

The NILS Network of Tasmania Inc

Financial Report

For the Year Ended 30 June 2019

The NILS Network of Tasmania Inc

Contents

For the Year Ended 30 June 2019

	Page
Financial Statements	
Board Report	1
Board Declaration	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Auditors' Independence Declaration	19
Independent Audit Report	20

The NILS Network of Tasmania Inc

Board Report

30 June 2019

Your Board members submit the financial report of the Association for the financial year ended 30 June 2019.

1. General Information

Board Members

The names of Board members throughout the year and at the date of this report are:

Stuart Foster	Chair
Leanne Doherty	Secretary
Nicolette Quinn	Treasurer
Bridget Hiller	Board member
John Rowland	Board member
Grant Russell	Board member
Tracey Tasker	Board member
Marla Giacom	Board member

Principal Activities

The principal activities of Association during the financial year were:

- To improve the standards of Tasmanians on low incomes by providing, affordable finance for essential goods and services, affordable finance for small business development, access to financial literacy support and information.

Significant Changes

No significant change in the nature of these activities occurred during the year.

2. Business Review

Operating Result

The net surplus/(deficit) of the Association for the financial year amounted to \$ 46,229 (2018: \$122,355).

3. Other Items

Significant Changes in State of Affairs

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

Signed in accordance with a resolution of the Members of the Board:

Board Member


.....

Dated this 19th day of September 2019.

Board Member


.....

Dated this 19 day of September 2019.

The NILS Network of Tasmania Inc

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

The Board declare that in the Board's opinion:

- there are reasonable grounds to believe that the Nils Network of Tasmania Inc. is able to 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 (Cth)*.

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

Signed in accordance with a resolution of the Board.

Board Member

.....


Board Member

.....


Dated this 19th day of September 2019.

Dated this 19 day of September 2019.

The NILS Network of Tasmania Inc

Statement of Comprehensive Income

For the Year Ended 30 June 2019

	2019	2018
	\$	\$
Income		
NAB bad debt subsidies	12,246	11,548
DSG grant to clear loans write off	41,449	41,432
DSG income to apply to loan	8,551	8,568
Sundry Income	8,100	15,546
Interest	8,975	5,758
Corporate support	60,000	108,745
NILS membership fees	300	437
Grants - DHHS	631,430	605,616
Grants - Good Shepherd	343,190	365,392
Total Income	<u>1,114,241</u>	<u>1,163,042</u>
Less: Expenses		
Accounting services	18,459	22,661
Administration	28,367	38,782
Bad debt expense	28,254	(29,781)
Bank & interest charges	636	1,740
Cleaning and general expense	4,218	4,306
Depreciation	15,415	18,199
Design & marketing	12,734	15,198
Consultant fees	37,907	3,524
Donations	-	1,000
EEAP - Subsidies paid out	84,748	160,267
Electricity	2,581	2,331
Due & subscriptions	2,053	860
Delivery & partner expense	17,730	23,580
Insurance	15,249	9,839
IT expenses	13,072	13,886
Loan write off's	69,333	58,866
Meeting expense	13,620	14,856
Motor vehicle expense	1,864	1,637
Office equipment expense	17,962	3,705
Rent	35,446	32,684
Research & development	-	1,275
Staff training & amenities	2,730	3,662
Telephone & training	15,096	25,251
Wages & salaries	630,538	612,359
Total Expenses	<u>1,068,012</u>	<u>1,040,687</u>
Net surplus/(deficit) for the year	<u>46,229</u>	<u>122,355</u>
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	<u><u>46,229</u></u>	<u><u>122,355</u></u>

The accompanying notes form part of these financial statements.

