



# ANNUAL REPORT 2018



**STAR**  
Community  
Services.org.au



# AGENDA

- 1. Welcome and Opening**
- 2. Apologies**
- 3. Minutes of previous Annual General Meeting**
- 4. Business arising from previous minutes**
- 5. Reports- Chairman, Treasurer, General Manager**
- 6. Election of Office Bearers**
- 7. Appointment of Auditor**
- 8. General Business**



• Companionship and Shopping  
• Medical/Outing  
• Respite  
• Support  
• Care





# Minutes of AGM 2017

## MINUTES OF THE ANNUAL GENERAL MEETING OF STAR COMMUNITY SERVICES HELD AT 122 SHORE ST NORTH, CLEVELAND

**Date:** October 7, 2017

**Opening:** Meeting Opened

**Present:**

### **MEMBERS**

Patsy Wilshire; Pearl Dawson; Caroline Freeman; Ingrid Kadir; Raymond Milner; Myrna Davies; George Davies; Shirley Alderson; Joan Thompson; Nancy Watson; Helen Dowty; Deb Tearle; Pat Morgan; Danielle Butcher; Pam Bridges; Christine Saunders; Janette Boan; Yvonne Garner; Pam Pullar; Joan Bligh; Steve Bee.

### **NON-MEMBERS**

Peter Dowling; Garry White; Peter Mitchell; Lance Hewlett; Sheena Hewlett; Janette Buddee; Paul Barnes; Shalene Osvatics; Nectaria Chronopolous.

### **Apologies:**

Mayor Antonioli; Julie Talty; Mark Robinson; Mayor Karen Williams Tracey Huges; Paul Bishop; Paul Golle.

### **OPENING AND WELCOME**

The Chairman, Rob Spencer, acknowledged the original inhabitants of the Redland area and paid respect to their elders, past and present. He welcomed clients, staff, committee, honoured guests and friends.

### **MINUTES OF 2016 AGM**

Moved: Tony Christinson; seconded: Christine Saunders

THAT the minutes of the 2016 AGM as printed be accepted.

CARRIED

### **BUSINESS ARISING: Nil**

### **REPORTS**

#### **CHAIRMAN**

The Chairman spoke to his report presented with the meeting papers. He thanked the management team for the work done in preparing for the annual meeting. He pointed out that STAR has fourteen paid employees and nearly one hundred volunteers. Mr Spencer thanked the Redland City Council and the State Government for their support. He noted with sadness the death of our past Patron, Dr Alex Foxton.

# Minutes of AGM 2017

Contd...

Moved: Pam Bridges; seconded: Janette Buddee  
THAT the Chairman's report be received.

CARRIED

## GENERAL MANAGER

The General Manager, Patsy Wilshire, spoke to her written report. Patsy drew attention to the myriad of activities undertaken during 2016-17. She hoped that there would now be a settling in period to deliver the full range of services during the coming year. Patsy answered questions on cashless payment.

Moved: Patsy Wilshire; seconded: Pat Morgan  
THAT the General Manager's report be received.

CARRIED

## TREASURER

Peter Mann spoke to the audited financial statement. He explained STAR's growth from a \$1.4 million enterprise pre-2016-17 to an expected \$6 million turnover in 2017-18.

Moved: Peter Mann; seconded: Christine Saunders  
THAT the Treasurer's Report be accepted.

CARRIED

## ELECTION OF 2016-17 BOARD

The Chairman declared all Board positions vacant and invited Patsy Wilshire to conduct the election of the Board for 2017-18.

As the Constitution allows a Board of nine to be elected and there were eight nominations, Patsy declared the following Board Members elected:

Pam Bridges; Tony Christinson; Peter Mann; Christine Saunders; Rob Spencer; Col Sutcliffe. Danielle Butcher; Pat Morgan.

Moved: Pam Bridges; seconded: Danielle Butcher  
THAT the meeting declare the above Board Members elected to the STAR Community Services Board for 2017-18.

CARRIED

## APPOINTMENT OF AUDITOR FOR 2017-18

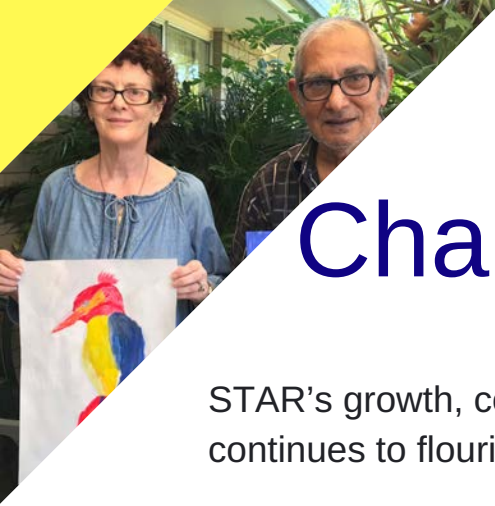
Moved: Peter Mann; seconded: Christine Saunders  
That Robert White, Advanced Accountants RTN, be appointed as STAR Community Services auditor for 2017-18.

CARRIED

## GENERAL BUSINESS Nil

## DATE OF NEXT AGM

**CLOSURE** The Chairman closed the meeting and thanked all for attending at 10:45 am.



# Chairperson's Report

STAR's growth, commitment to excellence and care for its clients continues to flourish.

