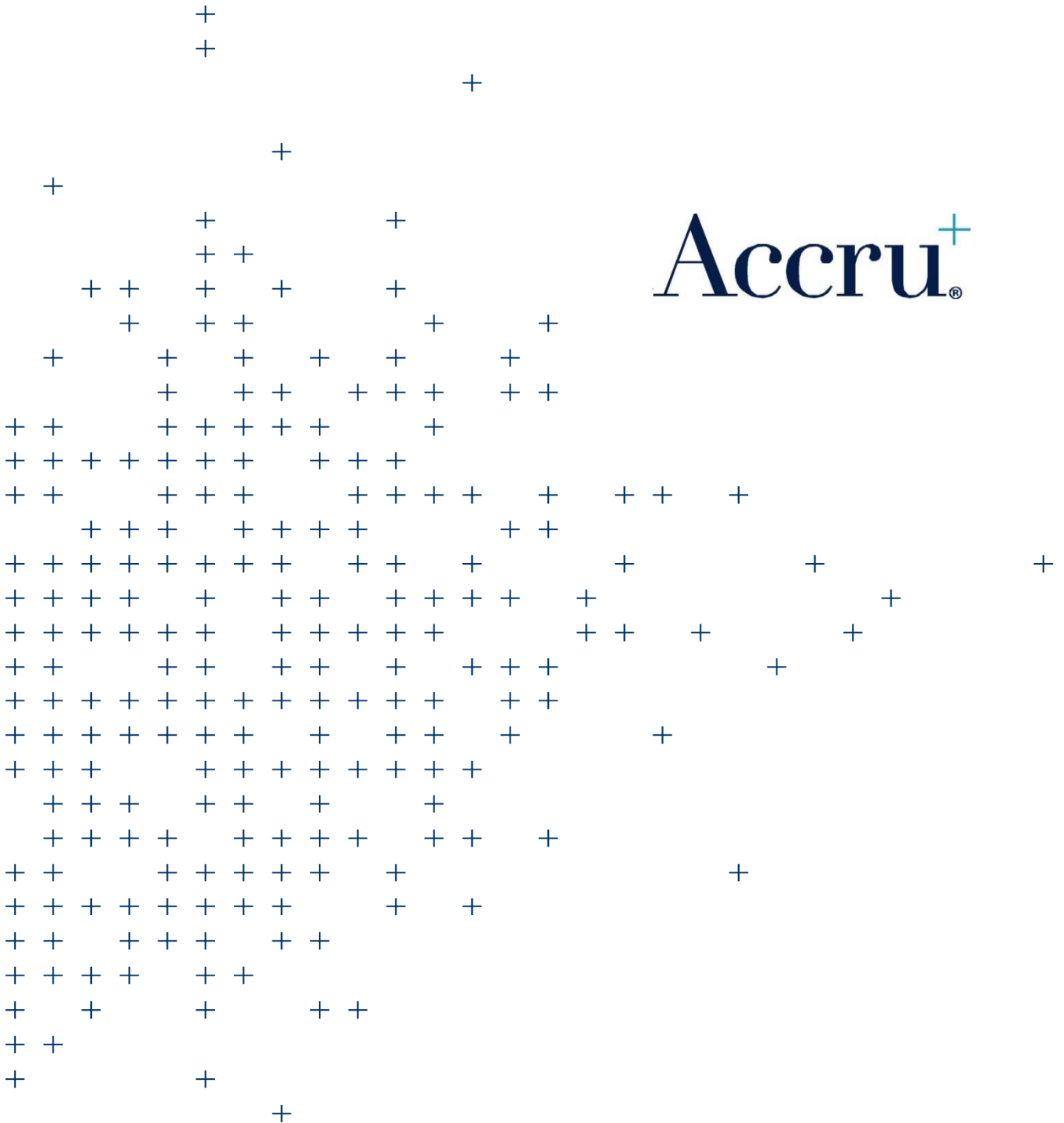


**RECLINK AUSTRALIA**

**ABN 53 046 843 443**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**



## Reclink Australia

ABN : 53 046 843 443

## Contents

For the Year Ended 30 June 2018

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## **Directors' Report**

**30 June 2018**

The directors present their report on Reclink Australia for the financial year ended 30 June 2018.

