WE ARE VIVID

FINANCIAL STATEMENTS

2021/22

Murray Human Services Inc. t/as We Are Vivid
Contents
30 June 2022

Murray Human Services Inc. t/as We Are Vivid
Committee members' report
30 June 2022

Your committee members present their report of Murray Human Services Inc. t/as We Are Vivid, (herein referred to as Vivid), for the year ended 30 June 2022.

Committee of Management
The names of each person who has been a committee member during the year and to the date of this report are:

Jessica Moyle (President)	Vince Fusti (Vice President)
Andrea Fitzsimmons	Denis Gell
Simon Griffin	Rachel McAsey
Ted Paynter	

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

Principal activities
The principal activities of the association during the course of the financial year were in providing opportunities for people with special needs to reach goals and enjoy lifestyles which are valued by the community at large and which are age appropriate and meaningful.

Business Objectives
Vivid believe that providing quality disability support is about listening, understanding and ultimately assisting people to achieve their goals. Vivid are dedicated to providing tailored support based on individual needs.

Vivid have sites at Echuca, Kerang, Swan Hill and Kyabram, enabling opportunities and support to be provided across a wide region of Northern Victoria. Vivid's values underpin everything we do:

- Growth
- Innovation
- Respect & Integrity
- Teamwork
- Fun

Operating Result
The surplus/(deficit) of the entity for the financial year was:

2022 $	2021 $
(301,368)	1,036,734

Performance Objectives
Vivid have set out its vision for 2021-2024 and are committed to fulfilling a range of strategic goals to help achieve their overall mission.

The seven key goals are listed below, which will be achieved through a range of projects and Vivid will measure the outcomes along the way:

- Employer of Choice - to have a workforce which lives and breathes the values of Vivid
- Provider of Choice - to develop and deliver high quality services
- Infrastructure & Technology - to have innovation that meets the needs of the people we support
- Profile & Reputation - to be the leading disability service provider in our region
- Financial Sustainability - to be profitable and reinvest in Vivid
- Growth – to have a full suite of disability services in each location
- Competitiveness – to be resilient in contested and disrupted markets

Significant Changes in State of Affairs
No significant changes in the association's state of affairs occurred during the financial year.

After Balance Date Events
No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of Vivid, the results of the operations or the state of affairs of Vivid in the future financial years.

Environmental Issues
Vivid is not subject to any significant environmental regulation.

Committee of Management's Benefits
No committee member has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the association with a commitee member, a firm which a committee member is a member or an entity in which a committee member has a substantial financial interest except as disclosed in Note 19 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by committee members shown in the association's accounts, or the fixed salary of a full-time employee of the association.

Indemnification and Insurance of Committee Members and Officers
The association has indemnified all committee members and the Chief Executive Officer in respect of liabilities to other persons (other than the association) that may arise from their position as committee members or Chief Executive Officer of the association except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The association has not provided any insurance for an auditor of the association.

Proceedings on Behalf of the Association
No person has applied for leave of court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings.

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

Information on Committee Members

Jessica Moyle	President
Occupation:	Lawyer (Dawes & Vary Riordan)
Qualifications:	Bachelor of Arts and Bachelor of Law
Special Responsibilities:	Member of Governance Committee
Vince Fusti	Vice President
Occupation:	Financial Planner and Partner (Stubberfield Group)
Qualifications:	Bachelor of Business; Diploma of Financial Planning
Special Responsibilities:	Member of Governance and Finance Committee
Andrea Fitzsimmons	Board Member
Occupation:	Accountant and Company Director (Grand Motors Group)
Qualifications:	Bachelor of Business
Special Responsibilities:	Member of Risk, Audit & Compliance Committee
Denis Gell	Board Member
Occupation:	Minister of Religion
Qualifications:	Bachelor of Arts (Community Social Services); Certificate of Welfare; Certificate IV in Workplace Training & Assessment; Certificate in Theology & Ministry
Special Responsibilities:	Chair Governance Committee
Simon Griffin	Board Member
Occupation:	Corporate Services Manager, Moama Bowling Club
Qualifications:	Bachelor of Business; Diploma of Hospitality
Special Responsibilities:	Chair of Risk, Audit and Compliance Committee
Rachel McAsey	Board Member
Occupation:	Secondary School Teacher (St Joseph’s College)
Qualifications:	Bachelor of Business (Marketing); Bachelor of Psychology; Masters of Instructional Leadership; Diploma of Education
Special Responsibilities:	Member of Governance Committee
Ted Paynter	Board Member
Occupation:	Retired (formerly a Manager with Telstra); Part Time Farmer
Qualifications:	Associate Diploma in Engineering (Electronics); Certificate IV Workplace Training & Assessment
Special Responsibilities:	N/A

