FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

360 HEALTH AND COMMUNITY LIMITED

ACN 147 531 673

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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Directors Report

Your Directors present this report on the consolidated Company, consisting of 360 Health + Community Ltd and its controlled entities for the year ended 30 June 2020.

Directors

The names and details of the Company's Directors who held office during or since the end of the financial year are:

DIRECTOR	ELECTED / APPOINTED
Ms Fiona PAYNE	19.06.2013
Mr Keith ROWE	19.06.2013
Ms Grace J COX	04.12.2018
Mr John KNOWLES	02.12.2018
Mr Edward A BARTNIK	05.12.2018

Operating Results

The net profit of the consolidated Company amounted to $665,109 (2019: $172,703 profit).

Principal Activities

Principal activities for the year included provision of a range of chronic health, mental health and disability services across WA.

The service divisions include the following:

Mental Health	Better Access, ALIVE, headspace, IPMHC, National Psychosocial Disability Support
Chronic Health	Diabetes Management, Dietetics, Speech Pathology, Exercise, Physiology, Podiatry, Persistent Pain Program and Occupational Therapy
Street Doctor	A mobile GP Clinic which provides free services to people who are homeless, transient and disadvantaged
Disability Services	NDIS Therapy Services and NDIS Support Coordination

Objectives

- We will be the provider of choice, delivering quality, reliable, client centred clinical and support services, pursuing positive health and wellbeing outcomes for our clients and the community.
- We will have a highly skilled, engaged and motivated workforce who collaborate and are efficient in their service delivery; and are supported by the expertise, leadership and governance throughout 360.
- We will have the funding model, business focus and performance that make us competitive in contestable markets and guarantees our financial viability and strategic success.
- We will invest in people, partnerships, systems and technologies that support collaboration, innovation, evaluation and effective services.

After Balance Date Events

The Directors are not aware of any matters or circumstances that have arisen since the end of the financial year, which significantly affected, or may significantly affect operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Future Developments

The Company has developed a strategic framework and initiated implementation to become a provider and employer of choice by delivering integrated health, mental health and disability services and expanding our NDIS footprint.

Director's Particulars

Mrs Fiona PAYNE	Chair Person
Qualifications	BA Applied Science (Physiotherapy); M. Sc (Physiotherapy); GAICD; ASDA
Experience	Professional and management background in health and disability sectors.
Special Responsibilities	Member of the Audit and Risk Committee
Mr Keith ROWE	Director
Qualifications	BA Applied Science (Physiotherapy); Post Grad Dip (Manipulative Therapy); GAICD
Experience	Over 30 years of clinical experience within both the health and mining industries. Numerous Non executive directorships and executive directorships of both NFP and ASX listed companies.
Special Responsibilities	Chair of the Nominations and Governance Committee
	Member of the Clinical Governance Committee
Mrs Julie COX	Director
Qualifications	BComm (UWA), FCA, MAICD
Experience	Professional background in finance, strategy and mergers & acquisitions, together with non-executive director experience in the disability sector, the arts and food and agribusiness
Special Responsibilities	Member of the Audit and Risk Committee
	Member of the Nominations and Governance Committee
	Chair of the Strategic Working Group
Mr Edward A BARTNIK	Director
Qualifications	BA (Hons), M Psych (Clinical), M Ed Studies, GAICD, FAIM, FASID
Experience	Professional and management background in disability, mental health and community services; Experienced non-executive director
Special Responsibilities	Chair of the Clinical Governance Committee
Mr John KNOWLES	Director
Qualifications	BBus, MHA
Experience	30 years CEO and CFO in health, disability and Government. 15 years Director in wildlife, social services, health, disability and environment
Special Responsibilities	Chair of the Audit and Risk Committee

Directors' Meetings

MEETINGS ATTENDED FROM JULY 2019 TO JUNE 2020 (*11 Meetings Held*)		
DIRECTOR	**NUMBER ELIGIBLE TO ATTEND**	**NUMBER ATTENDED**
Ms Fiona PAYNE	11	11
Mr Keith ROWE	11	10
Ms Julie COX	11	9
Mr Edward BARTNIK	11	11
Mr John KNOWLES	11	11

