



Sandybeach
Centre



Celebrating
our resilient
community

Annual Report 2021

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“Like tiny seeds with potent power to push through tough ground and become mighty trees, we hold innate reserves of unimaginable strength. We are resilient.”
- Catherine DeVrye

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Keeping our community connected

In yet another challenging year with limited physical contact, our community found a way to stay connected.

Mission, Vision and Values



Sandybeach Centre

Online Activity

15 Online weekly classes

Staff training in Zoom and Microsoft Teams

E-newsletters sent monthly to approx. **1000** subscribers

Reading by Writers event Nov 2021

Outreach

117 Social Welfare Calls Weekly

234 hard copy newsletters & activity packs delivered to participants monthly

Musical program DVD's created & delivered to over **50** participants with limited internet access

Social Connection

Community Consultation for 'Strength through Connection' building mural project

Regular contact with other Neighbourhood houses

Social Zoom catch up's Staff 'walking' meetings

Community surveys conducted

Staff Wellbeing

Weekly staff meetings online

Fortnightly updates from CEO to all staff

Staff Events e.g. end of year function, strategic plan launch

Staff acknowledgement - appreciation gifts & recognition

Who we are

Sandybeach Centre is a not for profit community cooperative centre that provides programs and services to the local Bayside community and beyond. The centre's staff and volunteers deliver adult education services, social support and connection programs, early learning via the Childcare program and exercise/lifestyle programs to families and individuals. We also provide access to our facilities for community groups and local small businesses.

Mission

Sandybeach Centre is an inclusive organisation providing programs and services that enrich the quality of life for our diverse community.

Vision

Sandybeach will be the place to meet, connect, learn and have fun.

Values

Respect, Integrity and Honesty, Care, Collaborative and Inclusive.





Our Board



(L-R) Elizabeth Hardy, Chris Hill (CEO), Cameron Gregson, Sue Coburn, Peter Bean, Rajah Ramanathan

CHAIRPERSON

Rajah Ramanathan

DEPUTY CHAIRPERSON

Peter Bean

FINANCE DIRECTOR

Stephen Hay

SECRETARY

Paula Appelhans

GENERAL MEMBERS

Cameron Gregson, Elizabeth Hardy, Sue Coburn



Board Chair Report



It is with great pleasure that I present our Annual Report for the year ended 31 December 2021.

The financial results again attest to the difficult and tough economic times we had to navigate in 2021, a year which is reminiscent of the previous years. Whilst it can be argued that there is not much pleasure in reporting the result, I beg to differ.

Like the rest of the world, we met the challenges of this pandemic head on. We remained connected with the wonderful community we live with and serve, we did not falter nor will we. We remained focused and dedicated. We were frugal and will continue to conscientiously reach out to you to work with you and to seek ways to ensure we extract the maximum possible benefit and return for every dollar spent. We will exercise diligence and transparency as we move forward.

I am grateful and proud of the resilience and innovative initiatives taken by the management, staff and volunteers in delivering our programs. It is pleasing to see the growth in the leadership skills, knowledge and wisdom of the team and the enhancement of that 'can do' attitude which builds on the positive and caring culture of Sandybeach.

We embarked on a journey of renewal and consolidation over the previous 2 years and implemented our strategic plan last year. We will continue with this process and will learn and revise the strategy as considered necessary as we strive to meet our mission that 'Sandybeach Centre is an inclusive organisation providing programs and services that enrich the quality of life for our diverse community'.

As we prepare for the New Year, do take your time and peruse the Annual Report. I also refer you to Mr. Hill's report so that you can appreciate the efforts expended and reflect on what we have achieved in such chaotic and unpredictable circumstances.

Kindly allow me to thank the staff, our wonderful volunteers and my fellow directors for their dedication, patience, passion, care and support. I firmly believe that together, we will emerge from this uncertainty better equipped to meet anything from left field with courage, strength, compassion and camaraderie.

We will remain vigilant and collectively, the Board, staff, volunteers and our friends will always act to ensure that Sandybeach will rise and meet any challenges we face and to remain and stay connected. Please stay safe.

Humbly yours,

Rajah Ramanathan





CEO Report



2021 certainly tested our resilience as a community and an organisation.

Throughout the course of the year I was in awe of the way our staff, participants, volunteers and the broader community picked themselves up after each setback and kept moving forward. Challenging times make us really appreciate what we have in front of us. And that is, a community that supports each other, is kind, and is creative in finding ways to stay connected.

This strength of spirit forms the basis of our annual report theme 'Celebrating our resilient community'.

While much of the year was at a physical distance, Sandybeach was still able to launch major projects such as our 'Strength through Connection' mural. This large-scale artwork on the exterior of the Sandybeach building has been on the wish list for some time and thanks to grant funding from Bayside Council has become a reality. After significant community consultation, talented artist Danny Awes designed an eye-catching and uplifting mural, that as we speak, is being painted on our building. A daily reminder of our role as an important community hub in Bayside. Take a look at page 14 to see the design.

2021 required tremendous flexibility from our staff and participants, and I thank each and every one of them for their tenacity in dealing with regular changes to programs and requirements. Staff continued to fine tune our delivery approach from the previous year – pivoting when required to online learning, creating hard copy materials, making hundreds of social welfare phone calls and producing DVD musical performances

to maintain a strong connection with our community.

In addition to our regular program, throughout the year we found opportunities to hold events to celebrate our volunteers, the carers in our community and our talented writing students. Our art students also got to work producing a 2022 calendar – see page 16 for more details.

2021 saw the launch of our new strategic plan, focusing on our goals of quality, relevance and growth, underpinned by sustainability. Refer to page 9 for an update on progress.

Our Childcare and Early Learning Centre was thankfully able to remain open for much of 2021. It provided welcome relief for families who were struggling with fatigue, emotional distress and anxiety, as well as a welcome burst of sunshine and smiles in an often sadly empty Centre.

I would like to acknowledge our amazing leadership team and thank the Board, and in particular, our Chairperson Rajah Ramanathan, for giving your precious time and energy and for working with myself and the Management team to implement our 2021 – 2025 strategic plan.

Thank you also to all of our supporters, funders, donors and community partners who work tirelessly with us to enrich the quality of life for our diverse community.

We look forward to working with you in 2022.



