

Lifeline Harbour to Hawkesbury Sydney Ltd

ABN:56 766 506 533

Financial Statements

For the Year Ended 30 June 2023

Lifeline Harbour to Hawkesbury Sydney Ltd

ABN:56 766 506 533

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Lifeline Harbour to Hawkesbury Sydney Ltd

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Directors' Report

30 June 2023

The directors present their report on Lifeline Harbour to Hawkesbury Sydney Ltd for the financial year ended 30 June 2023.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

David Scott

Qualifications

BSc(Hons), MBA, MPS, PhD, FAICD

Experience

Dr David Scott joined the Board in 2013 and has been President since October 2021. Previously he was Chair of the Retail and Property Committee from 2013 to 2022. With over 20 years of banking experience, David was an Executive General Manager at Commonwealth Bank in its Group Strategic Development department for nine years, heading the team responsible for all group mergers and acquisitions. David has wide-ranging academic qualifications in science (BSc(Hons)), business administration (MBA), and social policy (MPS and PhD). The PhD research, completed at UNSW's Social Policy Research Centre in 2022, provides a new understanding of the layers of Australian social security institutions that leave many people in poverty. David was previously a Uniting Church in NSW & ACT Synod Board member. David is a Fellow of the Australian Institute of Company Directors (FAICD).

Special responsibilities

President

Appointment to Board

26 September 2013

Mark Hedges

Qualifications

MAppFin, MBA, B Business, CPA, GAICD

Experience

Mark has served on the Board since April 2016 and as Treasurer since March 2017, and is Chair of the Finance and Audit Committee. Mark is an experienced finance executive, having worked for several multinational companies in finance, treasury, commercial, accounting and risk roles. He has qualifications in finance, business studies and accounting. Mark is a Certified Public Accountant, a Graduate of the Australian Institute of Company Directors and a Fellow of the Australian Corporate Treasury Association. He has served on boards in an executive and non-executive director capacity.

Special responsibilities

Treasurer

Appointment to Board

7 April 2016

Lifeline Harbour to Hawkesbury Sydney Ltd

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Directors' Report

30 June 2023

1. General information

Information on directors

Arabella Tuck

Qualifications

Experience

LLB, BA, GDLP, CTA

Arabella is a corporate tax solicitor at Allen & Overy with over five years of practice. Arabella acts on a broad range of matters, both local and cross-jurisdictional, advising clients on their Australian tax liabilities. Arabella has experience working across a number of sectors on transactional and controversy matters as well as providing tax advice on the establishment of international funds, inbound and outbound investment, tax due diligence, structuring and preparation of transaction documents for both private equity and public Mergers & Acquisitions deals as well as a wide variety of pro-bono support for charitable entities. Arabella has a Bachelor of Arts and a Bachelor of Laws from the University of Sydney and is a Chartered Tax Adviser. Arabella has served as a director and company secretary and chair of the Membership Committee since 2020.

Special responsibilities

Appointment to Board

Secretary / Public Officer

2 April 2020

Chris Kinsella

Qualifications

Experience

BEc/LLB, MEc, LLM, GAICD, CA ANZ

Chris joined the Board in 2013 and is a member of the Finance and Audit Committee. Chris is a partner in the law firm Holding Redlich. Chris has over 35 years' experience practising as both a lawyer and a chartered accountant including as a partner in leading Big Four advisory firms and in leading law firms. Since 2013 Chris has also been an Ambassador for the Vinnies CEO Sleepout. Chris holds a Master of Laws degree and a Master of Economics degree. He is a Graduate of the Australian Institute of Company Directors, a fellow of Chartered Accountants Australia and New Zealand (CA ANZ) and The Tax Institute and is accredited in dispute resolution with the NSW Law Society.

