

2020 -
2021

Annual Report



Midwest
Community
Living
Association

INDIVIDUAL CHOICE, INDEPENDENT LIFE



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About Midwest Community Living Association

Midwest Community Living Association is a not-for-profit organisation founded and run by local people passionate about our shared community and the people we support. We are a registered National Disability Insurance Scheme (NDIS) provider.

We began over 20 years ago, when a group of local parents of children with disability had a vision. They wanted a community where their children could mature as adults living in their own homes and reach their full potential. They wanted their children to have choices and opportunity and feel included.

Midwest Community Living Association was formed as a way to bring their vision to life. Our dedicated and experienced staff work alongside people with disability and their families providing a range of services and supports to assist people to live a lifestyle of choice and opportunity.

Our office is located at 75 Marine Terrace, Geraldton, however we deliver services from Kalbarri to Dongara.

We are driven by our mission. We live and work by our values and pride ourselves on providing a high-quality service to the people we support.

And we love what we do!

Vision, Mission and Values

Our Mission

Enriching the lives of People with Disability and their families by supporting choices and creating opportunities to live as part of the community.

Our Vision

A lifestyle of choice and opportunity.

Our Values

People

We listen and respect.

We are supportive and understanding within our work team and towards the people we provide services to.

Respect

In every interaction - with each other, with the people we provide services to, our stakeholders and the broader community – we treat others as we would like to be treated.

Integrity

We are open and honest and we do the right thing for the right reason.

Commitment

We will do the best we can within our team and community to give the people we provide services to the opportunity to live their chosen lifestyle.

MWCLA Board



Clara Harris
Board Chair



Tania Clifton
Secretary



Sandra Watt
Treasurer



Alicia Roche
Board member



Katie Sluka
Board Member



Ian Dempsey
Board Member

Board Chair Report

Clara Harris



They say the only thing permanent, is change.

These last couple of years have seen such change and uncertainty all over the world and it seems to me a 'Hand on Heart,' values based, local Disability Support Organisation operating from the main street of town, has never been more vital than right now.

July 2020 to June 2021 taught us many lessons. The lessons continue, and Midwest Community Living Association Inc (MWCLA) is holding strong.

COVID-19 restrictions endure and have had such an impact on all aspects of our organisation. The National Disability Insurance Scheme (NDIS) has continued to provide its challenges and then add into the mix a devastating cyclone and it's fair to say 2020/2021 has been a testing time.


Never have the words 'unprecedented', 'fluid' and 'pivot,' been used so frequently, so legitimately, and with such knowing acceptance as this last 18 months and the past 12 months of this record of our organisation.

The Board thanks and congratulates CEO Alison Adam and the amazing MWCLA staff for their ability to get the work done, day to day, here in the office and side by side, supporting our customers within their homes and the community. The work you all do is vital for our customers and their loved ones.

I also want to thank and acknowledge the dedicated volunteers who make up the Board of Directors of MWCLA. I take this opportunity to notify you of some changes to the Board of Directors:

- Our Secretary, Tania Clifton has taken a break from board duties for the time being and we wish her the best of everything, mostly for fast-healing bones in boys, and rest and recovery for her and her family.
- Our Board Treasurer Sandra Watt finishes up with us after three years of service. Thank you so much Sandra, we are so grateful for your expertise and all you have given us.
- Alicia Roche joined the Board in November 2020 and made a vibrant, positive impact from the get-go. Due to a change in personal circumstances Alicia will no longer have capacity to retain her role and will be resigning from the Board later in the year. Thanks, Alicia, for what you contributed.
- Thank you to Katie Sluka and Ian Dempsey for your continued commitment and diligence to the board.
- Personally, this time last year I tentatively tip-toed into the role of Acting Chair as we continued our search for the person to fill the shoes of Trish Anderson our former Chair. With much support and assistance, and on-the-job learning, I dropped the acting and took on the Chair role and I thank everyone for their help.

The strategic plan of MWCLA is always a 'living' document as circumstances and requirements change for our customers, our organisation must also be able to flexibly adapt to meet these needs. COVID-19 has undermined every aspect of day-to-day operations including, but not limited to, access to suitably qualified and experienced staff. The Board has been in constant dialogue with Alison and



robustly endorses the need to, where necessary, shift focus from tackling our strategic aims and move to focus on imperative, operational requirements. With our Mission, Vision and Values as our foundation, our Board's direction is simple – we must focus on our clients, and our staff who support our clients.