Strategic plan 2021-2025 update

Growth

Increased online program offering, blended learning programs and formalised alternative social support methods such as regular phone calls to participants unable to physically attend the Centre

Expanded visibility of the Centre through consultation and design of a large-scale mural on the exterior wall of the building

Developed a marketing and program plan with clear growth objectives

Quality

Establishment of a program planning and review process to ensure the Sandybeach offering is relevant and financially sustainable

Staff maintained all required qualifications including First Aid CPR training and updated Childcare qualifications for Early Learning Centre staff

Facility upgrades took place - including painting works, testing and tagging and the implementation of an assets register

Relevance

Conducted a research survey regarding online offering to inform future planning

Established the Bayside Cluster Group with Cheltenham Community Centre, Hampton Highett Neighbourhood Houses and BayCISS – meeting quarterly to improve understanding and information sharing

Planning in place for pre and post program surveys for participants to be conducted in 2022 to ensure continuous improvement

Sustainability

Cost analysis project has commenced

Maintained existing arrangements and relationships with funding partners

IT upgrades - after a partial transition to cloud services such as Microsoft Teams and Exchange Online in 2020, 2021 has been about consolidation and data reorganisation to prepare us for further migrations to cloud services



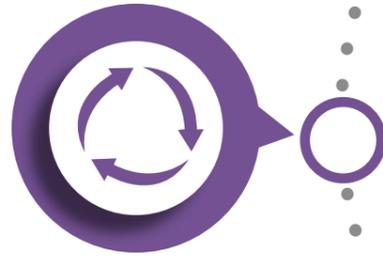
Serving our Community - The statistics

541 OVER 65'S & CARER PROGRAM HOURS



OUTPUT: 83 individuals received phone call support weekly equating to 2500 hours of contact plus regular newsletter and activity packs plus approximately 200 carers and family members were indirectly supported.
OUTCOME: Enhancing quality of life for the seniors and carers in our community, including vulnerable and disadvantaged groups.

925 DISABILITY PROGRAM HOURS



OUTPUT: 34 individuals assisted, receiving phone calls, online classes, newsletters and activity packs.
OUTCOME: Maintaining independence and life skills and developing friendships.

204 LIFESTYLE PROGRAM HOURS



OUTPUT: 40 individuals involved in programs including health, exercise and the arts.
OUTCOME: Combating health conditions and disease, improving mood, connecting with others, having fun and being social.

300 COMMUNITY MEMBERS



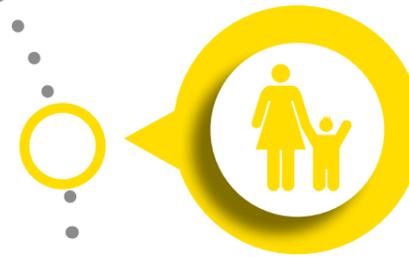
OUTPUT: 300 community members engaged in consultation activities regarding the Sandybeach mural design as well as online programs.
OUTCOME: Continuing engagement, learning and social opportunities during COVID lockdown periods

3544 VOLUNTEER HOURS



OUTPUT: From 53 individuals.
OUTCOME: Enriching their own lives and supporting others to achieve.

876 EARLY LEARNING CENTRE HOURS



OUTPUT: Over 4 terms, 190 enrolments and 46 families supported.
OUTCOME: Children are connecting and contributing to the community and confidently learning whilst parents have a break.

2500 PASSENGER HOURS



OUTPUT: 2500 hours of transport for programs transporting 657 clients.
OUTCOME: Create freedom and social opportunities for those wanting to stay in touch with the community.

1600 NEWSLETTER & CHRISTMAS PACKS



OUTPUT: Delivery to over 130 individuals. Over 41 hours of driving and volunteer support.
OUTCOME: Minimised negative impacts of COVID lockdown on mental health and social isolation.



Participant success story – Leone Gabrielle

Leone Gabrielle first came to Sandybeach in July 2017, apprehensive about her limited literacy skills and fearful of being outside her comfort zone.

Under the tutelage of Claire Gaskin, published and acclaimed author in her own right, Leone

has blossomed into an extraordinary writer who is much more confident to express herself.

See below for Leone’s brave and eloquently written piece about her journey with literacy at Sandybeach.



Thrashing in an ocean of humiliation. Heat tightening around my throat. Squeezing loud paper. I read, fighting brain blanks, listening to my voice stumble. Getting it wrong again and again. I keep pushing that boulder up the incline.

Society’s mark for intelligence is the illusion of literacy. It is exhausting hiding a fractured capacity. Growing up under the hypnosis – illiteracy / low literacy, equals lazy, stupid, gullible, donkey, valueless. Clever hands are not equal to a clever mind. A clever mind’s value rests on how well that mind articulates, in a written and verbal capacity. This has become the club motto at the top of the food chain. It’s in our language. It’s in our empathy. It’s in the structure of our stories, aspirations, culture.

There are little shadow-places where thought is different. Where care is stronger than the bottom line. Where gems collect, by gems I mean persons. Virtuosos, of their craft/vocation. Sandybeach is one such place. The centre has the capacity to give people, like me, a new sunrise.

a list to demonstrate the continued journey

humiliation survivor of pages and pages illegible no ear for vowels no chair for abstract concepts text swims like a murmuration of starlings do you have any idea how hard it is to learn without sound literacy skills without the confidence of conversation learning becomes a game of memory and mimicry I call this cell learning to synthesize through observation of action puzzling information without instruction pamphlets useless fear shame hides under a quiet face people with low literacy have to be intelligent to survive but are informed they lack intelligence have to figure out creative solutions have to have an elephant memory

Not everyone naturally reads font/text. Readers of shape, smell, movement, spacial location, empathy, emotion, a sensitivity to colour, sound, weather ...disregarded. Literacy is the pass mark on the door frame of western society.

My inner-poets nightingale nightmare. No-more. Fortunately for me I found your safe space. I love learning. Understanding that learning at snail pace can be lightning fast. Painful excitement to fathom a long damp dream. I am connecting with a new universe. I have come home. Comfortable to wear wounds and warts on the outside. Show the shape of my mind to my class, to myself, to the wider community.

My point, a caring space builds opportunities to discover potential. The writers’classes at Sandybeach community centre are a rare gem. I am a writer who has to write for my mental health. Combing rough edges, reading aloud instead of a dread, stirs to love. Respect gifts me confidence and lust to keep going. Because of your centre, I read quite well. My writing is legible. I have so much to say and a medium to express and be understood.

As a child I was lucky to have had 3 lessons from a skillful relief teacher. In the 1970’s. Mr E. Hill, Primary headmaster, black suit, comb-over, ancient.

Lesson 1: to, too, two.

Lesson 2: there, their, they’re.

Lesson 3: poem on colour.

After 47 years I still recite ... ‘turn off the light and colours die.’

last year I found that poem, Mary O’Neill’s Hailstones and Halibut Bones. There is no language to express how the right voice at the right time can give a person struggling with difference, courage.

Never underestimate the potential of your good will.