AUDIT AND RISK MANAGEMENT COMMITTEE ('ARC') MEETINGS ATTENDED FROM JULY 2019 TO JUNE 2020 (*8 Meetings Held*)		
DIRECTOR	**NUMBER ELIGIBLE TO ATTEND**	**NUMBER ATTENDED**
Ms Fiona PAYNE	8	8
Ms Julie COX	8	8
Mr John KNOWLES	8	8

CLINICAL GOVERNANCE COMMITTEE MEETINGS ATTENDED FROM JULY 2019 TO JUNE 2020 (8 *Meetings Held*)		
DIRECTOR	**NUMBER ELIGIBLE TO ATTEND**	**NUMBER ATTENDED**
Mr Keith ROWE	8	8
Mr Edward BARTNIK	8	8

NOMINATIONS AND GOVERNANCE MEETINGS ATTENDED FROM JULY 2019 TO JUNE 2020 (6 *Meetings Held*)		
DIRECTOR	**NUMBER ELIGIBLE TO ATTEND**	**NUMBER ATTENDED**
Mr Keith ROWE	6	5
Ms Julie COX	6	6

Directors' Benefits

No Director has received or became entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Company, controlled entity or related body corporate with the Director, a firm of which the Director is a member or equity in which the Director has substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts, prepared in accordance with the Corporations Regulations, or the fixed salary of a full-time employee of the Company, controlled entity or related body corporate.

COVID-19 Impact

The Company continues to monitor the ongoing and evolving situation relating to the Coronavirus pandemic (COVID-19) and the potential implications for the health and wellbeing of the Company's employees, contractors and stakeholders. The Company followed State and Federal government's advice and implemented various health and safety measures and initiatives. The Company received $50,000 cash flow boost during the year and concludes at this time that there has been no material impact on the Company's activities, solvency or its ability to continue as a going concern.

Auditor's Independence

A copy of the Auditor's Independence Declaration, as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012, is included in this Financial Report.

Signed in accordance with a resolution of the Board of Directors

Signed on the 22nd day of September 2020

Fiona Payne

Director

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020

	NOTE	2020 $	2019 $
Revenue			
Grants and Medical Services	2	16,911,315	15,664,002
Other Income	2	347,218	538,868
		17,258,533	**16,202,870**
Expenses			
Employee Benefits		12,221,826	10,870,433
Depreciation & Amortisation		794,938	383,572
Interest		37,115	1,248
Motor Vehicle		113,308	123,049
Rent & Occupancy		754,100	1,806,555
Audit, Legal and Consultancy Fees		107,998	267,440
Client Support Services		1,362,907	1,611,737
Administration		305,119	176,243
Staff Support, Training & Recruitment		530,615	402,140
Sundry		365,498	388,140
		16,593,424	**16,030,559**
Surplus from continuing Operations		**665,109**	**172,310**
Revenue from discontinued Operations		-	-
Sundry expenses for discontinued Operations		-	(295)
Impairment on Franchise Asset		-	688
Loss from discontinued Operations		-	**393**
Net Current Year Surplus		**665,109**	**172,703**
Total Comprehensive Income for the Year		**665,109**	**172,703**

This statement is to be read in conjunction with the accompanying notes.

Statement of Financial Position for the year ended 30 June 2020

	NOTE	2020 $	2019 $
Current Assets			
Cash and Cash equivalents	4	7,596,969	6,763,010
Accounts Receivable and Other Debtors	5	419,686	387,705
Other Current Assets	6	445,763	122,825
Asset held for Sale	7b	298,526	-
TOTAL CURRENT ASSETS		**8,760,944**	**7,273,540**
Non-Current Assets			
Property, Plant and Equipment	7a	159,538	777,951
Right to Use Asset	7c	1,097,367	-
TOTAL NON-CURRENT ASSETS		**1,256,905**	**777,951**
TOTAL ASSETS		**10,017,849**	**8,051,491**
Current Liabilities			
Accounts Payable	8	749,662	800,874
Unexpanded Grants		2,228,962	2,488,775
Grants in Advance		303,594	-
Provisions	9	611,980	396,141
Lease Liabilities	10	492,186	-
TOTAL CURRENT LIABILITIES		**4,386,384**	**3,685,790**
Non-Current Liabilities			
Provisions	9	142,574	167,349
Lease Liabilities	10	625,430	-
TOTAL NON-CURRENT LIABILITIES		**768,004**	**167,349**
TOTAL LIABILITIES		**5,154,388**	**3,853,139**
NET ASSETS		**4,863,461**	**4,198,352**
EQUITY			
Retained Surplus		4,863,461	4,198,352
TOTAL EQUITY		**4,863,461**	**4,198,352**