The Board applauds the hard work and dedication of everyone at MWCLA, enriching the lives of people with disability in the Midwest. It is a privilege to be a part of that.

Chief Executive Officer Report

Alison Adam



It has been another challenging, but positive year for Midwest Community Living Association, and before I review the highlights and achievements over the past 12 months I would like to acknowledge the amazing team of people I have the privilege to work alongside every day.

Thank you to the entire MWCLA Team. The support you provide to our customers, their families and one another is nothing short of extraordinary. Thank you to our Board, led by our Chair Clara Harris, for their guidance and support over the past 12 months.

Once again our activities this year were heavily influenced by the National Disability Insurance Scheme (NDIS). The NDIS environment is certainly one of constant change and one that can only be described as complex and challenging for participants, their families and disability support organisations.

This year we continued working towards our first NDIS Quality and Safeguarding Compliance audit, which is scheduled to occur at the end of 2021. The enormous task of reviewing all of MWCLA's organisation policies and procedures has been completed and a number of new platforms have been implemented to ensure we remain compliant moving forward.

In September 2020 the official opening of our new premises at 75 Marine Terrace was held with the official "ribbon cutting" being done by customers, family members and staff. Our new office space was designed to accommodate our Therapies Support Unit which was to commence late 2020, however due to a severe shortage of allied health professionals in Western Australian this has not been achieved.

We partnered with the City of Greater Geraldton in December 2020 to hold an event to celebrate International Day of People with Disability. The event was a huge success with over 100 people in attendance. Live music, Zumba dancing, face painting, card making and many other activities were enjoyed by all who attended.

In December we had an Information Technology audit conducted which resulted in the development of a disaster recovery plan in January and later the set-up of our "Secondsite" back up, unfortunately not in time for Tropical Cyclone Seroja.

We launched our new website in March 2021 and Tropical Cyclone Seroja hit the Midwest, leaving a trail of destruction in its path. The cyclone certainly tested our resilience, however once again the MWCLA team rose to the occasion, swiftly moving into action, offering help and support to our customers, families and each other.

In April 2021 we launched our web-based online induction, training and compliance platform, *iinduct*. The platform will ensure consistent and up to date induction and training for all staff as well as assist us to manage compliance requirements.

In May 2021 MWCLA were a proud Exhibit Sponsor at the Spectrum Space Symposium held here in Geraldton. The symposium showcased local, national and international expert speakers and explored the opportunities and challenges for people with autism and those who work and live with them.

We were very excited to be nominated and shortlisted for the Midwest Chamber of Commerce and Industry Business Excellence Awards, Not for Profit category in May. Renae Zimmermann, our amazing Customer Services Coordinator, has also been nominated for an award in the Best Customer Service (Individual) category. We look forward to attending the awards night in August 2021.

Staffing shortages continued throughout the year, not just for MWCLA but for every industry and sector across Western Australia. It was anticipated that once the COVID lockdown ended this would resolve however this has not been the case. With a focus on recruitment and retention we engaged a consultant to assist with the development of a Workforce Development Plan. Over the course of the year many strategies identified have been implemented and our newly developed reward and recognition platform for staff, aptly named “DreamTeam”, is due to be launched July 2021.

Work has commenced on migrating all our policies, procedures and other documents to CentroAssist, a policy management and compliance web-app that will enable us update and maintain compliance with regards to policies and procedures. It is anticipated this will be completed and rolled out to staff in November 2021.

Thank you to all our customers and their families for choosing MWCLA to work alongside you and be a part of your lives, we are truly privileged and honoured to do so.



Midwest Community Living Association Official Opening 18th September 2020

Finance Manager Report

Julie Boys



The 2020/2021 Financial year has been an eventful year of changes and learning how to survive in the new norm of the NDIS world after DSC funding. At years end we came to the total cessation of DSC funding leaving us totally reliant on the NDIS system.

Moving forward with NDIA has meant new processes and strategies to continue to operate in this new and more competitive environment. Our organization has been well placed to cope with these changes due to the very strong financial position we were in leading up to the transition into full NDIS operations and is still in a very comfortable financial position at years end despite COVID, increased competition and with limited growth through this period.

The NDIS is still subject to changes as time goes on however we are in a strong position to adapt to these changes as required. We have adapted well to a consumer driven market-place, with NDIS participants having the choice and flexibility in where to purchase their supports and services from. Likewise, our business systems for invoicing and managing accounts receivable have adjusted to accommodate this change in funding.

