A.Q.A. Victoria Limited

ABN 90 006 691 185

Annual Report
For the year ended 30 June 2022

A.Q.A. Victoria Limited
Directors' report
30 June 2022

The directors present their report, together with the financial statements, on A.Q.A. Victoria Limited for the year ended 30 June 2022.

Directors
The following persons were directors of A.Q.A. Victoria Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michelle O'Sullivan
David Schreuder
David Jacka
Kylie Thitchener
Joe Rose'Meyer
Alasdair McMillan
Brydie Quinn

Interest in Contracts or Proposed Contracts with the Company
No directors have received or have become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company with the director, a firm in which the director is a member, or an entity in which the director has a substantial interest.

This statement excludes a benefit included in the aggregate number of emoluments received, or due and receivable, by directors as shown in the Company's financial accounts for the financial year or the fixed salary of a full-time employee of the Company.

Short term and Long term Objectives and Strategies
For more than 35 years the company has resourced people whose worlds have been disrupted by injury, illness and other events to find their way to participate in all aspects of life and contribute.
What drives the company is a vision of an inclusive community where people have access to the resources they need to meet the challenges of change and live fully.

The focus on resourcing people to live well informs everything it does. The services and programs informed by this focus are then available to support all people who experience challenges and change in their lives.

The company's objectives are to:
- Provide support and services to people who sustain SCI and similar physical disabilities;
- Motivate and assist those with SCI during their initial rehabilitation, their subsequent re integration to the community and through the issues of life after SCI;
- Facilitate a sense of community among people with SCI by networking, sharing information and experiences in order to leverage the value of that lived experience to assist others; and
- Raise awareness and educate the community about living with SCI.

Principal activities
During the financial year the principal continuing activities of the company consisted of:
- The provision of
  - Assistance with daily living support services delivered to clients living with physical disabilities, including SCI, in their
  - Support Coordination services to assist clients achieve their goals;
  - Allied Health Services
  - Peer-facilitated services and resources for people living with SCI and those who support them;
- Personal Capacity Building training and support to develop skills to achieve greater independence, confidence and control in life;
- The provision of peer resourced information and community connection services to assist people access services and products;
- Community development activities to connect individuals, organisations and communities to better understand and respond to life with SCI.

Strategic Priorities

Create Experiences that Empower our clients
- We deliver a range of services informed by insights from the lived experience of our community that support clients' needs over time.
- We have expanded our reach and have diversified our services.
- Our voice is heard in public discourse, advocating for our clients and community in matters that affect them.

Strategic Priorities (continued)

Empower our People to be more effective
- Our people are qualified, prepared and supported for the work they do.
- Our work environment is safe and respectful.
- We are personally responsible and mutually accountable for our actions.

Build our sustainability
- Our financial and business processes are efficient and responsive.
- We have partnerships that resource our strategy.
- Our governance and management systems are aligned with our purpose and strategy.

Key performance indicators
To help evaluate whether the company achieved its short-term and long term objectives, the company measures, monitors and analyses performance by activity, efficiency and outcomes, including:
- **Home & Community Services; Support Coordination; Allied Health:** Delivered hours of support; Service reliability and Customer satisfaction; Identification and analysis of key cost drivers;
- **Peer Mentoring and Coaching:** Peer contacts; Completion of planned events and activities.
- **Community Engagement & Information:** Production, distribution and evaluation of peer resourced information, online engagement;
- **Personal Capacity Building:** Delivered hours of support; Service reliability and Customer satisfaction;
- **Workforce Engagement:** Recruitment; Retention; Employee opinion and satisfaction.

A detailed report as to the company's progress against each of these priority areas is contained in the 2022 Annual Report.

Review of operations
The surplus for the entity for the year amounted to $211,489 (30 June 2021: $967,195).

Significant Changes in State of Affairs
There were no significant changes in the state of affairs of the entity during the financial year.

Matters subsequent to the end of the financial year
No matters or circumstances have arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations
The Company expects to maintain the present status and level of operations.