This statement is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2020

	RETAINED SURPLUS	TOTAL EQUITY
Balances as at 1 July 2018	**4,025,649**	**4,025,649**
Surplus/(Deficit) for the year attributable to members of the Company	172,703	172,703
Total Comprehensive Income attributable to members of the Company originally reported	4,198,352	4,198,352
Total Transactions with owners and other transfers	4,198,352	4,198,352
BALANCE AS AT 30 JUNE 2019	**4,198,352**	**4,198,352**
Balances as at 1 July 2019	**4,198,352**	**4,198,352**
Surplus/(Deficit) for the year attributable to members of the Company	665,109	665,109
Total Comprehensive Income attributable to members of the Company	4,863,461	4,863,461
Total Transactions with owners and other transfers	4,863,461	4,863,461
BALANCE AS AT 30 JUNE 2020	**4,863,461**	**4,863,461**

Statement of Cash Flows for the year ended 30 June 2020

	NOTE	2020 $	2019 $
Cash Flows from Operating Activities			
Receipts of Grants and Other Income		16,867,068	16,257,969
Interest Received		68,736	90,491
		16,935,804	**16,348,460**
Payments to Supplier and Employees		(15,609,927)	(16,418,377)
Interest Paid		(37,115)	(1,248)
		15,647,042	**(16,419,625)**
Net Cash (Used in) / Generated from Operating Activities	**16**	**1,288,762**	**(71,165)**
Cash Flows from Investing Activities			
Payments for Plant and Equipment		(13,843)	(61,653)
Proceeds from Plant and Equipment		12,582	48,642
Net Cash (Used in) / Generated from Investing Activities		**(1,261)**	**(13,011)**
Cash Flows from Financing Activities			
Payment of Lease Liabilities		(453,542)	-
Net Cash (Used in) / Generated from Financing Activities		**(453,542)**	**-**
Net Increase (Decrease) in Cash Held		**833,959**	**(84,176)**
Cash on hand at Beginning of the Financial Year		6,763,010	6,847,186
Cash on hand at the End of the Year		**7,596,969**	**6,763,010**

This statement is to be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These Consolidated Financial Statements and notes represent those of 360 Health + Community Ltd.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Act 2010. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. 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 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

New Accounting Standards effective 1 July 2019

AASB 16 "Leases"

"AASB 16 'Leases' replaces AASB 117 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease').

The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting AASB 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated.

For contracts in place at the date of initial application, the Company has elected to apply the definition of a lease from AASB 117 and IFRIC 4 and has not applied AASB 16 to arrangements that were previously not identified as lease under AASB 117 and IFRIC 4.

The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of AASB 16, being 1 July 2019. At this date, the Company has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of AASB 16.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 3%.

	2020 $	2019 $
Total operating lease commitments disclosed at 30 June 2019		
Recognition exemptions		
• Leases with remaining lease terms of less than 12 months	134,439	
Total Operating lease commitments at 30 June 2019		**134,439**
Operating lease liabilities before discounting		1,646,005
Discounted using incremental borrowing rate		74,847
Operating lease liabilities		1,571,158
Reasonably certain extension options		1,571,158
Total lease liabilities recognized under AASB 16 as at 1 July 2019		**1,571,158**

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and several revenue-related Interpretations. The new Standard has been applied as at 1 July 2019 using the modified retrospective approach. Under this method, the cumulative effect of initial application is recognised as an adjustment to the opening balance of retained earnings at 1 July 2019 and comparatives are not restated. In accordance with the transition guidance, AASB 15 has only been applied to contracts that are incomplete as at 1 July 2019.

AASB 15 changes revenue recognition from a transfer of risks and rewards model to a transfer of control model, where the transfer of asset (cash from donations or grants) occurs when the customer (service recipient) obtains the control (benefit) of the service.

The adoption of the new standard has had no impact on the Company's financial statements.

