



# ANNUAL REPORT

September 2021

STAR COMMUNITY SERVICES

th



ANNIVERSARY



## OUR VISION

*Collaborative communities that enjoy diverse, sustainable and innovative services.*

## OUR MISSION

*We lead, facilitate, support, develop and deliver services within our communities for our communities.*

## OUR VALUES

**People:** *to provide quality, client focused, community services and be recognised as a provider of choice within communities. Ensure a client driven approach to services which focus on achieving positive outcome for clients.*

**Services:** *To enhance the communities understanding of and support for the range and quality of services offered by STAR Community Services.*

**Safety:** *To prioritise safety of staff, volunteers and clients.*

**Environment:** *To anticipate trends and opportunities in order to develop STAR Community Services capacity to respond to emerging community needs. To be a financially sustainable organisation within a rapidly changing environment.*



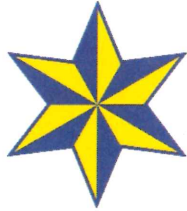
Saturday, 18 September 2021, 10 am  
Lions Community Hall  
122 Shore St North, Cleveland

## AGENDA

1. Welcome and opening
2. Apologies
3. Minutes of previous Annual General Meeting
4. Business arising
5. Reports – Chairman, Treasurer & General Manager
6. Election of Office Bearers, Appointment of Auditor
7. General business

### *Thank you to our supporters*





Detailed Minutes

Meeting Title:	<b>STAR Community Services AGM</b>	Chairperson:	Rob Spencer
Date/Time:	<b>19<sup>th</sup> September 2020 10:00am</b>	Minute Taker:	Patsy Wilshire
Location:	STAR Community Services Office – 152 Shore Street West, Cleveland Via Face to Face and Zoom		
<b>ATTENDEES</b>			
Attended:	<b>Financial Members</b> (COVID Restrictions) Patsy Wilshire, Rob Spencer, Peter Mann, Ann Drake, Dick Cijffers, Joan Thompson, Louis Shen, Fay Jordan. *Darryl McConochie, *Ken Ewald, *Col Sutcliffe, *Pam Bridges, *James Farrell, *Bruce Durie, Florence Curtis. <b>Non-Members</b> Catherine Williams, *Mark Robinson, *Adrian – HLB Mann Judd. *Via Zoom		
Apology:	Mayor Karen Williams, Cr Hewlett		
Welcome:	Rob extended a warm welcome to all and thanked everyone for their support.		
<b>MINUTES OF PREVIOUS MEETING</b>			
Minutes of Previous Meeting:	Minutes of the previous AGM held on 21 <sup>st</sup> September 2019 were distributed		
Motion:	That the minutes of the previous meeting on 21 <sup>st</sup> September 2019 be accepted as a true record		
Moved:	Joan Thompson	Seconded:	Peter Mann
<b>Carried:</b>			
Business Arising:	Nil		
<b>CHAIRPERSON REPORT</b>			
Chairperson Report	Chairperson presented his report		
Motion:	That the Chairpersons report be accepted		
Moved:	Peter Mann	Seconded:	Florence Curtis
<b>Carried</b>			

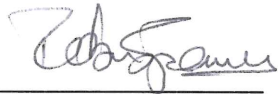
<b>TREASURERS REPORT</b>			
Treasurers Report	The Treasurer presented the Audited Report		
Motion:	That the external Audited Report be accepted		
Moved:	Peter Mann	Seconded:	Rob Spencer
<b>Carried</b>			
<b>GENERAL MANAGERS REPORT</b>			
General Managers Report	The General Manager presented her report		
Motion:	That the General Managers Report be accepted		
Moved:	Patsy Wilshire	Seconded:	Florence Curtis
<b>Carried</b>			
<b>ELECTION OF BOARD</b>			
Election of 2020/21 Board	<p>The Chairperson declared all Board positions vacant and invited Patsy Wilshire to conduct the election of the Board for 2020/21. Patsy Wilshire announced the following nominations:</p> <ul style="list-style-type: none"> <li>Rob Spencer</li> <li>Peter Mann</li> <li>Danielle Butcher</li> <li>Pam Bridges</li> <li>Ken Ewald</li> <li>Darryl McConochie</li> <li>Col Sutcliffe</li> <li>Bruce Durie</li> <li>James Farrell</li> </ul>		
Motion:	That the meeting declares the above-named nominations be elected to the STAR Community Services Board for 2020/21		
Moved:	Florence Curtis	Seconded:	Dick Cijffers
<b>Carried</b>			
<b>APPOINTMENT OF AUDITOR</b>			
Motion:	The appointment of auditor go to HLB Mann Judd for the 2020/2021 Financial Audit		
Moved:	Peter Mann	Seconded:	Fay Jordan
<b>Carried</b>			
<b>GENERAL BUSINESS</b>			
Transport Enquiry	<p>Dick (client) spoke about the recent changes in the structure of payment for transport. The GM responded that the model had changed to reflect a more equitable pricing structure where longer distance was more expensive however shorter distance trips were less expensive. The GM also confirmed there were no plans to increase transport fees in the upcoming year.</p>		

Postage of clients  
statements

Dick (client) suggested that STAR offer statements to clients via email as much as practicable to save on postage. The GM responded that STAR has over 300 clients on emails that do receive their statements online and that we do ask new clients for their preference of delivery.

