

Collaboration For Impact Ltd.

ABN 98 169 274 006

Financial Statements - 30 June 2022

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The directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Elizabeth Skelton - Director and Chairperson
Kerry Graham - Director
Kyrstie Dunn - Director
Regina Hill - Director
Sean Leong - Director

Operating result

CFI reported an operating deficit of \$291,962 (2021: surplus of \$101,041) for the year ended 30 June 2022.

About Collaboration for Impact

Collaboration for Impact's vision is for an equitable and inclusive society where people, place and planet thrive. Our purpose is to build an influential movement of people able to shift conditions holding complex challenges in place.

Our work collaboratively provides assistance to disadvantaged, marginalised or otherwise vulnerable people and communities to overcome the challenges they face, including but without limitations, poverty, disadvantage, children and families at risk, disengagement from education, Indigenous disadvantage, intergenerational unemployment, homelessness, crime, social isolation and hardship.

Our Vision

We believe to relieve suffering for individuals as a direct result of intractable complex social challenges, it is essential that we build capacity for systems change. Systems changes creates relief of suffering for individuals by shifting the conditions that hold complex social problems like poverty and disadvantage in place. Furthermore, our core principle is that those individuals that are directly impacted by complex social challenges are at the centre of creating the solutions and making the decisions that affect them. We focus on shifting two key conditions for Systemic change in Australia:

1. increasing the capacity of changemakers to think and act systemically; and
2. building the collaborative capacity required to address Australia's unreconciled history of colonisation.

We will realise our vision through three objectives:

1. Building capacity for systemic change
2. Systems change movement building
3. CFI has thriving and liveable infrastructure, skills and capacity for scaling as a network of impact to shift conditions that hold complex problems in place

We acknowledge the oldest living culture on our planet and honour the leadership of First Nations Elders past, present and emerging.

A year in review

The last financial year persisted with the ongoing challenges of living and working with COVID and recovering from the devastating impacts of the 2022 eastern Australian floods. Continuing to work alongside communities, initiatives and broader context, whilst increasing revenue, CFI invested significantly in resources to build on foundations for scaling, recruiting new capabilities and resources and prototyping practice innovation.

During the last financial year CFI's key activities included:

Strengthening CFI's sustainability for impact which involved

- Development of a new business model
- Scoping options to generate new income from practice innovation
- Strengthening of philanthropic funding from relationships and broadening of relationships with CFI's strategic partners
- Expansion of the CFI Board

Maintain the growth and development of the delivery of systems change capability building and support services to systemic change initiatives

- CFI grew its support to 50 systemic change initiative generating revenue to almost \$1.4m for the FY21/22

CFI's offerings

- Ongoing commitment to expand Deep Collaboration capacity building to reach target groups for most impact

Strengthen CFI's human resources

- Refinement of CFI strategy for 2021-23 to target impact to address barriers to the social sector thinking and working systemically
- Recruitment of a new CEO, and investment in recruiting and integration of new capabilities in new staff
- Recruitment of more First Nations core staff and practitioners

Deepen Practice development

- Continued development of systems change practices across CFI to support systemic initiatives in Australia
- Continued development and expansion of Deep Collaboration competencies across CFI
- Enabled the conditions for learnings on systemic impact from the field, supported and enabled practice development to contribute to global thought leadership and evidence base
- Strengthened and grew the size and capability of practitioners for system change in Australia
- Delivered CFI's public learning calendar and Communities of Practice, to focus on addressing barriers to systems change

Leverage CFI's impact measurement framework to develop evidence points and stories of impact of the role of the intermediary in building capability for systems change

- Reviewed and repositioned the CFI monitoring evaluation and learning framework for capacity building and support to initiatives.

Development and implementation of strategy to grow a movement of systems change to think and work systemically across Australia, including

- Focused CFI's strategic communications function to target barriers to system change capability development and position CFI in a field building role

Extend and expand the reach of CFI's digital platforms

- 2021/2022 Platform C and Deep Collaboration content plan in place with Platform C expanded to host national multi-site initiatives Stronger Place Stronger People and Connected beginnings.

