



ANNUAL REPORT

2020
2021



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Our Vision
We will be the voice, advocate and support to enable every South Australian living with spinal cord injury to fully participate in their community and live their potential.

Our Values

We strive to conduct ourselves, in everything we do, according to our set of five key values.



Excellence

We always achieve the highest quality and consistently go above and beyond.



Innovation

We are brave and creative. It's OK to challenge the status quo. We lead by standing out.



Responsiveness

We get positive outcomes by anticipating, acknowledging, informing and acting.



Equality

We treat everyone fairly and with dignity and respect.



Ethical Behaviour

We are honest, fair, diligent and trustworthy. We live our values.

Chair PQSA/HomeCare+ Board

At the time of writing it has dawned on me that by the time our members receive this annual report, our nation could look very different from how it does right now. As some parts of the nation are starting to reopen after enduring months of lockdown, there is still a cloud of uncertainty that our own lockdown could be just around the corner. This past year reminds all of us that change happens quickly and not to take the status quo for granted.



STEVE RUSSO



CRAIG CLARKE



MARISSA BROWN

The past eighteen months have also been a period of change for the PQSA Board. Steve Russo, our Treasurer for seven years, retired from the Board at the end of 2019; Craig Clarke, a Board Director for a combined total of over seventeen years and our President for seven, retired in February of last year; and Marissa Brown, a Board Director for six years and our Vice-President, retired last November.

It's hard to summarise the breadth of contribution Craig, Steve and Marissa have made to PQSA. During their tenure, HomeCare+ expanded rapidly, additional outstanding team members were recruited to our Peer Support and Community Lifestyle Advisor teams, a new Occupational Therapy service was established, the Kevin Duke Scholarship was founded and we relocated to a much larger and infinitely more accessible head office. Everyone at PQSA would like to thank Craig, Steve and Marissa for their incredible contributions and wish them all the best for the future.

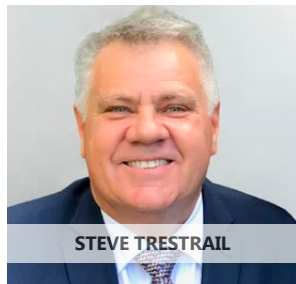
Excitingly, we have welcomed two new members to the Board, both of whom have lived experience of spinal cord injury - Gabby Aschberger and Steve Trestail (to commence 1 July 2021). Gabby has extensive experience in the disability and not-for-profit sectors and currently works for an NDIS service provider. Steve has extensive senior management experience in the health and insurance industries and is a former Paralympian. We look forward to their valuable input into PQSA's governance and strategic direction.

As you will see in the financial statements, 2020-21 has been an absolutely stellar year for PQSA and HomeCare+. Both overall revenue and our surplus have grown from the prior financial year, which was already a record year in PQSA's history. We are providing more services of the highest standard to the South Australian disability community than ever before while also providing more employment for South Australians, which in the current climate is a real achievement.

Of course, generating strong revenues and surpluses is not an end in itself - rather, the increasing financial strength of the organisation means we are able to continue expanding the supports we provide to the South Australian spinal cord injury community to help our members live their potential. Not only are we expanding existing services such as our Peer Support program but we have totally new projects and benefits currently under development, about which the Board is very excited.



GABBY ASCHBERGER



STEVE TRESTRAIL



On a different note, in September last year PQSA held a Special General Meeting at the U City Apartments. The meeting was called by the Board to allow our members to discuss, ask questions and vote on an important proposed change to PQSA's legal structure - a transition from the existing Incorporated Association (a structure that had served PQSA well for over fifty years) to a Company Limited by Guarantee. The meeting was the culmination of twelve months of analysis and due diligence by the Board, during which we came to the conclusion that given PQSA's recent rapid growth and planned continued expansion, the existing Incorporated Association structure was no longer appropriate and that transitioning to a Company Limited by Guarantee would give us more flexibility in conducting our operations into the future.

It was extremely pleasing that, after spirited debate, those in attendance overwhelmingly supported the Board's recommendation, with not a single member voting against the change. The transition occurred successfully in November and, while in some ways this has been the most significant change PQSA has undergone since its inception, the transition has not had any impact on the services we provide to our members and clients. Finally, on behalf of the Board, I would like to thank our fantastic staff and the leadership team for all their efforts during what has been, at times, a very trying and uncertain year. The Board does not take for granted the fact that, in spite of everything going on in the world around us, members and clients have continued to be able to depend on PQSA and HomeCare+ for services and support of the highest quality.

I wish you all a wonderful holiday season and - hopefully - a more normal, predictable and enjoyable year ahead.

Regards, Kenneth
**Chair
PQSA/HomeCare+ Board**



Board Director Remuneration

PQSA's new constitution, effective after the transition to a Company Limited By Guarantee, allows for Board Directors to be remunerated up to an aggregate cap of \$200,000 per year.

In order to ensure that the level of remuneration paid to PQSA Board Directors is reasonable and in line with other broadly similar organisations, PQSA engaged Christine Locher from advisory firm VUCA to provide independent recommendations on the level of remuneration for Board Directors and Office Bearers.

PQSA asked for recommendations that would place PQSA's remuneration below the median remuneration paid by other similar organisations that were surveyed as part of the AICD's 2020 Australian Board Remuneration Survey.

The summary of Christine Locher's report is as follows (reproduced with permission):

There is a continuing need to professionalise boards with independent Chairs and Board Directors who have the intellectual capacity, capability, expert skills, knowledge, availability and experience that is aligned with the organisation's strategic intent.

In 2019/2020 PQSA had revenue of \$40million and a net surplus of \$6.3m. It employs approximately 680 staff (430 FTE) and services approximately 1000 clients. Currently there are six Board Directors and there is intent to increase this number to eight. The full Board meets 11 times a year; each meeting lasts between 2.5 hours and 4 hours and there are two subcommittees of the Board with scope for a third subcommittee. Such subcommittees meet quarterly.

The Chair is a member of all three subcommittees, and acts as chair for one of those subcommittees, with the Deputy Chair a member of two subcommittees. The Treasurer is a member of one subcommittee and acts as chair of that

subcommittee. The remaining Board Directors are each a member of one subcommittee. In addition, the Chair has monthly one-on-one meetings with the CEO.

The PQSA Constitution allows for up to twelve Board Directors; total remuneration of Board Directors is capped at \$200,000 p.a., excluding reimbursement of out-of-pocket expenses.

Having regard for the data and acknowledging the scope and scale of PQSA including the number of Board meetings Sub Committee meetings, and activities, our recommendation is as follows:

Allowing for up to a 9-person Board potentially, that Board consider remunerating Board Directors as follows (acknowledging that such remuneration does cap the Board to 9 people to fit within the salary cap within the Constitution). Nevertheless, the remuneration is not inconsistent with the survey results and is better reflective of the risk associated with the sector within which the PQSA Board operates than its current model of remuneration.

OFFICER	REMUNERATION PLUS REIMBURSEMENT OF OUT-OF-POCKET EXPENSES
Board Chair	\$32,000 per annum
Remaining Board Directors	\$18,000 per annum
Committee Chair	\$5,000 per annum per committee chaired



After due deliberation, and taking into account the workload involved and risks taken on by Company Directors, the Board resolved to set maximum remuneration as follows:

OFFICER	REMUNERATION PLUS REIMBURSEMENT OF OUT-OF-POCKET EXPENSES
Board Chair	\$30,000 per annum
Treasurer	\$25,000 per annum
Remaining Board Directors	\$18,000 per annum

The overall remuneration matches Ms. Locher's recommendations. Additionally, individual Board Directors can elect to receive less than their full entitlement. In the 2020-21 financial year the overall remuneration paid to all Board Directors totalled \$61,673.