### **Directors**

The names of the directors in office at any time during, or since the end of, the year are:

<b>Names</b>	<b>Position</b>	
David O'Halloran	Chairman	
Kenneth (Sam) Newton		
Peter Cullen AM	Founder	
Karla Harman		
Sean Winder	Chair A&R Committee	Resigned 12 October 2017
Theresa Sgambaro	Treasurer	
Scott Davies		
Mark Hardgrave		
Laura Kane		
Jack Watts		

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

### **Information on directors**

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

David O'Halloran	Chairperson
Qualifications	Diploma of Community Services (AOD); Diploma of Management
Experience	David has been associated with Reclink Australia for 16 years, commencing with his involvement as a co-founder and Life Member of the Salvo Hawks Football Club. David was previously president of Solid Rock Foundation, a Melbourne based organisation supporting those seeking addiction treatment services. Previously, David was the vice president and a founding Executive Committee member for SHARC (Self Help Addiction Resource Centre). He has also been a member of the University of Melbourne's Faculty of Medicine, Self Help Research Advisory Committee. David received the Rotary Paul Harris Fellow Award in 2009 and is a certified Life Coach. David is currently Operations Manager at Arrow Health.
Kenneth (Sam) Newton	Licensed Estate Agent
Qualifications	
Experience	Sam has been an active participant in the local community and at various sporting clubs having held positions such as president, secretary and captain. He joined the Commercial Bank of Australia (Westpac) in 1977 and had a 10 year career before leaving to pursue a career in property. Sam has been a commercial property consultant for 25 years and currently runs his own commercial property consultancy. As well as volunteering with Reclink Australia, Sam volunteers at the South Yarra Football Club where he has been a committee member and vice president.

## **Directors' Report**

**30 June 2018**

### **Information on directors**

Peter Cullen AM

Qualifications

Member of the Order of Australia

Experience

Peter originally trained for the Catholic priesthood and then worked with the homeless and disadvantaged for 15 years at the Sacred Heart Mission in St Kilda. While there, Peter founded the Mission's sports and recreation program, football team and the Dine with the Champions fundraiser. After 12 years as a volunteer and President of Reclink Australia, Peter took on the role of National Development Manager in 2005 and now has responsibility for the development of the national network. Peter has received numerous awards including the Sports Chaplaincy Australia Award for Compassion in Sport (2011), the Sri Chinmoy Torch Bearer Award (2008), Sports Star of the Year (Southern Region Services to Sport 2001) and the Tattersall's Award for Enterprise and Achievement (1997).

Karla Harman

Qualifications

Bachelor of Business, Economics and Finance with Distinction and a Master of Applied Finance

Experience

Karla Harman joined the Reclink Board in 2014 as an experienced financial services professional. Karla is currently a Principal Consultant with Frontier Advisors focused on the provision of investment and strategy advice to not-for-profits, endowments and superannuation funds. Karla has previously held positions with the Institutional Sales Team at Macquarie Services (Australia), Nimico Capital Ltd (London) and W.I.N. Pty Ltd financial planning. Karla enjoys tennis, watching AFL and participating in various sports with her two children.

Sean Winder

Qualifications

Resigned 12 October 2017

Experience

Bachelor of Finance Administration

Sean brings a wealth of experience through his career in Finance and Human Resources and a passion for sport. Sean's diverse career encompasses Price Waterhouse Coopers (Sydney), Recruitment Consulting and Morgan and Banks (Perth). In 2002 he relocated his family to Melbourne and formed his current consultancy specialising in advice to Human Resources organisations considering Mergers & Acquisitions.

Theresa Sgambaro

Qualifications

Masters of Laws, Legal Practice, Skills and Ethics. Bachelor of Business, Accounting. Diploma of Financial Services, Financial Planning

Experience

Theresa has served a community member of the Victorian Adult Parole Board for seven years from 2000 to 2007. In 2003 Theresa was awarded the Centenary Medal for voluntary services to the community via active participation in community organisations addressing issues of socio-economic disadvantage, access to justice and community safety. Theresa brings substantive knowledge of Reclink Australia having previously served as a Board member and Treasurer.