Meetings of Committee Members

During the financial year, 9 meetings of the committee of management were held. Attendances by each committee member were as follows:

	Committee of Management's Meetings Eligible to attend	**Committee of Management's Meetings Attended**
Jessica Moyle	9	9
Vince Fusti	9	3
Andrea Fitzsimmons	9	8
Denis Gell	9	6
Simon Griffin	9	6
Rachel McAsey	9	5
Ted Paynter	9	8

Association Secretary

Scott Alexander held association secretary responsibilities at the end of the financial year.

Murray Human Services Inc. t/as We Are Vivid
Committee members' report
30 June 2022

The committee's report is signed in accordance with a resolution of the committee of management.

Jessica Moyle
President

Vince Fusti
Vice President

28 September 2022

Murray Human Services Inc. t/as We Are Vivid
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

	Note	2022 $	2021 $
Revenue	3	10,476,295	11,916,234
Expenses			
Employee benefits expense	4	(9,183,249)	(9,099,205)
Depreciation and amortisation expense	4	(400,695)	(391,819)
General administration expense	4	(576,226)	(877,621)
Maintenance and property costs		(285,594)	(256,055)
Other program expenses		(175,923)	(128,577)
Transport costs		(155,976)	(126,223)
Surplus/(deficit) before income tax expense		(301,368)	1,036,734
Income tax expense		-	-
Surplus/(deficit) after income tax expense for the year attributable to the members of Murray Human Services Inc. t/as We Are Vivid		(301,368)	1,036,734
Other comprehensive income			
Revaluation of land and buildings		-	1,327,503
Gain/(loss) on revaluation of investments at fair value through other comprehensive income		(158,172)	143,001
Other comprehensive income for the year, net of tax		(158,172)	1,470,504
Total comprehensive income for the year attributable to the members of Murray Human Services Inc. t/as We Are Vivid		(459,540)	2,507,238

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Murray Human Services Inc. t/as We Are Vivid
Statement of financial position
As at 30 June 2022

	Note	2022 $	2021 $
Assets			
Current assets			
Cash and cash equivalents	5	3,324,617	3,570,306
Trade and other receivables	6	1,328,123	867,083
Inventories		57,991	42,386
Other financial assets	7	1,131,664	1,287,446
Prepayments		55,279	131,977
Total current assets		5,897,674	5,899,198
Non-current assets			
Property, plant and equipment	8	9,034,823	9,277,141
Right-of-use assets	9	535,190	676,171
Total non-current assets		9,570,013	9,953,312
Total assets		15,467,687	15,852,510
Liabilities			
Current liabilities			
Trade and other payables	10	563,320	311,228
Lease liabilities	12	145,570	137,851
Employee benefits	11	1,063,497	1,241,113
Monies in trust		15,645	17,367
Total current liabilities		1,788,032	1,707,559
Non-current liabilities			
Lease liabilities	12	456,945	602,984
Employee benefits	11	239,165	98,882
Total non-current liabilities		696,110	701,866
Total liabilities		2,484,142	2,409,425
Net assets		12,983,545	13,443,085
Equity			
Reserves	16	3,236,522	3,394,694
Retained surpluses		9,747,023	10,048,391
Total equity		12,983,545	13,443,085

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

Murray Human Services Inc. t/as We Are Vivid
Statement of changes in equity
For the year ended 30 June 2022

	Asset Reval Reserve - Land and Buildings $	Asset Reval Reserve - Investments $	Accumulated Surplus $	Total equity $
Balance at 1 July 2020	1,813,280	110,910	9,011,657	10,935,847
Surplus after income tax expense for the year	-	-	1,036,734	1,036,734
Other comprehensive income for the year, net of tax	1,327,503	143,001	-	1,470,504
Total comprehensive income for the year	1,327,503	143,001	1,036,734	2,507,238
Balance at 30 June 2021	3,140,783	253,911	10,048,391	13,443,085

