

**COUNCIL OF SOCIAL SERVICE OF
NEW SOUTH WALES**

ABN 85 001 797 137

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
ABN 85 001 797 137

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COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
ABN 85 001 797 137
OPERATING AS NCOSS

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

Your Directors present this report on the Council of Social Service of New South Wales ("the Company") for the financial year ended 30 June 2024.

Directors

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

Baker, Beverly	Resigned 24 November 2023
Beetson-Mortimer, Jenni	
Degotardi, Mark	From 24 November 2023
Foote, Wendy	
Leha, John	
McKernan, Katherine	
Moraitakis, Elfa	
Roberts, Jenna	From 24 November 2023 to 11 April 2024
Robertson, John	
Stewart, Karlie	Resigned 13 February 2023
Webb, Bradley	
Whitney, Jack	Resigned 24 November 2023

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

Company Secretary

Catherine Reilly

Objectives (Short-Term and Long-Term)

The Company advocates, collaborates and connects, as an independent public voice, to build inclusive communities where everyone can thrive, supported by a strong, diverse and effective community sector. The Company develops informed public opinion on matters relating to Social Welfare, promotes participation in Social Welfare and represents the non-government sector to a variety of stakeholders to ensure strong, diverse, effective organisations are accessible in local communities across NSW.

Principal Activities

The Company, during the course of the financial year, has worked towards the elimination of poverty in NSW by influencing social and economic policy through partnerships, research, education and strategy.

Key Performance Measures

The Company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short-term and long-term objectives are being achieved.

Information on Directors

Beverly Baker	Director
Qualifications:	Chair - Older Womens Network NSW (Member organisation representative)
Experience:	Elected 26 November 2020, resigned 24 November 2023
Special Responsibilities:	Member of Audit & Finance Committee and Risk & Compliance Committee

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Information on Directors (Continued)

Jenni Beetson-Mortimer	Director
Qualifications:	CEO, Northern Rivers Community Gateway (Member organisation representative), Bachelor of Social Science, Southern Cross University; Master of Leadership, Deakin University
Experience:	Appointed 29 June 2022, elected 25 November 2022
Special Responsibilities:	Member of Audit & Finance Committee and Risk & Compliance Committee
Mark Degotardi	Director
Qualifications:	CEO, Community Housing Industry Association (NCOSS member organisation) Bachelor of Arts, Macquarie University
Experience:	Elected 24 November 2023
Special Responsibilities:	Chair of Risk & Compliance Committee
Dr Wendy Foote	Director
Qualifications:	Associate Professor, Humanities and Social Science, University of Newcastle, (Individual member), Bachelor of Social Studies (Hons), Master of Social Work, PhD, University of Sydney
Experience:	Elected 29 November 2019, re-elected 25 November 2022
Special Responsibilities:	Member of Risk & Compliance Committee
John Leha	Director
Qualifications:	CEO, AbSec (NCOSS member organisation)
Experience:	Elected 25 November 2022
Special Responsibilities:	Member of Audit & Finance Committee
Katherine McKernan	Director
Qualifications:	Executive Director, National Legal Aid (Individual Member), Bachelor of Arts (Hons), University of Sydney; Master of Arts (Policy Studies), University of NSW
Experience:	Elected 29 November 2019, re-elected 26 November 2021
Special Responsibilities:	Member, Risk & Compliance Committee
Elfa Moraitakis	Director
Qualifications:	CEO, SydWest Multicultural Services (Member organisation representative), Bachelor of Sociology, University of NSW
Experience:	Appointed 20 May 2020, elected 26 November 2020, re-elected 24 November 2023
Special Responsibilities:	Member of Human Resources Committee and of the Risk & Compliance Committee

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Information on Directors (Continued)

