

# **Transformations Program Australia Ltd**

## **Annual Report**

**For The Year Ended 30 June 2021**

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# Transformations Program Australia Ltd

## A.C.N. 072 944 640

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### Directors Report

Your directors present this report on the company for the financial year ended 30 June 2021.

#### Directors

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

Michael Barrett  
Renaldo Polo  
Dale Smith

Bradley Jeffery (Resigned 13/02/2021)  
Gary McDonald (Resigned 21/07/2020)  
Justin Stephney (5/08/2020 - 8/07/2021)

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

#### Company Secretary

The following person held the position of company secretary at the end of the financial year:

Katy Tait

#### Review of Operations

The company's operations during the year performed as expected in the opinion of the Directors.

#### Significant Changes in State of Affairs

No significant changes in the company's state of affairs occurred during the year.

#### Principal Activities

The principal activities of the company during the year were:

- charity

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

#### Dividends

The company is a not for profit entity whose constitution prohibits the payment of dividends. No dividends have been paid or declared since the start of the year.

#### Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a state or territory.

#### Future Developments

There are no likely future developments in the operations of the company which require disclosure in this report.

#### Operating Result

The loss from ordinary activities after providing for income tax amounted to \$35,844 (2020 : \$51,682 loss)

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

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**Directors Report (continued)**

**Events Subsequent to Balance Date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future years.

**Options**

The company is a company limited by guarantee. The company does not issue shares or other equity interests. No options over issued shares or interests in the company were granted during or since the end of the financial year and no options were outstanding at the date of this report.

**Indemnities**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

**Court Proceedings**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

**Auditor's Independence Declaration**

The auditor's independence declaration has been received for the year ended 30 June 2021 and can be found on page 4 of the Annual Report.

Signed in accordance with a resolution of the Board of Directors:

  
.....  
Director      Michael Barrett

Dated      31-01-2022  
.....

**AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 60-40  
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**

**TO THE DIRECTORS OF**

**Transformations Program Australia Ltd**

I declare that to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, in relation to the audit; and
- ii. no contravention of any applicable code of professional conduct in relation to the audit.



Richard Allen, CA  
2 February 2022

29 Crombie Avenue  
Bundall QLD 4217

*Allen & Wolfe Auditors*

Allen & Wolfe Auditors

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

**Statement of Comprehensive Income**  
**For The Year Ended 30 June 2021**

	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue from Ordinary Activities</b>			
Campus Tithe		103,463	76,032
Donations		152,616	162,833
Education Training		28,353	22,831
Food			-
Fundraising Income		16,986	90,263
Gift			3,651
Insurance claim		43,095	11,231
Program Fees		265,352	281,209
Rent Received		58,186	68,050
Interest received		28	-
Other income	2	46,000	10,000
<b>Total Revenue from Ordinary Activities</b>		<b>714,079</b>	<b>726,101</b>
<b>Expenses from ordinary activities</b>			
Depreciation		20,277	23,179
Ministers Remuneration and Subcontractors		9,588	25,005
Accounting and Audit Fees		5,068	9,535
Advertising		14,791	7,593
Bank & Bartercard Charges		1,897	2,120
Cleaning & Rubbish Removal		223	611
Detox Services		22,928	-
Donations, Sponsorships, Gifts and Fundraising		-	3,651
Electricity, Water and Gas		28,658	47,696
Education/training reimbursements		25,932	-
Equipment and Materials		615	-
Events		11,651	36,976
General, Homeless & Drug Expenses		33,323	35,817
House Costs - Groceries and Other		71,916	73,142
House Rent		97,986	69,047
Insurance		13,042	29,630
Interest		76,838	115,772
Legal Fees		909	2,525
Motor Vehicle Expenses		35,341	24,279
Printing, Postage and Stationery		24,760	15,918
Repairs and Maintenance		7,596	20,709
Superannuation		14,336	10,118
Staff Wellbeing		4,311	-
Subscription, Registration		12,400	9,365
Telephone and Internet		11,569	14,193
Travel and Accommodation		7,513	17,631
Wages		243,645	167,433
Loss on disposal of fixed assets		1,597	-
<b>Total Expenses from Ordinary Activities</b>		<b>798,709</b>	<b>761,946</b>
<b>Profit before Income Tax</b>		<b>(84,630)</b>	<b>(35,845)</b>
<b>Income Tax Expense</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>(84,630)</b>	<b>(35,845)</b>
<b>Total Comprehensive Income</b>		<b>(84,630)</b>	<b>(35,845)</b>