I would like to acknowledge and thank the Board for their continued support and governance through this very challenging journey to help ensure MWCLA have continued to transition with confidence into the new NDIA world successfully. I would also like to acknowledge Clara Harris, for her work as Chairperson since taking on the role.

It is difficult to compare this Financial Year with previous years due to the change in revenue from quarterly in advance, to invoicing in retrospect, coupled with the impact of COVID; however, this is the first almost full year of NDIA funding so this past financial year will be a good benchmark for the future moving forward.

There was an increase in MWCLA net surplus for 2020/2021 compared with 2019/2020 of \$308,790 predominately due to increased income from Job Keeper and government incentive payments arising from COVID.

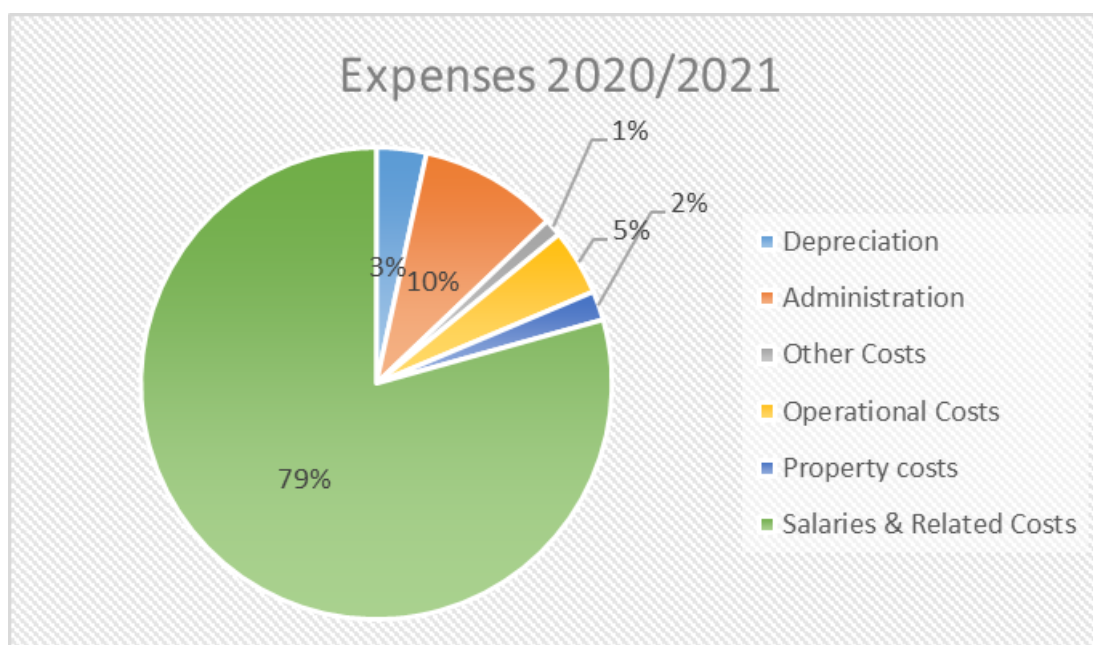
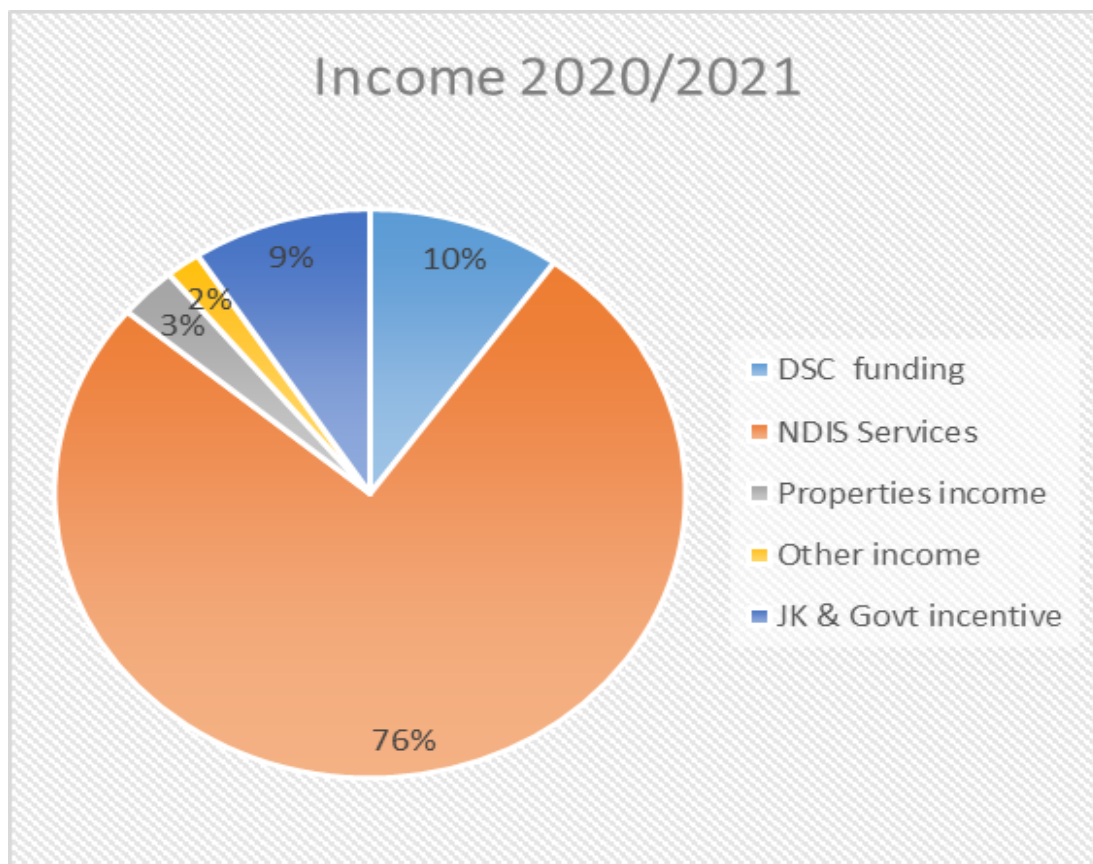
Total income for 2019/2020 was \$5,677,800 up by \$540,644.00 on the previous 2019/2020 FY again, largely driven by the added government COVID payments and final DSC payments ensuring a smooth transition to the NDIS.