AASB 1058 Income of Not for Profits Entities

AASB 1058 more closely reflects the economic reality of underlying transaction and will address the inadequacies of previous income recognition under AASB 1004. Under the new income recognition model, a Not for Profit Entity first considers whether AASB 15 applies to a transaction or a part of a transaction in the manner as explained under (a) (i) above. When AASB 15 does not apply to a transaction or a part of a transaction, the Not for Profit Entity considers whether AASB 1058 applies. When AASB 1058 applies the income is recognised in the financial year when income is raised.

AASB 1058 is applicable on such income stream as general purpose donations and bequests where the Company has recognised such income when money is received during the financial year. These are fundraising income sources of which the funders have not express their specific intentions of how the Company would be spending such money.

The adoption of the new standard has had no impact on the Company's financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

a) Revenue

Revenue arises mainly from the provision of medical services and program funding by government grants. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue from Services Provided

Revenue is recognised at a point in time when provision of the service is performed. This is reflective of the transfer of control of the service to the customer.

Revenue from Government Grants

Revenue is recognised in the Profit and Loss and Statement of Other Comprehensive Income when it is controlled. When there are conditions attached to revenue relating to the use of these funds for specific purposes it is recognised in the Statement of Financial Position as a liability until such conditions are met or services provided.

Balances of unspent grant receipts held by the Company are disclosed separately on the face of the financial statements.

Revenue (for comparative period 30 June 2019)

Revenue from the rendering of a service is recognised upon delivery of the service to the customer. Revenue from the sale of goods is recognised upon delivery of the goods to the customer. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from Government Grants

Non-reciprocal grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied and are detailed at Note 2 and disclosed as unexpended funds (current liabilities) in the statement of financial position.

When grant revenue is received whereby the Company 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.

If non-reciprocal contributions of assets are received from the government and other parties for zero or a nominal value, these assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

b) 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 GST receivable or payable. The net amount of GST recoverable from, or payable to the ATO, is included with 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.

c) Cash on hand

Cash on hand include cash at bank, deposits available on demand with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

d) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business.

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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

e) Property, Plant and Equipment

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation or impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment loses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to note 1(i) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible 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 or maintenance are recognised as expenses in profit or loss in the financial period in which they are included.

Plant and equipment that have contributed at no cost for nominal cost are recognised at the fair value of the asset at the date it is acquired.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the Company commencing from the time the asset is available 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%
Leasehold Improvements	20%
Plant & Equipment, Fixtures & Fittings	25%
Motor Vehicles	25%
Computer & IT Equipment	25%
Leased Plant and Equipment	25%

Assets purchased by a Funding Authority for use in a nominated program are depreciated 100% at the time of purchase, provided the sum is less than $5,000. Their existence is recorded in a discrete asset register. 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 and losses are included in the statement of profit or loss and other comprehensive income 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 surplus.

f) Leases

The Company has applied AASB 16 using the modified retrospective approach and therefore comparative information has not been restated. This means comparative information is still reported under AASB 117 and IFRIC 4.

Measurement and Recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.
At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company’s incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for the payments made that reduce the principal amount owed under the lease. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

Leases (for comparative period 30 June 2019)

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Company, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely the Company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

g) Financial Instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable)

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables by recording the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Company's financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Company's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company's designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

h) Accounts Payable and Other Payables

Accounts payable and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. Accounts payable and other payables are carried at amortised cost.

i) Employee Provisions

Short-term Employee Provisions

Provision is made for the Company'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.

Other Long-term Employee Provisions

Provision is made for employee’s long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense. The Company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

j) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalise das part of the cost of the particular asset.

k) Provisions

Provisions are recognised when:

a. the Company has a present legal or constructive obligations as a result of past events;

b. for which it is probable that an outflow of economic benefits will result; and

c. that outflow can be reliably measured.

l) Comparative Figures

Where required, comparative figures have been adjusted to confirm with changes in presentation for the current financial year.