Special responsibilities

Appointment to Board

Vice President

26 September 2013, resigned 27 April 2023

Peter Tuchin

Qualifications

Experience

BSc, GradDipChiro, DipOHS, PhD, FACC

Dr Peter Tuchin has had a long connection with Lifeline Harbour to Hawkesbury Sydney. Initially through his late wife Tessa Marshall and the Gala Ball Committee, and now as a member of the board from October 2017. Peter retired from Macquarie University after 27 years as an Associate Professor. Peter's areas of interest and research include the relationship of posture with neck pain, headaches and migraine, chronic pain syndromes, and the relationship of vertebral artery dissection stroke with chiropractic. Peter was also President of Chiropractic and Osteopathic College of Australia (COCA), and has been on the COCA Executive for over 20 years. In addition, Peter worked at WorkCover NSW as a Team Leader and was employed as a National OHS Manager. Peter is currently a member of the World Federation of Chiropractic Disability and Rehabilitation Committee.

Appointment to Board

22 September 2017

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Directors' Report

30 June 2023

1. General information

Information on directors

Barbara Ward

Experience

Barbara Ward is a highly respected, influential and accomplished business and community leader. She has extensive executive experience in management in diverse industries with a career that spans across finance, audit, marketing, capital and fundraising, health and education, food security, with significant exposure to domestic and international markets. She is the founder of Impact One, which creates business opportunities in the trade sector both on and off shore and consults for international organisations including Government delegations. Barbara is a seasoned director on boards and has experience in governance, public policy and strategy. She is the Patron of Hornsby Ku ring gai Womens Shelter and sits on the Ministerial Advisory Committee for Aging and is the President of SHARE Inc and Nutrition Australia NSW. She is also on the Advisory Board of UN Australia, Asian Australia Business Council, Australia China & India Business Councils, InQ Global and serves on other charity boards. She is a public health advocate with a focus on mental health and wellness and is a recipient of many community, business and NSW Government awards including Local Woman of the Year and Volunteer of the Year. Barbara is currently the Deputy Mayor of Ku ring gai Council. Barbara is the Chair of the Human Resources Committee.

Appointment to Board

23 February 2017

Bruce Young

Qualifications

Experience

BSc, B.Com (Honours) Accounting, M.Com, CA ANZ, CISA, CISM
Bruce joined the Board in early 2020 and is Chair of the Risk and Compliance Committee. He has also volunteered as a telephone crisis supporter and inshift supervisor. He served as General Manager, Operational Resilience at the Australian Prudential Regulatory Authority (APRA), leading the specialist risk teams, including operational, compliance, technology, cyber and climate risk, and now holds the position of Executive Director, Technology and Data. He spent over 20 years with Ernst & Young, serving as an audit, risk and advisory partner for 16 years. He held the position of Chief Risk Officer for IT & Group Operations for the Commonwealth Bank of Australia for over six years. Bruce holds a BSc., BCom (Honours) Accounting and MCom (Computer Auditing), and is a member of CA ANZ. In addition he holds a Higher Diploma in Accounting, and the CISA and CISM certifications with ISACA. He has completed the Australian Institute of Company Directors, Directors course.

Appointment to Board

2 April 2020

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Directors' Report

30 June 2023

1. General information

Information on directors

Guy Amon

Qualifications

Experience

B.Com, LLB, CPA, CFP

Guy joined the Board in April 2022 and was appointed Chair of the Retail and Property Committee. Prior to his appointment to the Board he was a member of the Finance and Audit Committee from June 2017 to April 2022. Guy has worked in the financial services industry since 1986 and is currently a Director of ACD Financial. Guy holds a BCom Accounting, Bachelor of Laws, Certified Financial Planner practitioner designation from the Financial Planning Association of Australia and is a Certified Practising Accountant. Guy is also a board member on three other not-for-profit boards and is involved in other charitable enterprises including a community focussed cafe, and in Indonesia, teaching English, in prisons and poor communities as well as establishing a medical clinic in a poor rural area.