The following table details the number of Board meetings and Committee meetings attended by each Board Director (these numbers do not include adhoc meetings nor one-on-one meetings between Board Directors and PQSA staff):

OFFICER	BOARD MEETINGS	COMMITTEE MEETINGS
Kenneth Soward	10 out of 10	10 out of 10
Beth Davidson-Park	10 out of 10	8 out of 8
Tony Vroulis	10 out of 10	5 out of 5
Marissa Brown (resigned Oct 2020)	4 out of 4	-
Rob Snowdon	10 out of 10	-
Mal Hyde	10 out of 10	6 out of 6
Stephanie Clota	8 out of 10	4 out of 4
Gabby Aschberger joined Board Apr 2021	2 out of 2	-

"It is lovely to be part of a group that has the chance to eat together, laugh together and share our issues. It is very therapeutic."



CLIENT STORY Lynn

Lynn, a member of the PQSA Recreation Program, said she feels honoured to be able to say a few words about the impact it has had on her life.

"For me, being part of the PQSA Recreation Program has brought a special confidence to get out and do things. I really enjoy the fortnightly meetings and look forward with excitement to the list of outings."

Lynn feels the confidence she has gained has positively impacted her everyday life, encouraging her to do things that she otherwise would have avoided. "Had I not been part of the PQSA recreation program, I might never have been to many of the destinations!"

"It is lovely to be part of a group that has the chance to eat together, laugh together and share our issues. It is very therapeutic."

Lynn is part of the western group, who share some of the trials, tribulations and difficulties life can bring. However, it always has a positive spin. Lynn said that the Support Workers also benefit from meeting together and being part of the program.



"Had I not been part of the PQSA Recreation Program, I might never have been to many of the destinations!"

Cleland Wildlife Park was a highlight for Lynn. She also mentioned the tour of Adelaide Gaol, ten pin bowling and visiting the Menz confectionery factory!

"Earlier this year we enjoyed a beautiful trip to the Adelaide Botanic Gardens and I will definitely be making more trips there." Lynn says she has been given the opportunity to visit places that she may never have considered, even before she used a wheelchair.

Mick, PQSA Programs Facilitator, arranges client's transport to and from outings, making it as easy as possible for them to be involved. He also conducts assessments of the locations, ensuring clients are only offered outings which are accessible, comfortable and welcoming.

All three groups - southern, northern and western - attended a PQSA lunch during Spinal Cord Injury Awareness Week 2021, where Lynn spoke to the room about her experience. She gave tribute to Mick and PQSA for the inclusion and engagement provided by the program.

"He has a very special way and it is clear to see it is something he is passionate about. He really cares. Thank you Mick and thank you PQSA!"

EMPLOYEE STORY

Michael

Our longest standing employee, Michael Occhiuto (or Mick as we fondly call him) has worked with PQSA for 29 years. When asked what made Mick apply to work with PQSA all those years ago, he told us "Working in the disability sector appealed to me". Mick still feels the same way today, 29 years on.

"I love it here, this place is awesome! I work with the most amazing people. Our leadership team is very approachable and supportive. It doesn't feel like I have worked here for 29 years because I have seen so much change."

He has seen five different office locations and extraordinary growth in the services offered by PQSA. Mick began his career with PQSA as a telemarketer and throughout the years has had many different roles, landing on his favourite - Programs Facilitator.

Mick coordinates the PQSA recreation program, designed for adults who use a wheelchair as their primary means of mobility. The program has grown significantly in the past few years to groups in three regions of Adelaide, which meet fortnightly.

"It is really important to mix it up and have exciting outings every time. I get so much enjoyment from seeing my clients getting excited when I tell them where we are going." Mick calls his clients individually to book them in. "I like to have a chat with them to see how they are going. It gives the clients a chance to ask me questions about the outings and to let me know of any ideas they have on future plans."

Mick favourite outing was in 2017 when the group visited Alberton Park. Mick knew a lot of his clients are passionate about Port Power and organised for them to tour Alberton with the late Russell Ebert. "Russell was brilliant! He showed the group club rooms, introduced them to players and posed for photos." The clients who attended that recreational outing still talk about it today and one said it was the best day of his life!

Another highlight was the visit to the SA Film Corporation, where clients were given an exclusive behind the scenes tour and presentation, letting them in on a few celebrity secrets!

PQSA's Recreation Groups visit many wonderful and interesting places each fortnight, such as the Central Markets, museums and galleries, Adelaide Oval, the Botanic Gardens and squash.

"My greatest achievements at PQSA happen regularly. I love it when I hear that a client has revisited a venue on their own because they feel confident after they have experienced it with PQSA!"

"It doesn't feel like I have worked here for 29 years because I have seen so much change."



"I love it when I hear that a client has revisited a venue on their own because they feel confident after they have experienced it with PQSA!"



Chief Executive Officer

In previous Annual Reports, I have referred to the year as a roller-coaster of exhilaration, challenges and achievements. The benefit of hindsight demonstrates that statement was somewhat premature in the context of what has transpired in our Company, the sector and the world since last year.



SHARRON NEESON

Fortunately, we have been blessed with brilliant teams and individuals who have helped steer a large ship through uncharted waters. This has started with the leadership and governance demonstrated by our amazing Board, which has negotiated a significant change in legal structure, whilst managing to provide exceptional support to me and the rest of the Leadership Team.

Led by our Chair, Kenneth Soward, Deputy-Chair, Beth Davidson-Park and Treasurer Tony Vroulis, the Board and our Committees have faced COVID-19 head on and constantly provided guidance, wisdom and clarity to what can only be best described as difficult decisions and risk management during the pandemic (and following the retirement of our exceptional Board Members Craig Clarke, Marissa Brown and Steve Russo in the preceding twelve months). We can't thank you all enough.

This year has seen the "new" Leadership Team settle into its groove after the retirement of two longstanding servants of PQSA, Sharron Neeson and Libby Frankish. There is no doubt that the team has functioned best under adversity, and I am proud of the feedback we received from all levels of our staff about how we have managed our planning and communication in the face of the virus, restrictions and lockdowns. We know we can continue to do better and the fact we have several concurrent action plans addressing operations, quality, risk and strategy, is testament to this.



ELIZABETH FRANKISH

Our workforce sustainability and the shortage of people with the level of desire, commitment and values-alignment we seek has been as big a challenge as I can remember in the eight years I have worked at PQSA. I'd like to thank our team for collaborating and establishing a strategy that has helped us 'get over the hump' to build on the 700 plus workers and volunteers we engage to deliver our service promise. This strategy requires us to understand our employee value proposition and to assess workplace culture and improve our staff health and wellbeing program.

The Disability Royal Commission (the proceedings of which I encourage all stakeholders to stay abreast) is a healthy reminder that we are charged with the well-being of our citizens and the 2020-21 year has seen us continue to raise the bar when it comes to effective and empowering partnerships with our clients and members.

This commitment to safeguarding has ensured PQSA meets and exceeds the compliance requirements of the NDIS Quality and Safeguards Commission, including the additional requirements to safeguard clients with lone workers (in the wake of the Ann-Marie Smith case); in June 2021, we completed our periodic (mid-term) audit for our NDIS registration, with the auditor finding that we comply with the requisite practice standards and registration modules. We have applied for an additional registration type from 2021-22 and hope to announce this once we have negotiated the last part of the application process.

In terms of client service delivery, we have continued to offer exceptional supports within collaborative service agreements and funding packages, but more importantly as part of our suite of "in-kind" supports as the peak spinal cord injury community body.

We conservatively estimate that through our Lifestyle Support division, we have contributed over \$1million worth of supports, scholarships, grants and donations to the South Australian community – highlights include our new driver training vehicle and training, Kevin Duke Scholarships, grant funding for people over the

age of 65 to purchase equipment when they complete their rehabilitation, Sargood on Collaroy resort travel and accommodation for clients, free education videos and events, the QWERTY Technology Hub, community recreation programs and free nursing and allied health supports and advice. The team continues to do an amazing job.