Environmental regulation
The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Information on Directors

Michelle O'Sullivan ***Social Work – BSW; Grd Dip Rehab Counselling – Grad Dip Rehab; Master App Science Innovation and Services Management – Mast App.Sc, ISM.***
Joined the board in April 2013

Michelle has worked in Government, NFP and community health and has an interest in the role community has to play in terms of health management and engagement. Michelle also has a sound background in industrial relations from both the management and union perspectives. Michelle is experienced in not-for-profit governance, organisational development, employee management and State Government compliance. Michelle is currently Director of Organisational Transformation at MIND Australia. Michelle is Chairperson and the Convenor of AQA's Governance Committee.

David Schreuder ***B.Sc/LLB (Victorian Legal Practising Certificate 2020)***
Joined the board in March 2014

David has extensive legal, regulatory and compliance experience across the private, public and not-for-profit sectors both in Australia and the United Kingdom. David is currently the Director of the Housing Registrar and is responsible for the regulation of community housing providers in Victoria. David is Company Secretary and a Member of AQA's Governance committee (and was previously a Member of AQA's Quality & Risk Committee).

Information on Directors (continued)

David Jacka ***OAM***
Joined the board in May 2017

David is experienced working in consultancy and government sectors across engineering, project management and governance disciplines and is currently an SCI Peer Support volunteer, motivational speaker and adventurer. Living with SCI since 1988, David has competed at the Paralympics in wheelchair rugby, flown solo around Australia and paddled the 2,226 km length of the Murray River in a kayak. David was awarded an Order of Australia Medal for his contribution to people with a disability through sport.

David is passionate about challenging community perceptions of what a person with a disability can achieve by doing things differently, through the design of innovative engineering solutions or engaging the support of people within the community to help achieve his adventures. David is a Member of AQA's Quality & Risk Committee.

Kylie Thitchener ***BN, MHSM (Mon), MAICD***
Joined the board in July 2019

Kylie is the Director of Quality and Patient Safety at the Peter MacCallum Cancer Centre. She works with Peter MacCallum stakeholders to implement strategies to reduce the frequency of preventable adverse events. Kylie has been appointed to The East Wimmera Health Service as a Board Director. Kylie is a health care professional who specialised in clinical governance and enterprise risk management in the acute health sector. With extensive experience in both the clinical and non-clinical environments including project management, quality improvement, leadership and management of teams.

Kylie strives to utilise teams to improve service delivery aimed at providing better health outcomes and experiences for patients. Kylie began as an emergency nurse before focusing on risk management. She holds a Masters in Health Services Management and has worked in hospitals in Australia and the United States. Kylie is Convenor of AQA's Quality & Risk Committee.

Joe Rose'Meyer ***MBM / DipMA***
Joined the Board in July 2019

Joe has a background in Sales, Marketing, Value Based Commercialisation and Strategy Development and Implementation. He has worked for large FMCG Retailers and Manufacturers including Coles Myer, SPC Ardmona & Coca Cola Amatil. He has been President of SMART Networking Group and is currently National Sales Manager with a food manufacturer. Joe holds a Masters of Business Management and a Diploma of Business Marketing. Joe is Convenor of AQA's Strategy Committee.

Alasdair McMillan ***MBA (Exec)***
Joined in the Board in December 2019.

A large enterprise commercial leader and strategist with experience working across diverse industries including FMCG, Pharmaceutical, Marketing Data, IT, Venture Capital, Professional Consulting and SME.

Commercial whole of business awareness and an ability to provide strategic solutions. A recognized expert in marketing and pricing strategies that gives a win/win outcome for consumers, retailers and producers alike. Extensive experience as member of key management team in whole of enterprise strategy development and implementation.

Alasdair is Treasurer and Convenor of AQA's Finance & Audit Committee.

Information on Directors (continued)

Brydie Quinn
Joined the board in March 2021

Brydie is passionate about providing opportunities to people living with disabilities. And has a particular interest in engaging front line workers through increased education, supervision supports and the application of frameworks in practice.

She is the National Head of Quality and Innovation at Able Australia, leading a team pursing innovative approaches to supporting people's needs, and ensuring NDIS Quality and Safeguards requirements are met and exceeded.

Brydie has over a decade of experience as a Director in Victoria's public hospitals tackling issue of patient flow and access, quality and risk management and transition supports. Prior to this, she held strategic advisory and project roles with the Victorian Department of Health and The Commonwealth Department of Health. She holds a Masters of Public Policy and Management.