When the Company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

m) Income Tax

The Company receives government grants and is not carried on for the purposes of profit or gain to its individual members. In accordance with Division 50 Subdivision 50-B of the Income Tax Assessment Act 1997, the Company is endorsed as an income tax exempt charitable entity.

n) Economic Dependence

The accounts have been prepared on a going concern basis with contracts in place for significant grant funding.

o) Charity

360 Health + Community Ltd Limited holds licence number 21078 issued in terms of the Charitable Collections Act 1946. The Authority vested with administering the Act has accepted that the purpose of issuing the licence is:

To provide services and infrastructure in order to maximise the provision of health services to homeless people, Aboriginal People, people with mental illness, young people and other marginalised West Australian populations.

All donations are kept in a separate identifiable bank account, and records of the donors and expenses are identifiable in the Accounts (note 12).

p) Critical Accounting Estimates and Judgments

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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 Company.

Key Judgments – Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned will not have a material impact on the amounts recognised in respect of obligations for employees' entitlements.

Key Judgments – Discount Rate

For the purpose of AASB 16: Leases, Discount rate used is 3% p.a.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Key Judgments – Depreciation

Depreciation rates are same as last year (refer note 1(e)).

Standards issued not yet effective

Other Standards and amendments that are not yet effective and have not been adopted early by the Company include:

- *AASB 2018-6 Amendments to Australian Accounting Standards - Definition of a Business*
- *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material*
- *AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework*
- *AASB 2019-5 Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia*
- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as current or Non-Current*

The Company is in the process of evaluating the impact of the new standard with no material impact expected.

2. REVENUE AND OTHER INCOME

	2020 $	2019 $
Revenue from (non-reciprocal) government grants and other grants		
Unexpended grants from last year	2,488,775	3,087,770
Less: Unexpended Grants refunded	(1,302,517)	(1,012,317)
Point in time recognition from NDIS contracts with Customers	2,085,970	300,019
Over time recognition from Government Grant funding	12,502,164	13,589,356
Other grants-operating	159,976	2,345
Less: Unexpended grants carried forward to next year	(2,228,962)	(2,488,775)
Revenue from medical services rendered	3,205,909	2,185,603
Total Grant and Medical Services Revenue	**16,911,315**	**15,664,001**
OTHER INCOME		
Profit / (Loss) on Sale of Assets	-	39,617
Donations	22,241	21,294
Rent received	4,250	1,389
Interest received	68,736	90,492
Other	251,992	386,076
Total Other Income	**347,218**	**538,868**
Total Revenue and Other Income	**17,258,533**	**16,202,869**

3. SURPLUS / (DEFICIT) FOR THE YEAR

	2020 $	2019 $
Expenses		
Wages	11,021,485	9,890,681
Directors Fees	140,000	36,655
Employee benefits expense – contribution to defined contribution superannuation funds	1,060,341	943,097
Total employee benefit expense (incl. on-costs)	**12,221,826**	**10,870,433**

4. CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Cash at Bank – unrestricted	3,509,215	2,733,936
Short Term Deposit	4,085,550	4,026,870
Cash Float	2,204	2,204
Total Cash in Hand as stated in the Statement of Financial position and Statement of Cash Flow	**7,596,969**	**6,763,010**

Bank Guarantee

The Company has a bank guarantee with NAB of $12,772 that relates to the property lease for Unit 8, 14-16 Commodore Drive, Rockingham WA 6168.

5. ACCOUNTS RECEIVABLE AND OTHER DEBTORS

	2020 $	2019 $
Current		
Account Receivable	312,436	268,787
Other Debtors	107,250	118,918
Total current Accounts Receivable and Other Debtors	**419,686**	**387,705**

Credit Risk – Accounts Receivable and Other Debtors

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than as specifically mentioned in Note 15a. The main source of credit risk to the Company is considered to relate to the class of assets described as “accounts receivable and other debtors”.

There is no provision made for doubtful debts and history of bad debts indicates this whole amount recoverable.

6. OTHER CURRENT ASSETS

	2020 $	2019 $
Contract Asset	341,887	19,025
Prepayments	103,876	103,799
Total Other current Assets	**445,763**	**122,824**

Contract asset includes $339,178 of unclaimed NDIS Services.