Since the last AGM, we have seen more changes in Government direction, funding, regulation and involvement. STAR has done a great job in working within these changes and showing a positive result, which augurs well for the future.

There are fractures in the Aged and Disability Care industries which are affecting profitability, long-term growth, direction and commitment. STAR is watching where it treads very carefully.

STAR is pleased to report that the last 12 months has seen the organisation working with the changes, accepting, and in some cases directing, the changes and delivering services for the benefits of clients.

We are established in a wider geographical area, we are moving into other regions, we are continually developing into the Aged and Disability Care markets, establishing a home maintenance arm and generally looking at other areas of interest to our clients.

We cannot sit still in a changing environment.

As the changes occurred, we changed with them, but at our pace and direction. Some we have anticipated.

We have a strong and established management team, we have a trained and committed workforce, we have a loyal band of volunteers, we have the support of local communities, Government and non-Government agencies, The efforts of this fantastic team resulted in nominations in 3 Awards – Redland City Council Australia Day, Volunteering Queensland, and HESTA.



# Chairperson's Report

*Contd.*

As Chair, I thank all management, staff, volunteers and supporters for their assistance in making STAR as successful as it is. I am always amazed at what the entire team achieves.

We are involved and in some cases lead a series of networks in our industries and work closely with our peers to establish the best outcomes for our clients.

We have connections with, and work closely with, various peak bodies and industry associations to promote ourselves and our services for the benefit of clients.

We are committed in so many ways to the Aged and Disability Care sectors in a number of regions and will continue that commitment into the future. Clients, current and future, can be assured that we have their interests paramount in what we do.

We have a strong Board of Directors, dedicated to ensuring the stability and growth of STAR, and we will continue to develop their skills. The Board understand the changes in the sectors we provide services to and are striving to succeed within the scope of those changes. All Board members are volunteers and I, as Chair, appreciate and am thankful for their dedication, hard work and skills. Without them, STAR would be less of an organisation.

We still see ourselves as an icon in the Redland and Ipswich areas, and we look to promote similar images in other areas of activity.

We continue to strive for the benefit of our clients and we thank you for your support.

Rob Spencer

Chairperson – Board of Directors, STAR Community Services



# General Manager's Report

They say, time flies when you are having fun. The last 12 months at STAR have certainly flown past. The STAR team has achieved many of our goals set in the previous year and we continue to march ahead.

Last month, STAR team got a huge accolade for our efforts. We were one of the top three Finalists in the HESTA 2018 National Award for Outstanding Organisation in Aged Care. Our Chair and I were flown to Canberra to accept the award of which we are very proud of. Here is a short summary of activities in past 12 months.

## **Ipswich**

STAR's new office at Jacaranda Street in Ipswich is fully set up and delivering quality services to the community. Our Care team at Ipswich is expanding with newly appointed administration staff and volunteers.

We continue to deliver community transport to:


- over 65 years (or over 50 years for ATSI)
- under 65 years
- Queensland Ambulance Service
- Ipswich General Hospital

For the elderly in Ipswich, we have also introduced Social Support and Home Maintenance through CHSP (Commonwealth Funding).

STAR now offers Support Coordination in Ipswich for NDIS participants (60+). We also introduced Direct Support Workers for NDIS in Ipswich.

We are also committed to ensuring the community is well informed about NDIS and Aged Care changes so they can make informed decisions about their care. We have both organised and attended an enormous number of expos, workshops, networking and information sessions in Ipswich in the past year.

The growth and expanded services that we are offering our Clients with a disability, or issues with social isolation, is the down to the loyal and tireless work of our Care Team. They prove each day that they are client focused and always go above and beyond, for this, I thank their families for their support and patience for allowing them to offer their personal time to help others.





# General Manager's Report

Contd.

## **STAR Home Assist Secure**

The Management, and then finally acquisition, of Home Assist Secure from Redland City Council to STAR, was a challenging time for the whole team involved. We were given a near-impossible mission of increasing the existing outputs by 50% of the current services being delivered while raising the levels of customer service to a high standard. I am proud to say that we did it!! We achieved a novation of the Commonwealth Home Support funding.

We introduced a new software program to manage the workload and reporting to Government funders. We were disappointed in July to discover that the State contract was awarded to a large provider outside of the region. But we managed to maintain our staff and systems to assist in the delivery of an efficient Home Maintenance and Home Modifications service to the community.

Core Services Management was the driving force that got STAR over the line and turned this program around to the success that it is today.

## **Expansion of the Cleveland office**

To accommodate our expanding family, we opened the STAR Care Qld office in Cleveland in the same building as the STAR head office. This space has allowed for the growth in Care as well as two well-positioned interview rooms for clients to come into the office to discuss their Aged or Disability Care Plans in private.

## **Southern Moreton Bay Islands**

We have organised a series of information sessions in the SMBIs for Aged Care, NDIS and volunteering. We will continue to educate the community and expand our client base in the Islands.