**CLOSURE**

The Chairperson closed the meeting and thanked all for attending at 10:45am



Robin Spencer

Chairman

19/09/2020

# BOARD OF DIRECTORS



## **Robin Spencer - Chairperson**

University Qualifications (Agriculture and Business) C.dec , Board Position at STAR since 2004

Board Member - TDSA , Past Zone Chair of National Seniors, member of Policy Group. Current Convenor Redlands Disability Network, Past positions on Redlands Committee of the Ageing. Holds positions on Board Sub-Committees - Finance, Risk & Audit and Strategic Planning & Governance

## **Peter Mann - Director/Board Treasurer**

Various university qualifications, Former CPA Member  
Extensive experience in the Australian  
Not-For-Profit sector General Manager at Star Community  
Services for 7 years Chair of the Finance, Risk & Audit  
Committee



## **Pamela Bridges, Director**

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. Worked in the aged care sector for many years as a Director of Nursing, General Manager. Residential Care Manager for ACQ - now LASA Q. Pam has run her own Aged Care Consultancy for the past 10 yrs.

## **Danielle Butcher, Director**

Former Director of CODI, board member of disability groups in Ipswich. 10 years involvement in disability organisations and funded community transport.  
Holds position on Strategic Planning and Governance Sub-Committee.

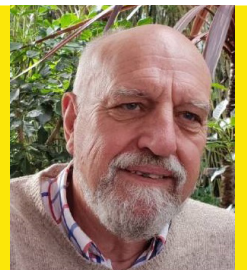


## **Bruce Durie, Director**

LLB (UQ) 1976, Solicitor – Qld S/Ct & H/Ct Aust 1977  
Property lawyer with 42 years in practice.  
Head of McCarthie Durie Lawyers Commercial and Estates team.  
Member of Queensland Law Society.

## **Colin Sutcliffe OAM, Director**

Current Chairman of Mangrove Housing (Disability)  
Chair of the Strategic Planning and Governance Committee



# MANAGEMENT TEAM



## **Patsy Wilshire, General Manager**

As the leader of a community services organisation in four regions, Patsy's role focuses on leadership, governance and strategy. Patsy ensures that STAR's efforts, resources and innovative practices are targeted at the provision of services offered and the wellbeing of vulnerable people in the community.

"As the General Manager I have an open door policy for both Staff and Clients"

## **Warren Doyle, Logistics Manager**

Warren manages 150 professional and volunteer drivers with fleets of vehicles across the Redlands, Ipswich, Logan and Gold Coast.

"Everyday our drivers prove that they have our clients care as their first priority. Our team who schedule up to 500 trips a day show outstanding skill in their flexibility in catering for client services and needs."



## **Melissa Bannerman, Client Planning and Service Delivery Manager**

Melissa has overseen the expansion of STAR's Direct Support Services under STAR Care QLD and is proud to be working with a very diverse, client focused and passionate team.

"I am proud to work with a team that demonstrates care for each other through adversity and who are dedicated to the highest standard of service."

## **Tracy Darroch, ICT Manager**

Tracy oversees the Contact Centre Team of staff and volunteers which are the first point of call for inquiries. Tracy also manages the Intake Team and the Maintenance Team.

"The dedication that our staff and volunteers demonstrate is inspiring. They face new and challenging calls each day, always with an aim to help the person calling."



## **Nectaria Chronopoulos, Business Services Manager**

Nectaria plays a central leadership role in managing and developing STAR's business and operational support capability and functions. M

"My team ensures that volunteers are placed in the correct volunteering program to allow for a great fit and that their values resonate with STAR's. STAR is fortunate to have such a great pool of workers with various backgrounds and expertise that enhance our clients participation in the community."





## Chairman's Report

As I sit down to write this message for STAR's 25<sup>th</sup> Annual report, I can't help but feel a bit nostalgic about the years gone by.

They say, "an act of kindness breeds another". This could not be more true considering the history of STAR.

Twenty-five years ago, a group of forward thinking community leaders took the initiative to set up an organisation for the welfare of the vulnerable members of the community. Their kind intentions put the wheels in motion for STAR. Years on, STAR has grown steadfastly on the kindness of thousands of community volunteers who care for those often left behind in this fast paced world.

I joined the STAR family back in 2004 as a board member and also a volunteer driver. Through the years I've proudly seen STAR expand through a myriad of changes. From a transport provider in Redlands- STAR is now a full range aged care and disability support service provider in several locations. Amidst all these changes, what's stayed consistent is STAR's unwavering commitment to improving the quality of life of the aged, frail and those with disability.

On a personal note, I cherish my experience as a volunteer driver for STAR. I feel grateful to have been a part of the wonderful lives of our clients. Their stories have truly enriched mine. I fondly recall a day as volunteer driver. An elderly couple had recently moved from interstate. Not knowing another soul, they felt alienated and wanted to learn more about their new local area. They rang STAR. I was more than happy to drive them around and introduce them to our beautiful Redlands on an idyllic Saturday morning!

I want to reach out to all Board members, past and present, to thank them for their efforts, support, enthusiasm and friendship for STAR. Without a board that has genuine love and respect for the organisation, the activities flounder. We have never floundered!