MWCLA total assets as at 30 June 2021 were \$5,560,075 compared to \$5,161,025 last financial year. This is an approximate increase of 7.73% on the previous year, achieved by an increase in customers plus the government payments relating to COVID.

I would like to acknowledge RSM for their services throughout the year, assisting to streamline our accounting system to suit MWCLA needs moving forward in this new business environment. It has been a pleasure working with them and I look forward to their ongoing support moving into the 2021/2022 financial year.

MWCLA continues to be in a sound financial position to start the 2021/2022 year which will now be funded totally through NDIA plans and new projects as they are developed. I look forward to the new

financial year being a more stable one now that we have a better knowledge of the workings of NDIA funding and what our capabilities are for the future growth of the organization.



Commemoration of Service

For the sixth consecutive year, we have the pleasure of awarding employees for completing 10 years or more of service with Midwest Community Living Association. This is a wonderful reflection on our staff retention and the job satisfaction of our valuable employees.



Brian Kealy - 15 years' Service

Brian has built a wonderful relationship with MWCLA customers over the years. More recently Brian has supported a gentleman to live independently in his own home, assisting him to live the lifestyle of his choice.

Congratulations Brian on this wonderful accomplishment and we thank you for your ongoing commitment to our vision and mission and the people we support.



Strategic Plan 2021 - 2023



Midwest Community Living Association

INDIVIDUAL CHOICE, INDEPENDENT LIFE

Midwest Community Living Association Strategic Plan 2020-2023

Our mission Enriching the lives of people with a disability and their families by supporting choices and creating opportunities to live as part of the community.

| | |
|---|--|
| <p>Our vision A lifestyle of choice and opportunity</p> | <p>Our values</p> |
| <p>People We listen and respect. We are supportive and understanding within our work team and towards the people we provide services to.</p> | <p>Respect In every interaction – with each other, with the people we provide services to, our stakeholders and the broader community – we treat others as we would like to be treated.</p> |
| <p>Integrity We are open and honest and we do the right thing for the right reason.</p> | <p>Commitment We will do the best we can within our team and community to give the people we provide services to the opportunity to live their chosen lifestyle.</p> |