	Asset Reval Reserve - Land and Buildings $	Asset Reval Reserve - Investments $	Accumulated Surplus $	Total equity $
Balance at 1 July 2021	3,140,783	253,911	10,048,391	13,443,085
Deficit after income tax expense for the year	-	-	(301,368)	(301,368)
Other comprehensive income for the year, net of tax	-	(158,172)	-	(158,172)
Total comprehensive income for the year	-	(158,172)	(301,368)	(459,540)
Balance at 30 June 2022	3,140,783	95,739	9,747,023	12,983,545

The above statement of changes in equity should be read in conjunction with the accompanying notes

Murray Human Services Inc. t/as We Are Vivid
Statement of cash flows
For the year ended 30 June 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Receipts from clients and government grants		9,267,526	11,718,022
Business operations gross profit		814,352	757,306
Donations		41,278	33,303
Investment income		15,171	68,936
Payments to employees		(9,220,582)	(9,125,512)
Payments to suppliers		(1,047,483)	(2,098,864)
Net GST received from the ATO		23,481	63,176
Interest paid on lease liabilities		20,169	(15,057)
Net cash from/(used in) operating activities	14	(86,088)	1,401,310
Cash flows from investing activities			
Payment for investment		(2,390)	-
Payments for property, plant and equipment	8	(19,407)	(216,159)
Proceeds on disposal of property, plant and equipment		2,238	7,363
Disposal of (purchase of) other financial assets		-	(55,434)
Net cash used in investing activities		(19,559)	(264,230)
Cash flows from financing activities			
Repayment of lease liabilities		(138,320)	(133,926)
Net cash used in financing activities		(138,320)	(133,926)
Net increase/(decrease) in cash and cash equivalents		(243,967)	1,003,154
Cash and cash equivalents at the beginning of the financial year		3,552,939	2,549,785
Cash and cash equivalents at the end of the financial year	14	3,308,972	3,552,939

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

Note 1. Significant accounting policies

The financial statements cover Murray Human Services Inc. t/as We Are Vivid (herein referred to as Vivid), as an individual association, incorporated and domiciled in Australia. Vivid is a not-for-profit, incorporated association primarily involved in the provision of disability support services.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012* and are prepared on a going concern basis.

The financial statements were authorised for issue on 28 September 2022 by committee members of the association.

Statement of compliance
Vivid does not have 'public accountability' as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Going concern
The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Functional and presentation currency and rounding
These financial statements are presented in Australian dollars, which is the association's functional currency. The amounts have been rounded to the nearest dollar.

Historical cost convention
The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

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

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

Note 1. Significant accounting policies (continued)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

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

Comparative figures
Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

Economic dependence
Vivid is dependent upon the Federal Government via the National Disability Insurance Scheme, for the funding of a significant proportion of its operations. At the date of this report the Committee of Management has reason to believe the Federal Government will continue to support Vivid.

Fair value of assets and liabilities
The association measures some of its assets and liabilities at fair value either on a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standards.

"Fair value" is the price the association would sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

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

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

New accounting standards for application in future periods
An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to Vivid and their potential impact on Vivid when adopted in future periods is discussed below:

- AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current* (applicable for reporting periods commencing on or after 1 January 2022). Adoption of this standard is not expected to have a material impact.
- AASB 2020-3: *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments* (applicable for reporting periods commencing on or after 1 January 2022). Adoption of this standard is not expected to have a material impact.
- AASB 17: *Insurance Contracts (*applicable for reporting periods commencing on or after 1 January 2023). Adoption of this standard is not expected to have a material impact.

There are no other accounting standards and interpretations issued by the AASB that are not yet mandatory to the association in future periods.

Note 1. Significant accounting policies (continued)

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when:

- is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle
- it is held primarily for the purpose of trading
- it is expected to be realised within 12 months after the reporting period, or
- the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is either expected to be settled in the incorporated association's normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within 12 months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Note 2. Judgements and key sources of estimation uncertainty

The following are the critical judgements, apart from those involving estimations that the committee members have made in the process of applying the associations's accounting policies. These judgements have the most significant effect on the amounts recognised in the financial statements.

Impairment of assets
The association assesses impairment at each reporting period by evaluating the conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amount of the relevant assets are reassessed using the value-in-use calculation which incorporates various key assumptions.

Useful lives of property, plant and equipment
The association reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Identifying performance obligations under AASB 15
To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/-type, cost/-value, quantity and the period of transfer related to the goods or services promised.

Determination and timing of revenue recognition under AASB 15
For each revenue stream, the association applies significant judgement to determine when a performance obligation has been satisfied and the transaction price that is to be allocated to each performance obligation.