Appointment to Board

7 April 2022

Marie Soghomonion

Qualifications

Experience

MMgmt, MNFPSocEntM, MAICD, BBus

Marie joined the Board in 2022 and is Chair of the Fundraising, Marketing and Communications Committee and Chair of the Sapphire Gala Ball Committee. She has a career of over 20 years professional experience as Executive Director, Non-Executive Director, General Manager and Consultant, and has extensive senior leadership experience in business transformation in diverse industries including the Not-for-Profit and Arts sectors. She is passionate about social impact, philanthropy, engagement and making a social difference to all. Marie brings significant experience in developing philanthropic programmes, capital fundraising, strategy, marketing, community building and governance, having been actively involved in several charities over the past 10 years as Non-Executive Director and Chair, including Wenona Foundation Ltd, Armenian Missionary Association of Australia and America, and the Sister 2 Sister Foundation. She is the Founder and President of Armenian Children's Fund Australia, established in 2018, to support schools and orphanages in the impoverished villages in Armenia. Marie is currently the first National Philanthropy and Development Lead at the Centre for Social Impact, a research institute founded by David Gonski AC, creating a culture of giving, and implementing philanthropic programmes on a National scale. Marie holds a double Masters' Degree in Not for Profit and Social Enterprise Management (MNFPSocEntM), Master of Management (MMgmt), a Bachelor of Business, and is a member of the Australian Institute of Company Directors.

Appointment to Board

23 September 2022

Lifeline Harbour to Hawkesbury Sydney Ltd

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Directors' Report

30 June 2023

1. General information

Information on directors

Nathan Deveson

Qualifications

B.Ec, LL.B, LL.M, GAICD, CTA

Experience

Nathan is a Partner at MinterEllison. Nathan has been a Partner for more than 20 years and works in the transaction structuring and tax area with expertise in the Real Estate industry. He is a former Sydney Managing Partner and Chairman of Partners. He has significant experience as a division councillor and committee chair within industry bodies, and has given many years of pro-bono advice and committee experience with not for profit entities. He has sponsored the implementation of mental health and wellness programs, and suicide awareness programs. Nathan is a member of the Finance and Audit Committee.

Appointment to Board

18 May 2023

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Lifeline Harbour to Hawkesbury Sydney Ltd during the financial year was to provide a suite of crisis support and suicide prevention services, including Lifeline's national 24/7 telephone crisis line 13 11 14, counselling services and community support programs.

Lifeline Harbour to Hawkesbury Sydney Ltd is an independent Lifeline centre within Lifeline Australia's network. The entity funds its operations through partnerships, grants, donations and its own fundraising efforts.

No significant changes in the nature of the Company's activities occurred during the financial year.

Objectives and Strategy

Lifeline Harbour to Hawkesbury Sydney Ltd's purpose is to create connection with people in crisis and empower individuals and communities to be safe from suicide.

Lifeline Harbour to Hawkesbury Sydney Ltd provides crisis telephone services as part of the national Lifeline service and low-cost accessible face to face crisis counselling, training, and community engagement in the local community.

Performance measures

The following measures are used within the Company to monitor performance:

Lifeline Harbour to Hawkesbury Sydney Ltd measures and reports on both financial and non-financial data to the Board. The financial reports provide information pertaining to performance against budgets. The non-financial measures include information on business and service performance, development of strategic projects, work health and safety, compliance matters and human resource matters.

Members' guarantee

Lifeline Harbour to Hawkesbury Sydney Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 per member, subject to the provisions of the Company's constitution.

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Directors' Report

30 June 2023

1. General information

Members' guarantee

At 30 June 2023 the collective liability of members was \$ 640 (2022: \$ 600).

2. Other items

Meetings of directors

During the financial year, eight meetings of directors were held. Attendances by each director during the year were as follows:

Directors' Meetings		
	Number eligible to attend	Number attended
David Scott	8	8
Mark Hedges	8	7
Arabella Tuck	8	7
Chris Kinsella	7	6
Peter Tuchin	8	8
Barbara Ward	8	7
Bruce Young	8	6
Guy Amon	8	8
Marie Soghomonion	7	7
Nathan Deveson	2	2

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* and *Section 60-40 of the Australian Charities and Not-for-Profits Commission Act 2012*, for the year ended 30 June 2023 has been received and can be found on page 7 of the financial report.