The NILS Network of Tasmania Inc

Statement of Financial Position

As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	347,090	371,581
Trade and other receivables		600	22,290
Other assets	3	3,293	9,130
TOTAL CURRENT ASSETS		<u>350,983</u>	<u>403,001</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	10,217	15,713
Financial assets - loans receivable	5	1,742,995	1,643,351
Intangible assets	6	5,009	14,928
TOTAL NON-CURRENT ASSETS		<u>1,758,221</u>	<u>1,673,992</u>
TOTAL ASSETS		<u>2,109,204</u>	<u>2,076,993</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	168,528	217,118
Employee benefits	8	62,684	62,191
Other liabilities		34,861	24,645
Loan from DSG		400,000	-
TOTAL CURRENT LIABILITIES		<u>666,073</u>	<u>303,954</u>
NON-CURRENT LIABILITIES			
Employee benefits	8	33,269	-
Loan from DSG		414,692	824,098
TOTAL NON-CURRENT LIABILITIES		<u>447,961</u>	<u>824,098</u>
TOTAL LIABILITIES		<u>1,114,034</u>	<u>1,128,052</u>
NET ASSETS		<u>995,170</u>	<u>948,941</u>
EQUITY			
Subsidy Reserves		70,252	-
Accumulated Surpluses		924,918	948,941
TOTAL EQUITY		<u>995,170</u>	<u>948,941</u>

The accompanying notes form part of these financial statements.

The NILS Network of Tasmania Inc

Statement of Changes in Equity

For the Year Ended 30 June 2019

2019

	Accumulated surpluses	Department Community Services Subsidy Reserve	Total
Balance at 1 July 2018	948,941	-	948,941
Transfer to/(from) reserves	(70,252)	70,252	-
Net surplus/(deficit) for the year	46,229	-	46,229
Balance at 30 June 2019	<u>924,918</u>	<u>70,252</u>	<u>995,170</u>

2018

	Accumulated surpluses	Department Community Services Subsidy Reserve	Total
Balance at 1 July 2017	826,586	-	826,586
Net surplus/(deficit) for the year	122,355	-	122,355
Balance at 30 June 2018	<u>948,941</u>	<u>-</u>	<u>948,941</u>

The accompanying notes form part of these financial statements.

The NILS Network of Tasmania Inc

Statement of Cash Flows

For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from loans	(2,683)	(1,121,813)
Receipts from government	1,072,082	1,104,576
Receipts from corporate support, sponsorship & donation	102,337	584,000
Payments to suppliers & employees	(1,195,795)	(969,968)
Other receipts	8,974	(22,418)
Interest received	-	5,758
Net cash provided by/ (used in) operating activities	9(b) <u>(15,085)</u>	<u>(419,865)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net movement of loan	<u>(9,406)</u>	<u>(8,568)</u>
Net cash used by financing activities	<u>(9,406)</u>	<u>(8,568)</u>
Net increase/(decrease) in cash and cash equivalents held	(24,491)	(428,433)
Cash and cash equivalents at beginning of year	<u>371,581</u>	<u>800,014</u>
Cash and cash equivalents at end of financial year	9(a) <u><u>347,090</u></u>	<u><u>371,581</u></u>

The accompanying notes form part of these financial statements.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

The financial statements cover The NILS Network of Tasmania Inc as an individual entity.

1 Summary of Significant Accounting Policies

(a). Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*. The Board has determined that the Association is not a reporting entity. The Association is a not for profit entity for financial reporting purposes.

The financial statements have been prepared in accordance with the minimum requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* and therefore comply with the following Australian Accounting Standards as issued by the Australian Accounting Standards Board:

- AASB 101 Presentation of Financial Statements;
- AASB 107 Statement of Cash Flows;
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors;
- AASB 1048 Interpretation of Standards; and
- AASB 1054 Australian Additional Disclosures.

No other Accounting Standards have been intentionally applied in the compilation of this financial report.

The financial report, except for the cash flow information, have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets. The amounts presented within the financial statements have been rounded to the nearest dollar.

(b). Comparative Figures

Where appropriate comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(c). Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

(d). Trade and Other Receivables

The Association considers accounts receivable to be fully collectible, accordingly no allowance for doubtful accounts is required.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(e). Property, Plant and Equipment

Office equipment are carried at cost less, where applicable, any accumulated depreciation.

Depreciation Rates

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

Motor Vehicles	25%
Furniture fittings and equipment	10%
Computer equipment	20% - 40%

Motor vehicles are depreciated on diminishing basis over the assets useful life to the Association, commencing when the asset is ready for use.

