Rebound WA Inc.

Financial Statements

For the Year Ended 30 June 2020

Rebound WA Inc.

Contents

For the Year Ended 30 June 2020

Rebound WA Inc.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	2020	2019
	$	$
Income		
Membership fees	**452**	947
Sport, recreation and participation	**46,656**	67,252
Government grants	**236,049**	276,200
Other grants	**100,000**	100,000
Sponsorships	**7,500**	8,500
Donations/Fundraising	**248,957**	141,579
Raffles	**299,576**	167,914
Interest received	**7,622**	13,403
Dividend income	**50,784**	56,290
Profit on sale of shares	**78,209**	-
Sundry	**38,762**	29,657
Rent received	**130,444**	142,440
Total	**1,245,011**	1,004,182
Expenditure		
Depreciation and amortisation	**119,620**	70,119
Administration expenses	**202,388**	301,552
Consultancy expenses	**32,934**	21,098
Revaluation of Investment Property	**90,000**	-
Property expenses	**36,463**	26,350
Raffle expenses	**240,382**	142,160
Loss on sale of an asset	**18,561**	8,205
Wages and on costs	**642,104**	522,565
	(1,382,452)	(1,092,049)
Surplus / (Deficit) for the year	**(137,441)**	(87,867)
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Items that may be reclassified to profit or loss		
Net changes in fair value of Available-for-Sale financial assets	**(164,207)**	33,035
Other comprehensive surplus for the year, net of tax	**(164,207)**	33,035
Total comprehensive surplus / (deficit) for the year	**(301,648)**	(54,832)

Rebound WA Inc.

Statement of Financial Position

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**850,241**	894,896
Trade and other receivables	5	**491,495**	181,160
Other assets	6	**19,172**	21,133
TOTAL CURRENT ASSETS		**1,360,908**	1,097,189
NON-CURRENT ASSETS			
Investment in listed companies	7	**413,865**	911,632
Intangibles	8	**50,184**	66,912
Property, plant and equipment	9	**460,263**	388,938
Investment Property	10	**1,345,000**	1,435,000
Right to Use Asset	11	**62,767**	-
TOTAL NON-CURRENT ASSETS		**2,332,079**	2,802,482
TOTAL ASSETS		**3,692,987**	3,899,671
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**83,601**	101,360
Provisions	13	**114,727**	96,817
Lease liability	14	**70,455**	-
Income in advance		**56,219**	-
TOTAL CURRENT LIABILITIES		**325,002**	198,177
NON-CURRENT LIABILITIES			
Provisions	13	**34,013**	22,728
TOTAL NON-CURRENT LIABILITIES		**34,013**	22,728
TOTAL LIABILITIES		**359,015**	220,905
NET ASSETS		**3,333,972**	3,678,765
EQUITY			
Reserves		**78,075**	242,282
Retained earnings		**3,255,897**	3,436,483
TOTAL EQUITY		**3,333,972**	3,678,765

Rebound WA Inc.

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Note	Retained Earnings $	Available for Sale Reserve $	Total $
Balance at 1 July 2019		**3,436,483**	**242,282**	**3,678,765**
Surplus/(Deficit) for the year		**(137,441)**	-	**(137,441)**
Other comprehensive income				
Revaluation increment (decrement)		-	**(164,207)**	**(164,207)**
Total comprehensive income for the period		**(137,441)**	**(164,207)**	**(301,648)**
Prior year restatement	**1 (b)**	**(43,145)**	-	**(43,145)**
Balance at 30 June 2020		**3,255,897**	**78,075**	**3,333,972**

2019

	Retained Earnings $	Available for Sale Reserve $	Total $
Balance at 1 July 2018	3,524,350	209,247	3,733,597
Surplus/(Deficit) for the year	(87,867)	-	(87,867)
Other comprehensive income			
Revaluation increment (decrement)	-	33,035	33,035
Total comprehensive income for the period	(87,867)	33,035	(54,832)
Balance at 30 June 2019	3,436,483	242,282	3,678,765