Key Programs and Partnerships have included:

Connected Beginnings

CFI worked in partnership with and provided coaching and mentoring to communities and directly to Ninti One to establish new collective impact sites and provide support to other sites. CFI provided support to two locations to develop backbone and governance groups. CFI is working with local organisations to build their understanding of collective impact and service integration. CFI is building tools to facilitate the communication of systems change concepts that are accessible to community and in cross-cultural contexts.

Stronger Places Stronger People ('SPSP')

At a national and state level, CFI has provided strategic advice, collaboration and leadership capability building, and innovation design support to governments and the National Leadership Group. CFI has also contributed to building relationships and networks across the community collaborations and governments to establish supportive learning environments and foster reflective practice (often using progress mapping tools, learning circles, communities of practice, and annual reflective processes). They provide coaching and mentoring to backbones. They have provided training around community engagement and the basics of collective impact and systems change.

Community Revitalisation

From 2021 to 2024 CFI is playing an important dual role in the initiative. Community Revitalisation is across seven communities and regions in Victoria. CFI's work is directly with the Victorian Government, the seven communities and regions and across the network of partners state-wide. Firstly, as a capability partner to the Place Based Reform and Delivery (PBRD) team to develop systemic thinking, understanding of community led approaches, and collaborative governance and action. Secondly, CFI provided direct strategic advice and coaching support to backbone teams within communities as they develop strategy, governance, and work collaboratively to influence the jobs and skills ecosystem.

Deep Collaboration

Deep Collaboration is a program within CFI that seeks to transform collaborative relationships between First Nations people and other Australians. In the past financial year, CFI has scaled Deep Collaboration in depth and breadth. Learning materials from the Deep Collaboration learning intensive have also been adapted and integrated into CFI's wider practice framework to enable continued scale and impact.

Key Achievement Areas

Workforce development

CFI's workforce development activities centre on:

- The implementation of a Public Learning Program.
- The creation of spaces for systems change practitioners in community-led collaborations to come together and share knowledge and learning.

CFI delivered 7 public learning courses to over 370 participants from across civil society including from place-based backbone teams; local, state and Commonwealth government departments; philanthropic organisations; service providers; corporate organisations; intermediaries and research organisations; and other for purpose organisations seeking to reform, redesign or change systems.

Thought leadership

Thought leadership is about documenting and disseminating information about evidence and best practice in systems change work.

Platform C is CFI's most significant investment in documenting best practices in systems change. The website hosts a range of resources and operates as an online portal to provide support for SPSP-funded community-led collaborations. Over the 21/22 financial year, Platform C had 36,945 unique page views. The site published over 150 pieces of content including case studies, publications and articles. The SPSP team published newsletters, articles and over 140 resources and tools.

Deep Collaboration continues to have its own website that offers resources and programs that collaborations can draw on to create shared leadership. Over the 21/22 financial year, over 30 new pieces of content were published to the site. The site had a total of 2,661 views.

CFI continued its role in hosting webinars in the past financial year. The first webinar was hosted in January 2022 to coincide with 26 January (Australia Day). CFI will continue to host two webinars each year to coincide with 26 January and NAIDOC Week. The purpose of the webinars is to promote the practice of leadership that centres equity and reconciliation and creates a thinking space with opportunity for critical dialogue amongst civil society and leaders more widely.

Over the past two years, Collaboration for Impact has been supporting a leadership and learning program to build knowledge, skills and capability to support community-led change. The SPSP Leadership and Learning Program has included a number of activities, which have been attended by over 100 unique participants, including backbone staff, community representatives and leaders, local service providers, researchers, and representatives from Commonwealth, State and Territory governments.

Catalysing and strengthening place-based change initiatives

Strengthening the conditions for a Treaty in the past year, CFI has provided support for the development of a Treaty in Victoria. CFI has been working with both the First Peoples National Assembly and government partners who are working with the Assembly to facilitate the process. CFI's role is to support the parties to explore issues that arise, identify systemic challenges, communicate, and better understand each other so that they continue to make progress and stay in negotiation and collaboration.