It tends to be forgotten that HomeCare+, as a predominantly fee-for-service stream, also invests significant time, energy and supports to the broader disability community. This includes unfunded support coordination, nursing advice and consultation, and in this COVID year, the coordination and free assistance for participants to access vaccinations and health advice. This part of our operations is stressful at the best of times, but every team member commits their all to achieve optimal outcomes for our clients.

2021-22 will be another challenging year for all the reasons mentioned above and more; one piece of exciting news has been our decision to expand our head office in Dulwich. This will strengthen our city base and provide a place of pride and enjoyment for staff across each of our six regions. We love their work and love any opportunity to celebrate as one team.

Regards, Peter

Chief Executive Officer





We had the opportunity to hold wonderful celebrations with clients and staff during the 30 year anniversary of HomeCare+.

TRAINED AND RECRUITED
247 NEW
SUPPORT WORKERS

215
SUPPORT WORKERS
HAVE JOINED
FACEBOOK
GROUP

SUPPORT TO
OVER 590
CLIENTS

206 
FACEBOOK
POSTS

50
EMPLOYEES
15+ YEARS
SERVICE

670,000
HOURS OF
SUPPORT

CLIENTS IN
MORE THAN
170 SA
LOCATIONS

42 COVID
UPDATES **77** OFFICE
BASED
STAFF

EMPLOYEE STORY

Shannon

Shannon is a Client Service Officer (CSO) at the Mt Gambier HomeCare+ office. She has been with HomeCare+ for nine years fulfilling various positions, all leading to her goal of becoming a Client Service Officer.

"I love working for such a caring team. They have supported me to achieve my goal of becoming a CSO."



"I was a Support Worker for seven years and loved it. Krys was so supportive of me and helped me find the balance of work, while still being there for my children".

During Shannon's first year at HomeCare+, she became pregnant with her fourth child. At the time her client was a little boy with Cerebral Palsy, "I was so upset to leave him to go on maternity leave so I only took eight weeks off and came back just to work with him. That boy is 16 now and just last month popped into the office to say hello. That is the great thing about working in a country town - you get to see everyone growing up!".

18 months ago, Shannon injured herself at work. She tore ligaments in her foot while working with a client. At the time of the injury, Shannon was devastated but now sees it as positive because it led to her goal of becoming a CSO.

To assist Shannon during rehabilitation, she was welcomed into the office to help with light duties and when an administration contract became available, Shannon applied and won it. She enjoyed this position and the relationship with the staff in the office. "I loved it, everyone was so caring and warm towards each other and our clients".

Before the contract expired, a CSO role became available in the Mt Gambier office, "I just knew this job was for me. It gave me an opportunity to share my knowledge. I felt comfortable as a CSO straight away because I was able to use my experience as a Support Worker within the team."



Shannon works alongside four other CSOs in the Mt Gambier office. "Everyone in the team is so caring and though it has grown, I feel we give each and every client and Support Worker the feeling of receiving a personal service". Shannon makes sure she spends time with her clients and Support Workers if they need her. She is proud that she can relate and help with complex situations.

Shannon feels a lot of gratitude towards Krys and the team at HomeCare+, "I love working for such a caring team. They have supported me to achieve my goal of becoming a CSO". She is looking forward to 2021, with the potential of commencing study in managing challenging behaviors. "This is something I have always been interested in. I want to know more about helping our clients achieve their goals".

Shannon started her career as a child care worker, motivated by her love for helping people and making a difference. When Shannon became pregnant with her third child, she left work to focus on the family dairy farm and raising her children. She enjoyed this time in her life, which also allowed her to volunteer at the children's school.

In 2011 Shannon decided to join the workforce again, "I wanted a job that would have a positive impact on people's lives and did not feel like 'groundhog day'!". Shannon heard about HomeCare+ and decided to visit the office with CV in hand. She was greeted by Krys Howard, Director, HomeCare+ South East/Nursing. They spoke about the role of a Support Worker and Shannon was instantly excited about the opportunity. She studied and achieved a Certificate 3 in Disability and soon began as a Support Worker for HomeCare+.

**19 STAFF
EMPLOYED
10-30 YEARS**



**318
PQSA
FACEBOOK
POSTS**

 **66
RECREATION
GROUP
OUTINGS**

**OVER
100
CLIENTS
REACHED DURING
SCIAW**

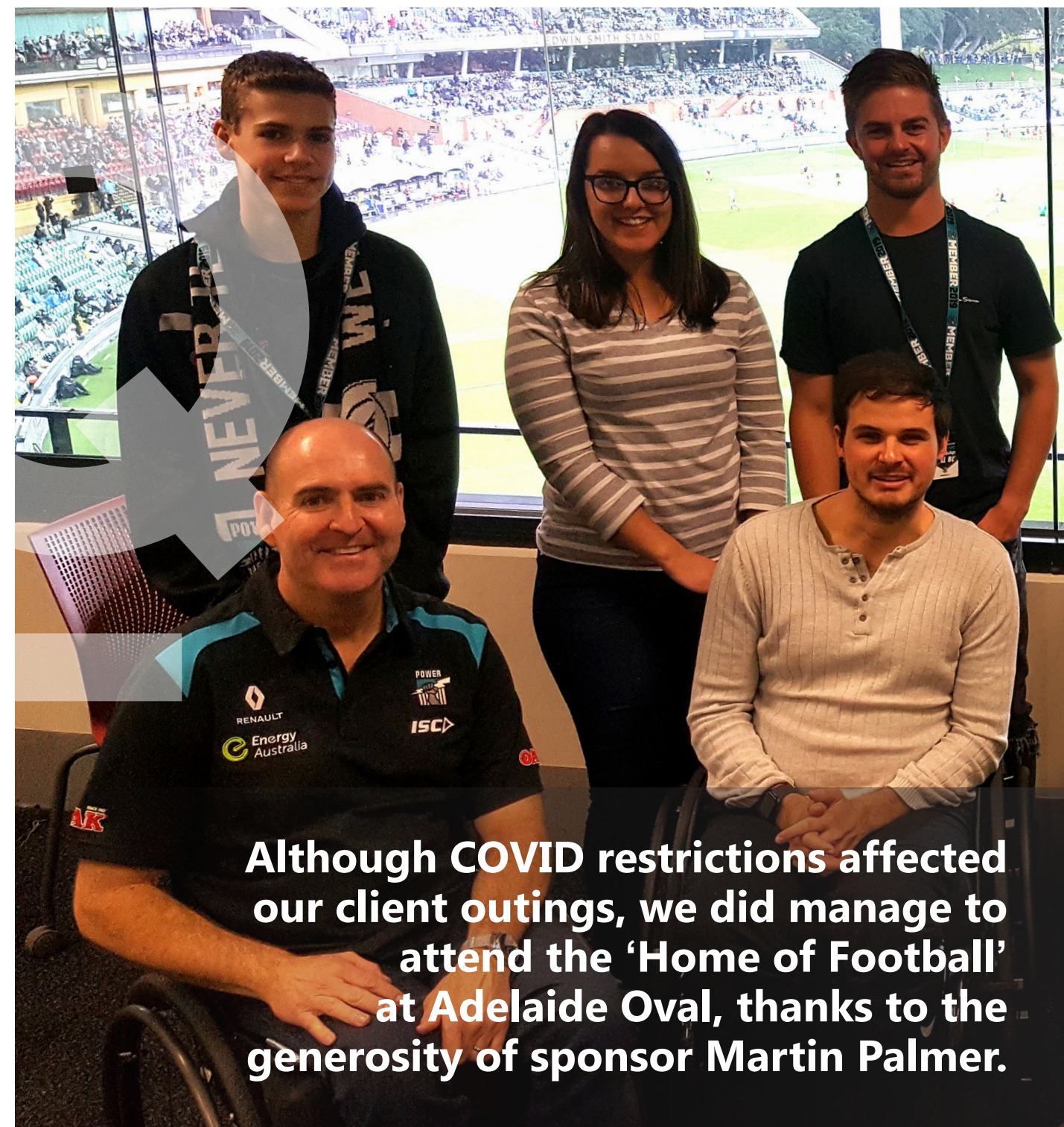
**SUPPORT FOR
OVER
432
SOUTH
AUSTRALIANS**

**PUSH THRU
GROUPS**
 **54
OUTINGS**

**\$41,000
SUPPORT
TO OVER 65s
CLIENTS
WITHOUT
NDIS FUNDS**

**IN-KIND
SUPPORT OF
OVER \$1,000,000**

**REACH OVER
FACEBOOK
GROUP 150**  **MEMBERS**



Although COVID restrictions affected our client outings, we did manage to attend the 'Home of Football' at Adelaide Oval, thanks to the generosity of sponsor Martin Palmer.