I also want to extend my thanks and appreciation for the senior management, staff, volunteers, again including those from the past, and in particular STAR's general manager Patsy Wilshire, who have guided this organisation recently, and over the past 25 years. It is due to them that STAR is in a great shape.

I feel humbled to have known and been part of such a magnificent group of people. Thank you all for your continued commitment to STAR.

As I finish, I look back at our history over the past 25 years of STAR's growth and I look toward to the next 25 years and the achievements yet to come.

A handwritten signature in black ink that reads 'Rob Spencer'.

Regards  
Rob Spencer, Chairperson



# General Manager's Report

This year is a historic year not only for the current members of the STAR team but for each and every individual who has been a part of STAR's story in the last 25 years.

STAR's 25<sup>th</sup> anniversary is a celebration of the legacy of those who took time to consider the needs of others. Back in 1996, a group of community leaders gathered together and took the initiative to support the elderly with an affordable and reliable transport option- with a view to support their independence.

I am proud yet humbled to say - their vision is alive, strong and thriving today!

The first Annual General meeting of STAR was held on 30 May 1996. But the story of STAR goes back even further. In September 1993, The Redlands Community Transport Group (an initiative of the Redland Shire Council) met to discuss the need for a community transport for the aged, frail and those with disabilities. Their efforts resulted in the incorporation of **Special Transport Assistance – Redlands (S.T.A.R)**.

STAR is now an iconic non-profit organisation servicing an ever expanding list of locations including Logan, Gold Coast, Ipswich and Darling Downs and of course our home since 1996 –the Redlands.

There have been so many milestones to reflect upon- from expanding our range of aged care services to diversifying in the NDIS space. But for me personally the birth of Volunteering Redlands (VR) has been a stand out. An organisation like VR formalises the importance of volunteering in our community and recognises the efforts of thousands of community members who regularly dedicate their time and efforts for the welfare of others.

In addition to reflecting upon the past, our anniversary is also a time to look ahead. STAR's future is bright. I say that with confidence because of our talented and dedicated staff and volunteers. Throughout the ongoing challenges of COVID-19 pandemic, the STAR team has an demonstrated extremely high level of empathy and commitment to continue to provide excellent service to our communities. Their efforts and continued spirit of service gives us all reasons to be excited about our future.

I am grateful to work alongside a group of people who are committed to enriching the lives of others. I thank you for your contribution and look forward to celebrating many more significant milestones to come. A heartfelt thank you to all our clients who choose STAR. We are thankful for your trust, loyalty and continued support.

Happy 25 years to STAR!

A handwritten signature in black ink that reads 'Patsy Wilshire'.

Regards  
Patsy Wilshire, General Manager



## Treasurer's Report

As the STAR Board Treasurer (Honorary), in my opinion, I report:

- per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

- there are reasonable grounds to believe that the registered entity can pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.
- The External Auditor have audited the financial transactions and concluded the financial reports comprising Balance Sheet, Profit and Loss, Bank Reconciliation, Statement of Cash Flows, and notes to the financial statements for the year ended 30th June 2021 are presented in accordance with Australian Auditing Standards.

Highlights for the financial year ended 30 June 2021 include:

- Significant increases in Key Financial Indicators in 2021 over previous Year 2020 including Net Assets, Cash at Bank and total Revenues, as per the available audited Financial Reports.
- Decreases in the net surplus of the organisation from 2019-2020, to the current year 2020-2021, of around \$567K, due to ramping-up of staffing in the Care division, increased use of contractors for service delivery to meet client demand within the Home Maintenance division and refund of QCSS funding.
- Continued upgrade of integrated financial and management software solutions (TRACCs, Routematch and Xero) for all divisions within STAR. Resulting in significant benefits to STAR clients in Call Centre, Client Management, and financial support. Additional asset expenditure on the motor vehicle fleet and IT hardware required to service an ever-increasing client base.



- The future of the business environment that STAR works in, is ever changing. With the proposed loss of block funding in 2023, moving to a client package model similar to Aged Home Care and NDIS, the introduction of payment in arrears by Dept of Health, and talk of the reduction in the current aged care referral system (My Aged Care), has significant impact on the financial planning of STAR, in the coming medium term.

As always, the financial and accounting processes in STAR could not have been maintained and developed efficiently without the total support of our General Manager (Patsy Wilshire) and Senior Management Team, our current Board and Board sub-committee's (Strategic Planning, Finance Audit and Risk), and in particular our small but very competent accounting team led by Jane Flight – I cannot express my gratitude enough. To our so competent contractor accountants, Hopscotch Accounting, led by Brendan Lucas, my sincere thank you to you and your team for such a professional approach and support to STAR.

I express, on behalf of STAR the contribution made by our external Auditors HLB Mann Judd for the completion of auditing and financial reporting for financial year 2020-2021.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

*P. Mann*

Regards  
Peter Mann, Board Treasurer

# **Star Community Services Ltd**

**ABN 26 729 619 090**

**Financial Report  
30 June 2021**



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## Directors' Report

Your directors present this report on the Star Community Services Ltd ("the Company") for the financial year ended 30 June 2021.