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from raffles		**299,576**	167,914
Payments to suppliers and employees		**(986,505)**	(1,001,106)
Donations and fundraising received		**243,958**	141,579
Interest received		**9,914**	13,787
Receipts from grants and sponsorships		**296,364**	274,300
Receipts from memberships		**452**	947
Receipts – other		**85,418**	96,909
Net cash provided by/(used in) operating activities		**(50,823)**	(305,670)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment		**254,573**	149,727
Purchase of property, plant and equipment and intangibles		**(418,424)**	(250,850)
Dividends received		**39,575**	44,726
Proceeds from rent		**130,444**	142,440
Net cash provided by(used in) investing activities		**6,168**	86,043
Net increase/(decrease) in cash and cash equivalents held		**(44,655)**	(219,627)
Cash and cash equivalents at beginning of year		**894,896**	1,114,523
Cash and cash equivalents at end of financial year	4	**850,241**	894,896

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2020

The financial statements cover Rebound WA Inc. (formerly known as Wheelchair Sports (WA) Inc) as an individual entity. Rebound WA Inc. (Rebound WA). is a not-for-profit Association incorporated in Western Australia under the *Associations Incorporation Act (WA) 2015* ('the Act').

The principal activities of the Association for the year ended 30 June 2020 were providing information, advice, education, advocacy, sport, recreational activities and community for children or adults in Western Australia living with a physical disability. Rebound WA is a member-based association, governed by a voluntary Board of Management, selected to bring a diverse range of knowledge, expertise and experience. The organisation works with people who are adjusting to a life-changing injury, as well as those who have been living with their physical disability for many years.

The functional and presentation currency of Rebound WA is Australian dollars. The financial report was authorised for issue by the Board on 30 September 2020.

Comparatives are consistent with prior years, unless otherwise stated.

1 (a) Basis of Preparation

The financial statements are general-purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements. Rebound WA is a not-for-profit entity for the purpose of preparing the financial statements.

The accounting policies set out below have been consistently applied to all years presented.

(b) Change in Accounting Policy

Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019. Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

Revenue - Adoption of AASB 15

The Association has adopted AASB 15 *Revenue from Contracts with Customers* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 118 *Revenue*. Instead the cumulative effect of the change has been shown as an adjustment to retained earnings. The quantum is $43,145.

The impact of adopting AASB 16 is described below:

Under AASB 118, the Association recognised raffle income when the amount of the revenue can be measured reliably, and it is probable that economic benefits associated with the transaction will flow to the Association. Under AASB 15, revenue is recognised when the performance criteria specified within the contract is met.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised. The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

(c) Revenue and other income

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

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates. All revenue is stated net of the amount of goods and services tax (GST).

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Grant revenue

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

When grant revenue is received whereby the entity 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.

Rebound WA receives non-reciprocal contributions of assets 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

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest is recognised using the effective interest method.

Rendering of services

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

If the outcome cannot be reliably estimated, then revenue is recognised to the extent of expenses recognised that are recoverable.

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services.

1. Revenue is recognised by applying a five-step model as follows:

2. Identify the contract with the customer

3. Identify the performance obligations

4. Determine the transaction price

5. Allocate the transaction price to the performance obligations

Recognise revenue as and when control of the performance obligations is transferred

Rental income

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

2 Summary of Significant Accounting Policies

(c) Revenue and other income (cont.)

Gain on disposal of non-current assets

When a non-current asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

Other income

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

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

(f) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

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

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model or every three years.

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment (cont.)

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the asset's useful life to the Association, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Plant & Equipment	10% - 20%
Motor Vehicles	14.28%

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

(g) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(h) Intangible Assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimates useful lives, as these assets are considered finite. Residual values and

2 Summary of Significant Accounting Policies

(h) Intangible Assets (cont.)

useful lives are reviewed at each reporting date. In addition, they are subject to impairment. The following useful lives are applied:

Software 2.5-5 years

Amortisation has been included within depreciation and amortisation.

Subsequent expenditures on the maintenance of computer software is expensed as incurred. When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

(i) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories, which are described in detail below:

- receivables ; and
- fair value through other comprehensive income assets.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

2 Summary of Significant Accounting Policies

(j) Financial instruments (cont.)

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss. The Association's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Association renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Association does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Fair value through other comprehensive income assets

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 (FVTPL). Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL.

The assets within this category are equity investments. The Association made the irrevocable election to account for the investments at fair value through other comprehensive income. The fair value was determined in line with the requirements of IFRS 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in other comprehensive income. The fair values of financial assets in this category are determined by reference to active market transactions.