Sandybeach mural project - Strength through connection

As part of the Bayside Council's Annual Community Grants Program 2020/2021, we were successful in acquiring a grant for a Mural project at Sandybeach - 'Strength through Connection'.

This project has been a long time coming and to say we are excited doesn't do it justice! By creating an uplifting piece of artwork on the exterior wall of Sandybeach Centre, not only will we be increasing the awareness of our Centre, we will also be creating something that can be enjoyed daily by our participants, neighbours and our local community.

It will reflect the heart and soul of Sandybeach Centre - a welcoming and inclusive community hub.



At the time of writing, we have partnered with the Sandy Street Art project team and commissioned impressive artist Danny Awes to bring Stage 1 of this mural to life. Staff and community consultations have been undertaken, a design has been chosen and Danny has completed Stage 1 of the artwork - and it looks amazing!!!

Look out for stages 2 and 3 - due for completion later in the year.



Broadening our student's digital literacy



'Zoom in on Tuesday'

In the COVID era, digital literacy has become increasingly important, particularly for our students with a disability. During lockdowns, Zoom video calls provided our students living in nursing homes or assisted living with their ONLY visible outside connection.

Digital literacy tutors, Frank Formica and Margaret O'Malley were conscious of their student's needs and set to work creating a Zoom class that provided connection, learning, a chance to laugh and an opportunity for students to feel valued and remembered. 'Zoom in on Tuesday' was born.

What did the program entail?

- 2 hour virtual classroom on Zoom
- Student story-sharing time (a popular segment!)
- Learning topic - shaped to meet student needs
- Reflection & journal completion

Learning topics included:

- Exercise
- Cooking
- Gardening
- Employment Skills
- Numeracy/Literacy
- Art
- Local Community
- General Knowledge

What did students most enjoy?

- It was engaging and practical
- It kept them connected to peers and staff
- They were pleased to be treated like adults and human beings
- It was challenging but satisfying learning a new skill
- They learnt more about each other
- Their increased Zoom skills opened up a whole new world of communication
- It was fun!

What benefits did students get from this program?

"So many! Participants have overcome obstacles and developed their IT skills, they have introduced themselves to virtual learning, they have improved their ability to stay connected with others online outside of the class which was particularly important in reducing feelings of social isolation during COVID. It has also enabled those who feel uncomfortable in a traditional classroom environment to really flourish".
Tutor, Margaret O'Malley

The future of 'Zoom in on Tuesday' and other digital and hybrid programs is bright. Sandybeach plans to continue to offer blended learning programs in 2022 for individuals with a disability, catering to those who are more comfortable learning online or unable to attend the Centre or want to learn new computer skills.



Creative ways to stay connected – 2022 Art Calendar

Art is a key focus at Sandybeach Centre and in 2021, this was no exception. Art tutor Tina Blackwell overcame the challenges of lockdown periods and kept art students connected by engaging them in an art calendar project.

This project gave participants something positive to work towards and it motivated them to engage in their art practice at home, which helped many deal with feelings of isolation and anxiety.

Participants chose the calendars focus to be the ‘seasons of the year’, each selected a month and then had approximately 4 weeks to produce an artwork. The end result was a huge achievement for all involved. Sandybeach participants, staff and volunteers were all chuffed when they were gifted a calendar to take home and display with pride.

Here are just a sample of some of the beautiful pieces and the artists who have created them.



Extraordinary staff milestones

Sandybeach is a special place because of the people involved in it. In 2021, we wanted to acknowledge two staff members who are a part of the fabric of the Centre and who have given their heart and souls to serve their community.



Angel Parker
29 years at Sandybeach

Angel first came across Sandybeach Centre when she brought her son Stephen to playgroup at 2 - Stephen is now 37! The place obviously resonated

with her then, and some years later she began a paid position.

Angel is still as dedicated today as she was 29 years ago. ‘The clients come first, being there for them and improving their health and wellbeing is my passion’.

Angel has had various roles at Sandybeach. As she says ‘typically in a Community Centre you become a jack of all trades. My main role has always been as Fitness Instructor. In addition to this I’ve taught Tai Chi, Pilates and Chi Ball. I also volunteer at Sandybeach, in the programs and as a bus jockey’.

When asked about her favourite memories of Sandybeach her response was ‘There are so many! One included having a lady who was 100 in my class - she would religiously come every week and refuse to attend any other commitments if they clashed with the exercise class’. She also mentioned that her ‘work colleagues play a big role in my time at Sandybeach. We are one big family and we always try to look after one another’.

The following Staff in Childcare have also reached significant milestones

- Rose Roberts 10 years +
- Karen Mack 11 years +
- Alinta Davidson 10 years +



Elana Pedersen
20 years at Sandybeach

When Elana started to look for a job closer to home to balance family life 20 years ago, she never thought that she would find such a rare gem!

Elana started her time at Sandybeach as a Program Co-ordinator but has spent time in a myriad of roles including WHS representative, First Aid Co-ordinator, Food Safety Supervisor, Support worker, Program Leader teaching Tai Chi, Exercise Class Instructor, Co-ordinator and Presenter on Sandybeach’s monthly Southern FM community radio block and most recently as Facilities Co-ordinator. COVID also added to Elana’s resume a new role as COVID Safe Officer! Reflecting on the many roles Elana says that ‘she likes the variety as it means she works across all departments in the Centre’.

When asked why she has remained at Sandybeach for so long, Elana responded by saying ‘I have been fortunate to have worked with some wonderful staff and volunteers at Sandybeach over the years. I have also had changes to my role and challenges that have kept me happy and enthusiastic about the future. I think the combination of working with great people, meeting amazing participants and the variety in my role has kept me at Sandybeach. A special memory was bringing my daughter Rachel to Sandybeach Centre to meet everyone when she was very young and the wonderful feeling of an extended family that made me feel so welcome.’



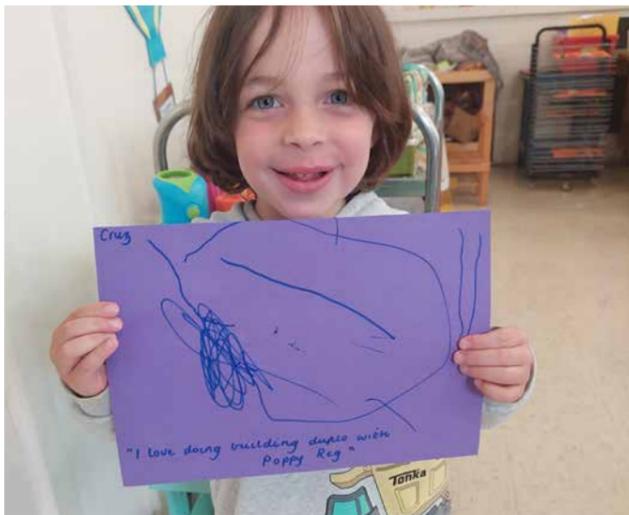
Childcare

When we need some resilience and inspiration, we don't need to look much further than the children in our community.