7. (A) PROPERTY, PLANT AND EQUIPMENT, (B) ASSET HELD FOR SALE & (C) RIGHT OF USE ASSET

7A. PROPERTY, PLANT AND EQUIPMENT

	2020 $	2019 $
Plant & Equipment at Cost	117,939	114,440
Less Accumulated Depreciation	111,757	90,478
	6,182	**23,961**
Buildings & Land at Cost	-	320,440
Less Accumulated Depreciation	-	15,488
	-	**304,952**
Computer Equipment at Cost	838,077	840,316
Less Accumulated Depreciation	775,347	605,923
	62,730	**234,393**
Furniture & Fittings at Cost	41,822	41,822
Less Accumulated Depreciation	39,057	29,242
	2,765	**12,580**
Leasehold Improvements at Cost	273,370	273,370
Less Accumulated Depreciation	226,883	194,782
	46,487	**78,588**
Motor Vehicles at Cost	401,636	401,636
Less Accumulated Depreciation	360,262	278,160
	41,374	**123,476**
Total Property, Plant and Equipment	**159,538**	**777,951**

7A. PROPERTY, PLANT AND EQUIPMENT (Cont.)

Movements in Carrying Amounts

The following represents the movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant & Equipment	Computer Equipment	Furniture & Fittings	Leasehold Improvements	Motor Vehicles	
	$	$	$	$	$	Total
Balance as at the beginning of year 01 July 2018	59,432	393,624	23,036	110,877	210,565	797,534
Additions at cost	-	42,520	-	-	19,133	61,653
Disposals / Write-offs	-	(1,653)	-	-	(7,372)	(9,025)
Depreciation (Expense)	(35,471)	(200,098)	(10,456)	(32,289)	(98,849)	(377,163)
Carrying amount at the end of year 30 June 2019	**23,961**	**234,393**	**12,580**	**78,588**	**123,477**	**472,999**
Balance as at the beginning of the year 01 July 2019	23,961	234,393	12,580	78,588	123,477	472,999
Additions at cost	3,500	10,343	-	-	-	13,843
Disposals / Write-offs	-	(12,582)	-	-	-	(12,582)
Depreciation (Expense)	(21,279)	(169,424)	(9,815)	(32,101)	(82,103)	(314,722)
Carrying amount at the end of year 30 June 2020	**6,182**	**62,730**	**2,765**	**46,487**	**41,374**	**159,538**

7B. ASSET HELD FOR SALE

The Board and management is committed to a plan to sell its vacant office property in Medina which is recorded at written down value of $298,526. This property has been determined to be surplus to needs of the Company. The asset is marketed for sale at a price that is reasonable in relation to its current fair value.

The sale is expected that the sale will be completed within one year from date of classification and it is unlikely that significant changes to plan will be made or that the plan will be withdrawn.

7C. Right of Use Asset

	2020 $	2019 $
Right to use asset	1,571,158	-
Less Accumulated Depreciation	(473,791)	-
Total Right to Use Assets	**1,097,367**	**-**

8. ACCOUNTS PAYABLE AND OTHER PAYABLES

	2020 $	2019 $
Current		
Accounts Payable	8,252	186,211
Accrued Operating Costs	670,244	490,360
GST Payable	(14,415)	(32,888)
PAYG Payable	-	80,200
Superannuation Payable	85,851	76,990
	749,662	**800,873**

9. PROVISIONS

	2020 $	2019 $
Current		
Provision for Annual Leave	494,841	336,087
Provision for Long Service Leave	87,202	60,054
Other provisions	29,937	-
	611,980	**394,141**
Non-Current		
Provision for Long Service Leave	142,574	167,349
	142,574	**167,349**
Movements in employee provisions		
Opening Balance at beginning of year	563,490	589,743
Movements during the year	191,064	(26,253)
Closing balance at end of year	**754,554**	**563,490**

Short-term Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

10. LEASES

Lease liabilities resented in the statement of financial position are as follows:

	2020 $
Current	492,186
Non-Current	625,430
	1,117,616

The Company has leases for the business operations with the exception of short-term leases and leases of low-value underlying assets, Each lease is reflected in the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 7b).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised in balance sheet:

Right of Use Asset	No of right-of-use assets leased	Range of remaining term	Average remaining term lease	No of leases with extension options	No of leases with options to purchase	No of leases with termination options
Properties	12	1-5 years	2.5 years	7	0	12

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30th June 2020 were as follows:

30 June 2020	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
Lease Payments	492,187	465,242	154,580	5,608	-	-	1,117,616
Finance Charges	(26,708)	(12,037)	(1,754)	(21)	-	-	(40,520)
Net present values	**465,478**	**453,205**	**152,826**	**5,587**	**-**	**-**	**1,077,097**

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

11. KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation paid or payable to key management personnel (which includes all Directors and the Chief Executive Officer).