In the case of impairment, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in the prior period statement of profit or loss and other comprehensive income resulting from the impairment of debt securities are reversed through the statement of profit or loss and other comprehensive income, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Association's financial liabilities include trade and other payables which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Association assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired

(j) Financial instruments (cont.)

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

Investment properties are included in profit or loss in the period in which they arise.

(k) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(l) Provisions

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits.

In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

Provision is also made for monies held on behalf of some of our members. This cash is restricted and not available for the Association's use. As monies are expected to be wholly settled within one year, they have been measured at the amounts expected to be paid when the liability is settled.

(m) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2017, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

(n) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Association has decided not to early adopt these Standards.

Notes to the Financial Statements
For the Year Ended 30 June 2020

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key estimates – Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates related to technical obsolescence that may change the utility of certain software and IT equipment.

Key estimates – Value of investment property

Revaluations of the investment property are performed whenever there is a material movement in the value of an asset under the revaluation model or every three years. Independent parties perform the reviews.

Notes to the Financial Statements
For the Year Ended 30 June 2020

4 Cash and Cash Equivalents

	2020	2019
	$	$
Cash at bank and in hand	**250,241**	294,896
Short-term deposits	**600,000**	600,000
	850,241	894,896

5 Trade and Other Receivables

	2020	2019
	$	$
CURRENT		
Trade receivables	**14,604**	47,169
Provision for doubtful debts	**-**	(2,176)
Proceeds from sale of shares receivable	**407,240**	
Other receivables	**69,651**	136,167
	491,495	181,160

6 Other assets

	2020	2019
	$	$
Prepayments	**19,172**	21,133
	19,172	21,133

7 Investments in Listed Entities

	2020	2019
	$	$
Opening balance	**911,632**	878,597
Disposals	**(574,607)**	-
Revaluations	**76,840**	33,035
	413,865	911,632

8. Intangibles

	2020	2019
	$	$
Computer Software		
At cost	**116,630**	116,630
Accumulated depreciation	**(66,446)**	(49,718)
	50,184	66,912

Notes to the Financial Statements

For the Year Ended 30 June 2020

9 (a) Property, plant and equipment

	2020	2019
	$	$
Plant and equipment		
At cost	**534,233**	530,115
Accumulated depreciation	**(330,955)**	(304,698)
	203,278	225,417
Motor Vehicles		
At cost	**314,712**	215,669
Accumulated amortisation	**(57,727)**	(52,148)
	256,985	163,521
	460,263	388,938

(b) Movements in Carrying Amounts

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

	Plant and equipment $	Motor Vehicles $	Total $
Year ended 30 June 2020			
Balance at the beginning of year	**225,417**	**163,521**	**388,938**
Additions	20,450	397,974	**418,424**
Revaluation increase/(decrease)	-	-	**-**
Disposals	(3,167)	(269,968)	**(273,135)**
Depreciation expense	(39,420)	(34,542)	**(73,962)**
Balance at the end of the year	**203,278**	**256,985**	**460,263**

Notes to the Financial Statements

For the Year Ended 30 June 2020

10 Investment Property

	2020	2019
	$	$
Investment Property – at cost	1,**500,000**	1,500,000
Less: revaluation	**(155,000)**	(65,000)
	1,345,000	1,435,000

11 Right to Use Asset

	2020	2019
	$	$
Buildings	**62,767**	-
	62,767	-

12 Trade and other payables

	2020	2019
	$	**$**
Current		
Trade payables	**44,217**	76,487
GST and PAYG payables	**11,384**	19,367
Other payables	**28,000**	5,506
	83,601	101,360

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

Notes to the Financial Statements
For the Year Ended 30 June 2020

13 Provisions

	2020	2019
	$	$
Current liabilities		
Annual leave	**19,513**	17,274
Provision on costs	**2,077**	1,836
Athlete sponsorship accounts*	**93,137**	77,707
	114,727	96,817
Non-current liabilities		
Long service leave	**30,744**	20,544
Provision on costs	**3,269**	2,184
	34,013	22,728

*Provision is made for monies held on behalf of some of our members, named Athlete sponsorship accounts. This cash is restricted and not available for the Association's use. As monies are expected to be wholly settled within one year, they have been measured at the amounts expected to be paid when the liability is settled.