Children have received set back after set back over the last 2 years and yet they still grace our Centre with laughter, smiles and energy.

In 2021, some of our highlights included:

- Our very own Sandybeach Mini Olympics complete with javelin, shotput, discus, 100 metre sprint, an obstacle course and sack races
- A successful Woolworths Landcare grant that enabled the purchase of a rainwater tank to further enable children's learning experiences in the garden
- Creating gifts for the older adults in our Sandybeach community to celebrate International Day of the Older Person
- Building our children's wellbeing skills with a focus on activities such as deep breathing
- Running themed sessions over the school holidays including footy week, teddy bears picnic, pyjama day and favourite colour day
- Scavenger hunts and craft activities inspired by some of our favourite picture books such as 'Where is the Green Sheep' - courtesy of staff member Chris Weller's talented wife Anita.



Our Supporters, Rentals & Funding Partners

We thank the following people, organisations and Government departments who in 2021 provided support to Sandybeach Centre through in-kind contributions, donations and grants. This support has enabled Sandybeach to better meet the needs of our local community. We sincerely appreciate your support.

- Sandringham Lions Club
- Brad Rowswell MP
- Minuteman Press
- PSN Family Trust

Thank you to Bayside Seido Karate Club who continued to rent our space under very trying circumstances. We look forward to working with you again in 2022 and welcoming new groups to our Centre.





Financials

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Financial Statements

For the Year Ended 31 December 2021

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

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For the Year Ended 31 December 2021

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Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Directors' Report

For the Year Ended 31 December 2021

Your Directors submit the financial statements of Sandybeach Community Co-operative Society Ltd ("the Co-operative") for the financial period ended 31 December 2021.

Directors

The names of Directors at the date of this report and for the full year unless indicated otherwise are:

Rajah Ramanathan	Stephen Hay
Cameron Gregson	Elizabeth Hardy (resigned: 25/11/2021)
Peter Bean	Paula Appelhans
Sue Coburn	

Principle Activities

The principal activities of the Co-operative during the financial year were the fostering of post-compulsory education, training and employment within the community and better adapting of post-compulsory education and training to community needs.

Operating Result

The profit for the year amounted to \$13,475 (2020: profit \$371,828).

Significant Changes and State of Affairs

Coronavirus (COVID-19): The Co-operative was continually impacted by Victorian Government orders issued during the 2021 financial year as part of the measures to reduce the spread of Coronavirus (COVID-19).

Revenue will be impacted until Coronavirus (COVID-19) is brought under control and restrictions eased.

Other than the above, there were no significant changes in the state of affairs of the Co-operative other than those referred to in the accounts and notes thereto.

Matters Arising Since the End of the Financial Year

Reference should be made to Note 18 in the financial report, which details the COVID-19 impact on the Co-operative subsequent to year end.

Other than the above, since the end of the financial year, no matters or circumstances have significantly affected or may significantly affect the operations of the Co-operative, the result of its operations or the state of affairs of the Co-operative in future financial years.

Dividends

The Co-operative's Constitution precludes it from paying dividends to its members. Surplus funds are to be applied in the promotion of the Co-operative's objectives.

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Directors' Report (Continued)

For the Year Ended 31 December 2021

Directors' Benefits

Since the end of the previous financial year no Directors of the Co-operative have received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements.

Directors' & Auditor's Indemnification

The Co-operative has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Co-operative or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

All Directors of the Co-operative are covered by a Directors and Officers liability insurance policy. Due to a confidentiality clause in the policy, the Co-operative is unable to disclose the nature of these liabilities and the amount of premiums paid.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* can be found on page 4 following this report.

Signed in accordance with a resolution of the Directors:


.....
Rajah Ramanathan
Chair


.....
Stephen Hay
Treasurer

Dated this 1st day of March 2022

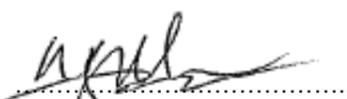
Directors' Declaration

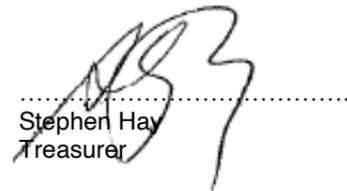
For the Year Ended 31 December 2021

In accordance with a resolution of the Directors of Sandybeach Community Co-operative Society Ltd, the Directors declare that:

1. The financial statements and notes, as set out on pages 5 to 19, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Australian Charities and Not-for-Profits Commission Regulations 2013* and:
 - a. comply with the Australian Accounting Standards applicable to the Co-operative, the ACNC Act 2012 and Regulations 2013 and any other mandatory professional reporting requirements; and
 - b. give a true and fair view of the financial position of the Co-operative as at 31 December 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the Directors' opinion, there are reasonable grounds to believe that Sandybeach Community Co-operative Society Ltd will be able to pay its debts as and when they become due and payable.

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


.....
Rajah Ramanathan
Chair


.....
Stephen Hay
Treasurer

Dated this 1st day of March 2022



Shepard Webster & O'Neill Audit Pty Ltd
Certified Practising Accountant, Authorised Audit Company
ABN: 89 154 680 190

Auditor's Independence Declaration

To the Sandybeach Community Co-operative Society Ltd,

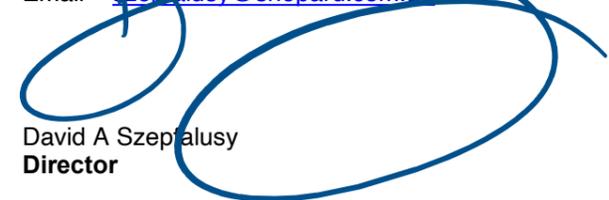
In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012*, as lead auditor for the audit of Sandybeach Community Co-operative Society Ltd for the year ended 31 December 2021, we declare that, to the best of our knowledge and belief, there have been:

- i) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit, and;
- ii) No contraventions of any applicable code of professional conduct in relation to the audit.