"With the help of Linda and Lloyd... I will soon have all the supports I need to reach my goals."



CLIENT STORY Tracey

There are three words to describe Tracey and they are...full of life! "Rub me out and start again" were Tracey's first words, saying it with laughter, in reference to recent personal challenges.

Tracey's love of cake-making led to her bakery endeavor, involving exhausting and often detailed work making individual sugar flowers by hand. She was recognised with a prize in a state cake icing competition.

In 2018 she met Vicky Machen, PQSA's Peer Support Advocate while an inpatient at Hampstead Rehabilitation Centre. "I would knock on Vicky's office door and she would always say 'Come in! I was surprised how long I spent talking with Vicky. Hours would go by, she let me talk and answered all my questions."

"Graham O'Neil, another Peer Support Advocate encouraged me to join the wheelchair volleyball in rehab. It was important to learn that you can have fun and still participate in sports."

"Vicky took me to my first ever AFL football game and I got to sit in a corporate box!" The PQSA Peer Support Advocates regularly take clients in rehabilitation to the football and for many, it is their first outing using a wheelchair. The outings allow clients to practise the use of accessible public transport and relax in comfort with family and friends.

Tracey attends fortnightly PQSA Recreation outings coordinated by Mick Occhiuto, PQSA Program Facilitator. Her favorite outings are to museums but each fortnight offers different activities from bowling, lunch at the beach or visiting the Adelaide Zoo.

Before the end of the interview, Tracey mentioned that she receives phone support and will soon meet a dog walker from the PQSA Volunteer Program. "Before today, I didn't realise how much benefit I get from PQSA!"

Tracey also talks very positively about Linda Macmillan, PQSA Principal NDIS & Quality Consultant and Lloyd Townsend, a PQSA Senior Occupational Therapist. They both worked closely with Tracey to identify supports that would help Tracey reach her goals.

Tracey says Linda assisted her to produce a second NDIS plan. "Without the help of PQSA, my first NDIS plan provided \$8,000. With the help of Linda and Lloyd, I received \$200,000. I will soon have all the supports I need to reach my goals."

Tracey currently lives in her own home of 31 years with a friend and her dog, Abbey, who is like her shadow. Tracey jokes that Abbey snores so loudly that she must sometimes remove her hearing aids to get a decent sleep!



"Before today, I didn't realise just how much benefit I get from PQSA!"

Tracey was proud to show me the new laundry, which is now fully functional, thanks to NDIS funding. She thanks Lloyd for his attention to detail and specifying ramps, which make her home accessible. Tracey also explained the kitchen renovations taking place next. This will mean a new oven and dishwasher, allowing her to bake again! The NDIS plan also includes a gardener to look after Tracey's spectacular rose garden.

Tracey was born with multiple disabilities. Her family lived in a rural area and made the decision when she was young to move closer to medical care in Melbourne. Tracey attended a local school where she excelled academically but struggled physically. She describes her school years as difficult because she wasn't as active as her classmates and sometimes felt left behind.

When Tracey finished high school, she completed a Teaching Degree. Finding work as a graduate was challenging due to the physical aspects of the job but this didn't stop Tracey from looking at different career paths. Since then, Tracey has worked in banking, has been a Lifeline Counsellor, provided phone support to the elderly and has owned her own bakery.

REPORT

Treasurer
PQSA/HomeCare+ Board

On behalf of my fellow PQSA directors, I am pleased to present the unqualified financial statements for the organisation for the year ended 30 June 2021.

It is with great pleasure to inform our members that our net surplus for the period was \$7.157 million compared with a surplus of \$6.321 million during the previous year.

Our executive, staff members and Support Workers members should be commended for their hard work which has resulted in reaching this significant milestone. The unprecedented and uncertain economic landscape due to the post COVID-19 pandemic environment has produced ongoing challenges. I commend the organisation on its achievements during this time.

My key comments for the period are as follows:

- I think it is appropriate to highlight that the organisation was able to achieve these results without receiving any JobKeeper Support from the Australian Government during the period
- Care recovery revenue for the year increased by 12% to \$43.4 million compared to \$38.7 million in 2020
- The organisation was extremely fortunate to receive a bequest of \$1.14 million during the period
- Your board is conscious of the continued growth that the the organisation has had over the last three years and has ensured that the surplus funds received are managed in a prudent and effective manner. During the period, we resolved to pay down all the bank loan debt of the organisation of approximately \$820,000

- Significant time and resources were spent by our finance team in managing the working capital requirements of the business, namely the reduction of trade receivables from \$4.5 million at 30 June 2020 down to \$2.7 million at 30 June 2021
- The net assets of the organisation have reached \$22.4 million representing an increase of 46.7% when compared to the previous year
- The cash position of the organisation is very strong. As at 30 June 2021, the position was \$17.5 million

By continued good management and governance practices in place, I am hopeful that the organisation will continue to prosper financially in order to provide current and new service offerings to our members and the wider community.

I lastly would like to personally thank Peter Stewart (CEO), Suzanne Lee (Director of Financial Control), and Tharani Mahadeva (Director of Accounting and Commercial) for working with me and for their efforts during the year.

Regards, Tony

Treasurer
PQSA/HomeCare+ Board



PQSA/Homecare+ Board



CHAIR
Kenneth Soward



VICE PRESIDENT
Marissa Brown
(retired November 2020)



TREASURER
Tony Vroulis



BOARD MEMBER
Rob Snowdon



BOARD MEMBER
Mal Hyde



BOARD MEMBER
Stephanie Clota



BOARD MEMBER
Beth Davidson-Park
(appointed Deputy Chair
November 2020)



BOARD MEMBER
Gabby Aschberger
(appointed April 2021)



BOARD MEMBER
Steve Trestrail
(appointed July 2021)



CHIEF EXECUTIVE
OFFICER
Peter Stewart

PQSA/Homecare+ Patron



His Excellency, Hieu Van Le, AO
Governor of South Australia

The Paraplegic & Quadriplegic Association of South Australia Ltd

ABN 92 713 327 348
Financial Statements
For the Year Ended 30 June 2021

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
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For the Year Ended 30 June 2021

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The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Director's Report for the Year Ended 30 June 2021

Your Directors present this report on the Association for the financial year ended 30 June 2021. In order to comply with the provisions of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), the Directors report as follows:

Directors

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

Kenneth Soward	Board Chair
Beth Davidson-Park	Board Deputy Chair
Antonios (Tony) Vroulis	Board Treasurer
Rob Snowdon	
Mal Hyde	
Stephanie Clota	
Gabrielle Aschberger (elected April 2021)	
Steve Trestail (elected July 2021)	
Marrisa Brown (resigned October 2020)	Board Deputy Chair

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

Principal Activities

The principal activities of the Association during the financial year were to provide attendant care and other support services to those who have suffered a spinal cord injury.