## **Volunteering Redlands**

STAR's volunteering arm continues to be the true hub of volunteering. VR's Coordinator Deb Tearle was nominated for Queensland Volunteering Award in the Excellence in Volunteer Management Category. VR is also leading the way in inclusive volunteering. VR organised an information session in *"Breaking the barriers in volunteering for People with Disability."* More information sessions to benefit community organisations and individual volunteers are in the pipeline.





# General Manager's Report

*Contd.*

## **Quality and Administration**

We came out with flying colours in a successful audit within the Human Services Quality Framework.

We have also appointed a Quality Assurance Officer, for both sites, who is responsible for

- OHS
- Incidents Accidents and Hazards Register
- Improvement Register
- Policy and Procedure Updates
- Governance Guidance
- Quality Audits

We made a very bold move to move to cashless and to outsource our accounts and are now beginning to see the rewards of automation, technology is embraced and appreciated.

We continue to deliver community services with the assistance of volunteers, skilled staff and a knowledgeable Board. We never lose sight of our vision and mission of servicing our communities.

We continue to partner, network and collaborate with like-minded groups in our community and advocate for clients in need.

It isn't very often that you hear someone say they love the work they do, well I love the work I do because it brings such satisfaction in knowing that we genuinely make a difference in so many peoples lives.

STAR is full of heroes making a difference to our community, from the Board to the Volunteers and staff and the ultra-amazing Management Team that I see scoring goals each day, thank you for your support and on behalf of our 4,600 active clients thank you for making a difference in their lives.

Patsy Wilshire

General Manager, STAR Community Services

# Board of Directors

## New Nominations



### **Ken Ewald, GAICD CDec**

Ken has over 35 years of experience in the Financial Planning Industry in roles including General Manager and Sales Manager for leading Australian Financial Services companies, and Financial Services and business coaching. Ken is actively involved as a board member for Churches of Christ Queensland in Qld and the Redland Foundation Ltd. He is married with five children and a keen competitive squash player.



### **Darryl McConochie**

Darryl has had a successful career spanning over 30 years in senior management and various volunteering. He has been actively involved in learning and development since 2006, here in Australia and overseas, sharing his experience in strategic planning and organisational development, change management, problem solving and root cause analysis, continuous improvement and employee empowerment. He has provided executive coaching to leaders in the NFP sector and in corporate, regional and franchised operations, helping them develop and implement strategies and programs to deliver sustainable growth and profitability.

## Nominations from previous positions

- **Rob Spencer**
- **Peter Mann**
- **Col Sutcliffe**
- **Pam Bridges**
- **Danielle Butcher**



# STAR Community Services Financial Report 2017-18

# **STAR COMMUNITY SERVICES LTD**

**ABN: 267 296 190 90**

**Financial Report For The Year Ended  
30 June 2018**



## **Star Community Services Ltd**

**ABN: 267 296 190 90**

### **Financial Report For The Year Ended 30 June 2018**

#### **CONTENTS**

---

Directors' Report

Auditor's Independence Declaration

Statement of Profit or Loss

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

Directors' Declaration

Independent Auditor's Report

## REPORT

### STAR COMMUNITY SERVICES LTD

ABN: 267 296 190 90

### DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2018.

#### Directors

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

Robin Spencer  
Peter Mann  
Christine Saunders  
Pam Bridges  
Danielle Butcher  
Thomas Thykoodathil resigned (09/2017)  
Tony Christinson resigned (02/2018)  
Colin Sutcliffe  
Patrick Morgan

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

#### Principal Activities

The principal activity of the company during the financial year was:

To provide Community Transport services through Star Community Services, direct care support to aged and disability clients, and volunteering intake services through Volunteering Redlands.

#### Short-term and Long-term Objectives

The company's short-term objectives are to:

- Provide Community Transport services per Commonwealth Home Support funding, and Queensland Community Care funding, and non-funded Community Transport
- Maintain a Volunteering intake service to residents, and NFP groups in the Redlands.
- Manage Community projects as requested by other organisations (funded and unfunded).
- Provide Care Services to Aged and Disability Clients in Brisbane South, South Coast, Logan River Valley and West Moreton regions

The company's long-term objectives are to:

- Maintain Community Transport services in Redlands and Brisbane South, South Coast, Logan River Valley and West Moreton, whether funded or unfunded;
- Provide Disability Support services to residents of the Redlands and Brisbane South, South Coast, Logan River Valley and West Moreton, whether funded or unfunded;
- Provide Direct Care services to our ageing residents of the Redlands and Brisbane South, South Coast, Logan River Valley and West Moreton
- Provide a Volunteering intake service to residents and NFP groups in the Redlands.
- Manage Community projects as requested by other organisations (funded or unfunded);
- Develop consortium, partnerships or amalgamations with other similar Community organisations, with a view of forming a Hub Community Centre in the Redlands.

#### Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Focus its management objectives on Community Transport, Aged and Disability Care programs, and Home Maintenance.
- Leverage programs outside Community Transport with other Community Service providers, building consortiums, partnership or amalgamations, as required;
- Maintain focus on having a robust and significant Volunteer base, who are well trained and aware of the significant benefits they provide to residents who require care in Redlands and Brisbane South;
- The organisation strives for best practice through adherence to Quality programs required by funders, and through on-going training of all staff.
- Focus on innovative projects that achieve high standard services outside of Government Funding

# REPORT

## STAR COMMUNITY SERVICES LTD ABN: 267 296 190 90 DIRECTORS' REPORT

### Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

	2018		2017	
	Actual	Benchmark	Actual	Benchmark
<b>Clients</b>				
Number of new clients	1,276	1,300	955	1,000
Number of active clients	4,500	2,500	2,770	1,500
Commonwealth HACC Trips to funding	59,436	75,862	53,527	46,250
Queensland Community Care trips fund	12,149	15,950	8,978	9,300
Client Surveys-average satisfaction rates	96%	100%	95%	100%
Staff Climate Surveys (estimate)	89%	90%	95%	90%
Financial - Current ratio	136%	n/a	160%	n/a

### Information on Directors

Robin Spencer	—	Chairperson
Qualifications	—	University Qualifications (Agriculture and Business) C.dec
Experience	—	Board Position at STAR since 2004 Board Member - TDSA (Transport Development & Solutions Alliance) Past Zone Chair of National Seniors, member of Policy Group. Past Branch Secretary of National seniors Australia Current Convenor Redlands Disability Network Past positions on Redlands Committee of the Ageing Holds positions on Board Sub-Committees- Finance, Risk and Audit, and Strategic Planning and Governance
SpecialResponsibilities	---	
Peter Mann	—	Director/Board Treasurer
Qualifications	—	Various University Qualifications Former CPA Member
Experience	—	Extensive experience in the Australian Not-For-Profit sector General Manager at Star Community Services for 7 years
SpecialResponsibilities	—	Chair-Finance, Risk and Audit Committee
Christine Saunders	—	Director
Qualifications	—	Full Time Carer, South East Regional Disability Advisory Council Member (6 Years and appointed until 2019 with the full implementation of the NDIS), Free lance business Consultant
Experience	—	Board Position at STAR since 2015
SpecialResponsibilities	—	Nil

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**DIRECTORS' REPORT**

Pam Bridges	—	Director
Qualifications	—	Registered Nurse, BA Social Welfare, Grad Diploma in Health Service Management, Ministerial Appointed Member of Nurse Adviser and Administrator Panels, Justice of Peace (Qual), Certified Quality Assessor, Pam has worked in the aged care sector for many years as a Director of Nursing, General Manager, Resident Care Manager for ACQ - Now LASA Q. For 10 years Pam runs her own Aged Care Consultancy and in this capacity she is involved in a wide range of activities across the State as well as interstate.
Experience	—	Board Position at STAR since 2015
SpecialResponsibilities	—	Nil
Danielle Butcher	—	Director
Qualifications	—	Former Director of CODI, Board member of Disability groups in Ipswich.
Experience	—	10 years involvement in Disability organisations, and funded Community Transport.
SpecialResponsibilities	—	Nil
Thomas Thykoodathil	—	Director
Qualifications	—	Degree and MBA
Experience	—	Manager of Donald Simpson Community Centre in Redlands
SpecialResponsibilities	—	IT, Marketing
Tony Christinson	—	Company Secretary
Qualifications	—	Worked in Education
Experience	—	Board Position at STAR since 2013 Chair of Board Donald Simpson Community Centre Chair Redlands Seniors Network Former President RDCOTA
SpecialResponsibilities	—	Holds positions on Board Sub-Committees - Membership
Colin Sutcliffe	—	Director
Qualifications	—	Tertiary
Experience	—	Current Chairman of Mangrove Housing (Disability)
SpecialResponsibilities	—	Chair-Strategic Planning and Governance Committee
Patrick Morgan	—	Director
Qualifications	—	Tertiary
Experience	—	Government, General Manager of CODI (Community Transport)
SpecialResponsibilities	—	Member-Finance and Audit Committee



# REPORT

## STAR COMMUNITY SERVICES LTD ABN: 267 296 190 90 DIRECTORS' REPORT

### Meetings of Directors

During the financial year, 12 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number attended	Number eligible to attend
Robin Spencer	12	12
Peter Mann	12	12
Christine Saunders	4	12
Pam Bridges	3	12
Danielle Butcher	11	12
Thomas Thykoodathil	3	3
Tony Christinson	4	5
Colin Sutcliffe	10	12
Patrick Morgan	9	12

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company..

### Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

Director

*P. Mann*

Peter Mann

X

Dated this 23rd day of August 2018

REPORT

STAR COMMUNITY SERVICES LTD

ABN: 267 296 190 90

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF  
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF STAR COMMUNITY SERVICES LTD

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm Advanced Accountants RTM Pty Ltd

Name of Partner Robert John White

Date 26-08-18

Address 19 Abney Street, Moorooka

QLD 4105

# REPORT

## STAR COMMUNITY SERVICES LTD ABN: 267 296 190 90 STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
Revenue	2	3,614,065	1,896,428
Other income	2	1,947,701	782,499
Employee benefits expense		(2,461,357)	(1,229,469)
Depreciation and amortisation expense	3	(319,787)	(278,527)
Interest expense	3	(11,473)	(8,073)
Bad and doubtful debts expense	3	(40,000)	(10,000)
Repairs, maintenance and vehicle running expenses		-	-
Fuel, light and power expense		(11,750)	(7,480)
Rental expense	3	(149,876)	(111,161)
Training expense		-	-
Audit, legal and consultancy fees		(29,211)	(16,614)
Administration expense		-	-
Marketing expenses		-	-
Client support services expense		-	-
Fundraising expenses		-	-
Transport expense		(1,054,817)	(678,977)
Administration expense		(1,373,229)	(491,642)
Sundry expenses		-	-
Share of net profits of associates and joint ventures		-	-
<b>Current year surplus before income tax</b>		<b>110,266</b>	<b>(153,016)</b>
Income tax expense		-	-
<b>Net current year surplus</b>		<b>110,266</b>	<b>(153,016)</b>
Net current year surplus attributable to members of the entity		<b>110,266</b>	<b>(153,016)</b>

The accompanying notes form part of these financial statements.