Dated at Frankston on the 1st day of March 2022



Shepard Webster & O'Neill Audit Pty Ltd
Certified Practising Accountant
Authorised Audit Company No 415478
31 Beach Street Frankston 3199, PO Box 309 Frankston Victoria 3199
Telephone (03) 9781 2633 – Fax (03) 9781 3073
Email – szepefalusy@shepard.com.au


David A Szepefalusy
Director

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Continuing Operations			
Revenue			
Grants revenue	3(a)	945,715	915,902
Local revenue	3(b)	264,077	136,883
Other revenue	3(c)	182,700	1,062,100
Total Revenue		<u>1,392,492</u>	<u>2,114,885</u>
Less Expenses			
Advertising and promotion expenses		1,253	3,428
Depreciation and amortisation		24,196	23,786
Employee benefits expenses		1,206,130	1,589,581
Grant & program delivery costs		5,260	6,028
Occupancy expenses		520	1,505
Office and administration expenses		133,137	112,399
Professional fees		6,424	5,100
Other Expenses		2,097	1,230
Total Expenses		<u>1,379,017</u>	<u>1,743,057</u>
Operating Profit / (Loss) From Continuing Operations		<u>13,475</u>	<u>371,828</u>
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Total Comprehensive Income / (Loss)		<u>13,475</u>	<u>371,828</u>

The Accompanying Notes Form Part Of These Financial Statements

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Statement of Financial Position

As At 31 December 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and Cash Equivalents	4	986,823	917,020
Trade and Other Receivables	5	242	10,210
Other Assets	6	14,141	109,333
Total Current Assets		<u>1,001,206</u>	<u>1,036,563</u>
Non-Current Assets			
Financial Assets	7	2,000	2,000
Property, Plant & Equipment	8	1,205,690	1,215,650
Total Non-Current Assets		<u>1,207,690</u>	<u>1,217,650</u>
Total Assets		<u>2,208,896</u>	<u>2,254,213</u>
Current Liabilities			
Trade and Other Payables	9	86,209	83,965
Provision for Employee Entitlements	10	142,248	167,196
Other Liabilities	11	163,465	193,162
Total Current Liabilities		<u>391,922</u>	<u>444,323</u>
Non-Current Liabilities			
Provision for Employee Entitlements	10	3,838	10,229
Total Non-Current Liabilities		<u>3,838</u>	<u>10,229</u>
Total Liabilities		<u>395,760</u>	<u>454,552</u>
Net Assets		<u>1,813,136</u>	<u>1,799,661</u>
Equity			
Issued Capital	12	52	52
Reserves	13	721,233	721,233
Retained Earnings		1,091,851	1,078,376
Total Equity		<u>1,813,136</u>	<u>1,799,661</u>

The Accompanying Notes Form Part Of These Financial Statements

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Statement of Changes in Equity

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Equity			
Issued Capital			
Balance at the Beginning of the Financial Year		52	49
Issued Capital		-	3
Capital redeemed (membership cancelled)		-	-
Balance at the End of the Financial Year		<u>52</u>	<u>52</u>
Reserves			
Balance at the Beginning of the Financial Year		721,233	721,233
Other Comprehensive Income		-	-
Balance at the End of the Financial Year		<u>721,233</u>	<u>721,233</u>
Retained Earnings			
Balance at the Beginning of the Financial Year		1,078,376	706,548
Profit / (Loss) From Continuing Operations		13,475	371,828
Balance at the End of the Financial Year		<u>1,091,851</u>	<u>1,078,376</u>
Total Equity		<u><u>1,813,136</u></u>	<u><u>1,799,661</u></u>

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Statement of Cash Flows

For the Year Ended 31 December 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Receipts from donors, funding agencies and other sources		1,494,700	2,197,790
Payments to suppliers and employees		(1,410,971)	(1,933,349)
Interest Received		310	1,153
Net cash provided by / (used in) operating activities	16	<u>84,039</u>	<u>265,594</u>
Cash Flows from Investing Activities			
Payment for property, plant & equipment		(14,236)	(4,413)
Net cash provided by / (used in) investing activities		<u>(14,236)</u>	<u>(4,413)</u>
Cash Flows from Financing Activities			
Proceeds from issues of shares		-	3
Net cash provided by / (used in) financing activities		<u>-</u>	<u>3</u>
Net increase/(decrease) in cash held		69,803	261,184
Cash at the beginning of the year		917,020	655,836
Cash at the end of the year	4	<u><u>986,823</u></u>	<u><u>917,020</u></u>

The Accompanying Notes Form Part Of These Financial Statements

The Accompanying Notes Form Part Of These Financial Statements

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1: Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or Amended Accounting Standards and Interpretations Adopted

The Co-operative has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of Preparation

In the Directors' opinion, the Co-operative is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Sandybeach Community Co-operative Society Ltd.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101: *Presentation of Financial Statements*, AASB 107: *Statement of Cash Flows*, AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB: 1048: *Interpretations of Standards* and AASB 1054: *Australian Additional Disclosures*, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Co-operative's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1: Summary of Significant Accounting Policies (Continued)

a) Income Tax

The Co-operative is exempt under Division 50 of the Income Tax Assessment Act 1997 as a non-profit organisation. As such, no allowance has been made for Income Tax.

b) Comparative Figures

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

c) 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.

d) Trade and Other Receivables

Trade and other receivables include amounts due from members as well as amounts receivable from donors in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

e) Property, Plant and Equipment

Property, plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation and any impairment in value. The carrying amount of property, plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The carrying values of plant and equipment are also reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any impairment exists, the assets are written down to their recoverable amount and the loss recognised in the statement of comprehensive income.

The depreciable amount of all fixed assets including buildings are depreciated over their useful lives commencing from the time the asset is held ready for use. Rates of depreciation vary between 2.5% p.a. and 40% p.a.

f) 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.

g) Trade and Other Payables

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

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1: Summary of Significant Accounting Policies (Continued)

h) Employee Entitlements

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

Employee benefits payable later than one year 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 not satisfy any vesting requirements.

Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

i) Impairment of Assets

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Co-operative would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the Co-operative estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

j) Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Co-operative's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Co-operative's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 1: Summary of Significant Accounting Policies (Continued)

k) Revenue and Other Income

Non-reciprocal grant revenue is recognised in profit or loss when the Co-operative obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Co-operative 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 Co-operative 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.

The Co-operative 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.

The Co-operative has elected to not apply AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-profit Entities* at this time.