Brydie is a Member of the Strategy Committee.

Meetings of Directors

Directors	Directors' meetings		Finance and Audit Committee meetings		Quality and Risk Committee meetings		Strategy Committee meetings	
	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend
Michelle O'Sullivan	6	7	-	-	-	-	-	-
David Schreuder	6	7	-	-	3	5	-	-
David Jacka	7	7	-	-	5	5	-	-
Kylie Thitchener	3	7	-	-	5	5	-	-
Joe Rose'Meyer	6	7	-	-	-	-	4	4
Alasdair McMillan	7	7	2	2	-	-	-	-
Brydie Quinn	7	7	-	-	-	-	4	4

Directors	Governance Committee meetings	
	Number attended	Number eligible to attend
Michelle O'Sullivan	3	3
David Schreuder	2	2
David Jacka	-	-
Kylie Thitchener	-	-
Joe Rose'Meyer	-	-
Alasdair McMillan	-	-
Brydie Quinn	-	-

Contributions on winding up
The Company is incorporated under the Australian Charities and Not-for-profits Commission (ACNC) and is a Company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute to a maximum of $100 each towards meeting any outstanding and obligations of the group.

At 30 June 2022, the number of members was 51. The combined total amount that members of the Company are liable to contribute if the Company is wound up is $5,100.

Indemnity of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Directors' Benefits
During or since the financial year, no Director of the Company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the accounts, by reason of a contract entered into by the Company or a body corporate that was related to the Company when the contract was made or when the directors received, or became entitled to receive, the benefit with:

- a director, or
- a firm of which a director is a member, or
- an entity in which a director has a substantial financial interest.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration is set out immediately after this directors' report.

On behalf of the board of directors

Michelle O'Sullivan
Director

Alasdair McMillan
Director

3 October 2022
Melbourne, Victoria

A.Q.A. Victoria Limited
Contents
30 June 2022

General information

The financial statements cover A.Q.A. Victoria Limited as an individual entity. The financial statements are presented in Australian dollars, which is A.Q.A. Victoria Limited's functional and presentation currency.

A.Q.A. Victoria Limited is a not-for-profit entity, limited by guarantee, incorporated and domiciled in Australia, Its registered office and principal place of business are:

Registered office
416 Heidelberg Road
Fairfield
VIC 3078

Principal place of business
416 Heidelberg Road
Fairfield
VIC 3078

The financial statements were authorised for issue, in accordance with a resolution of directors, on 3 October 2022. The directors have the power to amend and reissue the financial statements.

RSM Australia Partners
Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007
T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199
www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of A.Q.A. Victoria Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of Australian professional accounting bodies; and

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

RSM AUSTRALIA PARTNERS

M PARAMESWARAN
Partner

Dated: 3 October 2022
Melbourne, Victoria

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A.Q.A. Victoria Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 $	2021 $
Revenue	3	16,957,146	17,387,557
Other income		339,654	50,000
Employee benefits expense		(15,677,881)	(15,212,331)
Consulting fees		(211,058)	(244,226)
Depreciation expense	4	(223,208)	(222,070)
Rental expense		(18,489)	(35,166)
Advertising expense		(57,585)	(9,761)
Other expenses	4	(816,199)	(662,588)
Interest expense		(80,891)	(84,220)
Surplus for the year		**211,489**	**967,195**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Revaluation of land and buildings		-	259,995
Total comprehensive income for the year		**211,489**	**1,227,190**

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

A.Q.A. Victoria Limited
Statement of financial position
As at 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	5	3,326,201	4,607,067
Financial assets	6	4,431,339	3,176,790
Trade and other receivables	7	1,363,131	1,199,640
Other assets		12,396	50,712
Total current assets		**9,133,067**	**9,034,209**
Non-current assets			
Property, plant and equipment	8	3,331,105	3,389,830
Intangibles	9	301,170	199,630
Right-of-use assets	10	1,137,672	1,241,832
Prepayments		47,679	47,681
Total non-current assets		**4,817,626**	**4,878,973**
Total assets		**13,950,693**	**13,913,182**
Liabilities			
Current liabilities			
Trade and other payables	11	557,727	738,758
Contract liabilities	12	835,729	490,227
Lease liabilities	13	69,597	66,187
Employee benefits	14	1,889,813	2,126,108
Total current liabilities		**3,352,866**	**3,421,280**
Non-current liabilities			
Lease liabilities	13	1,281,514	1,351,111
Employee benefits	14	21,674	57,643
Total non-current liabilities		**1,303,188**	**1,408,754**
Total liabilities		**4,656,054**	**4,830,034**
Net assets		**9,294,639**	**9,083,148**
Equity			
Reserves	15	2,022,700	2,104,743
Retained earnings		7,271,939	6,978,405
Total equity		**9,294,639**	**9,083,148**