*The accompanying notes form part of this financial report.*

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

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**Balance Sheet**  
**As at 30 June 2021**

	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Cash and cash equivalents	<b>3</b>	78,220	196,516
Trade and other receivables	<b>4</b>	14,871	8,470
Property, plant and equipment	<b>5</b>	1,875,296	1,897,170
<b>Total Assets</b>		<b><u>1,968,387</u></b>	<b><u>2,102,157</u></b>
<b>Liabilities</b>			
Trade and other payables	<b>6</b>	22,876	38,087
Borrowings	<b>7</b>	1,597,369	1,631,297
<b>Total Liabilities</b>		<b><u>1,620,245</u></b>	<b><u>1,669,385</u></b>
<b>Net Assets</b>		<b><u>348,142</u></b>	<b><u>432,772</u></b>
<b>Equity</b>			
Retained Earnings		348,142	432,772
<b>Total Equity</b>		<b><u>348,142</u></b>	<b><u>432,772</u></b>

*The accompanying notes form part of this financial report.*

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

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**Statement of Changes in Equity**  
**For The Year Ended 30 June 2021**

		<b>Retained Earnings \$</b>	<b>Total Equity \$</b>
<b>Balance as at 1 July 2019</b>		<b>175,676</b>	<b>175,676</b>
Profit for the year		(35,845)	(35,845)
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
Revaluation Building	<b>9</b>	<u><b>292,941</b></u>	<u><b>292,941</b></u>
<b>Balance as at 30 June 2020</b>		<b>432,772</b>	<b>432,772</b>
Profit for the year		(84,630)	(84,630)
Revaluation Building	<b>9</b>		-
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
<b>Balance as at 30 June 2021</b>		<u><b>348,142</b></u>	<u><b>348,142</b></u>

*The accompanying notes form part of this financial report.*

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

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**Cash Flow Statement**  
**For The Year Ended 30 June 2021**

	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flow from operating activities</b>			
Receipts from Members and Clients		555,062	561,086
Payments to Suppliers and Employees		(792,046)	(712,045)
Donations		<u>152,616</u>	<u>162,833</u>
<b>Net cash provided by Operating Activities</b>	<b>8</b>	<b><u>(84,367)</u></b>	<b><u>11,874</u></b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of fixed assets		-	658,885
Fixed asset purchases		<u>-</u>	<u>(38,608)</u>
<b>Net cash provided by/used in Investing Activities</b>		<b><u>-</u></b>	<b><u>620,277</u></b>
<b>Cash flows from financing activities</b>			
Proceeds/(repayment) of borrowings		<u>(33,927)</u>	<u>(444,523)</u>
<b>Net cash used in/ provided by Financing Activities</b>		<b><u>(33,927)</u></b>	<b><u>(444,523)</u></b>
Net Increase in Cash Held		(118,294)	187,628
Cash at Beginning Of Year		<u>196,515</u>	<u>8,888</u>
<b>Cash at End of Year</b>	<b>8</b>	<b><u>78,220</u></b>	<b><u>196,515</u></b>

*The accompanying notes form part of this financial report.*



**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

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**Notes To The Financial Statements**  
**For The Year Ended 30 June 2021**

The financial statements are for Transformations Program Australia Ltd as an individual entity. Transformations Program Australia Ltd is a public company, limited by guarantee, incorporated and domiciled in Australia.

**Note 1 Statement of significant accounting policies**

**Basis of Preparation**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose reports. These financial statements are therefore a special purpose financial report that has been prepared in order to meet the requirements of the Australian Charities Not-for-profits Commission Act 2012.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed following, which the directors have determined are appropriate to meet the needs of the members: AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1048 Interpretation of Standards and AASB 1054 Australian Additional Disclosures.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**(a) Revenue**

Donations and bequests are recognised as revenue when received.