Jenna Roberts	Director
Qualifications:	Deputy Commissioner, NSW Mental Health Commission (Individual member)
Experience:	Elected 24 November 2023, resigned 11 April 2024
John Robertson	President
Qualifications:	CEO, Foodbank NSW & ACT Limited (Member organisation representative) Chair, icare Board, Non-Executive Director of GoZero Group Limited
Experience:	Elected 29 November 2019, re-elected 26 November 2021
Karlie Stewart	Director
Qualifications:	Lecturer, School of Social Work, University of Wollongong (Individual member)
Experience:	Elected 25 November 2022, resigned 13 February 2023
Brad Webb	Treasurer
Qualifications:	CEO, Castle Personnel, (Individual member), Bachelor of Business, University of Southern Queensland; Master of Management, Macquarie University Business School; GAICD
Experience:	Elected 29 November 2019, re-elected 26 November 2021
Special Responsibilities:	Chair of Audit & Finance Committee
Jack Whitney	Director
Qualifications:	President of the Australian Association of Social Workers NSW Branch, (Individual member), Bachelor of Social Work & Bachelor of Arts Social Policy/Sociology (Hons), University of Sydney
Experience:	Elected 26 November 2020, resigned 24 November 2023
Special Responsibilities:	Member of Human Resources Committee

Meetings of Directors

During the financial year, 7 meetings of directors were held. Attendances by each Director were as follows:

	No. Eligible to attend	No. Attended
Baker, Beverly	2	2
Beetson-Mortimer, Jenni	7	4
Degotardi, Mark	5	4
Foote, Wendy	7	6
Leha, John	7	2
McKernan, Katherine	7	7
Moraitakis, Elfa	7	4
Roberts, Jenna	4	1
Robertson, John	7	7
Stewart, Karlie	2	1
Webb, Bradley	7	5
Whitney, Jack	2	1

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DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

Member Contributions

The Company is incorporated under the *Corporations Act 2001* and is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company. At 30 June 2024, the collective liability of members was \$4,090 (2023: \$4,480).

Review of Operations

The surplus of the Company for the financial year amounted to \$377,770 (2023: \$189,351). This change predominately related to a \$1.3 million per annum increase in the NSW Government's grant funding through the Department of Communities and Justice's State Peaks Program, and an increase in the value of our investment portfolio held with Morgan Stanley, after a large decrease in 2022. Realised and unrealised income from our investments totalled \$135,302 over the year to 30 June 2024.

NCOSS was appointed as a member of the NSW Government's Bus Reform Taskforce in May 2023 and that work continued until the Final Report was handed to the Minister for Transport, the Hon Jo Haylen, in March 2024.

In February 2024, the NSW Government announced a Secure Jobs, Funding Certainty Taskforce in keeping with an election commitment to deal with the significant challenges our sector is facing as demand for essential services grows, while poor wages and conditions and short-term funding commitments are making it more difficult to attract and retain skilled staff and increasing administrative costs are undermining viability and sustainability. NCOSS was appointed to the Leadership Group, charged with guiding the development of a plan to address these challenges.

In July 2023, the NSW Government announced a 16-member Independent Panel on Gaming Reform, with NCOSS as a member. The Panel is tasked with overseeing a trial of cashless gaming technology with built in harm minimisation features on poker machines in NSW, to reduce the impacts of gambling harm on individuals, their families and the broader community as well as address money laundering risks. The trial commenced in March 2024. The Panel is also working on a roadmap for rolling out other gaming reform initiatives with a report due to the NSW Government in November 2024.

In October 2023, Joanna Quilty ended her five-year tenure as NCOSS CEO, with Cara Varian taking up the role in January 2024.

NCOSS was successful in our application for registration by the ACNC as a Public Benevolent Institution (PBI), receiving the welcome news in late December. The ATO endorsed NCOSS as a Deductible Gift Recipient with FBT-exempt status in early February 2024. We greatly appreciated the pro bono legal assistance from PricewaterhouseCoopers in this process.

2023-24 saw significant progress with two important, place-based initiatives where NCOSS plays a facilitative and enabling role.

Our philanthropically-funded School Gateway Project, in partnership with Ashcroft Public School, aims to show that using the school as the platform for access to essential social services lifts educational outcomes for disadvantaged kids and wellbeing outcomes for the kids and their families. Initial evaluations are showing significant promise. The first three-year grant for this project came to an end on 31 December 2023. We are grateful to Allan & Gill Gray Philanthropy Australasia for their ongoing support, including the additional two-year grant which is allowing this project to continue.