Influencing

CFI seeks to transform the ways that change happens, specifically how systems work to enable more equitable access to resources and enable opportunities for communities to have self-determination and greater agency in the environments which affect their lives. CFI's three domains of influence in the last year have included: supporting power-sharing between government and place-based initiatives; improving the capacity of actors beyond community to engage in systems change work; and supporting state-based Treaty processes.

Next financial year priorities and focus

CFI is in a stage of rapid growth, adapting to the growth in the social change ecosystems and needs of communities. The organisation continues to mature in building a strong identity as a field builder across Australia. CFI will become a strong and credible field builder as it invests time in building a cohesive public identity underpinned and guided by its work externally and internally through capability and capacity enabling. CFI's learning from the last year centres on the following forward-looking priorities:

Business model

CFI is currently underway with phase 1 of the new business model implementation.

Evidence and learning

Field builders are critical facilitators of the collection, co-creation and dissemination of evidence and strategic learning on systems change that create more equitable and inclusive communities. The development of a CFI centric Theory of Change and overarching measurement, evaluation and learning (MEL) framework to guide the collection and dissemination of evidence about practice, principles and change across system actors.

Quality of contribution

CFI is developing frameworks and processes to enhance quality including:

- Practice Framework and core competencies
- Standards for the Public Learning Program
- Standards when writing, reviewing, and publishing public resources
- Standards to guide and support CFI's practitioners' work in the field

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each.

The total amount that members of the company are liable to contribute if the company is wound up is \$50 (2021 : \$50), based on 5 (2021 : 5) current ordinary members.

On behalf of the directors



Elizabeth Skelton
Director

__13__ December 2022



LBW & Partners

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Collaboration For Impact Ltd

ABN: 98 169 274 006

Auditor's Independence Declaration to the Directors of Collaboration For Impact Ltd

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as auditor of Collaboration For Impact Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- i. 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
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Date : 12 December 2022

Collaboration For Impact Ltd.
Statement of income and retained earnings
For the year ended 30 June 2022



	Note	2022 \$	2021 \$
Revenue	4	3,033,551	2,830,954
Interest revenue calculated using the effective interest method		251	3,134
Expenses			
Direct support to communities (delivery and development)		(1,404,951)	(1,203,855)
Operations management and administration		(675,504)	(614,288)
Community, events, tools and resources		(517,584)	(568,414)
Evaluation		(158,982)	(121,416)
Client disbursements		(60,929)	(12,539)
Communications		(115,675)	(21,814)
Infrastructure, scaling and other expenses		<u>(392,139)</u>	<u>(190,721)</u>
Surplus/(deficit) for the year		(291,962)	101,041
Retained surpluses at the beginning of the financial year		<u>876,795</u>	<u>775,754</u>
Retained surpluses at the end of the financial year		<u><u>584,833</u></u>	<u><u>876,795</u></u>

The above statement of income and retained earnings should be read in conjunction with the accompanying notes

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	6	1,770,204	3,224,531
Trade and other receivables	7	531,980	289,193
Contract assets	8	30,175	4,548
Other financial assets - term deposits	9	1,500,000	-
Other	10	60,467	12,090
Total current assets		<u>3,892,826</u>	<u>3,530,362</u>
Total assets		<u>3,892,826</u>	<u>3,530,362</u>
Liabilities			
Current liabilities			
Trade and other payables	11	358,450	341,740
Contract liabilities	12	2,532,750	2,250,209
Employee benefits	13	77,839	61,618
Other	14	66,227	-
Total current liabilities		<u>3,035,266</u>	<u>2,653,567</u>
Non-current liabilities			
Contract liabilities	15	<u>272,727</u>	-
Total non-current liabilities		<u>272,727</u>	-
Total liabilities		<u>3,307,993</u>	<u>2,653,567</u>
Net assets		<u>584,833</u>	<u>876,795</u>
Equity			
Retained surpluses		<u>584,833</u>	<u>876,795</u>
Total equity		<u>584,833</u>	<u>876,795</u>