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>Net current year surplus</b>		110,266	(153,016)
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Gain on revaluation of land	7,	-	-
<b>Items that will be reclassified subsequently to profit or loss when specific conditions are met:</b>			
Fair value remeasurement gains/(losses) on available-for-sale financial assets		-	-
<b>Items that have been reclassified to profit or loss:</b>			
Reclassification of fair value losses on available-for-sale financial assets to profit or loss		-	-
<b>Total other comprehensive (losses)/income for the year</b>		-	-
<b>Total comprehensive income for the year</b>		<u>110,266</u>	<u>(153,016)</u>
Profit attributable to members of the entity		<u>110,266</u>	<u>(153,016)</u>
Total comprehensive income attributable to members of the entity		<u>110,266</u>	<u>(153,016)</u>

The accompanying notes form part of these financial statements.



**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	2,454,657	2,404,620
Accounts receivable and other debtors	5	293,322	80,888
Other current assets	6	67,887	20,762
<b>TOTAL CURRENT ASSETS</b>		<u>2,815,867</u>	<u>2,506,270</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	636,908	496,504
Intangible assets	8	42,791	77,733
Other non-current assets		-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u>679,699</u>	<u>574,237</u>
<b>TOTAL ASSETS</b>		<u>3,495,566</u>	<u>3,080,506</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	9	1,446,578	1,148,785
Borrowings	10	210,452	280,760
Employee provisions	11	118,401	68,470
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,775,431</u>	<u>1,498,015</u>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	10	-	-
Borrowings	10	-	-
Employee provisions	11	72,079	44,699
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>72,079</u>	<u>44,699</u>
<b>TOTAL LIABILITIES</b>		<u>1,847,510</u>	<u>1,542,715</u>
<b>NET ASSETS</b>		<u>1,648,056</u>	<u>1,537,792</u>
<b>EQUITY</b>			
Retained surplus		1,648,056	1,537,792
Reserves		-	-
<b>TOTAL EQUITY</b>		<u>1,648,056</u>	<u>1,537,792</u>

The accompanying notes form part of these financial statements.

# REPORT

## STAR COMMUNITY SERVICES LTD ABN: 267 296 190 90 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Note	Retained Surplus	Revaluation Surplus	Financial Assets Reserve	Total
		\$	\$	\$	\$
<b>Balance at 1 July 2016</b>		1,690,808			1,690,808
<b>Comprehensive Income</b>					
Surplus for the year attributable to members of the entity		(153,016)			(153,016)
Other comprehensive income for the year					
Net fair value gains on available-for-sale financial assets				-	-
Gains on revaluation of land and buildings	7				
Total other comprehensive income		-	-	-	-
<b>Total comprehensive income attributable to members of the entity</b>		(153,016)	-	-	(153,016)
<b>Balance at 30 June 2017</b>		1,537,792	-	-	1,537,792
<b>Balance at 1 July 2017</b>		1,537,792	-	-	1,537,792
<b>Comprehensive Income</b>					
Surplus for the year attributable to members of the entity		110,266			110,266
Other comprehensive income for the year					
Net fair value losses on available-for-sale financial assets				-	-
Total other comprehensive income		-	-	-	-
<b>Total comprehensive income attributable to members of the entity</b>		110,266	-	-	110,266
<b>Other transfers</b>					
Cumulative revaluation surplus relating to sale of property, transferred to retained surplus					-
<b>Total transactions with owners and other transfers</b>		-	-	-	-
<b>Balance at 30 June 2018</b>		1,648,057	-	-	1,648,057

The accompanying notes form part of these financial statements

# REPORT

## STAR COMMUNITY SERVICES LTD ABN: 267 296 190 90 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Commonwealth, state and local government grants		3,614,000	2,798,596
Receipts from donations, bequests and raffles		1,735,332	679,808
Payments to suppliers and employees		(4,825,893)	(2,399,982)
Interest received		45,330	40,748
Dividends received		-	-
Interest paid		(11,473)	(8,073)
Net cash generated from operating activities		<u>557,296</u>	<u>1,111,097</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		79,773	58,097
Payment for property, plant and equipment		(517,524)	(308,839)
Proceeds from sale of available-for-sale investments		-	-
Payment for available-for-sale investments		-	-
(Payments) / proceeds of borrowings		(70,308)	161,552
Payment for intangible assets		-	(81,676)
Payment for held-to-maturity investments		-	-
Net cash used in investing activities		<u>(508,059)</u>	<u>(170,866)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of finance lease commitments		-	-
Increase in finance lease commitments		-	-
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		49,237	940,231
Cash on hand at beginning of the financial year		2,404,620	1,464,389
Cash on hand at end of the financial year	4	<u>2,453,857</u>	<u>2,404,620</u>

The accompanying notes form part of these financial statements.