14 Lease Liability

	2020	2019
	$	$
Lease at Herb Graham Recreation Centre	**70,455**	-
Total	**70,455**	-

15 Capital and Leasing Commitments

(a) Operating Leases

	2020	2019
	$	$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**33,384**	32,858
- between one year and five years	**38,948**	71,193
	72,332	104,051

The Association has taken up its option to renew its lease agreement with the City of Stirling, commencing 1 September 2017 and expiring on 31 August 2022.

Notes to the Financial Statements
For the Year Ended 30 June 2020

16 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Rebound WA (Inc.) during the year are as follows:

	2020	2019
	$	$
Short-term employee benefits	**134,335**	142,815
Post-employment benefits	**12,762**	13,567
	147,097	156,382

17 Auditors' Remuneration

	2020	2019
	$	$
Remuneration of Crunch Auditing, for:		
- auditing of the financial statements	**7,700**	7,700

18 Financial Risk Management

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Objectives, policies and processes

Management receives overall responsibility for the establishment of Rebound WA Inc's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Rebound WA's activities.

The day-to-day risk management is carried out by Rebound WA's finance function under policies and objectives which have been approved by Management. The Finance Coordinator has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

Rebound WA Inc does not actively engage in the trading of financial assets for speculative purposes nor does it write options. Mitigation strategies for specific risks faced include entering into fixed term deposits with the Association's financial institution.

Liquidity risk

Liquidity risk arises from the Association's management of working capital and the finance charges. It is the risk that the Association will encounter difficulty in meeting its financial obligations as they fall due. The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Association manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business. Liquidity needs are monitored daily, weekly and monthly. Long-term liquidity needs for 180-day and 360-day periods are identified monthly. At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. The Association has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Management receives monthly reports summarising the turnover, trade receivables balance aging profile of each customer as well as a list of customers who have balances in excess of their credit limits.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

18 Financial Risk Management (cont)

Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss. Such risk is managed through diversification of investments across industries and geographic location.

19 Fair Value Measurement

The Association measures the following assets and liabilities at fair value on a recurring basis:
- Investment property
- Financial assets

Fair value hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the company:

	Level 1	Level 2	Level 3	Total
30 June 2020	**$**	**$**	**$**	**$**
Recurring fair value measurements				
Financial assets	413,865	-	-	413,865
Investment property	-	1,345,000	-	1,345,000
30 June 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
Recurring fair value measurements				
Financial assets	911,632	-	-	911,632
Investment property	-	1,435,000	-	1,435,000

Level 2 measurements

This relates to the Association's investment property, which is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of the asset are recognised in the profit or loss.

Notes to the Financial Statements
For the Year Ended 30 June 2020

20 Contingencies

In the opinion of the Board, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None)

21 Events after the end of the Reporting Period

The financial report was authorised for issue on 30 September 2020 by the Board.

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

22 Statutory Information

The registered office and principal place of business of the association is:

Rebound WA Inc.
Herb Graham Recreation Centre
38 Ashbury Crescent
Mirrabooka WA 6061

In the opinion of the Board the financial report as set out on pages 1 to 21:

1. Present fairly the financial position of Rebound WA (Inc) as at 30 June 2020 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Rebound WA (Inc) will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Chairperson

Simon Hardbottle
Dated this 30 day of September 2020

Independent Audit Report to the members of Rebound WA Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Rebound WA Inc (the Entity), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

(i) giving a true and fair view of the Entity's financial position as at 30 June 2020 and of its financial performance and its cash flows for the year ended; and

(ii) complying with Australian Accounting Standards.

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 Entity in accordance with the auditor independence requirements of 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.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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.

crunch auditing

Crunch Auditing Pty Ltd

Michael Cooper
30 September 2020
Perth

crunch AUDITING

Crunch Auditing Pty Ltd
enquiry@crunchauditing.com.au
www.crunchauditing.com.au
ABN: 43 158 633 615

Auditor's Independence Declaration

To those charged with governance of Rebound WA Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been no contraventions of the code of conduct relating to independence in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board.

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Crunch Auditing

Michael Cooper
30 September 2020

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