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

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from government agencies for services (inclusive of GST)		1,223,883	1,623,995
Receipts from non-government customers and funders (inclusive of GST)		2,417,755	2,879,091
Payments to suppliers and employees (inclusive of GST)		(3,596,216)	(2,823,141)
Interest received		<u>251</u>	<u>3,134</u>
Net cash from operating activities		<u>45,673</u>	<u>1,683,079</u>
Cash flows from investing activities			
Investment in term deposits		<u>(1,500,000)</u>	<u>-</u>
Net cash used in investing activities		<u>(1,500,000)</u>	<u>-</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(1,454,327)	1,683,079
Cash and cash equivalents at the beginning of the financial year		<u>3,224,531</u>	<u>1,541,452</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>1,770,204</u></u>	<u><u>3,224,531</u></u>

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

Note 1. General information

The financial statements cover Collaboration For Impact Ltd. (the company) as an individual entity. The financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

Collaboration For Impact Ltd. is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. The company is registered with Australian Charities and Not-for-profits Commission as a charity. Its registered office and principal place of business is:

903/50 Clarence St, Sydney NSW 2000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 13 December 2022.

Note 2. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties and financial instruments.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the *Australian Charities and Not-for-profits Commission Act 2012* and associated regulation, as appropriate for not-for profit oriented entities.

Historical cost convention

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

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Comparative figures

Certain comparative figures have been reclassified to conform to the financial statements presentation adopted for the current year.

Note 2. Significant accounting policies (continued)

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

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

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

Rendering of services

Revenue from rendering of services which includes direct support to communities, community, events tools and resources is recognised over the period in which the services are rendered. Contracts for services are either fixed price contracts or contracts charged at hourly/daily rates.

Grants and other funding

When the company receives grants or other funding, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, the company:

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

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

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

If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the contract.

Donations

Donations collected are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably, unless they have been provided for a specified purpose. Where provided for a specified purpose they are held in the statement of financial position as contract liabilities until the specified purpose is met.

Other revenue

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

Income tax

As the company is a charity registered with Australian Charities and Not-for-profits Commission, it is exempt from paying income tax.

Note 2. Significant accounting policies (continued)

Cash and cash equivalents

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

Trade and other receivables

Trade 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.

Contract assets

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Financial instruments

Financial instruments are recognised initially on the date that the company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Financial assets

Classification

On initial recognition, the company classifies its financial assets as measured at amortised cost.

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

Recognition and measurement

The company's financial assets measured at amortised cost comprise cash and cash equivalents, trade and other receivables and term deposits.

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

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

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

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

Financial liabilities

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

The financial liabilities of the company comprise trade and other payables and refund liabilities.

Note 2. Significant accounting policies (continued)

Trade and other payables

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

Contract liabilities

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

Refund liabilities

Refund liabilities are recognised where the company receives consideration from a customer and expects to refund some, or all, of that consideration to the customer. A refund liability is measured at the amount of consideration received or receivable for which the company does not expect to be entitled and is updated at the end of each reporting period for changes in circumstances. Historical data is used across product lines to estimate such returns at the time of sale based on an expected value methodology.

Employee benefits

Short-term employee benefits

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

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

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

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

Note 3. Critical accounting judgements, estimates and assumptions

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

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the services offered, customers, contractors, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Grant income

For the grants received by the company, the determination of whether the contracts include sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions. Grants received by the company have been accounted for under AASB 15 based on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

Grants income is recognised based on satisfaction of performance obligation linked to the extent of expenses incurred. Significant judgements are made in allocating the expenses incurred to a particular grant.