Review of Operations

During the year, the Association continued to engage in its principal activity, the results of which are disclosed in the attached financial statements. The current year net surplus of the Association for the financial year ended 30 June 2021 amounted to \$7,156,933 (2020: \$6,321,320).

Significant Change in State of Affairs

On 29 October 2020, the Association dissolved its structure as an incorporated association and moved to a company limited by guarantee which was incorporated in September 2020.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2021 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.



Directors Remuneration

Total remuneration received by directors this financial year was \$61,673 (2020: \$1,650).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 2 of the financial report.

Signed in accordance with a resolution of the Directors.


Kenneth Soward (Chair)

Antonios (Tony) Vroulis (Treasurer)

Dated this 19th day of October 2021



"I began with HomeCare+ after a career change and was surprised to find that the role has been all positive. It now feels like being in a large family!"
Laurence, Support Worker



AUDITOR’S INDEPENDENCE DECLARATION
TO THE COMMITTEE MEMBERS OF THE PARAPLEGIC AND QUADRIPLLEGIC ASSOCIATION OF SOUTH AUSTRALIA LTD

In accordance with the requirements of subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I declare that, to the best of my knowledge and belief, during the audit of The Paraplegic and Quadriplegic Association of South Australia Ltd for the year ended 30 June 2021 there have been no contraventions of the independence requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants* in relation to the audit.

Nexia Edwards Marshall

Nexia Edwards Marshall
Chartered Accountants

Damien Pozza

Partner

Adelaide
South Australia

19 October 2021

Nexia Edwards Marshall
ABN 38 238 591 759
Level 3
153 Flinders Street
Adelaide SA 5000
GPO Box 2163
Adelaide SA 5001
p +61 8 8139 1111
f +61 8 8139 1100
w nexiaem.com.au

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The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	46,470,140	40,929,576
Employee benefits expense	3	(35,045,060)	(30,575,310)
Depreciation and amortisation expense	3	(913,770)	(780,579)
Travel expenses		(461,102)	(353,267)
Communication expenses		(254,011)	(191,206)
Promotions		(113,739)	(106,778)
Operating lease rental payments	3	(409,187)	(303,030)
Other expenses		(1,996,393)	(2,152,524)
Finance costs	3	(119,945)	(145,562)
Current year surplus before income tax		7,156,933	6,321,320
Income tax expense	1 (i)	-	-
Net current year surplus		7,156,933	6,321,320
Other comprehensive income		-	-
Total comprehensive income for the year		-	-
Total comprehensive income attributable to members of the Association		7,156,933	6,321,320

The accompanying notes form part of these financial statements.



"There are now PQSA Recreation Program groups in three regions of Adelaide. On more than one occasion, participants have said it was the best day they can remember! "

Mick, Programs Facilitator

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Statement of Financial Position
As at 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	17,484,380	12,088,020
Trade and other receivables	6	2,621,124	4,414,729
Inventories	7	211,356	123,142
Other current assets	11	184,535	68,252
TOTAL CURRENT ASSETS		20,501,395	16,694,143
NON-CURRENT ASSETS			
Property, plant and equipment	9	3,940,011	4,096,151
Right-of-use asset	10	3,091,451	1,973,296
Financial assets	8	1,524,106	1,354,932
TOTAL NON-CURRENT ASSETS		8,555,568	7,424,379
TOTAL ASSETS		29,056,963	24,118,522
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	843,174	1,392,803
Contract liabilities	13	116,397	2,446,447
Lease liabilities	15	761,391	494,888
Borrowings	14	-	23,372
Employee benefits	16	2,048,924	1,817,937
TOTAL CURRENT LIABILITIES		3,769,886	6,175,447
NON-CURRENT LIABILITIES			
Borrowings	14	-	795,947
Lease liabilities	15	2,442,667	1,544,159
Employee benefits	16	448,734	364,226
TOTAL NON-CURRENT LIABILITIES		2,891,401	2,704,332
TOTAL LIABILITIES		6,661,287	8,879,779
NET ASSETS		22,395,676	15,238,743
EQUITY			
Retained earnings		22,395,676	15,238,743
TOTAL EQUITY		22,395,676	15,238,743

The accompanying notes form part of these financial statements.

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Statement of Changes in Equity
For the Year Ended 30 June 2021

	Note	Retained Earnings	Total
		\$	\$
Balance at 1 July 2019		8,917,423	8,917,423
Comprehensive income			
Surplus attributable to members of the Association		6,321,320	6,321,320
Total other comprehensive income for the year		-	-
Total comprehensive income attributable to members of the Association		6,321,320	6,321,320
Balance at 30 June 2020		15,238,743	15,238,743
Comprehensive income			
Surplus attributable to members of the Association		7,156,933	7,156,933
Total other comprehensive income for the year		-	-
Total comprehensive income attributable to members of the Association		7,156,933	7,156,933
Balance at 30 June 2021		22,395,676	22,395,676

The accompanying notes form part of these financial statements.

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Statement of Cash Flows
For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		45,679,384	42,844,535
Payments to suppliers and employees		(38,713,251)	(32,704,889)
Dividend and distributions received		29,664	28,243
Interest received		85,136	57,823
Interest paid		(119,945)	(145,562)
Net cash generated from operating activities	24	6,960,988	10,080,150
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(126,047)	(136,541)
Purchase of financial assets		(295,815)	(587,666)
Proceeds from sale of financial assets		266,152	559,423
Net cash used in investing activities		(155,710)	(164,784)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(819,319)	(18,610)
Repayment of lease liabilities		(589,599)	(459,836)
Net cash (used in) financing activities		(1,408,918)	(478,446)
Net increase in cash held		5,396,360	9,436,920
Cash on hand at the beginning of the financial year		12,088,020	2,651,100
Cash on hand at the end of the financial year	5	17,484,380	12,088,020

The accompanying notes form part of these financial statements.

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

The financial statements cover the Paraplegic & Quadriplegic Association of South Australia limited as an individual entity, limited and domiciled in Australia.

The financial statements were authorised for issue on 2021 by the Directors.

On 29 October 2020, the Association dissolved its structure as an incorporated association and moved to a company limited by guarantee which was incorporated in September 2020.

Note 1: Summary of Significant Accounting Policies

New or amended Accounting Standards and Interpretations adopted

The Association 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.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

The Association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Association: 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.

Grant Revenue

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

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

When grant revenue is received whereby the Association 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 on receipt.

Rendering of Services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

Rental income

Investment property revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight-line basis over the financial year.

Donations

Donations and bequests are recognised as revenue when received.

Interest and Dividends

Interest revenue is recognised as it accrues 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.

Other Income

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

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



Thank you!
PQSA and HomeCare+ are proud of our
achievements during the past year. We
look forward to continuing to support
the disability community across South
Australia to live their potential.

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 1: Summary of Significant Accounting Policies (cont.)

- b. **Inventories**
Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.
- c. **Fair Value of Assets and Liabilities**
The Association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.
- Fair value is the price the Association would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.
- As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the Association at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

- d. **Property, Plant and Equipment**
Property, plant and equipment are measured on the cost basis less depreciation and any impairment losses.
- The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of property, plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Property, plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

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

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	20% - 50%
Leasehold improvements	5% - 22.5%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

- e. **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 Association 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 Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 1: Summary of Significant Accounting Policies (cont.)

- f. **Financial Instruments**
Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either the purchase or the sale of the asset (i.e. trade date accounting is adopted).
- Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.
- Classification and subsequent measurement**
Financial liabilities
Financial liabilities are subsequently measured at:
- amortised cost; or
 - fair value through profit and loss.
- A financial liability is measured at fair value through profit and loss if the financial liability is:
- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
 - held for trading; or
 - initially designated as at fair value through profit or loss.
- All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense to profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk to other comprehensive income enlarges or creates an accounting mismatch, these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial assets
Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 1: Summary of Significant Accounting Policies (cont.)

f. Financial Instruments (cont.)