Our areas of focus and strategic objectives

| | | | |
|--|---|---|---|
| <p>Area of Focus 1 QUALITY SERVICES</p> <p>Midwest Community Living Association (MWCLA) delivers best-practice, high-quality services that are in line with its organisational values</p> <p>MWCLA services are valued by service users and their carers, families and supporters</p> | <p>Area of Focus 2 INTERNAL CAPACITY</p> <p>MWCLA has a stable and capable Board that is continually responsive to its service users, organisation, community and the disability sector</p> <p>MWCLA has strong budget setting and Board reporting mechanisms, including reports on service expansion</p> <p>MWCLA generates a financial surplus and a strong asset base that supports further investment in services and the community</p> <p>MWCLA updates and maintains its policies, procedures and systems to ensure the delivery of effective services and ongoing compliance with NDIS Quality and Safeguarding and regulatory requirements</p> <p>MWCLA will recruit, develop and retain a diverse workforce that aligns with its values and positions the organisation as the employer of choice in the Midwest</p> <p>MWCLA invests in information technology that will enhance service delivery and deliver operational efficiencies as well as make service user's lives easier</p> | <p>Area of Focus 3 COMMUNITY & PARTNERSHIPS</p> <p>MWCLA is seen as a trusted brand in the Midwest</p> <p>MWCLA actively seeks input, feedback and co-design opportunities with people with a disability, families, carers, supporters and community</p> <p>MWCLA undertakes authentic and responsive communication with the community, service users, key agencies and other stakeholders, in line with its values</p> <p>MWCLA will lead and participate in effective partnerships with other organisations in the Midwest to improve outcomes for people with a disability</p> <p>MWCLA will invest in community development projects that align with its organisational values and that benefit the disability community within the Midwest</p> | <p>Area of Focus 4 GROWTH & EXPANSION</p> <p>MWCLA will monitor expansion of existing services to ensure any growth will not exceed organisational capacity or negatively impact on quality, workforce and organisation values.</p> <p>MWCLA will expand its service range, geographical coverage and number of service users through sound, evidence-based analysis of community need, finances, workforce capacity, risks and benefits</p> |
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Financial Report

Midwest Community Living Association Inc.
For the year ended 30 June 2021



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Committee's Report

Midwest Community Living Association Inc. For the year ended 30 June 2021

Committee's Report

Your committee members submit the financial report of Midwest Community Living Association Inc. for the financial year ended 30 June 2021.

Committee Members

The names of committee members throughout the year and at the date of this report are

| Committee Members Name | Position Held | Date Appointed/Resigned |
|------------------------|-------------------------------------|---|
| Patricia Anderson | Chairperson | Resigned 28 Oct 2020 |
| Clara Harris | Chairperson (previously Vice Chair) | Appointed Chair - 27 Oct 2020 Appointed 8 March 2017 |
| Vacant | Vice Chair | Vacant |
| Sandra Watt | Treasurer | Appointed 9 April 2019 |
| Tania Clifton | Secretary | Appointed 13 July 2017 |
| Ian Dempsey | Board Member | Appointed 18 Aug 2020 |
| Katie Sukla | Board Member | Appointed 12 Nov 2019 |
| Alicia Roche | Board Member | Appointed 25 Nov 2020 |

Principal Activities

Midwest Community Living Association is community based Not For Profit organisation providing support services and respite to people with disability and their families. The organisation currently provides support to the Midwest.

Midwest Community Living Association also manages 18 community housing properties for people with a disability. Our houses are in Geraldton (16), Exmouth (1) and Dongara (1).

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The net income for the 2021 financial year amounted to \$937,760.

Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:



Clara Harris (Chairperson)

Date 25/10/2021



Sandra Watt (Treasurer)

Date 25/10/2021

Profit and Loss

Midwest Community Living Association Inc. For the year ended 30 June 2021

| | 2021 | 2020 |
|--------------------------------------|------------------|------------------|
| Income | | |
| DSC Funding/Grants | (37,112) | 2,011,155 |
| NDIS Services | 4,321,527 | 1,718,940 |
| DSC Block Funding | 600,432 | 676,372 |
| Other Funding/Grants | 23,162 | 56,465 |
| Other Income | 56,951 | 64,493 |
| Properties Income | 168,779 | 164,904 |
| Outsourced / Brokered Services | 21,561 | - |
| Total Income | 5,155,300 | 4,692,329 |
| Other Income | | |
| Funding Carryover from Previous Year | - | 166,827 |
| Government Cash Incentive | 100,000 | 50,000 |
| Job Keeper Support Payment | 422,500 | 228,000 |
| Total Other Income | 522,500 | 444,827 |
| Total Income | 5,677,800 | 5,137,156 |
| Expenses | | |
| Depreciation | 162,149 | 70,593 |
| Administration | 449,658 | 355,570 |
| Bond Administrator | - | 701 |
| Lease Interest | 16,542 | 10,354 |
| Operational Costs | 214,762 | 146,099 |
| Other Funding Carried Forward | - | 20,000 |
| Property Costs | 95,080 | 114,194 |
| Rent & Occupancy | - | 38,450 |
| Salaries & Related Costs | 3,761,347 | 3,269,196 |
| Unexpended Funding | 40,395 | 482,922 |
| Total Expenses | 4,739,933 | 4,508,079 |
| Net Surplus | 937,867 | 629,077 |