Note 4. Revenue

	2022 \$	2021 \$
<i>Operating revenue</i>		
Direct support to communities	1,391,783	1,166,778
Community, events tools and resources	629,575	513,237
On-costs charged to clients	38,618	12,539
Grants	973,575	909,107
	<u>3,033,551</u>	<u>2,601,661</u>
<i>Other revenue</i>		
Donations	-	50,793
COVID-19 government assistance	-	178,500
	<u>-</u>	<u>229,293</u>
Revenue	<u>3,033,551</u>	<u>2,830,954</u>

Disaggregation of revenue

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

	2022 \$	2021 \$
<i>Timing of revenue recognition</i>		
Services transferred over time	3,033,551	2,246,100
Services transferred at a point of time	-	355,561
	<u>3,033,551</u>	<u>2,601,661</u>

Note 4. Revenue (continued)

Funding from government sources:

Fees for services provided:

Commonwealth government

Department of Social Services	907,309	700,771
Department of Education, Skills and Employment	276,005	125,708
	<u>1,183,314</u>	<u>826,479</u>

State government

Department of Jobs, Precincts and Regions	232,675	3,023
Multicultural NSW	77,322	14,891
NSW Department of Communities and Justice	50,000	-
Department of Education - Northern Territory Government	12,058	30,681
Tasmania Legal Aid	5,750	-
Department of Premier & Cabinet (VIC)	975	1,300
Wellbeing SA	575	598
Icare	-	10,072
	<u>379,355</u>	<u>60,565</u>

Local government

Greater Dandenong Council	12,025	-
Byron Shire Council	11,700	11,700
Mackay Regional Council	10,933	-
City of Greater Bendigo	4,648	2,342
Barkly Regional Council	-	4,599
	<u>39,306</u>	<u>18,641</u>

	<u>1,601,975</u>	<u>905,685</u>
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Note 5. Expenses

2022	2021
\$	\$

Surplus/(deficit) includes the following specific expenses:

Superannuation expense

Defined contribution superannuation expense	140,010	95,929
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Employee benefits expense excluding superannuation

Employee benefits expense excluding superannuation	<u>1,430,182</u>	<u>1,046,956</u>
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Note 6. Current assets - cash and cash equivalents

2022	2021
\$	\$

Cash on hand/cards	12,010	-
Cash at bank	<u>1,758,194</u>	<u>3,224,531</u>
	<u>1,770,204</u>	<u>3,224,531</u>

Note 7. Current assets - trade and other receivables

	2022	2021
	\$	\$
Trade receivables	531,483	289,193
Other receivables	497	-
	<u>531,980</u>	<u>289,193</u>

Note 8. Current assets - contract assets

	2022	2021
	\$	\$
Contract assets - projects	30,175	4,548
	<u>30,175</u>	<u>4,548</u>

Note 9. Current assets - Other financial assets - term deposits

	2022	2021
	\$	\$
Term deposits	1,500,000	-
	<u>1,500,000</u>	<u>-</u>

Note 10. Current assets - other

	2022	2021
	\$	\$
Prepayments	60,467	12,090
	<u>60,467</u>	<u>12,090</u>

Note 11. Current liabilities - trade and other payables

	2022	2021
	\$	\$
Trade payables	185,758	93,705
Accrued expenses	15,937	94,685
Superannuation payable	-	25,562
BAS payable	156,755	127,788
	<u>358,450</u>	<u>341,740</u>

Note 12. Current liabilities - contract liabilities

	2022	2021
	\$	\$
Contract liabilities - projects	1,737,056	1,489,316
Contract liabilities - grants	793,318	760,893
Contract liabilities - training and other programs	2,376	-
	<u>2,532,750</u>	<u>2,250,209</u>

Contract liabilities include unspent grants received from the following government sources:

Note 12. Current liabilities - contract liabilities (continued)

Commonwealth government

Department of Social Services	1,123,910	1,094,576
Department of Education, Skills and Employment	24,089	4,680
	<u>1,147,999</u>	<u>1,099,256</u>

State government

Department of Jobs, Precincts and Regions *	581,651	130,772
Multicultural NSW	28,788	81,110
Department of Premier & Cabinet (VIC)	4,933	4,933
	<u>615,372</u>	<u>216,815</u>

Local government

Greater Dandenong Council	34,706	-
	<u>1,798,077</u>	<u>1,316,071</u>

* includes unspent government funding classified as non-current.