## REPORT

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1      Summary of Significant Accounting Policies**

**Basis of Preparation**

Star Community Services Ltd applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 19th August 2018 by the directors of the company.

**Accounting Policies**

**(a) Revenue**

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

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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.

Star Community Services Ltd 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 profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

**(b) Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.



**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

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

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

**Plant and Equipment**

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

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

**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Motor Vehicles	10-25 %
Plant and equipment	76 -33 %

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 recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(d) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

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

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

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

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**(e) Financial Instruments**

*Initial Recognition and Measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are recognised immediately as expenses in profit or loss.

*Classification and Subsequent Measurement*

Financial instruments are subsequently measured at fair value (refer to Note 1(q)), amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

*(i) Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

*(iv) Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

*(v) Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

*Impairment*

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

*Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(f) Impairment of Assets**

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**(g) Employee Benefits****Short-term employee benefits**

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

**Other long-term employee benefits**

The company classifies employees' long service leave and annual leave entitlements as other 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 company'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 government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, in which case the obligations are presented as current liabilities.

**Retirement benefit obligations****Defined contribution superannuation benefits**

All employees of the company receive defined contribution superannuation entitlements, for which the company pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

**(h) Cash and Cash Equivalents**

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

**(i) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

**(j) Income Tax**

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

**(k) Intangible Assets****Software**

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between 1 and 3 years. It is assessed annually for impairment.

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**(l) Provisions**

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

**(m) Comparative Figures**

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

**(n) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period 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.

**(o) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**(p) Economic Dependence**

Star Community Services Ltd is dependent on the Department of Social Services for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the department will not continue to support Star Community Services Ltd.

**(q) Fair Value of Assets and Liabilities**

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

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie 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 (ie the 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 entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or 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.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

**(r) New and amended Accounting Standards**

The entity has assessed all new and amended accounting standards issued and effective for financial reporting periods beginning on or after 1 January 2017, and determined there to be no effect on the current or prior period financial statements.

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**Note 2 Revenue and Other Income**

	2018	2017
	\$	\$
<b>Revenue</b>		
Revenue from (non-reciprocal) government grants and other grants		
— State/federal government grants – operating	3,606,565	1,877,450
— Other government grants	-	-
— Other organisations	7,500	18,978
	<u>3,614,065</u>	<u>1,896,428</u>
Other revenue		
— Dividends received	-	-
— Interest received on investments in government and fixed interest securities	-	-
	<u>-</u>	<u>-</u>
<b>Total revenue</b>	<u>3,614,065</u>	<u>1,896,428</u>
<b>Other income</b>		
— Gain on disposal of property, plant and equipment	13,295	15,414
— Other	407,297	235,706
— Transport Contributions	924,990	490,400
— Maintenance Contribution	234,192	232
— Interest	45,330	40,748
— Home Care Contributions	172,175	-
— Sundry Income	150,422	-
<b>Total other income</b>	<u>1,947,701</u>	<u>782,499</u>
<b>Total revenue and other income</b>	<u>5,561,766</u>	<u>2,678,927</u>

**Note 3 Profit for the year**

	2018	2017
	\$	\$
<b>(a) Expenses</b>		
Employee benefits expense:		
— contributions to defined contribution superannuation funds	203,378	104,612
— Wages	2,257,979	1,124,857
<b>Total employee benefits expense</b>	<u>2,461,357</u>	<u>1,229,469</u>
Depreciation and amortisation:		
— land and buildings	-	-
— motor vehicles	266,767	252,222
— furniture and equipment	820	1,052
— software	-	3,944
<b>Total depreciation and amortisation</b>	<u>319,787</u>	<u>278,527</u>
Finance costs:		
— Interest expense	11,473	8,073
Bad and doubtful debts:		
— trade and other receivables	40,000	10,000
Rental expense on operating leases:		
— minimum lease payments	149,876	111,161
— contingent rents	-	-
<b>Total Rental Expense</b>	<u>149,876</u>	<u>111,161</u>
Audit fees		
— audit services	12,000	12,000
— taxation services	-	-
<b>Total Audit Remuneration</b>	<u>12,000</u>	<u>12,000</u>

## REPORT

**STAR COMMUNITY SERVICES LTD**

**ABN: 267 296 190 90**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### (b) Significant Revenue and Expenses

Net fair value loss on disposal of investments in available-for-sale listed shares

Property, plant and equipment:		
Proceeds on disposal	92,487	58,098
Disposals at carrying amount	(79,192)	(42,684)
Net gain on disposals	13,295	15,414

**Note 4**                      **Cash and Cash Equivalents**

	2018	2017
	\$	\$
CURRENT		
Cash at bank	2,141,015	2,098,545
Cash on hand	1,000	1,795
Term deposit	312,643	304,280
	<u>2,454,657</u>	<u>2,404,620</u>
	2,453,857	2,404,620