The above statement of financial position should be read in conjunction with the accompanying notes.

A.Q.A. Victoria Limited
Statement of changes in equity
For the year ended 30 June 2022

	Reserves	Retained earnings	Total equity
	$	$	$
Balance at 1 July 2020	1,763,173	6,092,785	7,855,958
Surplus for the year	-	967,195	967,195
Other comprehensive income for the year	259,995	-	259,995
Total comprehensive income for the year	259,995	967,195	1,227,190
Transfer from reserve to retained earnings	81,575	(81,575)	-
Balance at 30 June 2021	2,104,744	6,978,405	9,083,148
Balance at 1 July 2021	2,104,744	6,978,405	9,083,149
Surplus for the year	-	211,489	211,489
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	211,489	211,489
Transfer from retained earnings to reserves	(82,044)	82,044	-
Balance at 30 June 2022	2,022,700	7,271,938	9,294,639

The above statement of changes in equity should be read in conjunction with the accompanying notes.

A.Q.A. Victoria Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Receipts from customers		17,588,949	17,517,173
Payments to suppliers and employees		(17,329,834)	(16,175,290)
		259,115	1,341,883
Donations and fundraising received		6,047	10,998
Interest paid		(80,891)	(84,220)
Interest received		17,463	39,885
Net cash provided by operating activities		201,734	1,308,546
Cash flows from investing activities			
Payments for property, plant and equipment		(161,864)	(66,256)
Payment for term deposits		(4,431,339)	(3,176,790)
Proceeds from maturity of term deposits		3,176,790	3,137,349
Net cash (used in) investing activities		(1,416,413)	(105,697)
Cash flows from financing activities			
Repayment of lease liabilities		(66,187)	(49,680)
Net cash (used in) financing activities		(66,187)	(49,680)
Net increase/(decrease) in cash and cash equivalents		(1,280,866)	1,153,169
Cash and cash equivalents at the beginning of the financial year		4,607,067	3,453,898
Cash and cash equivalents at the end of the financial year	5	3,326,201	4,607,067

The above statement of cash flows should be read in conjunction with the accompanying notes.

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Conceptual Framework for Financial Reporting (Conceptual Framework)
The company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities
The entity has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements to ease lability - future lease payments and auditors remuneration.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Fundraising Act 1998 and the associated regulations and the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

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

Grants
Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Note 1. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants
Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

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

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

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

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

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade and other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Property, Plant and equipment
Each class of property, plant and equipment is carried at cost or revalued amounts less, where applicable, any accumulated depreciation and any accumulated impairment losses.

Property
Freehold land and buildings are measured at revalued amounts. Revalued amounts are fair market values based on appraisals prepared by external professional valuers once every three years or more frequently if market factors indicate a material change in fair value. The carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date.

Any revaluation surplus arising on revaluation is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decreases, or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Plant and equipment
Plant and equipment are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company. Subsequent to initial recognition, plant and equipment are measured at cost less depreciation and impairment losses.

Note 1. Significant accounting policies (continued)

Property, Plant and equipment (continued)
Depreciation
The depreciable amount of property, plant and equipment (except Motor Vehicle) is depreciated on a straight-line basis over their estimated useful lives commencing from the time the asset is held ready for use. Motor Vehicle is depreciated on diminishing value basis over their estimated useful lives. Land is not being depreciated.