Interest and dividend income are recognised on receipt.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

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

**(b) Government Grants**

Grant revenue is recognised in the statement of comprehensive income on receipt. If conditions are attached to the grant which at balance date have not been satisfied, the company recognises the unsatisfied obligation as an expense and as a liability.

JobKeeper subsidies received from ATO in reason to COVID-19 relief have been recognised as other income and against employment expense in the Statement of Comprehensive Income.

**(c) Property, Plant and Equipment**

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

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

**Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

## **Notes To The Financial Statements**

### **For The Year Ended 30 June 2021**

#### **Note 1 Statement of significant accounting policies (continued)**

##### **Plant and Equipment (continued)**

The cost of fixed assets constructed within the company includes cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

##### **(d) Depreciation**

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, are depreciated over their useful lives 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 asset are:

Class of Fixed Asset	Depreciation Rate (%)	Depreciation Method
Plant and equipment	10 to 40	Diminishing Value
Motor vehicles	22.5	Diminishing Value

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

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 disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

##### **(e) Leases**

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

##### **(f) Cash and cash equivalents**

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

##### **(g) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

##### **(h) Income Tax**

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

##### **(i) Provisions**

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

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

**Notes To The Financial Statements**  
**For The Year Ended 30 June 2021**

**Note 1 Statement of significant accounting policies (continued)**

**(j) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

	2021	2020
	\$	\$
<b>Note 2 Auditor's Remuneration</b>		
Remuneration of the Auditor for:		
- auditing or reviewing the financial report	2,500	3,000
- other services	-	-
- services provided by related practice of the auditor	-	-
	<b>2,500</b>	<b>3,000</b>

**Note 3 Cash and Cash Equivalents**

Cash on Hand	357	750
Cash at Bank	75,730	194,482
ANZ Visa Debit Card	872	6
Paypal Account	24	24
BarterCard	1,236	1,254
<b>Total Cash and Cash Equivalents</b>	<b>78,220</b>	<b>196,516</b>

**Note 4 Trade and other receivables**

Trade Receivables	4,464	2,384
GST asset	3,547	2,906
Rental Bonds	6,860	3,180
<b>Total Receivables</b>	<b>14,871</b>	<b>8,470</b>

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

**Notes To The Financial Statements**  
**For The Year Ended 30 June 2021**

	2021 \$	2020 \$
<b>Note 5 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Buildings at:		
- Cost	1,800,000	1,800,000
<b>Total Land and Buildings</b>	<b>1,800,000</b>	<b>1,800,000</b>
<b>Plant and Equipment</b>		
Plant and equipment	40,512	54,885
less accumulated depreciation	<u>(33,277)</u>	<u>(44,339)</u>
	7,235	10,546
Motor Vehicles	151,702	151,702
less accumulated depreciation	<u>(101,812)</u>	<u>(87,374)</u>
	49,889	64,328
Solar Panels	29,400	29,400
less accumulated depreciation	<u>(11,229)</u>	<u>(7,104)</u>
	18,171	22,296
<b>Total Plant and Equipment</b>	<b>75,296</b>	<b>97,170</b>
<b>Total Property, Plant and Equipment</b>	<b>1,875,296</b>	<b>1,897,170</b>
<b>Note 6 Trade and Other Payables</b>		
<b>Current</b>		
Trade Payables	2,777	18,598
Accrued Payables	2,000	2,500
Key Deposits Held	3,526	3,280
Fringe Benefits		3,147
PAYG Payable	2,804	1,080
Superannuation Payable	10,988	9,482
Other	781	-
<b>Total Trade and Other Payables</b>	<b>22,876</b>	<b>38,087</b>
<b>Note 7 Borrowings</b>		
<u>Unsecured liabilities</u>		
Loan		7,800
Capital Finance (Chrysler)	13,674	22,970
Capital Finance (2018 Hyundai Tucson)	27,459	37,458
Solar Panels	3,136	9,970
	<u>44,269</u>	<u>78,197</u>
<u>Secured liabilities</u>		
Mortgage loans	1,553,100	1,553,100
Total borrowings	<u>1,597,369</u>	<u>1,631,297</u>
<b>Total Borrowings</b>	<b>1,597,369</b>	<b>1,631,297</b>