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FOR THE YEAR ENDED 30 JUNE 2024

Review of Operations (continued)

Our Community Sector Disaster Capability Project, funded through the NSW and Australian Governments and undertaken in the Northern Rivers, Hawkesbury and on the South Coast, came to an end on 30 June. This demonstration project showed the importance of collaborative and networked approaches to disaster mitigation and readiness among social service organisations supporting disadvantaged communities in high-risk areas. We are waiting on decisions regarding whether further funding will be made available for this important initiative.

During 2023-24, we also undertook important research into the economic impacts of child poverty in NSW and an assessment of the cyber security posture of a sample of NSW social service sector organisations. The reports from this work will be released in the first quarter of 2024-25. NCOSS has continued its public advocacy for the rights of and support for people living in poverty and on low incomes. We also continue to coordinate and advocate for social service organisations across NSW.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 6 of the financial report.

This Directors' report is signed in accordance with a resolution of the Board of Directors.



John Robertson

President

Dated in Sydney, this 15th day of October 2024

**Auditor's Independence Declaration
To The Responsible Entities' of Council of Social Service of New South Wales
ABN 85 001 797 137**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2024 there have been no contraventions of:

- i. The auditor's independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. Any applicable code of professional conduct in relation to the audit.



Melissa Alexander
Partner

Pitcher Partners
Sydney

15 October 2024

COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Revenue	2	4,601,600	2,863,114
Interest revenue calculated using the effective interest rate method		26,437	20,114
Net realised and unrealised gains on financial assets held at fair value through profit or loss		135,302	125,976
Expenses:			
Administration expenses		(42,587)	(41,072)
Brokerage and sponsorships expense		(19,000)	(17,500)
Conference expenses		(49,905)	(204,840)
Consultants expenses		(1,669,161)	(360,548)
Depreciation and amortisation expense	3	(8,777)	(8,129)
Employee benefits expense		(2,258,481)	(1,888,123)
Insurance expense		(27,603)	(20,075)
Premises expenses		(115,759)	(100,766)
Travel expenses		(43,320)	(38,325)
Other expenses		(150,976)	(140,475)
Surplus for the year		377,770	189,351
Other comprehensive income		-	-
Total comprehensive income for the year		377,770	189,351

The accompanying notes form part of these financial statements.

COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	715,012	791,460
Trade and other receivables	5	198,305	43,142
Financial assets	7	2,676,179	3,044,715
Other current assets	6	23,954	20,392
TOTAL CURRENT ASSETS		<u>3,613,450</u>	<u>3,899,709</u>
NON-CURRENT ASSETS			
Plant and equipment	8	9,654	9,379
Other assets	6	57,914	57,086
TOTAL NON-CURRENT ASSETS		<u>67,568</u>	<u>66,465</u>
TOTAL ASSETS		<u>3,681,018</u>	<u>3,966,174</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	730,163	1,395,384
Provisions	10	30,724	22,120
TOTAL CURRENT LIABILITIES		<u>760,887</u>	<u>1,417,504</u>
NON-CURRENT LIABILITIES			
Provisions	10	27,036	33,345
TOTAL NON-CURRENT LIABILITIES		<u>27,036</u>	<u>33,345</u>
TOTAL LIABILITIES		<u>787,923</u>	<u>1,450,849</u>
NET ASSETS		<u>2,893,095</u>	<u>2,515,325</u>
EQUITY			
Accumulated surplus		2,893,095	2,515,325
TOTAL EQUITY		<u>2,893,095</u>	<u>2,515,325</u>

The accompanying notes form part of these financial statements.

COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Accumulated Surplus \$	Total \$
Balance at 1 July 2022	2,325,974	2,325,974
Comprehensive income:		
Surplus for the year	189,351	189,351
Other comprehensive income	-	-
	<u>189,351</u>	<u>189,351</u>
Balance at 30 June 2023	2,515,325	2,515,325
Comprehensive income:		
Surplus for the year	377,770	377,770
Other comprehensive income	-	-
	<u>377,770</u>	<u>377,770</u>
Balance at 30 June 2024	<u>2,893,095</u>	<u>2,893,095</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants		3,696,629	2,619,529
Membership, services and other receipts		418,679	464,716
Payments to suppliers and employees		<u>(4,815,603)</u>	<u>(2,946,616)</u>
Net cash (used in) / provided by operating activities		<u>(700,295)</u>	<u>137,629</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		23,102	8,149
Dividends received		106,787	151,974
Purchases of financial assets		-	(304,739)
Proceeds from sale of financial assets		503,010	-
Payment for plant and equipment		<u>(9,052)</u>	<u>-</u>
Net cash provided by / (used in) investing activities		<u>623,847</u>	<u>(144,616)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		<u>-</u>	<u>-</u>
Net (decrease) in cash held		(76,448)	(6,987)
Cash and cash equivalents at the beginning of the year		<u>791,460</u>	<u>798,447</u>
Cash and cash equivalents at the end of the year	4	<u><u>715,012</u></u>	<u><u>791,460</u></u>

The accompanying notes form part of these financial statements.

COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION

The financial statements cover the Council of Social Service of New South Wales ("the Company") as an individual entity incorporated and domiciled in Australia. The Company is limited by guarantee.

New, Revised or Amended Accounting Standards Adopted

The Company has adopted all of the new, revised or amended accounting standards and interpretations issued by the Australian Accounting Standards Board 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.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of 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*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to nearest dollar.

The financial statements were authorised for issue on 15 October 2024 by the Directors of the Company.

Accounting Policies

(a) Revenue Recognition

Revenue recognised under AASB 15 - Revenue from Contracts with Customers is measured at the amount which the Company expects to receive in consideration for satisfying performance obligations to a customer. A performance obligation is the distinct good or service defined within the contract with a customer. The transaction price is allocated to one or more performance obligations contained within the contract, with revenue being recognised as or when the performance obligation is satisfied.

Where consideration comprises variable components, the amount recognised as revenue is constrained to that amount that would not result in a significant reversal of the cumulative revenue recognised when that uncertainty is resolved.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Revenue Recognition (Continued)

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.

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

When grant revenue is received and all obligations to which it relates have been completed and a surplus exists which under the term of the grant is refundable pending approval for other use the surplus revenue is recognised in the statement of financial position as a contract liability. A contract liability represents the Company's obligation to transfer goods or services to the customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Amounts recorded as contract liabilities are subsequently recognised as revenue when the Company transfers the contracted goods or services to the customer.

Donations and bequests are recognised as revenue when received.

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

Dividend revenue is recognised when the right to receive a dividend has been established.

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

Membership revenue is recognised when the membership is purchased.

The Company has elected not to recognise volunteer services as revenue.

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

(b) Plant and Equipment

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Plant and Equipment (Continued)

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

Plant and equipment that have been contributed at no cost, or for nominal cost are recognised at

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Useful Life
Computers	11.25%-50%
Administration equipment	11.25%-50%
Office furniture	7.5%-15%
Lease improvements	20%

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

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

(c) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is considered to contain a lease if it allows the Company the right to control the use of an identified asset over a period of time in return for consideration.

Where a contract or arrangement contains a lease, the Company recognises a right-of-use asset and a lease liability at the commencement date of the lease.

A right-of-use asset is initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred. Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses.

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Leases (Continued)

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments include fixed payments, amounts expected to be paid under a residual value guarantee, the exercise price of purchase options for which the Company is reasonably certain to exercise and incorporate the Company's expectations of lease extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets.

Short term leases (lease term of 12 months or less) and leases of low value assets (\$5,000 or less) are recognised as incurred as an expense in the income statement.