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) is considered Key Management Personnel.

	2020 $	2019 $
Key management personnel compensation		
• Short term benefits	782,832	796,224
• Post-employment benefits	76,145	72,114
• Other long-term benefits	-	-
	858,977	**868,338**

Other Related Parties

Other related parties include close family members of Key Management Personnel, and entities that are controlled or jointly controlled by those Key Management Personnel individually or collectively with their close family members.

There are no related party transactions during the year.

12. CHARITABLE COLLECTIONS

	2020 $	2019 $
Opening Balance	**143,435**	**118,853**
Donations received	22,241	24,582
Interest received	**-**	**-**
Less: Payments made / Timing difference	(6,868)	**-**
Closing Balance	**158,808**	**143,435**
Held in:		
NAB account 1683	158,808	143,435
Total	**158,808**	**143,435**

13. EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any matters or circumstances that have arisen since the end of the financial year, which significantly affected, or may significantly affect operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

There continues to be uncertainty about the future impact of COVID-19 pandemic on our community, both direct changes in People's lives and longer term effects on their mental health & wellbeing. The Company has implemented flexible procedures and developed response plans to support our staff in the safe delivery and continuation of services to help our customers.

14. CASH FLOW INFORMATION

	2020 $	2019 $
Reconciliation of Cash Flow from Operating Activities within the current year surplus/(deficit)		
Current Year Surplus/(Deficit)	665,109	172,703
Depreciation and amortisation expense	794,938	383,572
(Profit)/Loss on Disposal of Assets	-	(39,617)
(Increase)/Decrease in Accounts receivable and Other debtors	(31,981)	753,494
Increase/(Decrease) in Accounts payable and Other payables	252,382	(1,181,454)
Increase/(Decrease) in Employee Provisions	191,064	(99,568)
Increase/(Decrease) in Accrued Income	(322,861)	(420)
Increase/(Decrease) in Unexpended Grants	(259,812)	43,924
(Increase)/Decrease in Prepayments	(77)	(103,799)
Net Cash from Operating Activities	**1,288,762**	**(71,165)**
Undrawn Borrowing Facilities Credit Standby Arrangements		
Bank Overdraft limit	100,00	100,00
Credit Card limit	200,000	200,000
Credit Card Balance at Balance Date	(6,781)	(39,999)
Total Amount of Credit Unused	**293,219**	**260,001**

15. FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables, and lease liabilities. The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2020 $	2019 $
Financial assets			
Cash on hand	4	7,596,969	6,763,010
Accounts receivable and other debtors	5	419,686	387,705
Total financial assets		**8,016,655**	**7,150,716**
Financial liabilities			
Financial liabilities at amortised cost:			
accounts payable	8	749,662	800,873
unexpended grants		2,228,962	2,488,775
grant in advance		303,594	-
Lease liabilities		1,117,616	-
		4,399,834	**3,289,648**

Financial Risk Management Policies

The Audit and Risk Committee is responsible for monitoring and managing the Company's compliance with its risk management strategy and consists of senior board members. The Audit and Risk Committee's overall risk management strategy is to assist the Company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk. There have been no substantive changes in the types of risks the Company is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

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 Company. The Company does not have any material credit risk exposures as its major source of revenue is the receipt of grants. Credit risk is further mitigated as over 90% of the grants being received from Commonwealth, state and local governments are in accordance with funding agreements which ensure regular funding for a period of 1 year.

- ***Credit Risk Exposures***

  The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as represented in the statement of financial position.

  Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5.

  The Company has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties, other than that over 50% of grant funding is currently received via Western Australian Primary Health Alliance Ltd (WAPHA). However as this is a government funded body credit risk is considered low.

  Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved board policy. Such policy requires that surplus funds are only invested with the Big 4 banks. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	NOTE	2020 $	2019 $
Cash at Hand			
• Big 4	4	7,596,969	6,763,010

Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;

- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Company's policy is to ensure no more than 10% of borrowings should mature in any 3 month period. The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Company does not hold directly any derivative financial liabilities.