**Note 5            Trade and Other Receivables**

	Note	2018 \$	2017 \$
CURRENT			
Accounts receivable		297,843	60,888
Provision for doubtful debts		(34,521)	(10,000)
		<u>263,322</u>	<u>50,888</u>
Other debtors		-	-
Rental Bond		<u>30,000</u>	<u>30,000</u>
Total current accounts receivable and other debtors		<u>293,322</u>	<u>80,888</u>

**(a) Provision for doubtful debts**

**Movement in the provision for doubtful debts is as follows:**

	\$
Provision for doubtful debts as at 1 July 2016	
— Charge for the year	(10,000)
— Written off	
Provision for doubtful debts as at 30 June 2017	<u>(10,000)</u>
— Charge for the year	(30,000)
— Written off	5,479
Provision for doubtful debts as at 30 June 2018	<u>(34,521)</u>

**Note 6**                      **Other Assets**

	2018	2017
	\$	\$
Accrued Income	4,437	11,601
Prepayments	63,451	9,161
	<u>67,887</u>	<u>20,762</u>



**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**Note 7 Property, Plant and Equipment**

	2018 \$	2017 \$
<b>PLANT AND EQUIPMENT</b>		
Furniture & Fittings - at cost	14,424	14,424
(Accumulated depreciation)	(11,470)	(10,650)
Computer/Office Equipment - at cost	162,131	163,571
(Accumulated depreciation)	(149,397)	(133,766)
Motor Vehicles - at cost	1,525,840	1,281,790
(Accumulated depreciation)	(930,655)	(832,268)
Leasehold Improvements - at cost	104,468	78,562
(Accumulated depreciation)	(78,434)	(65,158)
	<u>636,908</u>	<u>496,504</u>
 Total property, plant and equipment	 <u>636,908</u>	 <u>496,504</u>

**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:

	Land and Buildings \$	Motor Vehicles \$	Plant and Equipment \$	Total \$
<b>2017</b>				
Balance at the beginning of the year		437,028	67,905	504,933
Additions at cost		281,815	1,440	283,255
Additions at fair value		25,584		25,584
Disposals		(42,684)		(42,684)
Revaluations				-
Depreciation expense		(252,222)	(22,362)	(274,584)
Impairment losses				-
Reversals of impairment losses				-
Carrying amount at the end of the year	-	<u>449,521</u>	<u>46,983</u>	<u>496,504</u>
<b>2018</b>				
Balance at the beginning of the year	-	449,521	46,983	496,504
Additions at cost		491,622	25,907	517,529
Additions at fair value				-
Disposals		(79,192)		(79,192)
Revaluations				-
Depreciation expense		(266,767)	(31,167)	(297,934)
Impairment losses				-
Reversals of impairment losses				-
Carrying amount at the end of the year	-	<u>595,185</u>	<u>41,723</u>	<u>636,908</u>

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**Note 8 Intangible Assets**

	2018	2017
	\$	\$
Computer software - at cost	63,100	63,100
Accumulated amortisation	(20,309)	(3,944)
Accumulated impairment	-	-
Goodwill at Cost	18,576	18,576
(Goodwill accumulated impairment)	(18,576)	-
Net carrying amount	<u>42,791</u>	<u>77,733</u>
	Computer software	
	\$	
<b>Movements in Carrying Amount</b>		
<b>2017</b>		
Balance at the beginning of the year	63,100	
Additions		
Disposals		
Amortisation charge	(3,944)	
Impairment losses		
	<u>59,156</u>	
<b>2018</b>		
Balance at the beginning of the year	77,733	
Additions		
Disposals		
Amortisation charge	(16,365)	
Impairment losses	(18,576)	
	<u>42,791</u>	

**Note 9 Trade and Other Payables**

	2018	2017
	\$	\$
<b>CURRENT</b>		
Accounts payable	320,435	61,599
Deferred income	808,587	907,950
Other current payables	339,393	207,696
GST payable	(21,837)	(28,459)
9(a)	<u>1,446,578</u>	<u>1,148,785</u>
<b>NON-CURRENT</b>		
Accounts payable	-	-
Deferred income	-	-
Other non-current payables	-	-
Other payables (net amount of GST payable)	-	-
	<u>-</u>	<u>-</u>
	2018	2017
	\$	\$
(a) Financial liabilities at amortised cost classified as accounts payable and other payables		
Accounts payable and other payables:		
— Total current	1,446,578	1,148,785
— Total non-current	-	-
	<u>1,446,578</u>	<u>1,148,785</u>
Less deferred income	(808,587)	(907,950)
Less other payables (net amount of GST payable)	21,837	28,459
Financial liabilities as accounts payable and other payables	<u>659,828</u>	<u>269,295</u>
14		

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**Note 10 Borrowings**

	Note	2018 \$	2017 \$
CURRENT			
Loans Payable		210,452	280,760
		<u>210,452</u>	<u>280,760</u>
NON-CURRENT			
Commercial Loan		-	-
		<u>-</u>	<u>-</u>
TOTAL BORROWINGS	14	<u>210,452</u>	<u>280,760</u>

Lease liabilities are secured by the underlying leased assets.