Interest Income

Interest income is recognised using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 2: Critical Accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

a) *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Co-operative based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Co-operative operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Co-operative unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

b) *Estimation of useful lives of assets*

The Co-operative determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

c) *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Co-operative assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Co-operative and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

d) *Employee benefits provision*

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
Note 3: Revenue		
a. Grants revenue		
Grants revenue consists of the following:		
Adult, Community and Further Education	258,480	258,480
Victorian DHHS and Federal Dept of Health	558,090	534,895
City of Bayside	62,269	61,587
Other grants income	66,876	60,940
	<u>945,715</u>	<u>915,902</u>
b. Local revenue		
Local revenue consists of the following:		
Child Care Fees	98,675	53,354
Course Fees	151,827	71,033
Fundraising and Donations	6,495	6,821
Interest	310	1,153
Rent	4,952	3,441
Sundries	1,818	1,081
	<u>264,077</u>	<u>136,883</u>
c. Other revenue		
ATO - job keeper	182,700	962,100
ATO - cash flow boost	-	100,000
	<u>182,700</u>	<u>1,062,100</u>
Note 4: Cash and Cash Equivalents		
CURRENT		
Cash at Bank	986,523	916,720
Petty Cash	300	300
	<u>986,823</u>	<u>917,020</u>

Current liabilities of the Sandybeach Community Co-operative Society Ltd not recorded in the financial statements of the Co-operative were:

Scholarship Fund bank account balance of \$4,365 as at 31 December 2021 (2020: \$4,365)

Building Fund bank account balance of \$3,160 as at 31 December 2021 (2020: \$3,160).

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021 \$	2020 \$
Note 5: Trade and Other Receivables		
CURRENT		
Trade Receivables	242	10,210
	<u>242</u>	<u>10,210</u>
Provision for impairment of trade receivables		
The Co-operative has assessed impairment indicators within its trade debtors' population. Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts (if any) have been included in other expense items. There is a Provision for Doubtful Debts at 31 December 2021 of \$Nil (31 December 2020: \$Nil).		
Note 6: Other Assets		
CURRENT		
Prepayments	14,141	13,933
Accrued Income	-	95,400
	<u>14,141</u>	<u>109,333</u>
Note 7: Financial Assets		
Sandringham Community Bank Shares	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
Note 8: Property, Plant & Equipment		
LEASEHOLD IMPROVEMENTS:		
Land and Buildings (at Valuation)	1,320,000	1,320,000
Less Accumulated Depreciation	(179,057)	(169,157)
	<u>1,140,943</u>	<u>1,150,843</u>
PLANT AND EQUIPMENT:		
Plant and Equipment (at Valuation)	328,804	362,073
Less Accumulated Depreciation	(265,862)	(304,071)
	<u>62,942</u>	<u>58,002</u>
OFFICE FURNITURE AND EQUIPMENT:		
Office Furniture and Equipment (at Cost)	95,345	95,345
Less Accumulated Depreciation	(93,540)	(88,540)
	<u>1,805</u>	<u>6,805</u>
Total Property, Plant & Equipment	<u>1,205,690</u>	<u>1,215,650</u>

Notes to the Financial Statements

For the Year Ended 31 December 2021

Note 8: Property, Plant & Equipment (Continued)

<i>Movements in Carrying Amounts</i>	Land and Buildings	Plant and Equipment	Office Furniture and Equipment	Total
Balance at 1 January 2020	1,160,743	62,475	11,805	1,235,023
Additions	-	4,413	-	4,413
Disposals	-	-	-	-
Depreciation Expense	(9,900)	(8,882)	(5,004)	(23,786)
Balance at 31 December 2020	<u>1,150,843</u>	<u>58,006</u>	<u>6,801</u>	<u>1,215,650</u>
Additions	-	14,236	-	14,236
Disposals	-	-	-	-
Depreciation Expense	(9,900)	(9,296)	(5,000)	(24,196)
Carrying amount at 31 December 2021	<u>1,140,943</u>	<u>62,946</u>	<u>1,801</u>	<u>1,205,690</u>

The Bendigo Bank held a mortgage over the property located at 2 Sims Street SANDRINGHAM VIC 3191 during FY 2020. The mortgage was discharged during FY 2021. Refer to Note 14 for further details.

(i) Land and Buildings was revalued in 2008 with an increase of \$564,453 based on an independent valuation.

(ii) Plant and Equipment was revalued in 1999 resulting in an increase of \$92,098. All additions since then are at cost less accumulated depreciation, calculated to write off all items over their useful life. Plant and Equipment and accumulated depreciation were adjusted in 2006 and 2007 after asset counts, giving a net increase in the Asset Revaluation Reserve of \$64,682.

(iii) Items costing less than \$300 have been written off in these accounts.

(iv) The Co-operative has reviewed the carrying values of property, plant and equipment, and consider that they continue to be appropriately measured and reflect the remaining useful life and ongoing economic value to the Co-operative.

(v) As at 31 December 2021, the Directors valued the Land and Buildings at \$2,500,000 on the basis of Council valuation for rating purposes as at 1 July 2021. The Directors resolved not to bring this valuation to account in the books of the Co-operative. The Co-operative currently has no intentions to sell or repurpose the property.

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
Note 9: Trade and Other Payables		
CURRENT		
Trade Creditors	4,787	3,637
Accrued Expenses	6,430	10,500
GST and PAYG(W)	45,797	42,039
Superannuation Payable	29,642	27,817
Other Payables	(447)	(28)
	<u>86,209</u>	<u>83,965</u>
Note 10: Provision for Employee Entitlements		
CURRENT		
Employee benefits		
Annual leave	62,980	67,986
Long service leave	79,268	99,210
	<u>142,248</u>	<u>167,196</u>
NON-CURRENT		
Employee benefits		
Long service leave	3,838	10,229
	<u>3,838</u>	<u>10,229</u>
	<u>146,086</u>	<u>177,425</u>
Note 11: Other Liabilities		
CURRENT		
Grants received in advance	159,490	170,780
Fees received in advance	100	16,379
Fundraising	3,875	6,003
	<u>163,465</u>	<u>193,162</u>
Note 12: Share Capital		
ISSUED CAPITAL		
52 (2020: 52) fully paid \$1 shares	52	52
	<u>52</u>	<u>52</u>

Notes to the Financial Statements

For the Year Ended 31 December 2021

	2021	2020
	\$	\$
Note 13: Reserves		
Asset Revaluation Reserve	721,233	721,233
	<u>721,233</u>	<u>721,233</u>
As per Notes 8 (i) and 8 (ii) above, Land and Buildings was revalued in 2008 with an increase of \$564,453 based on an independent valuation. Plant and Equipment was revalued in 1999 resulting in an increase of \$92,098. Plant and Equipment and accumulated depreciation were adjusted in 2006 and 2007 after asset counts, further increasing the Asset Revaluation Reserve by \$64,682.		
Note 14: Borrowings		
During FY 2020, the Bendigo Bank held a mortgage over 2 Sims Street SANDRINGHAM VIC 3191 to secure an Overdraft Facility of \$245,000 on the main working account. During FY 2021, the mortgage was discharged.		
Note 15: Auditor's Remuneration		
During the year the following fees were paid or payable for services provided by the auditor of the Co-operative:		
<i>Audit services - Shepard Webster & O'Neill Audit Pty Ltd</i>		
Audit of the financial statements	5,200	5,100
	<u>5,200</u>	<u>5,100</u>
Note 16: Cash Flow Information		
Reconciliation of Cash Flows from Operating Activities with Operating Profit / (Loss) From Continuing Operations		
Operating Profit / (Loss) From Continuing Operations	13,475	371,828
Non Cash Flows in Operating Profit:		
Depreciation	24,196	23,786
Changes in Assets and Liabilities:		
(Increase)/Decrease in Trade and Other Receivables	9,968	(7,622)
(Increase)/Decrease in Other Assets	95,192	(94,811)
Increase/(Decrease) in Trade and Other Payables	2,244	(11,938)
Increase/(Decrease) in Provision for Employee Entitlements	(31,339)	(3,727)
Increase/(Decrease) in Other Liabilities	(29,697)	(11,922)
Cash Flows from Operating Activities	<u>84,039</u>	<u>265,594</u>