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Association initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial measurement of financial instruments at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Association can make an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Association's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Association no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity that the Association elected to classify as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Association recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 1: Summary of Significant Accounting Policies (cont.)

f. Financial Instruments (cont.)

The Association uses the following approach to impairment, as applicable under AASB 9: *Financial Instruments*:

- the simplified approach

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables

Recognition of expected credit losses in financial statements

At each reporting date, the Association recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

g. Impairment of Assets

At the end of each reporting period, the Association reviews the carrying amounts of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Association would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

h. Employee Provisions

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of accounts payable and other payables in the statement of financial position.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

i. Cash and Cash Equivalents

Cash on hand equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments.

j. Trade and Other Receivables

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

k. Goods and Services Tax (GST)

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

l. Income Tax

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

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 1: Summary of Significant Accounting Policies (cont.)

- m. **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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.
- n. **Comparative Figures**
Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.
- Where the Association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

- o. **Trade and Other Payables**
Trade 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 which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.
- p. **Contract Liabilities**
Contract liabilities represent the Association's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Association has transferred the goods or services to the customer.
- q. **Lease liabilities**
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Association's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

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

- r. **New Accounting Standards and Interpretations not yet mandatory or early adopted**
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Association for the annual reporting period ended 30 June 2021. The Association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.
- s. **Critical Accounting Estimates and Judgements**
The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

- Key estimates**
- (i) *Impairment*
The Association assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Association that may be indicative of impairment triggers.
- (ii) *Plant and equipment*
As indicated in Note 1(d), the Association reviews the useful life of plant and equipment on annual basis.
- (iii) *Receivables*
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.
- (iv) *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 Association based on known information. This consideration extends to the nature of the products and services offered, customers, staffing and geographic regions in which the Association 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 Association unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

The Paraplegic & Quadriplegic Association of South Australia Ltd
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Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 2: Revenue

	2021 \$	2020 \$
Revenue from contracts with customers		
Care recoveries	43,384,615	38,738,240
Respite accommodation	674,627	650,575
Special events income	-	11,682
Rent received	-	54,575
Other revenue from contracts with customers	606,783	586,788
	<u>44,666,025</u>	<u>40,041,860</u>
Other revenue		
Operating activities		
Operating grants	345,731	530,828
Sponsorship	-	3,500
Donations and Bequests	1,141,850	129,643
Government grant - Cash Flow Boost	50,000	50,000
	<u>1,537,581</u>	<u>713,971</u>
Non operating activities		
Other interest received	85,136	57,823
Dividend and distribution income	-	28,243
Imputation credits	12,223	24,504
Net increase in fair value of financial assets	169,175	63,175
	<u>266,534</u>	<u>173,745</u>
Total revenue	<u>46,470,140</u>	<u>40,929,576</u>

Note 3: Results for the Year

The result for the year was derived after charging / (crediting) the following items:

Finance Cost includes all interest-related expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the finance cost line in the statement of profit or loss and other comprehensive income for the report period presented:

	2021 \$	2020 \$
Finance Costs		
Financial liabilities measured at amortised cost:		
Finance costs on borrowings	4,757	33,174
Finance costs on lease liabilities	115,188	112,388
Total finance costs	<u>119,945</u>	<u>145,562</u>

The result for the year includes the following specific expenses:

Employee benefits expense	35,045,060	30,575,310
Depreciation expense	277,315	254,992
Amortisation of right-of-use asset	636,455	525,587
Rent of properties	409,187	303,030

Note 4: Operating Segments

The Association operated predominately in one business and geographical segment being the provision of attendant care and other support services in South Australia to those who have suffered a spinal cord injury.

Note 5: Cash and Cash Equivalents

	\$	\$
Cash at bank and in hand	17,484,380	12,088,020
	<u>17,484,380</u>	<u>12,088,020</u>
Reconciliation of cash		
Cash and Cash Equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	<u>17,484,380</u>	<u>12,088,020</u>

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Note 6: Trade and Other Receivables

	2021	2,020
	\$	\$
CURRENT		
Trade receivables	2,721,124	4,514,729
Provision for impairment	(100,000)	(100,000)
	<u>2,621,124</u>	<u>4,414,729</u>

The Association applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2021 is determined as follows;

	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
	\$	\$	< 30	31-60	61-90	> 90	\$
2021							
Trade and term receivables	2,621,124	100,000	256,506	136,291	79,318	436,189	1,612,820
Total	<u>2,621,124</u>	<u>100,000</u>	<u>256,506</u>	<u>136,291</u>	<u>79,318</u>	<u>436,189</u>	<u>1,612,820</u>
2020							
Trade and term receivables	4,414,729	100,000	720,931	249,832	231,305	1,462,003	1,650,658
Total	<u>4,414,729</u>	<u>100,000</u>	<u>720,931</u>	<u>249,832</u>	<u>231,305</u>	<u>1,462,003</u>	<u>1,650,658</u>

Collateral held as security

The Association does not hold any collateral over receivable balances.

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

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

Note 7: Inventories

	2021	2020
	\$	\$
CURRENT		
At cost:		
Merchandise & consumables	211,356	123,142
	<u>211,356</u>	<u>123,142</u>

Note 8: Financial Assets

NON-CURRENT
Financial assets designated as fair value through profit or loss:
Investments at fair value shares in listed corporations and managed funds

1,524,106	1,354,932
<u>1,524,106</u>	<u>1,354,932</u>

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Note 9: Property, Plant and Equipment

	2021	2,020
	\$	\$
Land and buildings:		
At cost	4,407,431	4,407,431
Accumulated depreciation	(901,790)	(797,776)
	<u>3,505,641</u>	<u>3,609,655</u>
Plant and equipment:		
At cost	726,739	772,740
Accumulated depreciation	(600,016)	(636,613)
	<u>126,723</u>	<u>136,127</u>
Furniture, fixtures and fittings:		
At cost	230,935	222,291
Accumulated depreciation	(158,024)	(135,255)
	<u>72,911</u>	<u>87,036</u>
Improvements:		
At cost	418,258	418,258
Accumulated depreciation	(183,522)	(154,925)
	<u>234,736</u>	<u>263,333</u>
Total plant and equipment	<u>434,370</u>	<u>486,496</u>
Total property, plant and equipment	<u>3,940,011</u>	<u>4,096,151</u>

Movements in carrying amounts of property, plant and equipment

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

	Land and Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Improvements	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2021					
Balance at the beginning of year	3,609,655	136,127	87,036	263,333	4,096,151
Additions	-	117,403	8,644	-	126,047
Disposals	-	(4,872)	-	-	(4,872)
Depreciation	(104,014)	(121,935)	(22,769)	(28,597)	(277,315)
Balance at the end of the year	<u>3,505,641</u>	<u>126,723</u>	<u>72,911</u>	<u>234,736</u>	<u>3,940,011</u>
Year ended 30 June 2020					
Balance at the beginning of year	3,713,670	123,455	93,061	292,707	4,222,893
Additions	-	122,163	14,378	-	136,541
Disposals	-	(8,291)	-	-	(8,291)
Depreciation	(104,015)	(101,200)	(20,403)	(29,374)	(254,992)
Balance at the end of the year	<u>3,609,655</u>	<u>136,127</u>	<u>87,036</u>	<u>263,333</u>	<u>4,096,151</u>

Note 10: Right-of-use Assets

	2021	2020
	\$	\$
NON-CURRENT		
Right-of-use assets	4,286,383	2,498,883
Accumulated depreciation	(1,194,932)	(525,587)
	<u>3,091,451</u>	<u>1,973,296</u>

Note 11: Other Assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	184,535	68,252
	<u>184,535</u>	<u>68,252</u>

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For the Year Ended 30 June 2021

Note 12: Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Unsecured liabilities:		
Trade payables	163,279	95,008
GST payable/(receivable)	(79,147)	(2,756)
Other payables and accruals	759,042	1,300,551
	<u>843,174</u>	<u>1,392,803</u>
a. Financial liabilities at amortised cost classified as trade and other payables:		
– total current	843,174	1,392,803
– total non-current	-	-
	<u>843,174</u>	<u>1,392,803</u>
Less GST payable/(receivable)	79,147	2,756
Financial liabilities as accounts payable and other payables	<u>922,321</u>	<u>1,395,559</u>

Collateral pledged:

No collateral has been pledged for any of the trade and other payable balances.