The depreciation rates used for each class of assets follow:

Buildings at valuation	2.50%
Motor vehicles at cost	22.5 - 25%
Office equipment at cost	20 - 36%
Furniture, fixtures and fittings at cost	5 - 20%
Leasehold improvements	6.93% *

* Subject to the terms of the lease

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired separately are initially recognised at cost. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 1. Significant accounting policies (continued)

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions
Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows

Defined contribution superannuation expense
Contributions are made by the Company to various nominated superannuation funds and are charged as an expense when incurred.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 1. Significant accounting policies (continued)

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Revaluation of land and building
The Company carries its freehold land and building at revalued amount, with changes in fair value being recognised in other comprehensive income. These properties were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property.

Impairment of non-financial assets
The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Incremental borrowing rates
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2022 $	2021 $
Revenue from contracts with customers		
Government related services	16,742,661	17,210,758
Other revenue		
Donations	6,047	10,998
Interest income	16,682	26,553
Other revenue	191,756	139,248
	214,485	176,799
Revenue	16,957,146	17,387,557

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

	2022 $	2021 $
Timing of revenue recognition		
Services transferred at a point in time	16,595,025	17,067,423
Services transferred over time	147,636	143,335
	16,742,661	17,210,758

Note 4. Expenses

	2022 $	2021 $
Surplus includes the following specific expenses:		
Other expenses		
Supplies and other consumerables	127,802	188,365
Licence and insurance	145,379	121,769
Utilities and maintenance	98,293	128,555
Staff training	53,030	53,498
Administrative fees	66,740	78,069
Others	324,955	92,332
	816,199	662,588
Depreciation		
Property, plant and equipment	119,048	117,910
Right-of-use assets	104,160	104,160
	223,208	222,070

Note 5. Current assets - cash and cash equivalents

	2022 $	2021 $
Cash on hand	1,305	88
Cash at bank	3,324,896	4,606,979
	3,326,201	4,607,067

Note 6. Current assets - financial assets

	2022 $	2021 $
Term deposits	4,431,339	3,176,790

Note 7. Current assets - trade and other receivables

	2022 $	2021 $
Trade receivables	1,197,918	1,036,600
Accrued revenue	156,922	153,968
Accrued interest receivable	8,291	9,072
	1,363,131	1,199,640

Note 8. Non-current assets - property, plant and equipment

	2022 $	2021 $
Land - at valuation	2,200,000	2,200,000
Buildings - at valuation	400,000	400,000
Less: Accumulated depreciation	(10,000)	-
	390,000	400,000
Motor vehicles - at cost	50,550	50,550
Less: Accumulated depreciation	(20,361)	(11,422)
	30,189	39,128
Office equipment - at cost	168,562	155,671
Less: Accumulated depreciation	(118,326)	(81,365)
	50,236	74,306
Furniture, fixtures and fittings - at cost	235,279	234,349
Less: Accumulated depreciation	(72,842)	(51,584)
	162,437	182,765
Leasehold Improvement	638,822	592,320
Less: Accumulated depreciation	(140,579)	(98,689)
	498,243	493,631
	3,331,105	3,389,830

Note 8. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land $	Buildings $	Motor Vehicles $	Office Equipment $	Furniture, fixtures and fittings $	Leasehold Improvement $	Total $
Balance at 1 July 2020	2,000,000	350,005	50,374	97,396	204,026	534,648	3,236,450
Additions	-	-	-	11,295	-	-	11,295
Revaluations	200,000	59,995	-	-	-	-	259,995
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(10,000)	(11,246)	(34,386)	(21,261)	(41,017)	(117,910)
Balance at 30 June 2021	2,200,000	400,000	39,128	74,306	182,765	493,631	3,389,830
Balance at 1 July 2021	2,200,000	400,000	39,128	74,306	182,765	493,631	3,389,830
Additions	-	-	-	12,891	930	46,503	60,324
Disposals	-	-	-	-	-	-	-
Depreciation expense	-	(10,000)	(8,939)	(36,961)	(21,258)	(41,890)	(119,048)
Balance at 30 June 2022	2,200,000	390,000	30,189	50,236	162,437	498,244	3,331,105

Fair Value Measurement
A full revaluation of the Company's land and building was performed by Brindley Consulting on 28 June 2021 in accordance with the requirements of *AASB13 Fair Value Measurement*. The effective date of the valuation for the building was 30 June 2021.