**Transformations Program Australia Ltd**  
**A.C.N. 072 944 640**

**Notes To The Financial Statements**  
**For The Year Ended 30 June 2021**

	Note	2021	2020
		\$	\$
<b>Note 8 Cash flow information</b>			
<b>Reconciliation of Cash</b>			
Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:			
Cash and cash equivalents	3	<u>78,220</u>	<u>196,516</u>
Cash at the end of the year		<u>78,220</u>	<u>196,516</u>
<b>Reconciliation of cash flows from operations with profit after income tax</b>			
Profit after income tax		(84,630)	(35,845)
<i>Non-cash flows in profit</i>			
Depreciation		20,277	23,179
Net gain on disposal of property, plant & equipment		1,597	-
<i>Changes in assets and liabilities</i>			
(Increase)/decrease in trade and other receivables		(6,401)	(2,181)
(Decrease)/increase in trade and other payables		<u>(15,211)</u>	<u>26,721</u>
<b>Cash Flows from Operations</b>		<b><u>(84,367)</u></b>	<b><u>11,874</u></b>

**Note 9 Revaluation Building**

JLL prepared a Valuation Advisory Report on 3 April 2020 for the Property located 2 Monaco Street, Surfers Paradise. Value based on Direct Comparison Approach is estimated to \$1,800,000 and used for First Mortgage Security Loan.

**Note 10 Company Details**

The principal place of business of the company is:

Transformations Program Australia Ltd  
2 Monaco Street  
Broadbeach QLD 4218

**Note 11 Events After the Balance Sheet Date**

No events have occurred since balance sheet date which will have a material financial effect.

The financial report was issued on 2 February 2022 by the board of directors.

**Directors' Declaration**

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

- 1 The financial statements and notes as set out on pages 5 to 13 are in accordance with the Australian Charities Not-for-profits Commission Act 2012 and:
  - a. comply with the Accounting Standards described in Note 1 To the financial statements; and
  - b. give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- 2 There are reasonable grounds to believe that the registered entity will be 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.



.....  
Director      Michael Barrett

31-01-2022  
Dated    ...../...../.....

## **Independent Auditor's Report To the members of Transformations Program Australia Ltd**

### **Qualified Opinion**

We have audited the financial report of Transformations Program Australia Ltd, which comprises the Balance Sheet as at 30 June 2021 and the Statement of Comprehensive Income, Statement of changes in Equity and Cash Flow statement for the year ended on that date, a summary of Significant Accounting Policies, other Explanatory Notes and the Directors' Declaration.

In our opinion, except for the effects of the matters described on the Basis for Qualified Opinion paragraph, the financial report of Transformations Program Australia Ltd is in accordance with the Australian Charities Not-for-profits Commission Act 2012, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the year ended on that date: and
- b. complying with Australian Accounting Standards and Australian Charities and Not-for-Profits Commissions Regulations 2013.

### **Basis for Qualified Opinion**

The company has determined that it is impracticable to establish control over the collection of income prior to its entry in its financial records. Accordingly, as the evidence available to us regarding income was limited, our audit procedures with respect to income had to be restricted to the amounts recorded in the financial records.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence of the Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Emphasis of Matter - Basis of Accounting and Restriction on Distribution**

Without modifying our opinion, we draw attention to Note 1 on the Financial Statement which describes the basis of accounting. The financial report has been prepared to assist Transformations Program Australia Ltd to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose.

## **Responsibilities of the Directors for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **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 not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

[A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>.]



Richard Allen, CA  
2 February 2022

29 Crombie Avenue  
Bundall QLD 4217

*Allen & Wolfe Auditors*

Allen & Wolfe Auditors