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

Director: 
.....
David Scott

Director: 
.....
Mark Hedges

Dated this 20th day of September 2023



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Auditor's Independence Declaration to the Directors of Lifeline Harbour to Hawkesbury Sydney Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001*, the *Australian Charities & Not-for-Profits Commission Act 2012* and the *Australian Charities & Not-for-Profits Commission Regulation 2013* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Rhodes Docherty & Co Audit Services
Chartered Accountants

Maria Krnjulac

20 September 2023

Gordon

Lifeline Harbour to Hawkesbury Sydney Ltd

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	4	9,271,429	6,790,696
Finance income	5	145,028	87,296
Gain/(loss) on investment revaluation		128,908	(341,993)
Other income	4	-	432,603
Employee benefits expense		(6,091,178)	(5,425,799)
Depreciation and amortisation expense		(835,271)	(640,673)
Other expenses		(1,730,459)	(1,399,246)
Finance expenses	5	(60,046)	(54,658)
Profit/(loss) before income tax		828,411	(551,774)
Income tax expense		-	-
Profit/(loss) for the year		828,411	(551,774)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		828,411	(551,774)

The accompanying notes form part of these financial statements.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Statement of Financial Position As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,131,489	1,294,720
Trade and other receivables	7	752,016	815,394
Other financial assets	8	850,410	600,000
TOTAL CURRENT ASSETS		2,733,915	2,710,114
NON-CURRENT ASSETS			
Other financial assets	8	5,015,910	4,098,589
Property, plant and equipment	9	1,134,338	1,547,371
TOTAL NON-CURRENT ASSETS		6,150,248	5,645,960
TOTAL ASSETS		8,884,163	8,356,074
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	409,118	359,620
Lease liabilities	10	617,679	580,080
Employee benefits	13	736,624	718,369
Other financial liabilities	12	264,792	358,420
TOTAL CURRENT LIABILITIES		2,028,213	2,016,489
NON-CURRENT LIABILITIES			
Lease liabilities	10	369,971	745,755
Employee benefits	13	202,651	138,913
TOTAL NON-CURRENT LIABILITIES		572,622	884,668
TOTAL LIABILITIES		2,600,835	2,901,157
NET ASSETS		6,283,328	5,454,917
EQUITY			
Retained earnings		6,283,328	5,454,917
TOTAL EQUITY		6,283,328	5,454,917

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2022	5,454,917	5,454,917
Net surplus for the year	828,411	828,411
Balance at 30 June 2023	6,283,328	6,283,328

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	6,006,691	6,006,691
Net loss for the year	(551,774)	(551,774)
Balance at 30 June 2022	5,454,917	5,454,917

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	6,963,135	4,596,485
Payments to suppliers and employees	(7,804,426)	(6,803,966)
Fundraising receipts	1,054,381	472,701
Receipts from grants and other income	1,337,942	1,842,383
Interest received	150,209	87,296
Interest paid	(60,046)	(54,658)
Net cash provided by/(used in) operating activities	<u>1,641,195</u>	<u>140,241</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(106,518)	(117,930)
Purchase of financial investments	(1,044,004)	(894,251)
Proceeds from maturity of other financial assets	-	701,775
Net cash provided by/(used in) investing activities	<u>(1,150,522)</u>	<u>(310,406)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(653,904)	(430,505)
Net cash provided by/(used in) financing activities	<u>(653,904)</u>	<u>(430,505)</u>
Net increase/(decrease) in cash and cash equivalents held	(163,231)	(600,670)
Cash and cash equivalents at beginning of year	<u>1,294,720</u>	<u>1,895,390</u>
Cash and cash equivalents at end of financial year	6 <u>1,131,489</u>	<u>1,294,720</u>

The accompanying notes form part of these financial statements.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Lifeline Harbour to Hawkesbury Sydney Ltd as an individual entity. Lifeline Harbour to Hawkesbury Sydney Ltd is a not-for-profit company limited by guarantee, incorporated and domiciled in Australia.

With effect from 7 November 2022, the name of the Company changed from Lifeline Harbour to Hawkesbury Ltd to Lifeline Harbour to Hawkesbury Sydney Ltd.

The principal activity of the Company for the year ended 30 June 2023 was to provide a suite of crisis support and suicide prevention services.