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.

- Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Total	
	2020 $	2019 $	2020 $	2019 $	2020 $	2019 $
Financial liabilities due for payment						
Accounts Payable and other payables (excluding estimated annual leave and deferred income)	3,774,404	3,289,648	625,430	-	4,399,834	3,289,648
Finance lease liabilities total expected outflows	**3,774,404**	**3,289,648**	**625,430**	**-**	**4,399,834**	**3,289,648**
Financial assets-cash flows realisable						
Cash on hand	7,596,969	6,763,010	-	-	7,596,969	6,763,010
Accounts receivable and other debtors	419,686	387,705	-	-	419,686	387,705
Other financial assets	-	-	-	-	-	-
Total anticipated inflows	**8,016,655**	**7,150,716**	**-**	**-**	**8,016,655**	**7,150,716**
Net (outflow)/inflow on financial instruments	**4,242,251**	**3,861,067**	**(625,430)**	**-**	**3,616,821**	**3,861,068**

Market Risk

- ***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 Company also manages interest rate risk by ensuring that, whenever possible, payables are paid within pre-agreed credit terms.

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.

	Note	2020 Carrying Amount $	2020 Fair Value $	2019 Carrying Amount $	2019 Fair Value $
Financial assets					
Cash on hand	4	7,596,969	7,596,969	6,763,010	6,763,010
Accounts receivable and other debtors	5	419,686	419,686	387,705	387,705
Total financial assets		**8,016,655**	**8,016,655**	**7,150,716**	**7,150,716**
Financial liabilities					
Accounts payable	8	749,662	749,662	800,873	800,873
Unexpended grants		2,228,962	2,228,962	2,488,775	2,488,775
Grant in advance		303,594	303,594	-	-
Lease liabilities	10	1,117,616	1,117,616	-	-
Total financial liabilities		**4,399,834**	**4,399,834**	**3,289,648**	**3,289,648**

Cash on hand, accounts receivable and other debtors, and accounts payable 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.

16. CAPITAL MANAGEMENT

Management controls the capital of the Company to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters.

The Audit and Risk committee ensures that the overall risk management strategy is in line with this objective. The Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. The Company's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the Company's capital by assessing the Company's financial risks and responding to changes in these risks and in the market.

There have been no changes to the strategy adopted by management to control the capital of the Company since the previous year.

17. AUDITOR'S REMUNERATION

	2020 $	2019 $
Audit services – current and prior year	50,000	50,000
Non-audit services	-	-
	50,000	**50,000**

COMPANY DETAILS

The registered office of the Company and its principal place of business is:

48A James Street

Guildford WA 6055

18. MEMBERS' GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is limited by guarantee

If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the Company.

At 30 June 2020, the number of members was 61 (2019: 61).

DIRECTOR'S DECLARATION

The Directors of the Company declare that in their opinion:

1. The consolidated financial statements and notes of 360 Health + Community Ltd are in accordance with the *Australian Charities and Not-For-Profits Commission Act 2012*, including:

   a) Giving a true and fair view of its financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and

   b) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-For-Profits Commission Regulation 2013*, and

2. In the Directors' opinion there are reasonable grounds to believe that 360 Health + Community Ltd 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 and is signed for and on behalf of the Directors by:

Fiona Payne

Director

22nd day of September 2020

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Auditor's Independence Declaration

To the Members of 360 Health + Community Ltd

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of 360 Health + Community Ltd for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 22 September 2020

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Independent Auditor's Report

To the Members of 360 Health + Community Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of 360 Health + Community Ltd (the Company), which comprises the statement of financial position as at 30 June 2020, 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 statement by the board.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001:

a presents fairly, in all material respects, the Company's financial position as at 30 June 2020 and of its performance and cash flows for the year then ended; and

b complies with Australian Accounting Standards, *Corporations Regulations 2001 and the Australian Charities and Not-for-profits Commission Act 2012*.

Basis for opinion

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

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

Information other than the financial report and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020, 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 accordingly 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 this other information, we are required to report that fact. We have nothing to report in this regard.

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, the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012. The Directors' responsibility also includes 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 responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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/auditors_responsibilities/ar4.pdfn. This description forms part of our auditor's report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 22 September 2020