(f). Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

There are no financial instrument classified as fair value through other comprehensive income.

Financial assets through profit or loss

There are no financial instruments classified as financial assets through profit and loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flow are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables and other payables.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(g). Trade Payables

Trade and other payables are stated at cost, which approximates fair value due to the short term nature of these liabilities.

(h). Unexpended Grants

It is the policy of the Association to treat grant monies as unexpended grant liabilities in the statement of financial position where the Association is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

(i). Employee Benefits

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

Contributions made by the Association to an employee superannuation fund are charged as expenses when incurred.

(j). Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(k). Income Tax

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

(l). 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(m). Department Community Services Subsidy Reserve

The Department Community Services Subsidy Reserve represents the surplus of energy efficient subsidies set aside to be spent on this purpose in the future.

(n). Critical Accounting Estimates and Judgments

The Association evaluate estimates and judgments incorporated into the financial report are based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Association. However as additional information is known then the actual results may differ from the estimates.

(o). Revenue and Other Income

Revenue is measured at fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised over the period for which the funds are invested.

Grant income is recognised when expended in accordance with the terms of the funding agreement.

Donation income is recognised when the Association obtains control over the funds, which is generally at the time of receipt.

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

(p). Adoption of new and revised accounting standards

During the current year, standards which became mandatory had no significant impact on the financial report of the Nils Network of Tasmania Inc.. AASB 9 Financial Instruments has been adopted and had no significant impact and no requirement for any reclassifications or restatement comparatives.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

1 Summary of Significant Accounting Policies

(q). New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Association has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Association where the standard is relevant:

Standard Name		Requirements	
AASB 15 Revenue from contracts with customers	1 July 2019	AASB 15 introduces a five step process revenue recognition with the core principal of the new standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (That is, payment) to which the entity expects to be entitled in exchange for those goods or services.	The Association is yet to determine the impact, if any.
AASB 1058 Income for Not for Profits	1 July 2019	AASB 1058 supersedes all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating public sector NFP entities, previously in AASB 1004 Constitution. The timing of income recognition depends on whether such a transactions gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.	The Association is yet to determine the impact, if any.
AASB 16 Leases	1 July 2019	New standard that abolishes the concept of the operating lease for lessees by creating a single model for lessees and recognises a 'right of use' asset and financial liability for all leases.	The Association is yet to determine the impact, if any.

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

2 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cheque Account/Admin	210,898	169,509
Cash at Bank	1,068,056	829,200
Cheque Account - WPAC Loans	395,133	342,217
Cheque account - WPAC MBiz Loans	36,881	56,338
Cheque Account - NAB (Subsidy)	113,504	127,825
Debit Card Westpac	2,700	2,700
Petty Cash	136	122
Debit Card NAB	8,483	14,147
Cheque Account - NAB (NILS)	(1,488,701)	(1,170,477)
	<u>347,090</u>	<u>371,581</u>

3 Other assets

	2019	2018
Amounts in dispute	(1,540)	-
Rental bonds	4,833	4,833
Prepayments	-	4,297
	<u>3,293</u>	<u>9,130</u>

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

4 Property, Plant and Equipment

	2019	2018
	\$	\$
Furniture, fixtures and fittings		
At cost	15,227	15,227
Accumulated depreciation	(12,692)	(11,509)
Total furniture, fixtures and fittings	<u>2,535</u>	<u>3,718</u>
Motor vehicles		
At cost	18,759	18,759
Accumulated depreciation	(11,305)	(8,820)
Total motor vehicles	<u>7,454</u>	<u>9,939</u>
Computer equipment		
At cost	58,500	58,500
Accumulated depreciation	(58,272)	(56,444)
Total computer equipment	<u>228</u>	<u>2,056</u>
Total plant and equipment	<u>10,217</u>	<u>15,713</u>
Total property, plant and equipment	<u><u>10,217</u></u>	<u><u>15,713</u></u>