### Information on directors

The details of the directors in office at any time during, or since the end of, the year are:

**Robin Spencer**  
**Chairperson**

Qualifications and experience

- University qualifications (Agriculture and Business) C.dec
- 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 convener Redlands Disability Network
- Past positions on Redlands Committee of the Ageing

Special responsibilities

- Holds positions on Board sub-committees - Finance, Risk & Audit and Strategic Planning & Governance

**Peter Mann**  
**Treasurer**

Qualifications and experience

- Various university qualifications
- Former CPA Member
- Extensive experience in the Australian Not-For-Profit sector
- General Manager at Star Community Services for 7 years
- Chair of the Finance, Risk & Audit Committee

Special responsibilities

**Pamela Bridges**

Qualifications and experience

- 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, Residential Care Manager for ACQ – now LASA Q. Pam has run her own aged care consultancy for the past 10 years and in this capacity she is involved in a wide range of activities across the state and interstate.

Special responsibilities

- Board position at STAR since 2015
- Holds position on Strategic Planning and Governance Sub-Committee

**Danielle Butcher**

Qualifications and experience

- Former Director of CODI, Board member of Disability Groups in Ipswich.
- 10 years involvement in disability organisations and funded community transport.

Special responsibilities

- Holds position on Strategic Planning and Governance Sub-Committee

**Colin Sutcliffe**

Qualifications and experience

- Tertiary
- Current Chairman of Mangrove Housing (Disability)

Special responsibilities

- Chair of the Strategic Planning and Governance Committee



**Directors' Report (Continued)**

**Information on directors (continued)**

**Kenneth Ewald**  
**(Resigned in February 2021)**

Qualifications and experience  
Special responsibilities

- Chair of Churches of Christ Qld
- Holds position on Finance and Audit Sub-Committee

**Darryl McConochie**  
**Secretary**

Qualifications and experience

Special responsibilities

- Business Strategy & Implementation Consultant.
- Executive business coach, facilitator and trainer.
- Holds position on Finance and Audit Sub-Committee

**Bruce Durie**

Qualifications and experience  
Special responsibilities

- Lawyer
- Nil

**James Farrell OAM**

Qualifications and experience

Special responsibilities

- Bachelor of Commerce (Accounting), Bachelor of Law (Honours) – Deakin University
- Graduate Diploma of Legal Practice – College of Law;
- Master of Laws – University of New England;
- Graduate Diploma of Applied Human Rights – RMIT University
- Current General Manager of Advocacy, Cancer Council Qld;
- Former Director of Community Legal Centres, QLD
- Nil

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

**Review of Operations**

The surplus of the Company for the financial year after providing for income tax amounted to \$457,551 (2020: \$1,024,193).

**Company Secretary**

The following person held the position of company secretary at the end of the financial year:

Darryl McConochie

**Directors' Report (Continued)**

**Meetings of Directors**

During the financial year, twelve meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Robin Spencer	12	12
Peter Mann	12	11
Pamela Bridges	12	9
Danielle Butcher	12	11
Colin Sutcliffe	12	9
Kenneth Ewald	8	7
Darryl McConochie	12	9
Bruce Durie	12	10
James Farrell	12	8

**Short term and long term objectives**

- Client and staff/volunteer satisfaction
- Equality and fairness
- Investment in people relationships
- Meet social impact needs
- Best practice, high quality services
- Understanding and planning for non-funded programs
- Meet service need within financial ability i.e. break-even or surplus
- Prioritise safety
- Ensure responsible financial management
- Ensure authentic leadership
- Ensure extensive knowledge of funded programs
- Create a culturally diverse and inclusive workforce
- Deliver outstanding customer service

**Strategies**

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

- Leverage from survey analysis including client and staff/volunteers as well as service needs
- Maintain high workplace standards ensuring IR and HR legislation is adhered to
- Offer professional development to improve and grow services
- Be workplace inclusive and develop a charter for employment of people with disability and CALD
- Maintain focus on Continuous Quality Assurance including Good Governance, Human Services Quality Framework and Quality Standards
- Ensure budget monitoring and reviewing pre, during and post monthly Board meetings
- Seek opportunities to raise revenue outside of government funding by striving to develop other business
- Continue to operate in a safe environment by way of monthly reviews and risk assessments
- Review and update the business continuity plan including risk assessment through the Strategic Planning and Governance sub-committee
- Develop a Volunteer Engagement Plan
- Develop a Strategic HR plan

**Directors' Report (Continued)**

**Principal Activities**

The principal activities of the entity during the financial year was:

- Direct Care – both Aged and Disability
- Support Coordination – Disability
- Package Coordination – Aged
- Home Maintenance (including garden and modifications) – Aged
- Social Support (including group and individual) – Aged
- Volunteering Intake – Community Groups and Residents of Redland City
- Community Transport – both Aged and Disability

**COVID-19 impact on entity**

The COVID-19 pandemic that hit globally in 2020, continues to impact Australia. At different times, various Australian states have experienced snap lockdowns and continue to do so. During the year, the organisation has been impacted by lockdowns and restrictions imposed, affecting the services offered. The government continued to provide support through their various stimulus packages to assist businesses and the economy to navigate their way through the pandemic. The organisation's response to the pandemic continues to be agile, adjusting to any restrictions when necessary and following the organisation's COVID-19 Pandemic Response Framework.