## **Directors' Report**

**30 June 2018**

### **Information on directors**

Scott Davies

Qualifications

Master of Enterprise (Business), Associate Diploma Valuations, Certificate of Business Studies in Real Estate

Experience

Scott joined the Reclink board in May 2016 and has served more than 35 years in the commercial property industry, fulfilling a wide range of business operations and management roles. For the last 8 years Scott has been responsible for the property investment and asset management activities of the Bennelong and Taverners groups, two private family interests that have extensive philanthropic Foundation activities. Scott is the father of 4 children, the immediate past President of Yachting Victoria, and a former State President of the Property Council of Australia.

Mark Hardgrave

Qualifications

Bachelor of Commerce ACA MAICD

Experience

Mark is an experienced corporate adviser and investment professional having worked with a number of large investment groups and family offices throughout his career. He is currently a Director of M&A Partners, a Melbourne based private investment and corporate finance group. He is also a non-executive Director of Traffic Technologies Limited and Rivercorp Land and Water Limited. His sporting interest include golf, tennis and cycling and was a former rugby union referee.

Laura Kane

Qualifications

Bachelor of Laws (LLB) (Hons)

Experience

Laura brings substantive experience and leadership as a qualified Lawyer with 2 years of legal practice and as a head coach of various (AFL) teams across Victoria. In 2013 Laura was an Australian of the Year Nominee for her leadership, volunteer commitment and involvement in community football in Victoria. Laura holds the positions of President, Melbourne University Women's Football Club and Board member, Melbourne University Football Club. In April 2016 Laura was appointed Manager, Women's Football and Talent Pathways, North Melbourne Football Club. In 2017 she was promoted to the position of NMFC's (AFL) Football Operations Manager

Jack Watts

Qualifications

Bachelor of Commerce

Experience

Jack brings significant business, commercial, communications and marketing expertise in delivering success for major brands and organisations across Australia as the CEO of Bastion Collective. Jack founded Bastion Collective with his brother and father in 2009 and has since grown the business to employ over 150 people in Melbourne, Sydney and LA and work with some of Australia's most iconic corporate brands, sports, arts and entertainment organisations. Jack has been involved with Reclink Australia programs since 2009 and has assisted as Assistant Coach of the Collingwood Knights.

### **Review of operations**

The surplus of the Company amounted to \$ 171,521 (2017: \$204,650 deficit).

## **Directors' Report**

**30 June 2018**

### **Principal activities**

The principal activity of Reclink Australia during the financial year was the provision of sport, recreation, arts and work readiness participation opportunities to the disadvantaged.

No significant changes in the nature of the Company's activity occurred during the financial year.

### **Short term objectives**

The Company's short term objectives are to:

- Deliver sustainable sport, recreation, and arts programs to disadvantaged Australians;
- Demonstrate thought leadership through research on the benefits of participation in sport, recreation and arts programs for people experiencing disadvantage and create community awareness of Reclink Australia's sport and recreation participation programs;
- Represent member agencies at state and national levels on sport and recreation participation for people experiencing disadvantage; and
- Identify new and emerging business opportunities and funding streams to deliver financially sustainable programs to people experiencing disadvantage including people with a disability.

### **Long term objectives**

The Company's long term objectives are to:

- Deliver more sport, recreation and arts programs to more people experiencing disadvantage across Australia; and
- Achieve improved health and wellbeing outcomes for all individuals through participation in sport, recreation and arts programs.

### **Strategy for achieving the objectives**

To achieve these objectives, the Company has adopted the following strategies:

- Delivering program outcomes in accordance with funded service contracts; and
- Effectively and efficiently managing the organisations financial and other resources to ensure objectives are achieved.

### **How principal activities assisted in achieving the objectives**

The principal activities assisted the Company in achieving its objectives by:

- Central to Reclink Australia's mission is the provision of affordable, accessible and meaningful sport, recreation and arts programs to people experiencing disadvantage across Australia; and
- The delivery of the organisations principle activities are linked to service and funding agreements with Federal and State governments.