The functional and presentation currency of Lifeline Harbour to Hawkesbury Sydney Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 20 September 2023.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures, Australian Charities and Not-for-Profits Commission Act 2012 and the Corporations Act 2001.

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

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Grant Income

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

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

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

A contract liability is recognised for unspent grant funds for which a refund obligation exists in relation to the funding period. General grants that do not impose specific performance obligations on the company are recognised as income when the company obtains control of those funds, which is usually on receipt.

Provision of Contracted Services

The Company earns revenue from provision of contracted services, incorporating: Paid Overnight Services; Counselling Services; Counsellor Training Services; Corporate Training Income; Community Aid Services and other Project Services.

Revenue is recognised either immediately or over time in the accounting period when services are rendered.

Revenue from fundraising

Donations

Donations collected and funding for special projects via sponsorship is recognised as revenue to the extent that the monies have been applied in accordance with the conditions of funding.

Donated goods/furniture/books for resale, are not recognised as revenue when the Company gains control of the asset as it is not possible to estimate the value of these second-hand goods.

Legacies

Legacies are recognised when the Company is notified of an impending distribution or the legacy is received, whichever occurs earlier.

Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the company becomes legally entitled to the shares or property.

Fundraising Activities

Fundraising activity revenue is recognised as revenue at the time of the event.

Sponsorships

Funding for special purpose projects via sponsorship is recognised as revenue to the extent that the monies have been applied in accordance with the conditions of the funding.

Sale of Goods

Revenue from sale of donated clothing, furniture and books is recognised when control of the goods has transferred to the customer. At this point the customer accepts the goods and the consideration becomes due and payable.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income Tax

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

(c) Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

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

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the asset's useful life to the Company, commencing when the asset is ready for use.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Property, plant and equipment

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

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	33.3%
Motor Vehicles	12.5%
Office Equipment	33.3%
Leasehold Improvements	33.3%
Right-of-Use Assets	over term of lease

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.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9, which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and lease liabilities.

(g) 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.

(h) Leases

At inception of a contract, the Company assesses whether a lease exists.

Lessee accounting

The non-lease components included in a lease agreement are separated and are recognised as an expense as incurred.

Right-of-use asset

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Leases

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(j) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgements

Those charged with governance 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.

Key estimates - revenue recognition - long term contracts

The Company undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

4 Revenue and Other Income

	2023	2022
	\$	\$
Revenue		
- sale of goods	4,803,467	2,905,761
- provision of contracted services	2,000,852	1,930,728
- member subscriptions	600	580
- grants and other assistance	1,337,942	1,409,780
- rental rebates	73,876	70,358
- donations	752,619	440,977
- revenue from fundraising activities	301,762	31,724
- other trading revenue	311	788
	<u>9,271,429</u>	<u>6,790,696</u>
Other Income		
- COVID-19 government subsidies	-	432,603
	<u>-</u>	<u>432,603</u>
Grants and other assistance		
Department of Health Commonwealth Home Support Program	158,808	93,300
Department of Social Services Financial Counselling Grant	116,942	157,047
Department of Social Services Emergency Relief Grant	73,318	98,982
Department of Health Community Visitors Grant	94,489	75,115
NSW Ministry of Health	412,657	366,189
Commonwealth and State Government funding distributed by Lifeline Australia	94,000	200,909
Sydney North Primary Health Network	364,300	363,380
Black Dog Ride Australia	12,228	50,000
Other	11,200	4,858
	<u>1,337,942</u>	<u>1,409,780</u>

There are no unfulfilled conditions or other contingencies attaching to government grants that are recognised in income.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

5 Finance Income and Expenses

Finance income

	2023	2022
	\$	\$
Interest income from financial investments	145,028	87,296
	<u>145,028</u>	<u>87,296</u>

Finance expenses

Interest expense on lease liability	60,046	54,658
	<u>60,046</u>	<u>54,658</u>

6 Cash and Cash Equivalents

Cash at bank and on hand	180,636	132,668
Deposits at call	950,853	1,162,052
	<u>1,131,489</u>	<u>1,294,720</u>