Notes to the Financial Statements

For the Year Ended 31 December 2021

2021	2020
\$	\$

Note 17: Co-operative Details

The registered office and principal place of business of the Co-operative is:

Sandybeach Community Co-operative Society Ltd
2 Sims Street
SANDRINGHAM VIC 3191

Note 18: Events after the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact after the reporting date. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Co-operative's operations, the results of those operations, or the Co-operative's state of affairs in future financial years.



Shepard Webster & O'Neill Audit Pty Ltd
Certified Practising Accountant, Authorised Audit Company
ABN: 89 154 680 190

**Independent Auditor's Report
To The Members Of Sandybeach Community Co-operative Society Ltd
ABN: 39 853 867 516**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sandybeach Community Co-operative Society Ltd, which comprises the Statement of Financial Position as at 31 December 2021, 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 gives a true and fair view of the financial position of Sandybeach Community Co-operative Society Ltd as at 31 December 2021 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Division 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 Co-operative in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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 to assist the Co-operative to meet the requirements of 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.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors of the Co-operative are responsible for the other information. The other information comprises the information included in the Co-operative's annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Co-operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Co-operative'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 intends to liquidate the Co-operative or to cease operations, or have no realistic alternative but to do so.

The Directors of the Co-operative are responsible for overseeing the Co-operative's financial reporting process.



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Independent Auditor's Report (Continued)
To The Members Of Sandybeach Community Co-operative Society Ltd
ABN: 39 853 867 516

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 Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative'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 Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Dated at Frankston on the 1st day of March 2022



Shepard Webster & O'Neill Audit Pty Ltd
 Certified Practising Accountant
 Authorised Audit Company No 415478
 31 Beach Street Frankston 3199, P.O. Box 309 Frankston Victoria 3199
 Telephone (03) 9781 2633 – Fax (03) 9781 3073
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David A Szepfalusy
 Director

Level 1 / 31 Beach St, Frankston Victoria 3199
 P.O. Box 309, Frankston Victoria 3199
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Auditor's Disclaimer

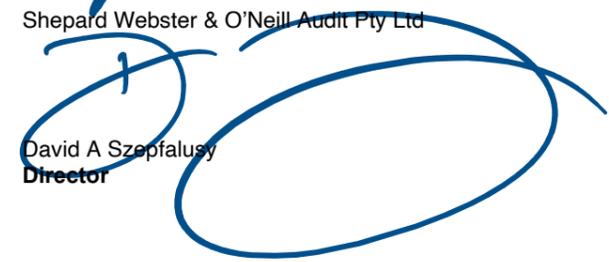
To the Board of Directors
 Sandybeach Community Co-operative Society Ltd
 ABN: 39 853 867 516

The additional financial data presented in the following pages is in accordance with the books and records of the Co-operative which have been subjected to the auditing procedures applied in our audit of the Co-operative for the year ended 31 December 2021. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the company nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person in respect of such data, including any errors or omissions therein however caused.

Dated at Frankston on the 1st of March 2022



Shepard Webster & O'Neill Audit Pty Ltd



David A Szepfalusy
 Director

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Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Scholarship Fund Financial Report

For the Year Ended 31 December 2021

	2021 \$	2020 \$
Cash at bank on 1 January 2021	4,365	4,366
Donations received	-	-
Payments made	-	(1)
Cash at bank on 31 December 2021	<u>4,365</u>	<u>4,365</u>

Late in 2003, the Australian Tax Office gave approval for tax deductibility to donors of \$2 or more to a fund established by the Directors of Sandybeach Community Co-operative Society Ltd to support vulnerable people accessing educational programs.

The above statement reflects the transactions of the fund from 1 January 2021 to 31 December 2021.

Sandybeach Community Co-operative Society Ltd

ABN: 39 853 867 516

Building Fund Financial Report

For the Year Ended 31 December 2021

	2021 \$	2020 \$
Cash at bank on 1 January 2021	3,160	2,160
Donations received	-	1,000
Payments made	-	-
Cash at bank on 31 December 2021	<u>3,160</u>	<u>3,160</u>

Late in 2003, the Australian Tax Office gave approval for tax deductibility to donors of \$2 or more to a fund established by the Directors of Sandybeach Community Co-operative Society Ltd to assist the Centre in acquiring and developing its premises.



2 Sims Street, Sandringham VIC 3191

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ABN 39 853 867 516

Mr David Szepfalusy
C/- Shepard Webster & O'Neill Audit Pty Ltd
Level 1, 31 Beach Street
FRANKSTON VIC 3199

Dear David,

Re: SANDYBEACH COMMUNITY CO-OPERATIVE SOCIETY LTD

This representation letter is provided in connection with your audit of the financial report of Sandybeach Community Co-operative Society Ltd ("the Co-operative") for the year ended 31 December 2021, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, presented fairly in accordance with Accounting Standards in Australia and Australian Accounting Interpretations (and, when appropriate, relevant statutory and other requirements).

We acknowledge our responsibility for ensuring the financial report is in accordance with Accounting Standards and Australian Accounting Interpretations, and Co-operatives National Law (Victoria) and Regulations and Australian Charities and Not for Profits Commission Act 2012 and Regulations, and confirm that the financial report is free of material misstatements, including omissions.

We confirm to the best of our knowledge and belief, the following representation made to you during your audit.