The fair value of land and buildings is determined annually by the directors and every three years on the basis of independent property valuations. The Directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Note 9. Non-current assets - intangibles

	2022 $	2021 $
Software - work in progress	301,170	199,630

Note 10. Non-current assets - right-of-use assets

	2022 $	2021 $
Right of use asset	1,554,304	1,554,304
Less: Accumulated depreciation	(416,632)	(312,472)
	1,137,672	1,241,832

Note 11. Current liabilities - trade and other payables

	2022 $	2021 $
Trade creditors	195,955	47,716
Sundry creditors and accruals	361,772	691,042
	557,727	738,758

Note 12. Current liabilities - contract liabilities

	2022 $	2021 $
Contract liabilities - government grants	835,729	490,227

Note 13. Lease liabilities

	2022 $	2021 $
Lease liability - current	69,597	66,187
Lease liability - non-current	1,281,514	1,351,111
	1,351,111	1,417,298

Future lease payments
Future lease payments are due as follows:

	2022 $	2021 $
Within one year	146,682	142,410
One to five years	632,072	613,663
More than five years	1,083,040	1,248,132
	1,861,794	2,004,205

Note 14. Employee benefits

	2022 $	2021 $
Employee benefits - current	1,889,813	2,126,108
Employee benefits - non-current	21,674	57,643
	1,911,487	2,183,751

Note 15. Equity - reserves

	2022 $	2021 $
Asset revaluation reserve	1,623,168	1,623,168
Specific development funds	399,531	481,575
	2,022,700	2,104,743

Asset revaluation reserve records the revaluation of land and buildings.

A Specific Development Fund reserve was established that sets aside a proportion of the operating surplus to fund future activities that serve to accelerate the growth and development of new services and capabilities of value to our clients and communities.

Note 16. Key management personnel disclosures

The name and position of key management personnel during the year are:

Name	Position
Evans K	Executive Manager, People & Culture
Gologranc F	Executive Manager, Finance
Kelkar T	Program Manager, Business Transformation
Lillywhite A	Executive Manager, Services & Service Experience
Treger D	Executive Manager, Corporate Services
Trethewey P	Chief Executive Officer

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2022 $	2021 $
Aggregate compensation	868,871	798,884

Note 17. Remuneration of auditors

	2022 $	2021 $
Audit services - RSM Australia		
Audit of the financial statements	26,000	22,000
Other services - RSM Australia		
Preparation of financial statements	4,000	3,500
	30,000	25,500

Note 18. Contingent assets

The entity had no contingent assets as at 30 June 2022 and 30 June 2021.

Note 19. Contingent liabilities

The entity had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Note 20. Commitments

The entity had no commitments as at 30 June 2022 and 30 June 2021.

Note 21. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties
There were no transactions with related parties during the current financial year (2021: $nil).

Receivable from and payable to related parties
There were no receivables from or payable to related parties at the current financial year (2021: $nil).

Loans to/from related parties
There were no loans to or from related parties at the current financial year (2021: $nil).

Note 22. Events after the reporting period

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

A.Q.A. Victoria Limited
Directors' declaration
30 June 2022

In the directors' opinion:

• the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and Victorian legislation the Fundraising Act 1998 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

• the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

• 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 pursuant to section 295(5)(a) of the *Corporations Act 2001* .

Michelle O'Sullivan
Director

Alasdair McMillan
Director

3 October 2022
Melbourne, Victoria

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT
To the Members of A.Q.A. Victoria Limited

Opinion

We have audited the financial report of A.Q.A. Victoria Limited, which comprises the statement of financial position as at 30 June 2022, 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 financial report of A.Q.A. Victoria Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(a) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance and cash flows for the year ended on that date; and

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

Basis for Opinion

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in A.Q.A. Victoria Limited's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

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

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

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

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Responsibilities of Management and Those Charged with Governance 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 Australian Accounting Standards – *Simplified Disclosures* under AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and is appropriate to meet the needs of the members. The directors' responsibility also includes 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 A.Q.A. Victoria Limited'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 management either intends to liquidate A.Q.A. Victoria Limited or to cease operations, or has no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

RSM AUSTRALIA PARTNERS

M PARAMESWARAN
Partner

Melbourne, Victoria
Date: 6 October 2022