Balance Sheet

Midwest Community Living Association Inc. As at 30 June 2021

| | NOTES | 30 JUN 2021 | 30 JUN 2020 |
|--|-------|------------------|------------------|
| Assets | | | |
| Current Assets | | | |
| Cash | 2 | 4,813,569 | 4,415,253 |
| Accounts Receivable | | 178,684 | 128,575 |
| Prepaid Insurance | | 85,876 | - |
| Total Current Assets | | 5,078,128 | 4,543,828 |
| Non-Current Assets | | | |
| Property, Plant and Equipment - Operations | 3 | 182,304 | 197,271 |
| Property, Plant and Equipment - Properties | 4 | 24,516 | 32,899 |
| Right of Use Assets | 5 | 275,127 | 387,027 |
| Total Non-Current Assets | | 481,947 | 617,197 |
| Total Assets | | 5,560,075 | 5,161,025 |
| Liabilities | | | |
| Current Liabilities | | | |
| Payables | 6 | 167,369 | 63,709 |
| Provisions | 7 | 223,375 | 254,874 |
| Unexpended Grants | 8 | - | 502,922 |
| Lease Liabilities | | 74,496 | 108,131 |
| Total Current Liabilities | | 465,239 | 929,636 |
| Non-Current Liabilities | | | |
| Lease Liabilities | | 209,784 | 284,280 |
| Total Non-Current Liabilities | | 209,784 | 284,280 |
| Total Liabilities | | 675,023 | 1,213,916 |
| Net Assets | | 4,885,052 | 3,947,109 |
| Equity | | | |
| Retained Earnings | | | |
| Current Year Earnings | | 937,867 | 629,077 |
| Retained Earnings | | 3,947,185 | 3,318,032 |
| Total Retained Earnings | | 4,885,052 | 3,947,109 |
| Total Equity | | 4,885,052 | 3,947,109 |

Statement of Cash Flows

Midwest Community Living Association Inc.

For the year ended 30 June 2021

| | 2021 | 2020 |
|--|------------------|------------------|
| Operating Activities | | |
| Receipts from Government Grants | 83,560 | 4,334,358 |
| Receipts from Customers | 4,503,822 | - |
| Receipts from Other Sources | 522,500 | 229,397 |
| Interest Received | 14,887 | 59,604 |
| Payments to Suppliers and Employees | (4,574,878) | (3,775,278) |
| Net Cash Flows from Operating Activities | 549,891 | 848,081 |
| Investing Activities | | |
| Payment for property, plant and equipment | (23,428) | (180,455) |
| Proceeds from disposal of plant and equipment | - | - |
| Net Cash Flows from Investing Activities | (23,428) | (180,455) |
| Financing Activities | | |
| Provision for property maintenance | - | (8,933) |
| Repayment of Lease Liabilities | (128,147) | - |
| Net Cash Flows from Financing Activities | (128,147) | (8,933) |
| Net Cash Flows | 398,316 | 658,693 |
| Cash and Cash Equivalents | | |
| Cash and cash equivalents at beginning of period | 4,415,253 | 3,756,560 |
| Net change in cash for period | 398,316 | 658,693 |
| Cash and cash equivalents at end of period | 4,813,569 | 4,415,253 |

Statement of Changes in Equity

Midwest Community Living Association Inc.

For the year ended 30 June 2021

| | 2021 | 2020 |
|------------------------|------------------|------------------|
| Equity | | |
| Opening Balance | 3,947,109 | 3,318,032 |
| Retained Earnings | 76 | - |
| Increases | | |
| Profit for the Period | 937,867 | 629,077 |
| Total Increases | 937,867 | 629,077 |
| Total Equity | 4,885,052 | 3,947,109 |

Notes to the Financial Statements

Midwest Community Living Association Inc. For the year ended 30 June 2021

1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 2015 (WA) and the *Australian Charities and Not-for-profits Commission Act 2012*. The Board of management has determined that the association is not a reporting entity.