**Key performance measures**

The entity 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 entity and whether the entity's short-term and long-term objectives are being achieved.

<b>Clients</b>	<b>2021</b>		<b>2020</b>	
	<b>Actual</b>	<b>Benchmark</b>	<b>Actual</b>	<b>Benchmark</b>
Client Surveys-average satisfaction rates	95.8%	100%	98.6%	100%
Staff Climate Surveys (estimate)	98%	90%	98.2%	90%
Financial – Current Ratio	2.15	N/A	2.05	N/A

*\*Staff climate survey is bi-annual*

**Significant Changes in the State of Affairs**

No significant changes in the company's state of affairs occurred during the financial year.

**Events Subsequent to the End of the Reporting Period**

Other than the ongoing impact of COVID-19 as described in Note 1(a), no other matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

**Environmental Regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

**Directors' Report (Continued)**

**Indemnification of Officers or Auditor**

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer of the company.

To the extent permitted by law, the Company has agreed to indemnify its auditors, HLB Mann Judd, as part of the terms of its audit agreement against claims by third parties arising from the audit. No payment has been made to indemnify HLB Mann Judd during or since the financial year.

**Proceedings on Behalf of the Company**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

**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* is set out on page 6.

This report is signed in accordance with a resolution of the Board of Directors:



**Robin Spencer**  
**Chairperson**  
9 September 2021  
Brisbane, Queensland



**Peter Mann**  
**Treasurer**



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION  
ACT 2012  
TO THE DIRECTORS OF STAR COMMUNITY SERVICES LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been no contraventions of:

- (a) the auditor independence requirements of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

*HLB Mann Judd*

**HLB Mann Judd  
Chartered Accountants**

Brisbane, Queensland  
9 September 2021

[hlb.com.au](http://hlb.com.au)

**HLB Mann Judd (SE Qld Partnership)**

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (SE QLD Partnership) is a member of HLB International, the global advisory and accounting network.

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
Revenue	3	11,392,991	10,520,741
Employee benefits expense	4	(6,119,691)	(5,419,304)
Depreciation and amortisation expense	4	(439,627)	(266,594)
Interest expense		(52,475)	(30,390)
Bad and doubtful debt expense		(10,762)	(10,098)
Motor vehicle expenses		(366,588)	(356,005)
Utilities expense		(24,363)	(20,914)
Rental expense	4	(35,153)	(228,948)
Audit, legal and consultancy fees		(285,233)	(240,880)
Marketing expenses		(49,776)	(74,049)
Administration expenses		(404,857)	(386,373)
Transport expenses		(186,484)	(118,601)
Maintenance expenses		(1,182,579)	(880,374)
STAR Tech expenses		(48,922)	(102,682)
Care expenses		(687,901)	(319,491)
Volunteer expenses		(833,370)	(794,700)
Other employee expenses		(105,757)	(181,841)
Fundraising expense		(47,201)	(3,791)
Sundry expenses		(54,699)	(61,513)
<b>Surplus before income tax</b>		<u>457,552</u>	<u>1,024,193</u>
Income tax expense		<u>-</u>	<u>-</u>
<b>Surplus for the year</b>		<u>457,552</u>	<u>1,024,193</u>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<u>457,552</u>	<u>1,024,193</u>

The accompanying notes form part of these Financial Statements.

**Statement of Financial Position**  
**as at 30 June 2021**

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	4,478,465	3,096,423
Trade and other receivables	6	473,490	845,214
Other current assets	7	60,274	26,115
<b>TOTAL CURRENT ASSETS</b>		<b>5,012,229</b>	<b>3,967,752</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	339,483	416,752
Intangible assets	9	3,966	2,851
Right-of-use assets	10	898,451	856,094
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,241,899</b>	<b>1,275,697</b>
<b>TOTAL ASSETS</b>		<b>6,254,128</b>	<b>5,243,449</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	1,787,970	1,306,556
Lease liabilities	12	372,131	333,991
Provisions	13	310,291	295,095
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,470,391</b>	<b>1,935,642</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	12	620,661	614,068
Provisions	13	121,277	109,493
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>741,938</b>	<b>723,561</b>
<b>TOTAL LIABILITIES</b>		<b>3,212,329</b>	<b>2,659,203</b>
<b>NET ASSETS</b>		<b>3,041,798</b>	<b>2,584,246</b>
<b>EQUITY</b>			
Retained surpluses		3,041,798	2,584,246
<b>TOTAL EQUITY</b>		<b>3,041,798</b>	<b>2,584,246</b>

The accompanying notes form part of these Financial Statements.

**Statement of Changes in Equity**  
For the year ended 30 June 2021

	<b>Retained Surpluses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2019</b>	1,560,053	1,560,053
Surplus for the year	1,024,193	1,024,193
Other comprehensive income for the year	-	-
Total other comprehensive income	<u>1,024,193</u>	<u>1,024,193</u>
<b>Balance at 30 June 2020</b>	<u>2,584,246</u>	<u>2,584,246</u>
<b>Balance at 1 July 2020</b>	2,584,246	2,584,246
Surplus for the year	457,552	457,552
Other comprehensive income for the year	-	-
Total other comprehensive income	<u>457,552</u>	<u>457,552</u>
<b>Balance at 30 June 2021</b>	<u>3,041,798</u>	<u>3,041,798</u>

The accompanying notes form part of these Financial Statements.