Lease term and option to extend under AASB 16
The lease term is defined as the non-cancellable period of a lease together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably going to be exercised is a key management judgement that the association will make.

Note 2. Judgements and key sources of estimation uncertainty (continued)

The association determines the likelihood to exercise the options on a lease-by-lease basis, looking at various factors such as which assets are strategic and which are key to future strategy of the association, in addition to the following:

- If there are significant penalties to terminate (or not to extend), the association is typically reasonably certain to extend (or not terminate).
- Otherwise, the association considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

All leases have been calculated including all renewal options, as it is reasonably certain that the leases will be extended (or not terminated). The lease term is reassessed if an option is not exercised or the association becomes obliged to not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Borrowing rate under AASB 16
The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the association's leases, the association's incremental borrowing rate is used, being the rate that the association would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the association:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- makes adjustments specific to the lease, eg term, country, currency and security.

Annual leave
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 service. The association expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Long service leave calculation
The association assesses the long service leave liability in accordance with the requirements of AASB 119: *Employee Benefits* and applies probability factors reducing the balance of the liability on employees' balances that have not reached their vesting period i.e. not entitled to be paid out as at 30 June 2022. The probability factors are increased as the respective employees' years of service increase and are provided for at 100% probability at vesting period (in accordance with employment conditions). The probability rates have been determined based historical employee attrition data.

Note 3. Revenue

	2022 $	2021 $
Revenue from contracts with customers	10,004,709	8,673,373
Other government grants	305,632	162,662
Profit on sale of non-current assets	227	108
Other Income	70,251	80,104
JobKeeper	-	2,866,550
Rental received	39,027	31,198
Investment income	15,171	68,936
Donations & fundraising	41,278	33,303
	10,476,295	11,916,234

Note 3. Revenue (continued)

Disaggregation of revenue
The association has disaggregated revenue by the nature of revenue and timing of revenue recognition.

	2022 $	2021 $
Categories of disaggregation		
NDIS revenue	8,633,818	7,333,608
Government grants	46,295	128,934
Program income	510,244	453,525
Vivid work crew Echuca	654,674	587,230
Vivid work crew Swan Hill	124,410	121,465
Vivid work crew Kerang	35,268	48,611
	10,004,709	8,673,373
Timing of revenue recognition		
Goods transferred at a point in time	1,324,596	1,210,831
Services transferred over time	8,680,113	7,462,542
	10,004,709	8,673,373

Accounting policy for revenue recognition

NDIS revenue
The association receives NDIS revenue from individuals whose individual plans are managed by the association, from other service providers who broker services from the association in accordance with their clients individual plan and from individuals who self manage their plans. Individual plans contain sufficiently specific performance obligations and revenue is recognised as the performance obligations are fulfilled (i.e. at the time services are rendered).

Grants
When the association receives revenue it assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the revenue
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time of which services are rendered.

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

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer) and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058: *Income of Not-for-profit Entities*.

Interest income
Interest income is recognised using the effective interest method.

Donations
Donations are recognised when the donation is received.

Note 3. Revenue (continued)

Contributed assets
The association may receive assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the association recognises related amounts being contributions by owners, lease liabilities, financial instruments, provisions, revenue or contract liabilities arising from a contract with a customer.

The association recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amounts.

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

Note 4. Surplus/(deficit) for the year

Employee Expenses

	2022 $	2021 $
Salaries and wages	8,022,671	8,151,295
Superannuation	827,066	653,823
WorkCover	251,678	178,685
Staff expenses	81,834	115,402
	9,183,249	9,099,205

Depreciation of non-current assets

	2022 $	2021 $
Buildings	137,481	128,692
Computer and software	929	6,749
Furniture and fittings	9,188	9,806
Office equipment	2,669	3,141
Program equipment	1,696	2,022
Plant and equipment	20,733	23,636
Motor vehicles	74,436	81,620
Rental property site improvements	12,582	12,612
Right-of-use assets	140,981	123,541
	400,695	391,819

Note 4. Surplus/(deficit) for the year (continued)

Administration expenses

	2022 $	2021 $
Administration	365,261	477,284
Business expenses	80,824	54,450
Interest expense	20,169	15,057
Utilities	91,956	94,084
Revaluation decrement	19,487	197,396
Audit fees	14,820	13,985
Bad debts/(bad debts recovered)	(16,291)	25,365
	576,226	877,621

Accounting policy for expenses

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Employee benefits expense

Employee expenses include:

- Salaries and wages (including fringe benefits tax, leave entitlements, termination payments)
- On-costs
- WorkCover premium
- Other staff related expenses.

