666	427,480
Adjustment to revaluation reserve	-	(14,071)
Revaluation decrement for buildings and improvements	(152,426)	(143,743)
Balance at end of the reporting year	<u>117,240</u>	<u>269,666</u>
The asset revaluation reserve arises on the revaluation of buildings and improvements. Where a revalued item of property, plant and equipment is sold, that portion of asset revaluation reserve which relates to that asset and is effectively realised, is transferred directly into retained earnings.		
<i>Unexpended grant reserve</i>		
Balance at beginning of reporting year	-	-
Transfer to establish reserve	195,325	-
Balance at end of the reporting year	<u>195,325</u>	<u>-</u>

The unexpended grant reserve is made up of surplus grant funds that have been set aside and are expected to be used in either a future reporting period or returned to the funding body.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Council for Aboriginal Alcohol Program Services Aboriginal Corporation, the Directors declare that:

1. The financial statements and notes, as set out on pages 4-28, are in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position of the Corporation as at 30 June 2020 and of its performance for the year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director
Date: 16 November 2020



Director
Date: 16 November 2020

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF COUNCIL FOR ABORIGINAL PROGRAM SERVICES ABORIGINAL CORPORATION****Report on the Audit of the Financial Report*****Opinion***

We have audited the financial report of Council for Aboriginal Alcohol Program Services Aboriginal Corporation (the Corporation), 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, the statement of cash flows for the year then ended, the notes to the financial statements including a summary of significant accounting policies, the directors report and the directors' declaration.

In our opinion, the accompanying financial report of the Council for Aboriginal Alcohol Program Services Aboriginal Corporation has been prepared in accordance with the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Corporation's financial position as at 30 June 2020 and of its financial performance for the year then ended;
- (ii) complying with Australian Accounting Standards, the *Corporations (Aboriginal and Torres Strait Islander) Regulations 2017* and the *Australian Charities and Not-for-profits Commission Regulations 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 Corporation 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.

Responsibilities of the Directors for the Financial Report

The directors of the Corporation are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Corporation'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 directors either intend to liquidate the Corporation or to cease operation, or have no realistic alternative but to do so.

Directors are also responsible for overseeing the Corporation's financial reporting process.

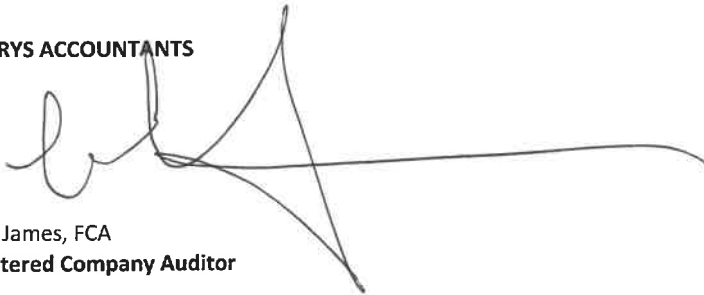
INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF COUNCIL FOR ABORIGINAL PROGRAM SERVICES ABORIGINAL CORPORATION*****Auditor's Responsibilities for the Audit of the Financial Report***

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.

Report on the Audit of the Financial Report (continued)

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

This description forms part of our auditor's report.

LOWRYS ACCOUNTANTS

Colin James, FCA
Registered Company Auditor

Darwin
Date: 16 November 2020