**Note 11 Provisions**

CURRENT	2018 \$	2017 \$
Provision for employee benefits: annual leave	118,401	68,470
Provision for employee benefits: long service leave	-	-
	<u>118,401</u>	<u>68,470</u>
NON-CURRENT		
Provision for employee benefits: long service leave	72,079	44,699
	<u>72,079</u>	<u>44,699</u>
	<u>190,479</u>	<u>113,169</u>
<b>Analysis of total provisions:</b>	Employee Benefits	Total
Opening balance at 1 July 2017	113,169	113,169
Additional provisions raised during the year	77,310	77,310
Amounts used	-	-
Balance at 30 June 2018	<u>190,479</u>	<u>190,479</u>

**Employee Provisions**

Employee provisions represents amounts accrued for annual leave and long service leave.

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

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018**

**Note 12 Capital and Leasing Commitments**

**(a) Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the financial statements

	2018	2017
Payable – minimum lease payments	\$	\$
— not later than 12 months	178,824	
— between 12 months and five years	213,059	213,059
— later than five years		
	<u>391,883</u>	<u>213,059</u>

The property lease commitments are non-cancellable operating leases contracted for but not recognised in the financial statements with a five-year term. Increases in lease commitments may occur in line with the consumer price index (CPI).

	2018	2017
Capital expenditure commitments	\$	\$
Plant and equipment		

**Note 13 Key Management Personnel Compensation**

**Key Management Personnel**

The totals of remuneration paid to KMP of the company during the year are as follows:

	2018	2017
KMP compensation:	\$	\$
— employee benefits	465,882	289,415
	<u>465,882</u>	<u>289,415</u>

**Note 14 Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables, and lease liabilities.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018 \$	2017 \$
<b>Financial assets</b>			
Cash and cash equivalents	4	2,454,657	2,404,620
Loans and receivables	5	293,322	80,888
Financial assets at fair value through profit or loss		-	-
Held-to-maturity investments		-	-
Available-for-sale financial assets		-	-
Other		-	-
<b>Total financial assets</b>		<u>2,747,980</u>	<u>2,485,508</u>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
— accounts payable and other payables	9(a)	659,828	269,295
— lease liabilities	10	210,452	280,760
<b>Total financial liabilities</b>		<u>870,281</u>	<u>550,055</u>

Refer to Note 14 for detailed disclosures regarding the fair value measurement of the company's financial assets and financial liabilities.

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

**STAR COMMUNITY SERVICES LTD**

**ABN: 267 296 190 90**

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

**Note 15      Entity Details**

The registered office of the entity is:

Star Community Services Ltd  
15/152-166 Shore St W  
Cleveland  
QLD 4163

The principal place of business is:

Star Community Services Ltd  
15/152-166 Shore St W  
Cleveland  
QLD 4163

**Note 16      Members' Guarantee**

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the entity.

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Star Community Services Ltd, the directors declare that:

1. The financial statements and notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
  - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - (b) give a true and fair view of the financial position of the registered entity as at 30 June 2018 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

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

Director



*Peter Mann*

Dated this 23rd day of August 2018

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**STAR COMMUNITY SERVICES LTD**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Star Community Services Ltd (the registered entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Star Community Services Ltd has been prepared in accordance with Div 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- i. giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 – Reduced Disclosure Requirements and Div 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the ACNC Act and 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.

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered 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 the directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



# REPORT

**STAR COMMUNITY SERVICES LTD**  
**ABN: 267 296 190 90**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**STAR COMMUNITY SERVICES LTD**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

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

Auditor's name and signature:

Robert John White

Address:

19 Abney Street Morooka QLD 4105

Dated this

23rd

day of

August

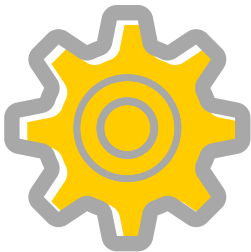
2018

# STAR Strategic Goals



## **ECONOMIC GROWTH AND COMPETITIVENESS**

We will pursue growth within our current financial model and seek strong revenue streams in new areas. STAR recognises that the current block-funding model of government grants may change, and STAR will compete with other organisations for revenues from clients who receive package funding directly. We have broadened our base, from only transport to include Aged Care, Disability Care and Home Maintenance services.



## **DIVERSITY AND INNOVATION**

We recognise that with the ever-changing environment, we need to seek new ways to grow and prosper for the benefit of our clients, staff, organisation and the Redland, Logan, Ipswich, Gold Coast, Brisbane South and surrounding Communities.



## **CLIENT AND STAKEHOLDER RELATIONSHIPS**

We appreciate the environment in which we function, the value of the past, present and future relationships and the need to recognise and foster those relationships as well as seek new and mutually beneficial partnerships. We recognise the changed funding arrangements with Governments and are proceeding to facilitate these changes for the benefit of clients, with as little upheaval to corporate structures as possible.



## **SUSTAINABILITY**

We will ensure that STAR places a strong emphasis on viability and sustainability. We have skilled staff, volunteers, assets and a strong reputation to maintain and foster.



## **STANDING IN THE COMMUNITY**

We are seen as an icon in Redland City and Ipswich and we intend to maintain and grow that reputation, and to seek to establish the same reputation in all other areas in which we function