Other program expenses

Other program expenses include brokered client services and general consumables used in the provision of services.

General administration expenses

General administration expenses represent the day to day running costs incurred in normal operations.

Note 5. Cash and cash equivalents

	2022 $	2021 $
Current assets		
Cash on hand	640	860
Cash at bank	3,323,977	3,569,446
	3,324,617	3,570,306

	2022 $	2021 $
Represented by:		
Operational funds	3,308,972	3,552,939
Monies held in trust	15,645	17,367
	3,324,617	3,570,306

Note 5. Cash and cash equivalents (continued)

Accounting policy for 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.

Note 6. Trade and other receivables

	2022 $	2021 $
Current assets		
Trade receivables	1,080,564	889,215
Accrued income	252,483	3,770
Less provision for for expected credit losses	(6,749)	(25,902)
	1,326,298	867,083
Other receivables	1,825	-
	1,328,123	867,083

Accounting policy for trade and other receivables
Trade and other receivables includes amounts due from customers for services performed 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.

Trade and other receivables are initially recognised at the transaction value and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Note 7. Other financial assets

	2022 $	2021 $
Current assets		
Managed investment schemes	1,131,664	1,287,446

Note 8. Property, plant and equipment

	2022 $	2021 $
Non-current assets		
Freehold land at valuation	7,020,000	7,020,000
Buildings at valuation	1,600,000	1,600,000
Less: Accumulated depreciation	(137,481)	-
	1,462,519	1,600,000
Site improvements at cost	260,723	260,723
Less accumulated depreciation	(137,304)	(124,722)
	123,419	136,001
Plant and equipment at cost	594,620	597,160
Less: Accumulated depreciation	(502,934)	(498,936)
	91,686	98,224
Fixtures and fittings at cost	353,487	351,687
Less ccumulated depreciation	(299,999)	(290,811)
	53,488	60,876
Motor vehicles at cost	871,214	871,214
Less accumulated depreciation	(614,324)	(539,888)
	256,890	331,326
Computers and software at cost	333,008	331,608
Less accumulated depreciation	(330,334)	(329,406)
	2,674	2,202
Office equipment at cost	100,133	100,133
Less accumulated depreciation	(85,010)	(82,341)
	15,123	17,792
Program equipment at cost	194,117	194,117
Less accumulated depreciation	(185,093)	(183,397)
	9,024	10,720
	9,034,823	9,277,141

Note 8. Property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land $	Buildings & Site Improvements $	Plant & Equipment (inc Computers) $	Furniture & Fittings (inc Office Equipment) $	Program Equipment $	Motor Vehicles $	Total $
Balance at 1 July 2021	7,020,000	1,736,001	100,426	78,668	10,720	331,326	9,277,141
Additions	-	-	17,607	1,800	-	-	19,407
Disposals	-	-	(2,011)	-	-	-	(2,011)
Depreciation expense	-	(150,063)	(21,662)	(11,857)	(1,696)	(74,436)	(259,714)
Balance at 30 June 2022	7,020,000	1,585,938	94,360	68,611	9,024	256,890	9,034,823

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

Property
Freehold land and buildings are shown at their fair value based on periodic, but at least every five years, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings is recognised in other comprehensive income and are accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases to an asset shall be recognised in other comprehensive income. All other decreases are charged to the Statement of Profit or Loss and Other Comprehensive Income. As the revalued buildings are depreciated the difference between depreciation recognised in the statement of profit or loss and other comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings 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.

As at 30 June 2021 the freehold land and buildings held by the association was valued by the independent valuer, Eishold Properties. The fair value of the freehold land and buildings, based on their fair values less cost to sell, based on an active market, was determined to be $8,620,000. As at 30 June 2022 the committee members reviewed the key assumptions made by the valuers. The committee members have concluded the assumptions remain materially unchanged, and are satisfied the carrying value does not exceed the recoverable amount of freehold land and buildings at 30 June 2022.

Plant and Equipment
Plant and equipment is 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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

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

Note 8. Property, plant and equipment (continued)

Depreciation
The depreciable amount of all fixed assets, excluding freehold land and buildings are depreciated on a diminishing value basis over the asset's useful life to the association commencing from the time the asset is held ready for use. Buildings are depreciated on a straight line basis over the asset's useful life to the association commencing from the time the asset is held ready for use.