### **Performance measures**

The following measures are used within the Company to monitor performance:

- Fortnightly Cash Flow Reports;
- Monthly Financials and Profit and Loss Statement Reports;
- Monthly State/Territory Income/Expenditure Reports;
- Fundraising/events budget Reports;
- Participation Statistics per services and funding agreements;
- Annual Membership Survey;
- Client / Service User satisfaction/feedback; and
- Client case studies.

## Directors' Report

30 June 2018

### Members' guarantee

Reclink Australia is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 10 for all other members, subject to the provisions of the company's constitution.

At 30 June 2018 the collective liability of members was \$ 100 (2017: \$ 110).

### Meetings of directors

During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

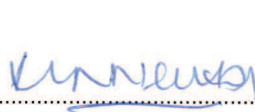
	Directors' Meetings		Audit and Risk Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
David O'Halloran	8	7	2	2
Kenneth (Sam) Newton	8	3	-	-
Peter Cullen AM	8	7	2	2
Karla Harman	8	7	-	-
Sean Winder	2	2	2	2
Theresa Sgambaro	8	6	2	2
Scott Davies	8	7	2	1
Mark Hardgrave	8	7	2	2
Laura Kane	8	5	2	2
Jack Watts	8	5	-	-

### Auditor's independence declaration

The auditor's independence declaration in accordance with section 60 of the *Australian Charities and Not-for-profit Commission Act 2012*, for the year ended 30 June 2018 has been received and can be found on page 6 of the financial report.

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

Director: .....  
  
 David O'Halloran

Director: .....  
  
 Kenneth (Sam) Newton

Dated 18 October 2018

**Reclink Australia**

ABN : 53 046 843 443

**Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profit Commission Act 2012 to the Directors of Reclink Australia**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

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

ACCRU MELBOURNE (AUDIT) PTY LTD  
Chartered Accountants



R A LANE  
Director

18 October 2018

50 Camberwell Road  
Hawthorn East VIC 3123



**Statement of Comprehensive Income**  
**For the Year Ended 30 June 2018**

	Note	2018 \$	2017 \$
Revenue	2	6,528,435	5,460,065
Employee benefits expense		(4,845,345)	(4,203,070)
Depreciation and amortisation expense		(59,323)	(72,424)
Sport		(316,090)	(158,705)
Performing arts		(13,219)	(21,592)
Health & well being		(1,757)	(3,753)
Passive recreational		(22,746)	(15,710)
Events & fundraising		(47,995)	(37,598)
Access for all abilities		(7,702)	(25,114)
WEx expenses		(476,771)	(683,888)
Other expenses		(565,966)	(442,861)
<b>Surplus/(deficit) for the year</b>		<b>171,521</b>	<b>(204,650)</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>171,521</b>	<b>(204,650)</b>

## Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	4,154,243	3,072,703
Trade and other receivables	5	35,853	115,007
Other assets	6	43,086	21,390
TOTAL CURRENT ASSETS		<u>4,233,182</u>	3,209,100
NON-CURRENT ASSETS			
Property, plant and equipment	7	126,682	138,938
TOTAL NON-CURRENT ASSETS		<u>126,682</u>	138,938
TOTAL ASSETS		<u><u>4,359,864</u></u>	3,348,038
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	8	473,944	477,844
Employee benefits	10	266,047	282,603
Other liabilities	9	2,817,785	1,956,425
TOTAL CURRENT LIABILITIES		<u>3,557,776</u>	2,716,872
NON-CURRENT LIABILITIES			
Employee benefits	10	3,927	4,526
TOTAL NON-CURRENT LIABILITIES		<u>3,927</u>	4,526
TOTAL LIABILITIES		<u>3,561,703</u>	2,721,398
NET ASSETS		<u><u>798,161</u></u>	626,640
<b>EQUITY</b>			
Accumulated Surplus		<u>798,161</u>	626,640
TOTAL EQUITY		<u><u>798,161</u></u>	626,640

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity For the Year Ended 30 June 2018

### 2018

	Accumulated surplus	Total
	\$	\$
<b>Balance at 1 July 2017</b>	<b>626,640</b>	<b>626,640</b>
Total comprehensive income/(loss) for the year	171,521	171,521
<b>Balance at 30 June 2018</b>	<b>798,161</b>	<b>798,161</b>