**Statement of Cash Flows**  
**For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Commonwealth, state and local government grants		5,347,224	5,674,640
Receipts from trading		6,773,026	4,627,098
Payments to suppliers and employees		(10,434,088)	(8,878,866)
Interest received		18,469	22,151
Interest paid		(28,025)	(30,390)
Net cash generated from operating activities		<u>1,676,606</u>	<u>1,414,633</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		115,770	35,072
Payment for property, plant and equipment		(102,695)	(321,222)
Net cash used in investing activities		<u>13,075</u>	<u>(286,150)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	25,045
Repayment of lease liabilities		(307,639)	(26,266)
Net cash (used in) / generated from financing activities		<u>(307,639)</u>	<u>(1,221)</u>
Net increase / (decrease) in cash held		1,382,042	1,127,262
Cash on hand at beginning of the financial year		<u>3,096,423</u>	<u>1,969,161</u>
Cash on hand at end of the financial year	5	<u><u>4,478,465</u></u>	<u><u>3,096,423</u></u>

The accompanying notes form part of these Financial Statements.

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**Note 1: 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 entity 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 9 September 2021 by the directors of the company.

**(a) 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.

*Coronavirus (COVID-19) pandemic*

The pandemic has adversely impacted the global economy, this has led to an increase in unemployment, decrease in consumer demand, interruptions to supply chains and tightening of liquidity and credit conditions. To assist, Governments around the world have announced monetary and fiscal stimulus packages to minimise the adverse economic impact and encourage recovery. However, the pandemic continues to evolve, and its full economic impact remains uncertain.

Although the COVID-19 pandemic has created economic uncertainty, the directors believe the Company will be able to continue as a going concern.

*Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12 month period that follows (despite an informal internal policy that requires annual leave to be used within 18 months), the Directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

**Note 1: Basis of Preparation (Continued)**

**(a) Critical Accounting Estimates and Judgements (Continued)**

*Economic Dependence*

Star Community Services Ltd is dependent on the Department of Health 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.

*Key Judgements – Receivables*

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

*Key Judgements – Lease Term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Key Estimates – Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

The company has determined the incremental borrowing rate to be 5.03%.

**(b) New or amended Accounting Standards and Interpretations adopted**

The company 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.

**Note 2: Summary of Significant Accounting Policies**

**(a) Revenue**

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

*Grants*

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

*Donations*

Donations are recognised at the time the pledge is made.

*Rendering of services*

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

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

*Volunteer services*

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

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

**(b) 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.

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(b) Property, Plant and Equipment (Continued)**

**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	25-33.33 %
Plant and equipment	20-25 %
Leased motor vehicles	20-25%
Leasehold improvements	33.33-40%

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. Gains are not classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(c) Right-of-use assets**

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

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

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(c) Right-of-use assets (Continued)**

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**(d) Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**(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 the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

**Classification and subsequent measurement**

*Financial liabilities*

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(e) Financial Instruments (continued)**

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

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit-taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

A financial liability cannot be reclassified.

*Financial assets*

Financial assets are subsequently measured at:

- amortised cost;
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

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

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

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

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The entity initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy and information about the groupings is documented appropriately, so the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(e) Financial Instruments (continued)**

- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

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

**Derecognition**

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

*Derecognition of financial liabilities*

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

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

*Derecognition of financial assets*

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

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

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

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

*Impairment*

The entity recognised a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.



**Note 2: Summary of Significant Accounting Policies (Continued)**

**(e) Financial Instruments (continued)**

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or

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

The entity recognised a loss allowance for expected credit losses on:

- the simplified approach;

*Simplified approach*

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

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

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

**Recognition of expected credit losses in financial statements**

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit and loss and other comprehensive income.

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

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

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

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(f) Impairment of Assets**

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

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

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

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

**(g) 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.

**(h) 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 entity 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 high quality corporate 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.

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(h) Employee Benefits (Continued)**

The company's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

**Retirement benefit obligations**

*Defined contribution superannuation benefits*

All employees of the entity receive defined contribution superannuation entitlements, for which the entity 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.

**(i) 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.

**(j) Trade and Other Debtors**

Trade and other debtors include amounts due from members as well as amounts receivable from customers for services rendered in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

**(k) 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.

**Note 2: Summary of Significant Accounting Policies (Continued)**

**(l) 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*.

**(m) Intangible Assets**

**Software**

Software is initially recognised at cost. Where software is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. 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.