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

Note 13: Contract Liabilities

	2021	2020
	\$	\$
CURRENT		
Unused grant funding	116,397	2,446,447
Total current contract liabilities	<u>116,397</u>	<u>2,446,447</u>

Note 14: Borrowings

	2021	2020
	\$	\$
CURRENT		
Secured liabilities:		
Bank loan	-	23,372
Total current borrowings	<u>-</u>	<u>23,372</u>
NON-CURRENT		
Secured liabilities:		
Bank loan	-	795,947
Total non-current borrowings	<u>-</u>	<u>795,947</u>

Defaults and breaches:

During the current year, there were no defaults or breaches on any of the loans.

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Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 15: Lease liabilities

	2021	2020
	\$	\$
CURRENT		
Lease liabilities	761,391	494,888
	<u>761,391</u>	<u>494,888</u>
NON-CURRENT		
Lease liabilities	2,442,667	1,544,159
	<u>2,442,667</u>	<u>1,544,159</u>
Total lease liabilities	<u>3,204,058</u>	<u>2,039,047</u>

Note 16: Employee benefits

	2021	2020
	\$	\$
CURRENT		
Annual leave	592,666	508,628
Long service leave	1,456,258	1,309,309
	<u>2,048,924</u>	<u>1,817,937</u>
NON-CURRENT		
Long service leave	448,734	364,226
	<u>448,734</u>	<u>364,226</u>
Total employee benefits	<u>2,497,658</u>	<u>2,182,163</u>

Analysis of Employee Provisions

	Employee Provisions
	\$
Opening balance at 1 July 2020	2,182,163
Additional provisions raised during the year	923,291
Amounts used	(607,796)
Balance at 30 June 2021	<u>2,497,658</u>

Note 17: Leasing Commitments

	2021	2020
	\$	\$
Committed at the reporting date but not recognised as liabilities, payable:		
- Not later than one year	39,348	119,588
- Between one year and five years	-	-
	<u>39,348</u>	<u>119,588</u>

Leases are in place for office premises and motor vehicles. Lease payments are increased on an annual basis to reflect market rentals. Leases are now accounted for under AASB 16: *Leases*, with a right-of-use asset and corresponding lease liability being recognised. Committed leases at the reporting date but not recognised as liabilities, presented above, represent short-term leases that are exempt from AASB 16: *Leases*.

Note 18: Financial Risk Management

The Association's financial instruments consist mainly of trade receivables and payables, deposits with banks and investments in listed shares. The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021	2020
		\$	\$
Financial assets			
Financial assets at fair value through profit or loss:			
- held for trading listed shares	8	1,524,106	1,354,932
Financial assets at amortised cost:			
- cash and cash equivalents	5	17,484,380	12,088,020
- trade and other receivables	6	2,621,124	4,414,729
Total financial assets		<u>21,629,610</u>	<u>17,857,681</u>
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	12a	922,321	1,395,559
- borrowings	14	-	819,319
Total financial liabilities		<u>922,321</u>	<u>2,214,878</u>

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Note 18: Financial Risk Management (cont.)

Specific Financial Risk Exposures and Management

The main risks the Association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk, currency risk and price risk.

There have been no substantive changes in the types of risks the Association is exposed to, how these risks arise, or the association's objectives, policies and processes for managing or measuring the risks from the previous period.

a. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Association.

The Association does not have any material credit risk exposures as its major source of revenue is the receipt of care recoveries.

Credit risk exposures

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale retail customers, including outstanding receivables and committed transactions.

The Association has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Committee of Management receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Association's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 6.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

b. Liquidity Risk

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities.

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Association manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due to day-to-day business.

Liquidity needs are monitored in various time bank, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Association does not hold any derivative financial liabilities directly.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

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Notes to the Financial Statements
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Note 18: Financial Risk Management (cont.)

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Accounts payable and other payables (excluding estimated annual leave and deferred income)	922,321	1,395,559	-	-	-	-	922,321	1,395,559
Bank loan	-	23,372	-	129,892	-	666,055	-	819,319
Total expected	922,321	1,418,931	-	129,892	-	666,055	922,321	2,214,878
Financial assets – cash flows realisable								
Cash and cash equivalents	17,484,380	12,088,020	-	-	-	-	17,484,380	12,088,020
Listed investments at fair value shares in listed corporations and managed funds	1,524,106	1,354,932	-	-	-	-	1,524,106	1,354,932
Trade and other receivables	2,621,124	4,414,729	-	-	-	-	2,621,124	4,414,729
Total anticipated inflows	21,629,610	17,857,681	-	-	-	-	21,629,610	17,857,681
Net (outflow)/inflow expected on financial instruments	20,707,289	16,438,750	-	(129,892)	-	(666,055)	20,707,289	15,642,803

c. Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments that expose the Association to interest rate risk are limited to listed shares, bank loans and cash on hand.

The Association's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Association is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

(ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The Association is exposed to equity securities price risk. This arises from listed investments held by the Association and classified as financial assets and liabilities.

Sensitivity analysis

The following table illustrates sensitivities to the Association's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Surplus \$	Equity \$
Year ended 30 June 2021		
+/- 0.25% in interest rates	0	0
+/- 10% in listed investments	152,400	152,400
Year ended 30 June 2020		
+/- 0.25% in interest rates	2,048	2,048
+/- 10% in listed investments	135,500	135,500

No sensitivity analysis has been performed on foreign exchange risk as the Association has no material exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

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Notes to the Financial Statements
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Note 18: Financial Risk Management (cont.)

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.
Refer to Note 21 for detailed disclosures regarding the fair value measurement of the Association's financial assets and financial liabilities.
Most of these instruments, which are carried at amortised cost (ie accounts receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Association.

Note	2021		2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$	\$	\$	\$
Financial assets				
Financial assets at amortised cost:				
– cash and cash equivalents	5	17,484,380	17,484,380	12,088,020
– trade and other receivables	6	2,621,124	2,621,124	4,414,729
Total financial assets at amortised cost		20,105,504	20,105,504	16,502,749
Financial assets at fair value through profit or loss:				
– investments held for trading	8, 21	1,524,106	1,524,106	1,354,932
Total financial assets at fair value through profit or loss		1,524,106	1,524,106	1,354,932
Total financial assets		21,629,610	21,629,610	17,857,681
Financial liabilities				
Financial liabilities at amortised cost:				
– trade and other payables	12a	922,321	922,321	1,395,559
– bank loan	14	-	-	819,319
Total financial liabilities		922,321	922,321	2,214,878

(i) Cash on hand, trade and other receivables, and trade and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 9.

Note 19: Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of the Association during the year as are follows:

Other Key Management Personnel	2021	2020
	\$	\$
Short-term employee benefits	1,284,482	1,038,524
Long-term benefits	114,498	96,570
	1,398,980	1,135,094
Board Members		
Director Remuneration	61,673	1,650
	61,673	1,650
Total Key Management Personnel Remuneration	1,460,653	1,136,744

Other Key Management Personnel Transactions

For details of other transactions with key management personnel, refer to Note 23: Related Party Transactions.

Note 20: Auditor's Remuneration

Remuneration of the auditor for:	2021	2020
	\$	\$
Audit of financial statements	20,850	20,400
	20,850	20,400

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Note 21: Fair Value Measurement

The Association measures and recognises financial assets at fair value through profit or loss on a recurring basis after initial recognition.