The financial statements have been prepared in accordance with the following mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not for Profits Commission Act 2012 and the significant accounting policies disclosed below, which the Board of Management has determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

AASB 16 - Leases

AASB 101 - Presentation of Financial Statements

AASB 107 - Cash Flow Statements

AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031 - Materiality

AASB 1048-Interpretation of Standards

AASB 1054 - Australian Additional Disclosures

AASB 1058 - Income for Not-for-profit Entities

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

Income Tax

The Association is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.



Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the association 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Revenue and Other Income

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliable.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income upon receipt.

Interest revenue is recognised using the effective interest 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.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

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 entity 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 entity 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.

Leases

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 entity'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 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; 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.

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.

Accounts Payable and Other Payables

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

| | 2021 | 2020 |
|----------------------------|------------------|------------------|
| 2. Cash on Hand | | |
| Undeposited Funds | 95 | - |
| Community Solutions 432177 | 1,884,600 | 1,286,075 |
| Community Solutions One | 4,939 | 4,983 |
| Everyday Account 474051 | - | 14,174 |
| Housing Account 157216 | 193,289 | 393,189 |
| Australia Post Mastercard | - | 297 |
| Term Deposit 412715 | 1,519,440 | 1,511,401 |
| Term Deposit 494589 | 1,210,748 | 1,204,675 |
| Petty Cash | 459 | 459 |
| Total Cash on Hand | 4,813,569 | 4,415,253 |



2021 2020

3. Property, Plant and Equipment - Operations

| | | |
|---|----------|----------|
| Computer Software at Cost | | |
| Computer Software at Cost | 24,400 | 24,400 |
| Less Accumulated Depreciation on Computer Software | (22,391) | (21,529) |
| Total Computer Software at Cost | 2,009 | 2,871 |
| Computer Equipment at Cost | | |
| Computer Equipment at Cost | 62,150 | 49,988 |
| Less Accumulated Depreciation on Computer Equipment | (30,640) | (19,203) |
| Total Computer Equipment at Cost | 31,510 | 30,785 |
| Office Equipment at Cost | | |
| Office Equipment at Cost | 34,839 | 33,141 |
| Less Accumulated Depreciation on Office Equipment | (22,349) | (16,909) |
| Total Office Equipment at Cost | 12,490 | 16,232 |
| Office Furniture at Cost | | |
| Office Furniture at Cost | 25,713 | 17,918 |
| Less Accumulated Depreciation on Office Furniture | (8,355) | (2,687) |
| Total Office Furniture at Cost | 17,358 | 15,231 |
| Property Improvements - MWCLA | | |
| Property Improvements - MWCLA | 151,512 | 151,512 |
| Less Accumulated Depreciation on Property Improvements -MWCLA | (32,575) | (19,360) |
| Total Property Improvements - MWCLA | 118,937 | 132,152 |
| Total Property, Plant and Equipment - Operations | 182,304 | 197,271 |

2021 2020

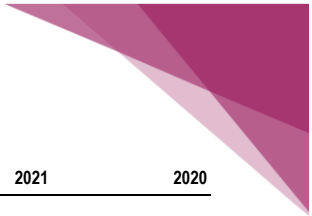
4. Property, Plant and Equipment - Properties

| | | |
|---|----------|----------|
| Properties Equip at Cost | | |
| Properties Equip at Cost | 84,501 | 84,501 |
| Less Accumulated Depreciation on Properties Equip | (66,284) | (58,477) |
| Total Properties Equip at Cost | 18,217 | 26,024 |
| Properties Furniture at Cost | | |
| Properties Furniture at Cost | 19,908 | 18,135 |
| Less Accumulated Depreciation on Properties Furniture | (13,609) | (11,260) |
| Total Properties Furniture at Cost | 6,299 | 6,875 |
| Total Property, Plant and Equipment - Properties | 24,516 | 32,899 |