**(n) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity 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) Comparative Figure**

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

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
<b>Note 3: Revenue</b>			
<b>Revenue from contracts with customers</b>			
Revenue from reciprocal government grants and other grants			
— State/federal government grants – operating		5,035,793	5,132,275
— Other organisations		73,588	30,280
		5,109,381	5,162,555
— Care Contribution		2,552,451	2,390,921
— Transport Contribution		1,110,922	1,036,926
— Maintenance Contribution		119,240	121,458
— Home Care Package Contribution		1,498,849	950,804
— STAR Tech Contribution		11,486	18,091
— Membership Income		5,587	7,085
		10,407,917	9,687,840
<b>Other revenue</b>			
— Interest received on investments in government and fixed interest securities		18,469	22,151
— Gain on disposal of property, plant and equipment		70,010	11,041
— Charitable income and fundraising		30,446	45,649
— Other		866,149	754,060
		985,074	832,901
		11,392,991	10,520,741
<b>Disaggregation of revenue</b>			
The disaggregation of revenue from contracts with customers is as follows:			
<b>Timing of revenue recognition</b>			
Services transferred at a point in time		5,292,949	4,287,045
Services transferred over time		5,114,968	5,165,850
		10,407,917	9,452,895

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
<b>Note 4: Surplus for the year</b>			
<b>Expenses</b>			
Employee benefits expense:			
— defined contribution superannuation expense		502,094	441,069
— wages & allowances		5,582,347	4,978,391
— other payroll expenses		35,249	-
Total employee benefits expense		<u>6,119,691</u>	<u>5,419,460</u>
Depreciation and amortisation:			
— motor vehicles		101,826	211,444
— furniture and equipment		1,890	2,200
— software		1,555	13,541
— Leasehold Improvements		722	8,635
— Computer & Office Equipment		45,226	12,971
— Right of use assets		288,408	17,803
Total depreciation and amortisation		<u>439,627</u>	<u>266,594</u>
Rental expense on operating leases:			
— rental expense		35,153	228,948
Total rental expense		<u>35,153</u>	<u>228,948</u>
Audit fees:			
— audit services		15,760	14,000
Total audit remuneration		<u>15,760</u>	<u>14,000</u>
<b>Note 5: Cash and Cash Equivalents</b>			
CURRENT			
Cash at bank		3,633,498	2,259,771
Cash on hand		850	700
Term deposit		844,117	835,952
		<u>4,478,465</u>	<u>3,096,423</u>

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
<b>Note 6: Trade and other receivables</b>			
CURRENT			
Trade receivables		253,983	377,634
Other receivables		2,392	228,000
Accrued Income		204,115	229,580
Rental Bond		33,000	30,000
Provision for impairment		(20,000)	(20,000)
Total current accounts receivable and other debtors		<u>473,490</u>	<u>845,214</u>
<b>Note 7: Other Assets</b>			
Prepayments		60,274	26,115
		<u>60,274</u>	<u>26,115</u>
<b>Note 8: Property, Plant and Equipment</b>			
<b>PLANT AND EQUIPMENT</b>			
Furniture & Fittings - at cost		21,408	26,472
(Accumulated depreciation)		(13,385)	(15,878)
Computer/Office Equipment - at cost		236,497	206,781
(Accumulated depreciation)		(149,391)	(104,538)
Motor Vehicles - at cost		1,196,172	1,349,469
(Accumulated depreciation)		(951,818)	(1,046,276)
Leasehold Improvements - at cost		104,468	104,468
(Accumulated depreciation)		(104,468)	(103,746)
Total property, plant and equipment		<u>339,483</u>	<u>416,752</u>

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

**Note 8: Property, Plant and Equipment (continued)**

**Movements in Carrying Amounts**

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

	Plant and Equipment \$	Total \$
<b>2020</b>		
Balance at the beginning of the year	500,046	500,046
Additions at cost	134,414	134,414
Additions at fair value	-	-
Disposals	(23,354)	(23,354)
Revaluations	-	-
Depreciation expense	(194,354)	(194,354)
Impairment losses	-	-
Reversals of impairment losses	-	-
Carrying amount at the end of the year	<u>416,752</u>	<u>416,752</u>
<b>2021</b>		
Balance at the beginning of the year	416,752	416,752
Additions at cost	102,696	102,696
Additions at fair value	-	-
Disposals	(27,631)	(27,631)
Revaluations	-	-
Depreciation expense	(151,219)	(151,219)
Impairment losses	-	-
Reversals of impairment losses	-	-
Reallocation of assets	(1,115)	(1,115)
Carrying amount at the end of the year	<u>339,483</u>	<u>339,483</u>



**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Note 9: Intangible Assets</b>		
Computer software - at cost	133,922	126,869
Accumulated amortisation	(129,956)	(124,018)
Goodwill at Cost	18,576	18,576
(Goodwill accumulated impairment)	(18,576)	(18,576)
Net carrying amount	<u>3,966</u>	<u>2,851</u>
<b>Movements in Carrying Amount</b>		
		Computer software \$
<b>2020</b>		
Balance at the beginning of the year		16,392
Additions		-
Disposals		-
Amortisation charge		(13,541)
Impairment losses		-
		<u>2,851</u>
<b>2021</b>		
Balance at the beginning of the year		2,851
Additions		7,053
Disposals		-
Amortisation charge		(5,938)
Impairment losses		-
		<u>3,966</u>
<b>Note 10: Right-of-use assets</b>		
Motor vehicles - Right-of-use	585,585	275,364
Less: Accumulated depreciation	(103,712)	(42,372)
	<u>481,873</u>	<u>232,992</u>
Building - Right-of-use	648,325	640,905
Less: Accumulated depreciation	(231,747)	(17,803)
	<u>416,578</u>	<u>623,102</u>
Total Right-of-use assets	<u>898,451</u>	<u>856,094</u>