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:

Cash and cash equivalents	1,131,489	1,294,720
Balance as per Statement of Cash Flows	<u>1,131,489</u>	<u>1,294,720</u>

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

7 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	176,222	31,162
Prepayments	98,303	53,215
Deposits	309,692	240,500
Accrued income	167,799	482,025
Other receivables	-	8,492
	<u>752,016</u>	<u>815,394</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Other Financial Assets

(a) Financial assets at fair value through profit or loss

NON-CURRENT

Listed unit trusts

3,602,488	3,468,409
<u>3,602,488</u>	<u>3,468,409</u>

(b) Held-to-maturity investments

CURRENT

Term deposit investments

850,410	600,000
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NON-CURRENT

Bonds

1,413,422	630,180
<u>2,263,832</u>	<u>1,230,180</u>

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

9 Property, plant and equipment

PLANT AND EQUIPMENT

	2023	2022
	\$	\$
Furniture, fixtures and fittings		
At cost	64,341	64,341
Accumulated depreciation	<u>(64,341)</u>	<u>(62,290)</u>
Total furniture, fixtures and fittings	<u>-</u>	<u>2,051</u>
Motor vehicles		
At cost	209,873	209,873
Accumulated depreciation	<u>(132,011)</u>	<u>(110,460)</u>
Total motor vehicles	<u>77,862</u>	<u>99,413</u>
Office equipment		
At cost	214,043	183,189
Accumulated depreciation	<u>(165,739)</u>	<u>(139,722)</u>
Total office equipment	<u>48,304</u>	<u>43,467</u>
Leasehold improvements		
At cost	876,926	801,262
Accumulated depreciation	<u>(763,157)</u>	<u>(665,606)</u>
Total leasehold improvements	<u>113,769</u>	<u>135,656</u>
RIGHT-OF-USE		
Right-of-Use Assets		
At cost	2,072,060	1,756,340
Accumulated depreciation	<u>(1,177,657)</u>	<u>(489,556)</u>
Total Right-of-Use Assets	<u>894,403</u>	<u>1,266,784</u>
Total property, plant and equipment	<u>1,134,338</u>	<u>1,547,371</u>

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2023

9 Property, plant and equipment

Movements in Carrying Amounts

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

	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Leasehold Improvement s	Right-of-Use - Buildings
	\$	\$	\$	\$	\$
Year ended 30 June 2023					
Balance at the beginning of year	2,051	99,413	43,467	135,656	1,266,784
Additions	-	-	30,854	75,664	315,720
Depreciation expense	(2,051)	(21,551)	(26,017)	(97,551)	(688,101)
Balance at the end of the year	-	77,862	48,304	113,769	894,403

	Total
	\$
Year ended 30 June 2023	
Balance at the beginning of year	1,547,371
Additions	422,238
Depreciation expense	(835,271)
Balance at the end of the year	1,134,338

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

10 Leases

Company as a lessee

The Company has leases over a range of buildings and retail outlets.

Terms and conditions of leases

The Company leases retail outlets and warehouse and book depots. The leases are generally between two and three years and some of the leases include a renewal option to allow the Company to renew for up to twice the non-cancellable lease term.

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year Current \$	1 - 5 years Non-current \$	Lease liabilities included in this Statement Of Financial Position \$
2023			
Lease liabilities	617,679	369,971	987,650
2022			
Lease liabilities	580,080	745,755	1,325,835

The amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income relating to interest expense on lease liabilities and short-term lease expenses are shown below:

	2023 \$	2022 \$
Interest expense on lease liabilities	60,046	54,658
Rent paid - relating to leases not recognised as ROU assets	297,063	284,442

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements For the Year Ended 30 June 2023

11 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	73,867	67,292
Net GST payable/(receivable)	9,565	(23,539)
Accrued expenses	109,271	135,343
Other payables	216,415	180,524
	<u>409,118</u>	<u>359,620</u>

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.