2021 2020

5. Leases

| | | |
|--|-----------|-----------|
| Right of Use Assets | 499,480 | 499,480 |
| Less Accumulated Depreciation on Right of Use Assets | (224,353) | (112,453) |
| Total Leases | 275,127 | 387,027 |



| | 2021 | 2020 |
|---|----------------|----------------|
| 6. Payables | | |
| Loan to Clients | (118) | - |
| Wages Payable - Payroll | 997 | - |
| Accrued Wages | 108,898 | - |
| Accounts Payable | 3,782 | 307 |
| ATO Clearing Account | 20 | 53,753 |
| GST Payable | (3,451) | 9,649 |
| PAYG Withholdings Payable | 37,139 | - |
| Superannuation Payable | 20,100 | - |
| Total Payables | 167,369 | 63,709 |
| | 2021 | 2020 |
| 7. Provisions | | |
| Provision for Property Maintenance | - | 42,863 |
| Staff Annual Leave Provision | 153,071 | 113,058 |
| LSL Provision | 70,304 | 98,953 |
| Total Provisions | 223,375 | 254,874 |
| | 2021 | 2020 |
| 8. Unexpended Grants | | |
| Carried Forward Funding | - | 20,000 |
| DSC Grants to be Returned | - | 320,058 |
| Unexpended Grants to be Carried Forward | - | 162,864 |
| Total Unexpended Grants | - | 502,922 |

Notes to the Statement of Cash flows

Midwest Community Living Association Inc.

For the year ended 30 June 2021

Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

| | 2021 | 2020 |
|---------------------------|------------------|------------------|
| Cash on hand | 459 | 459 |
| Cash and cash equivalents | 4,813,110 | 4,414,794 |
| | 4,813,569 | 4,415,253 |

Reconciliation of Net Cash Provided by Operating Activities to Net Result

| | | |
|------------------------------------|----------------|----------------|
| Net Result | 937,867 | 629,077 |
| Non-cash flows in Net result: | | |
| Depreciation | 162,149 | 42,463 |
| Lease interest | 16,542 | - |
| Adjustment on take up of AASB16 | - | 5,384 |
| Changes in assets and liabilities | | |
| (Increase)/decrease in receivables | (50,109) | (124,100) |
| (Increase)/decrease in prepayments | (85,876) | - |
| Increase/(decrease) in provisions | (31,499) | 30,556 |
| Increase/(decrease) in payables | 103,737 | (71,394) |
| Unexpended grants | (502,922) | 336,095 |
| Net cash from operating activities | 549,889 | 848,081 |



Declaration by the Board of Management

Midwest Community Living Association Inc.

For the year ended 30 June 2021

The Board of Management has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements

In the opinion of the Board of Management the financial statements and notes to the financial statements are in accordance with *Association Incorporation Act 2015 (WA)*, the *Australian Charities and Not-for-profits Commission Act 2012* and:

1. comply with the Australian Accounting Standards applicable to the Association; and
2. give a true and fairview of the financial position of Midwest Community Living Association Inc at at 30 June 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
3. at the date of this statement, there are reasonable grounds to believe that Midwest Community Living Association Inc will be able to pay its debts as and when they fall due and payable.

This statement is made in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013* and is signed for and on behalf of the Board of Management by:

Clara Harris (Chairperson)



Sandra Watt (Treasurer)



Independent Auditor's Report

MIDWEST COMMUNITY LIVING ASSOCIATION INC.

Independent auditor's report

To the members of Midwest Community Living Association Inc.

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Midwest Community Living Association Inc. (the Association), which comprises the balance sheet as at 30 June 2021, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the financial report of Midwest Community Living Association Inc. 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 registered entity's financial position as at 30 June 2021 and of its financial performance for the year ended 30 June 2021; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 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 registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the *Associations Incorporation Act 2015 (WA)* and the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibility of the Committee for the Financial Report

The Committee is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Associations Incorporation Act 2015 (WA)* and the *Australian Charities and Not-for-Profits Commission Act 2012*, and the needs of the members. The committee's responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 Committee is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the Association or to cease operations, or have 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 the financial report.

As part of an audit in accordance with 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.

- 
- Conclude on the appropriateness of the Committee'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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Committee 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 the Committee 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.



RG Ledger
Chartered Accountant
Registered Company Auditor

21/10/2021

GREG LEDGER PTY LTD

CHARTERED ACCOUNTANT

ABN 63 066 718 134

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Wembley, WA 6913

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West Perth, WA 6005

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Liability limited by a scheme approved under Professional Standards Legislation.

21 October 2021

The Board of Management Committee
Midwest Community Living Association Inc.
PO Box 2458
Geraldton WA 6530

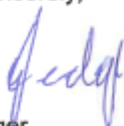
Auditor Independence Declaration

This declaration is made in connection with the audit of the financial report of Midwest Community Living Association Inc. for the year ended 30 June 2021 and in accordance with the requirements of Subdivision 60-C section 60-40 of *Australian Charities and Not-for-profits Commission Act 2012*.

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Yours sincerely,



RG Ledger
Chartered Accountant
Registered Company Auditor