The depreciation rates are consistent with the prior period. For each class of depreciable assets the depreciation rates are:

Class of Fixed Asset	**Depreciation Rate**
Buildings	1% - 20%
Computers & Software	40%
Office Equipment	15%
Program Equipment	15%
Plant & Equipment	20%
Furniture & Fittings	15%
Motor Vehicles	22.5%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Profit or Loss and Other Comprehensive Income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Note 9. Right-of-use assets

	2022 $	**2021 $**
Non-current assets		
Leased buildings at cost	1,727,670	1,727,670
Less accumulated depreciation	(1,192,480)	(1,051,499)
	535,190	676,171

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Leased Buildings $	**Total $**
Balance at 1 July 2021	676,171	676,171
Depreciation expense	(140,981)	(140,981)
Balance at 30 June 2022	535,190	535,190

Note 9. Right-of-use assets (continued)

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the association expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets (new assets where the underlying asset value is $10,000 or less). Lease payments on these assets are expensed to profit or loss as incurred.

For leases that have significantly below-market terms and conditions principally to enable the association to further its objectives (commonly known as peppercorn/concessionary leases), the association has adopted the relief under AASB 2018-8: *Amendments to Australian Accounting Standards - Right-of-Use Assets of Not-for-Profit Entities* and measures the right-of-use assets at cost on initial recognition.

Note 10. Trade and other payables

	2022 $	2021 $
Current liabilities		
Trade payables	325,853	125,954
ATO payable	81,236	57,488
Other creditors	35,627	32,440
Accrued wages	120,604	95,346
	563,320	311,228

	2022 $	2021 $
Financial liabilities classified as trade and other payables		
Total trade and other payables	563,320	311,228
Payable to the ATO	(81,236)	(57,488)
	482,084	253,740

Accounting policy for trade and other payables

Trade and other payables represent the liabilities for goods and services received by the association that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Note 11. Employee benefits

	2022 $	2021 $
Current liabilities		
Annual leave	571,388	564,229
Time in lieu	4,741	190
Long service leave	487,368	676,694
	1,063,497	1,241,113
Non-current liabilities		
Long service leave	239,165	98,882
	1,302,662	1,339,995

Accounting policy for employee benefits

Short-term employee benefits
The current portion for this provision includes the total amount accrued for annual leave, time in lieu 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 association 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 association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Long-term employee benefits
The association classifies employees' long service leave as long-term employee benefits as they are 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. Provision is made for the association's obligation for other long-term employee benefits, which 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 high quality government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The association's obligations for long-term employee benefits are presented as non-current liabilities in its Statement of Financial Position, except where the association 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 liabilities.

Long Service Leave Portability
From 1 January 2020, the association registered its employees under Victoria's new Portable Long Service Leave Scheme, which makes it fairer and easier for the association's employees working in the community services sector to access long service leave benefits. Since registration, the association has submitted a quarterly return to the Portable Long Service Leave Authority, which is based on each employees ordinary pay multiplied by 1.65% (being the levy applicable to the community services sector). The levy is equal to the minimum long service leave entitlement to which the association's employees are eligible for under their relevant award.

Where eligible employees accrue long service leave at a rate of 13 weeks over 15 years, the provision for long service leave was crystalised at 31 December 2019, as long service leave benefits accrued since that date have been contributed to the Portable Long Service Authority (PLSA)(or recorded as a payable at balance date) by quarterly returns. The crystalised provision is revised annually based on anticipated future wage and salary levels and changes in full time equivalent hours worked by employees at balance date.

Where an employee accrues long service leave at a rate higher than 13 weeks over 15 years, the portion of long service leave that is contributed to the PLSA has been recognised in accordance with the above paragraph. The portion of long service leave that is accrued above the contributed amount is recorded in accordance with the accounting policy for long-term employee benefits, along with those employees who are not registered with the Portable Long Service Scheme.