(d) Financial assets

Recognition/derecognition

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date). Investments are derecognised when the right to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Classification of financial assets

Financial assets recognised by the Company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9. Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the Company's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

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

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

(ii) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Financial Instruments (continued)

(iii) Financial assets at amortised cost

Term deposits are classified (and measured) at amortised cost on the basis that:

(a) they are held within a business model whose objective is achieved by the Company holding the financial asset to collect contractual cash flows; and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

(e) Employee Provisions

Short-term employee provisions

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be wholly settled within 12 months after the end of the annual reporting period are measured at the (undiscounted) amounts expected to be paid when the liabilities are settled. The Company's provision for annual leave is recognised as part of trade and other payables in the statement of financial position.

Other long-term employee provisions

The liabilities for annual leave and long service leave not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 high quality Australian corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period of the remeasurement. The Company's provision for long service leave is recognised as provisions in the statement of financial position.

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NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(f) Cash and Cash Equivalents

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

(g) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(h) Goods and Services Tax (GST)

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

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

Cash flows are 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Income Tax

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

(j) 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 current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve 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 twelve months after the reporting period. All other assets are classified as non-current.

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

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OPERATING AS NCOSS

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(l) Comparative Figures

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

(m) Critical Accounting Estimates and Judgments

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

Allowance for expected credit losses

The allowance for expected credit losses assessment in relation to trade receivables requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include historical collection rates.

Employee benefits provision

As discussed in note 1(e), 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
NOTE 2: REVENUE		
Revenue from contracts with customers		
State/Federal government grants	4,089,306	2,313,069
Membership	268,540	297,958
Service	147,966	156,972
Total revenue from contracts with customers	<u>4,505,812</u>	<u>2,767,999</u>
Government grants are recognised over time. Membership and service revenue is recognised at a point in time.		
Other revenue		
Dividends	95,788	95,115
	<u>95,788</u>	<u>95,115</u>
Total Revenue	<u><u>4,601,600</u></u>	<u><u>2,863,114</u></u>
NOTE 3: EXPENSES		
Superannuation:		
- Defined contribution superannuation expense	202,919	171,670
	<u>202,919</u>	<u>171,670</u>
Depreciation and amortisation expense		
- Depreciation on property plant and equipment	8,777	8,129
	<u>8,777</u>	<u>8,129</u>
	<u><u>8,777</u></u>	<u><u>8,129</u></u>
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank - unrestricted	714,512	790,960
Cash float	500	500
	<u>715,012</u>	<u>791,460</u>
Total cash and cash equivalents	<u><u>715,012</u></u>	<u><u>791,460</u></u>
NOTE 5: TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	168,912	7,008
Less: Allowance for expected credit losses	-	-
	<u>168,912</u>	<u>7,008</u>
Other receivables	29,393	36,134
	<u>29,393</u>	<u>36,134</u>
Total Trade and other receivables	<u><u>198,305</u></u>	<u><u>43,142</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
NOTE 6: OTHER ASSETS		
CURRENT		
Prepayments	23,954	20,392
Total Other Current Assets	<u>23,954</u>	<u>20,392</u>
NON-CURRENT		
Lease guarantee deposit	57,914	57,086
Total Other Non-Current Assets	<u>57,914</u>	<u>57,086</u>
NOTE 7: FINANCIAL ASSETS		
CURRENT		
<i>Financial assets at fair value through profit or loss</i>		
- Listed hybrids	(a) 1,020,877	986,342
- Equity securities	(b) 1,377,385	1,310,918
	<u>2,398,262</u>	<u>2,297,260</u>
<i>Financial assets measured at amortised cost</i>		
- Term deposits	(c) 277,917	747,455
	<u>277,917</u>	<u>747,455</u>
Total Current Financial Assets	<u>2,676,179</u>	<u>3,044,715</u>
Total Financial Assets	<u>2,676,179</u>	<u>3,044,715</u>

(a) Listed hybrids

These financial assets are represented by investments in fixed income instruments listed on the Australian Securities Exchange.

(b) Equity securities

These financial assets are represented by investments in Australian managed funds and international exchange traded funds.