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

	Note	2021 \$	2020 \$
<b>Note 11: Trade and other payables</b>			
<b>CURRENT</b>			
Trade payables		111,060	44,180
Deferred income		596,468	285,038
Other current payables		361,837	212,689
GST payable		66,462	64,647
HCP money held in trust		652,142	700,002
		1,787,970	1,306,556
<b>Financial liabilities at amortised cost classified as accounts payable and other payables</b>			
Accounts payable and other payables:		1,787,970	1,306,556
— Total current		1,787,970	1,306,556
Less deferred income		(596,468)	(285,038)
Less other payables (net amount of GST payable)		(66,462)	(64,647)
Financial liabilities as trade and other payables	16	1,125,039	956,871
<b>Note 12: Lease liabilities</b>			
<b>CURRENT</b>			
Lease liabilities - Motor vehicles		157,490	133,372
Lease liabilities - Land and buildings		214,641	200,619
		372,131	333,991
<b>NON-CURRENT</b>			
Lease liabilities - Motor vehicles		414,155	200,048
Lease liabilities - Land & buildings		206,506	414,020
		620,661	614,068
<b>TOTAL BORROWINGS</b>	16	992,791	948,059

Lease liabilities are secured by the underlying leased assets.

**Star Community Services Ltd**  
**ABN 26 729 619 090**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2021**

	2021 \$	2020 \$
<b>Note 13: Provisions</b>		
<b>CURRENT</b>		
Provision for employee benefits: annual leave	245,678	218,472
Provision for employee benefits: long service leave	64,613	76,623
	310,291	295,095
<b>NON-CURRENT</b>		
Provision for make-good	10,000	10,000
Provision for employee benefits: long service leave	111,277	99,493
	121,277	109,493
<b>Analysis of total provisions:</b>		Employee Benefits
Opening balance at 1 July 2020		394,588
Additional provisions raised during the year		26,980
Amounts used		-
Balance at 30 June 2021		421,568

**Note 14: Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 15.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

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

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

**2021**                      **2020**  
**\$**                                      **\$**

**Note 15: Key Management Personnel Compensation**

**Key Management Personnel**

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

KMP compensation:

— employee benefits	560,180	562,797
	560,180	562,797
	560,180	562,797

**Note 16: Financial Risk Management**

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

**Financial assets**

Financial assets at amortised cost:

— cash and cash equivalents	5	4,478,465	3,096,423
— trade and other receivables	6	253,983	377,634
		4,732,449	3,474,057
<b>Total financial assets</b>		4,732,449	3,474,057

**Financial liabilities**

Financial liabilities at amortised cost:

— trade and other payables	11	1,125,039	956,871
— finance lease liabilities	12	992,791	948,059
		2,117,831	1,904,930
<b>Total financial liabilities</b>		2,117,831	1,904,930

**Note 17: 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.

**Note 18: Contingent liabilities**

The company had no contingent liabilities as at 30 June 2021 and 30 June 2020.

**Note 19: Events after the reporting period**

Other than the ongoing impact of COVID-19 as described in Note 1, no other matters or circumstances have arisen since the end of the financial year that significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

### **Directors' Declaration**

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

1. the financial statements and notes set out on pages 8 to 30 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) complying with Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
  - (ii) giving a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



Director



Director

9 September 2021  
Brisbane, Queensland

## 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 Company") which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the director's declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and 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 Company in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* ("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 confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* has been given to the Directors.

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

#### Emphasis of Matter – Impact of COVID-19

We draw attention to Note 1(a) to the financial statements, which describes the uncertainties and possible effects on the Company arising from its management of the on-going issues related to COVID-19. Our opinion is not modified in respect of this matter.

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

The directors are responsible for the other information. The other information comprises the information included in the Company's financial report for the year ended 30 June 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.

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#### HLB Mann Judd (SE Qld Partnership)

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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 Management and the Directors for the Financial Report**

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Company'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 Company 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

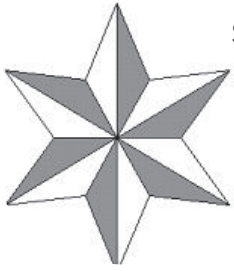
Brisbane, Queensland  
9 September 2021

*Adrian*

**A B Narayanan**  
**Partner**



# OUR MILESTONES



Special Transport Assistance Redland (S.T.A.R.) is incorporated

**1996**

260 clients are supported by 19 volunteers and 5 drivers doing 66 trips per week

**2000**



STAR Easy Shopper Bus service is launched by Mayor of Redland Shire Don Secombe

**2011**

STAR's first website launched

**2002**



Volunteering Redlands is launched

**2013**



STAR merged with CODI to offer community transport in Ipswich

**2014**

STAR registered as an NDIS service provider

**2017**



STAR is a finalist at the National HESTA Awards

**2018**

Home Maintenance Services launched. STAR expands to Logan and Gold Coast areas

**2017**



Launch of Secret Santa appeal and STAR Tech

**2019**



STAR expands to Darling Downs. Launch of Connection Fund for financially disadvantaged clients.

**2020**

8,300 clients  
71 cars on the road  
180 volunteers  
1650 trips per week

**2021**



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## ANNIVERSARY

STAR COMMUNITY SERVICES

# ANNUAL REPORT

18 SEPTEMBER 2021