Note 12. Lease liabilities

	2022 $	2021 $
Current liabilities		
Lease liability	161,686	158,021
Unexpired interest	(16,116)	(20,170)
	145,570	137,851
Non-current liabilities		
Lease liability	512,248	674,404
Unexpired interest	(55,303)	(71,420)
	456,945	602,984
	602,515	740,835
Future lease payments		
Future lease payments are due as follows:		
Within one year	161,686	158,021
One to five years	275,494	390,418
More than five years	236,754	283,986
Unexpired interest	(71,419)	(91,590)
	602,515	740,835

Accounting policy for lease liabilities

The association as lessee

The association's lease portfolio consists of property leases. The lease terms for each type of lease arrangement are:

Class of lease	*Lease term*
Buildings	5-25 years

At inception of a contract, the association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets (i.e. fair value less than $10,000) are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at lease commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability, where applicable, are as follows:

- fixed lease payments less any lease incentives
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- lease payments under extension options, if the lessee is reasonably certain to exercise the options
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Each of the association's lease arrangements are for use in the production of supply of goods or services, or for administrative purposes.

Note 12. Lease liabilities (continued)

Options to extend or terminate
The options to extend or terminate are contained in several of the association's property leases. These clauses provide the association opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the association. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

Concessionary/peppercorn lease
The association holds a concessionary lease with the Department of Health which represents the Victorian Government, for the use of land and buildings located at 13-17 Albion Street, Kyabram, which are used to conduct services in accordance with the associations's agreement. The lease expired in 2018 and is currently in a period of holdover. The company may not use this space for any other purpose during the lease term without prior consent of the Department of Health. The lease payments are $12 (ex-GST) per annum, payable yearly in advance.

The association as lessor
The association has no lease arrangements under a sub-lease arrangement where it is a lessor.

Note 13. Capital commitments

No capital commitments contracted for at year end (2021: nil).

Note 14. Cash flow information

For the purposes of the Statement of Cash Flows, cash includes cash on hand, in banks and investments, but excludes monies held in trust. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the Statement of Financial Position as follows:

	2022 $	2021 $
Cash and cash equivalents	3,324,617	3,570,306
Less monies held in trust	(15,645)	(17,367)
Total cash for Statement of Cash Flow purposes	3,308,972	3,552,939

Reconciliation of surplus/(deficit) to net cash provided by operating activities

	2022 $	2021 $
Surplus/(deficit) after income tax expense for the year	(301,368)	1,036,734
Adjustments for:		
Depreciation	400,695	391,819
Revaluation decrement expense	-	197,396
(Profit)/loss on disposal of assets	(227)	(108)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(461,040)	545,097
Decrease/(increase) in inventories	(15,605)	4,833
Decrease/(increase) in prepayments	76,698	(48,979)
Increase/(decrease) in trade and other payables	252,092	(699,175)
Decrease in employee benefits	(37,333)	(26,307)
Net cash from/(used in) operating activities	(86,088)	1,401,310

Note 15. Financial risk management

The association's financial instruments consist mainly of deposits with banks, accounts receivable and payable 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	2022 $	2021 $
Financial assets			
Cash and cash equivalents	5	3,324,617	3,570,306
Trade and other receivables	6	1,328,123	867,083
Other financial assets	7	1,131,664	1,287,446
Total financial assets		5,784,404	5,724,835

	Note	2022 $	2021 $
Financial liabilities			
Trade and other payables	10	482,084	253,740
Lease liabilities	12	602,515	740,835
Total financial liabilities		1,084,599	994,575

Accounting policy for financial instruments

Initial Recognition and Measurement
Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the association commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs. Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and Subsequent Measurement

Financial liabilities
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

Vivid recognise trade and other payables and lease liabilities in this category.

Financial assets
Financial assets are subsequently measured at amortised cost or at fair value through other comprehensive income.

Measurement is on the basis of two primary criteria:

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

Note 15. Financial risk management (continued)

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

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

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

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

The initial designation of financial instruments to measure at fair value through other comprehensive income is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Vivid recognise cash and cash equivalents and trade and other receivables at amortised cost and other finacial assets at fair value through other comprehensive income in this category.

Derecognition
Derecognition refers to the removal of a previously recognised financial asset or financial liability from the Statement of Financial Position.

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

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

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

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

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

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

Note 15. Financial risk management (continued)

Recognition of expected credit losses in financial statements
The association recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

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

The association uses the simplified approach, as applicable under AASB 9. The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. The approach is applicable to trade receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used, taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience etc).

At each reporting date, the association recognises the movement in the loss allowance as an impairment gain or loss in the Statement of Profit or Loss and Other Comprehensive Income.

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

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the Statement of Financial Position to recognise the loss allowance.