(c) Term deposits

These financial assets are represented by investments in term deposit accounts that have original maturities of more than three months.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
NOTE 8: PLANT AND EQUIPMENT		
Plant and Equipment		
At cost	55,976	46,924
Accumulated depreciation	(46,322)	(37,545)
	<u>9,654</u>	<u>9,379</u>
Total Plant and Equipment	9,654	9,379

Movements in carrying amounts

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

		Plant and Equipment
		\$
2023		
Balance at the beginning of the year		9,379
Additions at cost		9,052
Depreciation expense		(8,777)
Carrying amount at end of year		9,654

NOTE 9: TRADE AND OTHER PAYABLES

CURRENT		
Trade and other payables	232,660	288,925
Employee entitlements	142,462	172,686
Contract liabilities	355,041	933,773
Total Trade and Other Payables	730,163	1,395,384

NOTE 10: PROVISIONS

Employee Benefits		
Opening balance at 1 July	55,465	44,841
Additional provision raised during the year / amounts written back	33,306	21,083
Amount used	(31,011)	(10,459)
Balance at 30 June 2024	57,760	55,465
	(a)	
Total Provisions	57,760	55,465
Total current provisions	30,724	22,120
Total non-current provisions	27,036	33,345
	57,760	55,465

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

NOTE 10: PROVISIONS (CONTINUED)

(a) Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave, long service leave and other leave.

The current portion of employee benefits includes the total amount accrued for annual leave entitlements and the amounts accrued for other leave entitlements that have vested due to employees having completed the required period of service (included in Note 9). Based on past experience the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have vested but are not expected to be settled in the next 12 months. It also includes provisions for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

NOTE 11: CONTINGENT LIABILITIES

The Company has no contingent liabilities as at 30 June 2024 (2023 nil).

NOTE 12: RELATED PARTY TRANSACTIONS

(a) Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any Director (whether executive or otherwise) is considered key management personnel.

Key Management Personnel Compensation

	Short-term benefits	Other long- term benefits	Post employ- ment benefits	Total
	\$	\$	\$	\$
2024				
Total compensation	216,947	8,258	22,047	247,252
2023				
Total compensation	252,710	-	26,535	279,245

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	\$	\$
NOTE 13: REMUNERATION OF AUDITORS		
During the current financial year, the following fees were paid or payable for services provided by Pitcher Partners, the auditor of the company:		
Audit of financial statements	22,900	23,500
Other services	2,500	2,500
	<u>25,400</u>	<u>26,000</u>

NOTE 14: MEMBER CONTRIBUTIONS

The Company is incorporated under the Corporations Act 2001 and is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company. At 30 June 2024, the collective liability of members was \$4,090 (2023: \$4,480).

NOTE 15: EVENTS AFTER REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial period 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.

NOTE 16: COMPANY DETAILS

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

Council of Social Service of New South Wales
Yirranma Place, Level1, 262 Liverpool St
DARLINGHURST NSW 2010

COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES
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RESPONSIBLE ENTITIES' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024

- 1) The financial statements and notes, as set out on pages 7 to 22, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - b) give a true and fair view of the financial position of the Company as at 30 June 2024 and of its performance for the year ended on that date.
2. 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, and is signed in accordance with subsection 60.15(2) of *Australian Charities and Not-for-profit Commission Regulations 2022*.



John Robertson
President

Dated in Sydney, this 15th day of October 2024

**Independent Auditor's Report
To The Members of Council of Social Service of New South Wales
ABN 85 001 797 137**

Report on the Financial Report

Opinion

We have audited the financial report of Council of Social Service New South Wales ("the Company"), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the responsible entities declaration.

In our opinion the financial report of Council of Social Service New South Wales 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 2024 and of its financial performance for the year then ended; and
- b. Complying with Australian Accounting Standards – Simplified Disclosures (including Australian Accounting Interpretations) and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 *Australian Charities and Not for-profits Commission Act 2012* ("ACNC Act") 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors Report but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

Responsibilities of Responsible Entities for the Financial Report.

The Responsible Entities are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures (including Australian Accounting Interpretations) and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Responsible Entities 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 responsible entities either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Responsible Entities.

- Conclude on the appropriateness of the Responsible Entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Melissa Alexander
Partner



Pitcher Partners
Sydney

15 October 2024