1. We have made available to you:

(a) All financial records and related data, other information, explanations and assistance necessary for the conduct of the audit; and

2. There:

(a) has been no fraud, error or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure;

(b) has been no fraud, error or non-compliance with laws and regulations that could have a material effect on the financial report; and

(c) have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report

3. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect error. We have established and maintained an adequate internal control structure to facilitate the preparation of reliable financial reports, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
4. There have been no changes during the period in the Co-operative's accounting policies and practices, other than as disclosed in Note 1 to the financial statements.
5. We have no plans or intentions that may materially affect the carrying values, or classifications, or assets and liabilities.
6. The Co-operative has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.
7. Except as disclosed in notes to the financial statements, no events have occurred subsequent to the reporting period end that would require adjustment to, or disclosure in, the financial report.
8. We have disclosed to the auditor all significant facts related to any frauds or suspected frauds known to management that may affect the Co-operative.
9. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
10. There were no defaults of principal, interest, sinking fund or redemption provisions with respect to any borrowings, credit arrangements or any breach of covenant of a related deed or agreements.
11. Except as reflected in the Statement of Financial Position there were no agreements under which any of the liabilities of the Co-operative had been subordinated to any other of its liabilities, nor were any receivables owned by the Co-operative subordinated to any other liabilities to the debtor companies.
12. The following have been properly recorded or disclosed in the financial report:
 - a. Related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral);
 - b. Arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements;

- c. Material liabilities or contingent liabilities or assets including those arising under derivative financial instruments;
- d. Unasserted claims or assessments that our lawyer has advised us are probable of assertion;
- e. Losses arising from the fulfilment of, or an inability to fulfil, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.

Assets:

13. All known assets of the Co-operative at reporting period end were recorded in the books of account as at that date.

14. Amounts receivable at 31 December 2021 were comprised of:

Trade Debtors	\$242
Less: Provision for Doubtful Debts	(\$ 0)
	\$242

In our opinion, \$Nil provision for doubtful debts is considered adequate.

15. All insurable assets and risks are adequately covered by insurance.
16. The additions to fixed assets accounts, as recorded in the books, represent the cost of the additional facilities or additions or improvements to existing facilities or replacements thereof. All units of property which have been replaced, sold, dismantled or otherwise disposed of, or which are permanently unusable, have been removed from the fixed assets accounts. Adequate provision determined in a manner consistent with that of the preceding year, has been made to write off depreciable assets over their useful lives having regard both to the current year's provisions and the accumulated amount provided to date. No circumstances have arisen which render adherence to the existing basis of depreciation misleading or inappropriate.
17. We have considered the requirements of AASB 136 "Impairment of Assets" when assessing the carrying value of assets and in our opinion assets are not impaired except as provided in the financial statements.
18. The Co-operative has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as disclosed in notes to the financial statements. Carrying values have been adjusted for all items of property, plant and equipment that have been abandoned or are otherwise unusable.
19. There were \$14,141 prepayments at balance date which represent valid payments for expenses paid during this year, but properly attributable to the next financial year.

Liabilities:

20. All known liabilities of the Co-operative at reporting period end were recorded in the books of account as at that date.
21. There were no contingent liabilities, including guarantees, at reporting period end, which are not shown in the notes to the financial statements.
22. In this context, contingent liabilities include bills and accounts receivable discounted, assigned or sold and which are subject to recourse, endorsements or guarantees, pending lawsuits, unsatisfied judgments or claims, repurchase agreement and, in some cases, uncalled capital on shares held in other companies.
23. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.

Critical accounting judgements, estimates and assumptions:

24. In relation to our estimate of accruals and provisions the measurement process and underlying assumptions used for this estimate are appropriate in the context of the adopted Australian Accounting Standards, our application of these processes is consistent, complete and appropriate disclosures have been made in the financial report, and no subsequent events have occurred which require an adjustment to the estimate made.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Co-operative based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Co-operative operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Co-operative unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The Co-operative determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Co-operative assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Co-operative and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Other:

25. We have disclosed to you the identity of the Co-operative's related party relationships and transactions of which we are aware and all related party relationships and transactions have been appropriately accounted for and disclosed in accordance with AASB 124 Related Party Disclosures.

Full and adequate disclosure has been made in the financial report of all related party relationships and transactions.

26. AASB 15 Revenue from contracts with customers: The Co-operative has not adopted this standard, in line with the disclosures under note 1.

27. AASB 1058 Income of not-for-profit entities: The Co-operative has not adopted this standard, in line with the disclosures under note 1.

28. We have performed calculations in line with AASB 16 Leases, and have determined it's inclusion is not material to the financial statements for 2021. In this assessment, we included all relevant paragraphs in the AASB 16 in determining what constitutes a lease under the new standard.

Events after the reporting period:

29. The impact of the Coronavirus (COVID-19) pandemic is ongoing. It is not practicable to estimate the potential impact after the reporting date. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Co-operative's operations, the results of those operations, or the Co-operative's state of affairs in future financial years.

All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.

Future cash resources:

30. Based on cash flow forecasts, adequate cash resources will be available to cover the Co-operative requirements for working capital and capital expenditure for at least the next twelve months.

Going concern where there are no material uncertainties:

31. The Coronavirus (COVID-19) has impacted the Co-operative and wider community at large and has limited the operations of the Co-operative. At this stage, the Co-operative has been proactive and can budget with its current reserves to sustain a 12 month suspension of activity.

We have made an assessment of the Co-operative's ability to continue as a going concern taking into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. We confirm that we have not identified events or conditions that may cast significant doubt upon the Co-operative's ability to continue as a going concern.

Publication on website:

32. If we publish the financial report on our website, we:

- acknowledge if we are responsible for the electronic presentation of the financial report;
- will ensure that the electronic version of the audited financial report and the audit report on the website will be the same as the final signed copy version;
- will clearly differentiate audited and unaudited information on the website and that the absence of appropriate controls to address this issue increases the risk of potential misrepresentation to users;
- have assessed the controls over the security and integrity of the data on the website and that adequate procedures are in place to ensure the integrity of the information published; and
- will not present the audit report on the full financial report with extracts only of the full financial report.

The "Reporting Entity" Concept:

33. We understand that the Directors are responsible for determining whether the Co-operative is a reporting entity. We have informed you that the Co-operative is not a reporting entity and therefore not required to prepare a general purpose financial report. This letter has been prepared on that basis. The Directors are also responsible for determining the basis of accounting used for the preparation and presentation of the special purpose financial report and whether this basis is appropriate to meet the needs of the users. We understand that you will not express an opinion as to whether the basis of accounting used is appropriate to meet the needs of the users.

We understand that your examination was made in accordance with Australia Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the Co-operative taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully,

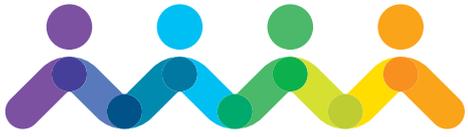


Rajah Ramanathan
Chair



Stephen Hay
Treasurer

Dated this 25th day of February 2022



Sandybeach Centre

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Sandringham VIC 3191

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