The Association does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a. Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the Association can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Association selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Association are consistent with one or more of the following valuation approaches:

- *Market approach* uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach* converts estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Association gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Association's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

Note	30 June 2021				Total
	Level 1	Level 2	Level 3		
	\$	\$	\$		\$
Recurring fair value measurements					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss					
– Investment in listed companies and managed funds	8	1,524,106	-	-	1,524,106
Total financial assets recognised at fair value on a recurring basis		1,524,106	-	-	1,524,106
Note	30 June 2020				Total
	Level 1	Level 2	Level 3		
	\$	\$	\$		\$
Recurring fair value measurements					
<i>Financial assets</i>					
Financial assets at fair value through profit or loss					
– Investment in listed companies and managed funds	8	1,354,932	-	-	1,354,932
Total financial assets recognised at fair value on a recurring basis		1,354,932	-	-	1,354,932

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Note 22: Contingencies

Contingent Liabilities

The Association had the following contingent liabilities at the end of the reporting period:

The Association executed a Deed on 24 September 2009 with the South Australian Housing Trust (SAHT). The Deed is in relation with Corriedale Park Project whereby SAHT contributed \$716,625 (GST exclusive). The Association has an obligation until 24 September 2039 to repay the full amount of the SAHT contribution if the Association breaches the relevant clauses of the Deed and if it fails to rectify the breach in accordance with the provisions of the Deed.

In 2007, the Association entered into an Affordable Housing Program Facilitation Agreement with the Minister of Housing and SAHT. The agreement is in relation with Ramsay Rebuild Project whereby SAHT provided grant of \$400,000. If SAHT exercises the option available in the agreement following default by the Association under clause 23 of the agreement, monies payable by SAHT under the relevant clauses of the agreement shall be rebateable by the Association to SAHT to the value of monies calculated under Schedule 5 Item 5 of the Agreement and any costs incorrect or assumed by SAHT in respect of the proceeding under the clause 23 of the Agreement.

Note 23: Related Parties

The Association's main related parties are as follows:

(i) Key management personnel:

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

For details of remuneration disclosures relating to key management personnel, refer to Note 19: Key Management Personnel Remuneration.

(ii) Other related parties include close family members of key management personnel and entities that are controlled.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions with related parties

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

The following transactions occurred with related parties:

	2021 \$	2020 \$
Other related parties		
(a) Transactions		
Purchase of accounting services from entities related to board members	-	14,410

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Notes to the Financial Statements
For the Year Ended 30 June 2021

Note 24: Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2,021 \$	2,020 \$
Surplus for the year	7,156,933	6,321,320
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus:		
Depreciation	913,770	780,579
Net gain/(loss) on investment portfolio	(139,511)	(63,175)
Changes in assets and liabilities:		
(increase)/decrease in trade and other receivables	1,793,605	440,427
(increase)/decrease in other assets	(116,283)	20,945
(increase)/decrease in inventories	(88,214)	(71,918)
(decrease)/increase in contract liabilities	(2,330,050)	1,683,773
(decrease)/increase in trade and other payables	(544,757)	577,643
(decrease)/increase in employee benefits	315,495	390,556
Cashflows from operations	6,960,988	10,080,150

Note 25: Events after the end of the Reporting Period

No matter or circumstance has arisen since 30 June 2021 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.

Note 26: Association Details

The registered office of the Association is:

The Paraplegic & Quadriplegic Association of South Australia limited
225 Greenhill Road
DULWICH SA 5065

The Paraplegic & Quadriplegic Association of South Australia Ltd
ABN: 92 713 327 348
Directors' Declaration


The Directors of the registered Association declare that, in the Directors' opinion:

1) The financial statements and notes, as set out on pages 5 to 26, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and:


- a. comply with Australian Accounting Standards; and
- b. give a true and fair view of the financial position of the Association as at 30 June 2021 and of its performance for the year ended on that date.

2) There are reasonable grounds to believe that the Registered Association is able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Kenneth Soward (Chair)



Antonios (Tony) Vroulis (Treasurer)

Dated this 19th day of October 2021



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PARAPLEGIC AND QUADRIPLEGIC ASSOCIATION OF SOUTH AUSTRALIA LTD

Opinion

We have audited the financial report of The Paraplegic and Quadriplegic Association of South Australia Ltd ('the Association'), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, 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 Committee Members' declaration.

In our opinion, the accompanying financial report of The Paraplegic and Quadriplegic Association of South Australia Ltd, is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*; including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 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 Association in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The Committee Members are responsible for the other information. The other information comprises the Committee's Report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Nexia Edwards Marshall
ABN 38 238 591 759
Level 3
153 Flinders Street
Adelaide SA 5000
GPO Box 2163
Adelaide SA 5001
p +61 8 8139 1111
f +61 8 8139 1100
w nexiaem.com.au

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PARAPLEGIC AND QUADRIPELEGIC ASSOCIATION OF SOUTH AUSTRALIA LTD
(CONT)

Committee Members' responsibility for the financial report

The Committee Members of The Paraplegic and Quadriplegic Association of South Australia Ltd are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes such internal control as the Committee Members determine is necessary to enable the preparation of the financial report that gives a true and fair view so that it is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee Members are responsible for assessing the Association'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 Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

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

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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.

Nexia Edwards Marshall
ABN 38 238 591 759
Level 3
153 Flinders Street
Adelaide SA 5000
GPO Box 2163
Adelaide SA 5001
p +61 8 8139 1111
f +61 8 8139 1100
w nexiaem.com.au

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PARAPLEGIC AND QUADRIPELEGIC ASSOCIATION OF SOUTH AUSTRALIA LTD
(CONT)

Auditor's responsibility for the audit of the financial report (Cont)

- Conclude on the appropriateness of the Committee Members 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 Association'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 Association 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 Members 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.

Nexia Edwards Marshall

Nexia Edwards Marshall
Chartered Accountants

D. Pozza

Damien Pozza
Partner

Adelaide
South Australia

19 October 2021

Nexia Edwards Marshall
ABN 38 238 591 759
Level 3
153 Flinders Street
Adelaide SA 5000
GPO Box 2163
Adelaide SA 5001
p +61 8 8139 1111
f +61 8 8139 1100
w nexiaem.com.au

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The Paraplegic & Quadriplegic Association of South Australia Ltd

ACN 644 670 977 / ABN 92 713 327 348

Providing services to South Australians for over 50 years



Follow us:    
info@pqsa.asn.au
www.pqsa.asn.au

ADELAIDE

Ground Floor
225 Greenhill Road
Dulwich, South Australia 5065

TOLL FREE: 1800 063 419

T: (08) 8355 3500

F: (08) 8355 3511



Follow us:  
info@homecareplus.asn.au
www.homecareplus.asn.au

ADELAIDE

Ground Floor
225 Greenhill Road
Dulwich, South Australia 5065

TOLL FREE: 1800 063 419

T: (08) 8355 3500

F: (08) 8355 3511

After Hours Emergencies

(20:00 - 07:00 and
all hours on weekends)
All Areas: 1300 559 331
South East Only: 0421 039 589

EYRE PENINSULA

25 Napoleon Street
Port Lincoln, South Australia 5606

PO Box 623

Port Lincoln, South Australia 5606

T: (08) 8683 7600

YORKE PENINSULA

Shop 3, 3 Forster Street
Kadina, SA 5554

T: (08) 8821 6800

SOUTH EAST

Shop 6, Ripley Arcade
Mt Gambier,
South Australia 5290

T: (08) 8726 7200

F: (08) 8726 7280

MID NORTH

44 Main Road
Port Pirie,
South Australia 5540

PO Box 1639

Port Pirie SA 5540

T: (08) 8633 5800

RIVERLAND

7 Riverview Drive
Berri SA 5343

T: (08) 8583 3800