### 2017

	Accumulated surplus	Total
	\$	\$
<b>Balance at 1 July 2016</b>	831,290	831,290
Total comprehensive income/(loss) for the year	(204,650)	(204,650)
<b>Balance at 30 June 2017</b>	<b>626,640</b>	<b>626,640</b>

**Statement of Cash Flows**  
**For the Year Ended 30 June 2018**

	2018	2017
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts in the course of operations	8,022,648	7,718,275
Payments in the course of operations	(6,937,178)	(5,908,140)
Interest received	43,137	19,671
Net cash provided by (used in) operating activities	12 <u>1,128,607</u>	<u>1,829,806</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payment for plant and equipment	(47,067)	(51,218)
Net cash used by investing activities	<u>(47,067)</u>	<u>(51,218)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase (decrease) in cash held	1,081,540	1,778,588
Cash and cash equivalents at beginning of year	<u>3,072,703</u>	<u>1,294,115</u>
Cash and cash equivalents at end of financial year	4 <u><u>4,154,243</u></u>	<u><u>3,072,703</u></u>

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2018**

The financial statements are for Reclink Australia as a not-for-profit company limited by guarantee, registered and domiciled in Australia.

#### **1 Summary of Significant Accounting Policies**

##### **(a) Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profit Commission Act 2012*.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

##### **(b) Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

##### **(c) 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*.

##### **(d) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Membership fees are recognised as revenue when no significant uncertainty as to its recoverability exists, if the fee relate only to membership and all other services or products are paid for separately, or if there is a separate annual subscription. Membership fees are recognised on a basis that reflects the timing, nature and value of the benefit provided if the fee entitles the member to services or publications to be provided during the membership period, or to purchase goods or services at prices lower than those charged to non-members.

Revenue from organising and hosting events is recognised in the period in which the events are held.

Interest is recognised using the effective interest method.

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

If conditions attached to the contribution or grant that must be satisfied before the entity is eligible to receive the contribution, recognition of the contribution or income is deferred until those conditions are met

A non-reciprocal donation is recognised when the right to receive a donation has been established.

When the entity receives grants but is obliged to give directly approximately equal value to the contributor, recognition of grant income will be deferred until the delivery of service.

## Notes to the Financial Statements For the Year Ended 30 June 2018

### 1 Summary of Significant Accounting Policies

#### (d) Revenue and other income

Other revenue is recognised when the right to receive the revenue has been established.

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

#### (e) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (f) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

##### Plant and equipment

Plant and equipment are measured using the cost model.

Plant and equipment that have 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.

##### Depreciation

The depreciable amount of all property, plant and equipment, except for freehold land is depreciated on a reducing balance method from the date that management determine that the asset is available for use.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the assets useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Plant and Equipment	10% - 100%
Motor Vehicles	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (g) Cash and cash equivalents

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

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2018**

#### **1 Summary of Significant Accounting Policies**

##### **(h) Leases**

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

##### **(i) Employee benefits**

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

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

##### **(j) Economic dependence**

A significant portion of the company's revenue is obtained from government grants and funding. The company is economically dependent on continued government funding to maintain its future operations.

**Notes to the Financial Statements**  
**For the Year Ended 30 June 2018**

	2018	2017
	\$	\$
<b>2 Revenue</b>		
Interest received	43,137	19,671
Projects and events	657,498	671,002
Membership subscriptions	38,031	12,053
Operating grants	5,453,413	3,931,110
Other income	331,539	154,587
Wex contract income	4,816	671,642
<b>Total Revenue</b>	<u><u>6,528,434</u></u>	<u><u>5,460,065</u></u>
<b>3 Result for the Year</b>		
The result for the year includes the following specific expenses:		
Net loss on disposal of property, plant and equipment	-	1,574
<b>4 Cash and cash equivalents</b>		
Cash at bank	331,633	498,681
Short-term bank deposits	3,822,610	2,574,022
	<u><u>4,154,243</u></u>	<u><u>3,072,703</u></u>
<b>5 Trade and other receivables</b>		
CURRENT		
Trade receivables	30,886	113,790
Other receivables	4,967	1,217
	<u><u>35,853</u></u>	<u><u>115,007</u></u>
<b>6 Other assets</b>		
CURRENT		
Prepayments	<u><u>43,086</u></u>	<u><u>21,390</u></u>



## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018	2017
	\$	\$
<b>7 Property, plant and equipment</b>		
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	58,643	58,643
Accumulated depreciation	(39,538)	(34,402)
Total furniture, fixtures and fittings	<u>19,105</u>	24,241
Motor vehicles		
At cost	190,075	167,496
Accumulated depreciation	(113,989)	(93,306)
Total motor vehicles	<u>76,086</u>	74,190
Office equipment		
At cost	92,692	82,001
Accumulated depreciation	(74,741)	(53,200)
Total office equipment	<u>17,951</u>	28,801
Computer equipment		
At cost	69,126	55,328
Accumulated depreciation	(55,586)	(43,622)
Total computer equipment	<u>13,540</u>	11,706
<b>Total property, plant and equipment</b>	<u><u>126,682</u></u>	<u>138,938</u>

**(a) Movements in Carrying Amounts**

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

	Furniture, Fixtures and Fittings	Motor Vehicles	Office Equipment	Computer Equipment	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 June 2018</b>					
Balance at the beginning of year	24,241	74,190	28,801	11,706	138,938
Additions	-	22,579	10,690	13,798	47,067
Depreciation expense	(5,136)	(20,683)	(21,540)	(11,964)	(59,323)
<b>Balance at the end of the year</b>	<u>19,105</u>	<u>76,086</u>	<u>17,951</u>	<u>13,540</u>	<u>126,682</u>

**8 Trade and other payables**

CURRENT		
Trade payables	150,790	99,773
GST payable/(receivable)	117,512	205,304
Sundry payables and accrued expenses	205,642	172,767
	<u>473,944</u>	<u>477,844</u>

## Notes to the Financial Statements

For the Year Ended 30 June 2018

	2018 \$	2017 \$
<b>9 Other liabilities</b>		
Government grants in advance	<u>2,817,785</u>	1,956,425
<b>10 Employee Benefits</b>		
CURRENT		
Long service leave	41,403	49,350
Annual leave	<u>224,644</u>	<u>233,253</u>
	<u>266,047</u>	<u>282,603</u>
NON-CURRENT		
Long service leave	<u>3,927</u>	<u>4,526</u>

### 11 Key Management Personnel Disclosures

The total remuneration paid to key management personnel of the Company is \$ 182,660 (2017: \$ 180,829).

### 12 Cash Flow Information

#### Reconciliation of result for the year to cashflows from operating activities

Surplus/(deficit) for the year	171,521	(204,650)
Non-cash flows in surplus/(deficit):		
- depreciation	59,323	72,424
- net loss on disposal of property, plant and equipment	-	1,574
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	79,154	252,706
- (increase)/decrease in other assets	(21,696)	8,019
- increase/(decrease) in trade and other payables	(3,900)	243,680
- increase/(decrease) in income in advance	861,360	1,378,929
- increase/(decrease) in employee benefits	(17,155)	77,124
Cashflow from operations	<u>1,128,607</u>	<u>1,829,806</u>

### 13 Leasing Commitments

#### Operating leases

Minimum lease payments		
- not later than one year	106,788	66,147
- between one year and five years	<u>27,437</u>	-
	<u>134,225</u>	<u>66,147</u>

Future rental commitments relating to the lease of premises and car parking spaces.

### 14 Company Details

The registered office of the company is:

115B Ferrars Street  
South Melbourne VIC 3205

## Responsible Persons' Declaration

The directors of the Company are the responsible persons and the responsible persons declare that:

1. The financial statements and notes, as set out on pages 7, are in accordance with the *Australian Charities and Not-for-profit Commission Act 2012* and:
  - a. comply with Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profit Commission Regulations 2013*; and
  - b. give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the Company.
2. In the responsible persons' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....  
David O'Halloran

Director .....  
Kenneth (Sam) Newton

Dated 18 October 2018

## Independent Audit Report to the members of Reclink Australia

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Reclink Australia (the Company), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* 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 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 Responsibilities for the Audit of the Financial Report

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

  
ACCRU MELBOURNE (AUDIT) PTY LTD  
Chartered Accountants

  
R A LANE  
Director

18 October 2018