12 Other Financial Liabilities

CURRENT		
Amounts received in advance	264,792	358,420
	<u>264,792</u>	<u>358,420</u>

13 Employee Benefits

CURRENT		
Long service leave	234,518	270,807
Annual leave	502,106	447,562
	<u>736,624</u>	<u>718,369</u>
NON-CURRENT		
Long service leave	202,651	138,913
	<u>202,651</u>	<u>138,913</u>

14 Contracted Commitments

Contracted leasing commitments payable:

- no later than 1 year	95,555	170,100
- within 2 to 5 years	-	254,592
	<u>95,555</u>	<u>424,692</u>

In the current year, these commitments only relate to short term property leases which have not been recognised as right-of-use assets.

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 64 (2022: 60).

16 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 343,025 (2022: \$ 186,136).

17 Auditor's Remuneration

Remuneration of the auditor, for:

- auditing or reviewing the financial statements	15,984	14,946
- other services	8,111	5,795
Total	24,095	20,741

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

19 Related Parties

The Company's main related parties are as follows:

Key management personnel - refer to Note 16.

Lifeline Harbour to Hawkesbury Sydney Ltd is affiliated with Lifeline Australia. Some government grants are administered by Lifeline Australia and divided amongst the various Lifeline entities throughout Australia. Occasionally transactions occur with other Lifeline entities due to sharing of costs and use of facilities.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

20 Economic Dependency

The future operations of Lifeline Harbour to Hawkesbury Ltd in its current form are largely dependent upon funding from the Commonwealth and NSW State Governments. A comprehensive fundraising strategy has been formulated with the aim of reducing this dependency.

21 Events after the end of the Reporting Period

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

Lifeline Harbour to Hawkesbury Sydney Ltd

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Notes to the Financial Statements

For the Year Ended 30 June 2023

22 NSW Charitable Fundraising Act 1991

As a registered charity under the NSW Charitable Fundraising Act 1991 (the Act), the Company is required to disclose income and expenses from fundraising appeals. Donations and fundraising in this note follow the definition in the Act. As such, there may be some differences in the classification of items compared to the Statement of Profit and Loss and Other Comprehensive Income.

Further, the Statement of Profit and Loss and Other Comprehensive Income records transactions on an accruals basis, whereas the Act requires fundraising income and expenses to be disclosed on a cash basis. Therefore, donations and fundraising income and expenses in this note have been adjusted to reflect cash received/used during the year.

Details of aggregated gross income and total expenses from fundraising appeals:

(a) Details of aggregated income and total expenses from fundraising appeals

Fundraising Income

	2023	2022
	\$	\$
Fundraising income and events	320,593	44,224
Donations	752,619	443,157
	<u>1,073,212</u>	<u>487,381</u>

Expenses from fundraising

Employee benefits related to fundraising	143,187	135,270
Event delivery and costs	233,229	4,328
Fundraising costs	3,045	20,007
	<u>379,461</u>	<u>159,605</u>
Total costs of fundraising appeals		
Net surplus from fundraising	693,751	327,776

(b) Nature of fundraising appeals and application of net surplus

Fundraising appeals primarily consisted of donations and bequests from the community, and fundraising events. The net surplus generated from fundraising activities was applied to the charitable purposes of the Company.

23 Statutory Information

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

Lifeline Harbour to Hawkesbury Sydney Ltd
4 Park Avenue
GORDON NSW 2072

Lifeline Harbour to Hawkesbury Sydney Ltd

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 27, are in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company 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

David Scott

Director

Mark Hedges

Dated: 20th of September 2023



Lifeline Harbour to Hawkesbury Sydney Ltd

Independent Audit Report to the members of Lifeline Harbour to Hawkesbury Sydney Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Lifeline Harbour to Hawkesbury Sydney Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, 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 directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended;
- (ii) complying with Australian Accounting Standards - Simplified Disclosures; and
- (iii) complying with the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Australian and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

Lifeline Harbour to Hawkesbury Sydney Ltd

Independent Audit Report to the members of Lifeline Harbour to Hawkesbury Sydney Ltd

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

Rhodes Docherty & Co Audit Services
Chartered Accountants



Maria Krnjulac

Gordon
20 September 2023