5 Financial assets - loans receivable

	2019	2018
	\$	\$
Loans Microfinance	1,659,226	1,512,304
Provision for DD Micro finance	(100,869)	(80,505)
Loans Micro Biz	292,041	258,007
Provision for DD Micro Biz	(54,344)	(46,455)
MicroFinance yet to draw down	(14,271)	-
MicroBiz yet to draw down	(38,788)	-
	<u>1,742,995</u>	<u>1,643,351</u>

6 Intangible Assets

	2019	2018
	\$	\$
Software system	55,880	55,880
Accumulated Amortisation	(50,871)	(40,952)
	<u>5,009</u>	<u>14,928</u>

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

7 Trade and Other Payables

	2019	2018
	\$	\$
Creditors	153,810	168,277
GST collected and paid	14,718	43,841
Accruals	-	5,000
	<u>168,528</u>	<u>217,118</u>

8 Employee benefits

	2019	2018
	\$	\$
CURRENT		
Annual leave	31,071	31,941
Long service leave	31,613	30,250
	<u>62,684</u>	<u>62,191</u>
NON CURRENT		
Long service leave	33,269	-
	<u>95,953</u>	<u>62,191</u>

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

9 Cash Flow Information

(a). Reconciliation of cash

		2019	2018
		\$	\$
Cash at the end of the financial year as shown in the is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents	2	347,090	371,581

(b). Reconciliation of result for the year to cashflows from operating activities

		2019	2018
		\$	\$
Surplus for the year		46,229	122,355
Non-cash flows in surplus/(deficit)			
- depreciation		15,415	18,199
Changes in assets and liabilities			
- (increase)/decrease in trade and other receivables		21,690	(208,710)
- (increase)/decrease in other assets		(93,807)	(278,124)
- increase/(decrease) in trade and other payables		(48,590)	(73,585)
- increase/(decrease) in employee benefits		33,763	-
- increase/(decrease) in other liabilities		10,215	-
Cashflow from operations		(15,085)	(419,865)

The NILS Network of Tasmania Inc

Notes to the Financial Statements

For the Year Ended 30 June 2019

10 Capital and Leasing Commitments

The only leasing commitment for the year ended 30 June 2019 is the annual rent for lease of the building.

11 Auditors' Remuneration

	2019	2018
	\$	\$
Remuneration of the auditor, Crowe Tasmania (2019) and Accru Accounting (2018) ,for:		
- auditing or reviewing the financial statements	5,300	5,742

12 Contingent Liabilities and Contingent Assets

In the opinion of the Board, the Association did not have any contingencies at 30 June 2019 (30 June 2018: None).

13 Events After Balance Date

There are no events after balance date affecting these financial statements to be disclosed.

14 Association Details

The PO box of the association is located at:
NILS Network of Tasmania Inc
PO Box 132
Battery Point Tas 7004

The NILS Network of Tasmania Inc

Auditors' Independence Declaration under 60-40 of the Australian Charities and not-for-profits Commission Act 2012 (Cth)

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


Grant

Crowe Tasmania



Alison Flakemore
Senior Partner

Dated this 18th day of September 2019.

Hobart, Tasmania.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Tasmania, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

The NILS Network of Tasmania Inc

Independent Audit Report to the members of The NILS Network of Tasmania Inc

Opinion

We have audited the financial report of The NILS Network of Tasmania Inc (the Association), which comprises the statement of financial position as at 30 June 2019, the statement of 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 members of the Board.

In our opinion, the accompanying financial report of the Association has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*, including:

- giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance and cash flows for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements, 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 Association 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 statements, which describes the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The Board are responsible for the other information. The other information comprises the Board's Report the year ended 30 June 2019, 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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Tasmania, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

The NILS Network of Tasmania Inc

Independent Audit Report to the members of The NILS Network of Tasmania Inc

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 Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

The Board are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Tasmania, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.
© 2019 Findex (Aust) Pty Ltd

The NILS Network of Tasmania Inc

Independent Audit Report to the members of The NILS Network of Tasmania Inc

- Conclude on the appropriateness of the Board'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 Association'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 Association 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 Board 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 the audit.



Crowe Tasmania



Alison Flakemore
Senior Partner

Dated this 20th day of September 2019.

Hobart, Tasmania.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Tasmania, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

© 2019 Findex (Aust) Pty Ltd