Note 13. Current liabilities - employee benefits

	2022 \$	2021 \$
Annual leave	52,153	33,554
Other	25,686	28,064
	<u>77,839</u>	<u>61,618</u>

Note 14. Current liabilities - other

	2022 \$	2021 \$
Refund liabilities	66,227	-
	<u>66,227</u>	<u>-</u>

Note 15. Non-current liabilities - contract liabilities

	2022 \$	2021 \$
Contract liabilities - projects	272,727	-
	<u>272,727</u>	<u>-</u>

Note 16. Members guarantee

Collaboration For Impact Ltd. is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10 each, subject to the provisions of the company's constitution. At 30 June 2022 the collective liability of members was \$50 (2021 : \$50) based on 5 (2021 : 5) ordinary members.

Note 17. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by , the auditor of the company:

	2022 \$	2021 \$
<i>Audit services -</i> Audit of the financial statements	7,500	7,000
<i>Other services -</i> Taxation services	350	-
	<u>7,850</u>	<u>7,000</u>

Note 18. Key management personnel disclosures

Compensation

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

	2022 \$	2021 \$
Aggregate compensation	<u>557,890</u>	<u>411,337</u>

Note 19. Related party transactions

Parent entity

Collaboration For Impact Ltd. is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in note 18.

Transactions with related parties

The following transactions occurred with related parties:

	2022 \$	2021 \$
Sale of goods and service		
Donations - Opportunity Child Limited	-	50,000

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 20. Financial risk management

	2022 \$	2021 \$
Financial assets		
Held at amortised cost:		
Cash and cash equivalents	1,770,204	3,224,531
Trade and other receivables	531,980	289,193
Term deposits	1,500,000	-
	<u>3,802,184</u>	<u>3,513,724</u>
Financial liabilities		
Financial liabilities measured at amortised cost :		
Trade and other payables	358,450	341,740
Refund liabilities	66,227	-

Note 21. Commitments

The company had no commitments as at 30 June 2022 (30 June 2021: \$Nil).

Note 22. Opportunity Child Limited

On 25 May 2020, the company's directors at the time became the directors of Opportunity Child Limited, a company limited by guarantee and a charity registered with the Australian Charities and Not-for-profits Commission. Assets, liabilities and transactions of the Opportunity Child Limited have not been consolidated with the company's financial statements as Opportunity Child Limited has not been actively operating since 25 May 2020 and its assets and liabilities as at 30 June 2022 were insignificant. During the previous financial year ended 30 June 2021, Opportunity Child Limited received an income of \$50,000 and this amount was donated to the company for ChangeFest (Refer note 19). During the financial year ended 30 June 2022, Opportunity Child Limited did not have any material transactions.

Note 23. Coronavirus (COVID 19) Pandemic

The effects of the pandemic continued during the financial year affecting many individuals and businesses. Due to the coronavirus pandemic, lockdowns were imposed on certain areas of the country and there were restrictions placed on movement and other activities. The company experienced some difficulties in conducting its activities, but this has not resulted in any major disruptions to the company's overall operations.

Note 24. Events after the reporting period

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

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulation and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the directors



Elizabeth Skelton
Director

__13__ December 2022



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Collaboration For Impact Ltd

ABN: 98 169 274 006

Independent Auditor's Report to the Members of Collaboration For Impact Ltd

Opinion

We have audited the accompanying financial report of Collaboration For Impact Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of income and retained earnings and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act.

The directors' responsibility also includes for such internal control as the directors determine 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Collaboration For Impact Ltd

ABN: 98 169 274 006

Independent Auditor's Report to the Members of Collaboration For Impact Ltd

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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 the directors.
- Conclude on the appropriateness of the directors' 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 the directors 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.



Collaboration For Impact Ltd

ABN: 98 169 274 006

Independent Auditor's Report to the Members of Collaboration For Impact Ltd

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Rupaninga Dharmasiri
Partner

LBW & Partners
Chartered Accountants
Level 3, 845 Pacific Highway
CHATSWOOD NSW 2067

Date : 14 December 2022