Note 16. Reserves

Land and Buildings Asset Revaluation Reserve

The land and buildings asset revaluation reserve records the revaluation increments and decrements that relate to non-current land and building assets at valuation.

Investments Asset Revaluation Reserve

The investment asset revaluation reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets at fair value through other comprehensive income (previously available-for-sale financial assets).

Note 17. Contingent liabilities and contingent assets

The association's committee members are not aware of any contingent liabilities or assets as at the date of signing this financial report (2021: nil)

Note 18. Events after the reporting period

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

Note 19. Key management personnel and related party disclosures

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing, and controlling the activities of Vivid, directly or indirectly.

The KMP of Vivid are deemed to be the:
- Committee of Management members
- Chief Executive Officer
- Executive Manager Corporate Services
- Executive Manager Commercial Operations
- Executive Manager Resources

Note 19. Key management personnel and related party disclosures (continued)

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

	2022 $	2021 $
Salary and wages	543,721	509,260
Superannuation	54,372	48,380
Total KMP remuneration	598,093	557,640

Transactions with related parties
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons. The details of such related party transactions are as follows:

Committee Member, Mr Vince Fusti is Director of Campaspe Financial Planning. Campaspe Financial Planning received payments from Vivid for contractual relationships involving the provision of investment planning advice during the previous financial year ($3,500), however no such services were provided in the current year.

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

Note 20. Auditor's remuneration

Remuneration of the auditors, Andrew Frewin and Stewart for:

	2022 $	2021 $
Audit services -		
Audit of the financial statements	13,500	12,285
Other services -		
Preparation of financial statements	1,320	1,050
Other services	-	650
	1,320	1,700
	14,820	13,985

Note 21. Registered office/principal place of business

The Registered Office of the Association is:
Murray Human Services Inc. t/as We Are Vivid
461-463 High Street, Echuca VIC 3564

The Principal Place of Business is:
Murray Human Services Inc. t/as We Are Vivid
461-463 High Street, Echuca VIC 3564

Murray Human Services Inc. t/as We Are Vivid
Committee members' declaration
30 June 2022

In accordance with a resolution of the Committee of Management of Murray Human Services Inc. t/as We Are Vivid, the Committee of Management of the association declare that:

- The financial statements and notes, as set out on pages 6 to 28, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

  a. comply with Australian Accounting Standards - Simplified Disclosures, and

  b. give a true and fair view of the association's financial position as at 30 June 2022 and of its performance for the year ended on that date.

- In the Committee of Management's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

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

Jessica Moyle President	Vince Fusti Vice President

28 September 2022

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550

afs@afsbendigo.com.au
03 5443 0344

Independent Auditor’s Report to the Members of Murray Human Services Inc. t/as We are Vivid

Report on the audit of the financial statements

Our opinion

In our opinion the accompanying financial report of Murray Human Services Inc. t/as We are Vivid (the association), is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

i. giving a true and fair view of the association's financial position as at 30 June 2022 and of its performance for the year ended on that date, and
ii. complying with Australian Accounting Standards - Simplified Disclosures.

What we have audited

The association’s financial report comprises the:

- statement of financial position as at 30 June 2022
- statement of profit or loss and other comprehensive income for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- notes comprising a summary of significant accounting policies and other explanatory notes, and
- the certification by members of the committee that the annual statements give a true and fair view of the financial position of the association.

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

Other information

The association may prepare an annual report that may include the financial statements, committee’s report and declaration and our audit report (the financial report). The annual report may also include “other information” on the entity’s operations and financial results and financial position as set out in the financial report, typically in a Chairperson’s report and reports covering governance and other matters.

The committee members are responsible for the other information. An annual report has not been made available to us as of the date of this auditor's report.

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

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550

afs@afsbendigo.com.au
03 5443 0344

Our responsibility is to read the other information identified above when it becomes available 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 we identify that a material inconsistency appears to exist when we read the annual report (or become aware that the other information appears to be materially misstated), we will discuss the matter with the committee members and where we believe that a material misstatement of the other information exists, we will request management to correct the other information.

Independence

We are independent of the association in accordance with the auditor independence 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.

Committee's responsibility for the financial report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such controls as the committee determines is necessary to enable preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/home.aspx. This description forms part of our auditor's report.

Andrew Frewin Stewart
61 Bull Street, Bendigo, 3550
Dated this 28th day of September 2022

Adrian Downing
Lead Auditor