2020-2021

Financial Report

mambourin

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Directors' report

The directors present their report on Mambourin Enterprises Limited ("the Company") for the financial year ended 30 June 2021.

General information

Directors

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

Names	Position	Appointed/Ceased
Paul Larcher	Chair	
Fiona Schutt	Deputy Chair	
James Barrie		
Leslie Chitts		
Chris Cullin		
Kevin Glennon		Appointed on 27 October 2020
Barbara MacKinnon		Ceased on 26 October 2020
Marija Maher		
Claire Thomas		Ceased on 26 October 2020
Emanuel Turmino		
Jennifer Webster		
Edmund Wong		Ceased on 16 March 2021

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

Information on directors

Paul Larcher, Chair

Paul is a chartered engineer with over 25 years' experience in managing the operation and delivery of multi-million-dollar infrastructure projects. He has skills in strategic planning, risk management, business improvement and commercial performance.

Fiona Schutt, Deputy Chair

Fiona is CPA and MBA qualified with 15 years' experience across large companies as well as not-for-profit organisations. Her focus is on connecting and embedding finance in an organisation to act as an enabler to achieve key organisational outcomes and strategies.

James Barrie

James has considerable experience in governance, stakeholder relations, financial accounting and reporting, capital management and mergers and acquisitions. James is a non-executive director of several for-profit companies and is also passionate about his involvement in the disability sector.

Leslie Chitts

Leslie is an experienced board member in the disability sector. As the parent of a man living with a disability, Leslie has day-to-day experience of the issues that people living with a disability and their families face.

Chris Cullin

Chris has over 30 years of global ICT leadership experience with NBN, Telstra, Microsoft and Cisco. Chris uses his skills in corporate governance, strategy, cyber risk and technology to help Mambourin realise its purpose. Chris is passionate about technology and how it can be used to create opportunity and help people connect.

Kevin Glennon

Kevin is an accomplished and results-oriented senior executive with extensive international experience. Through his technical and analytical expertise, he has led enterprise-wide implementations to streamline operations, optimise productivity and introduce system efficiencies in a cost-effective manner.

Barbara MacKinnon

Barbara was the director of a cleaning company, with customers including Avalon Airport, for 31 years before retirement. In addition to business management, she brings knowledge, wisdom and life experience of being a parent of two adult children with disabilities.

Marija Maher

Marija brings expertise in strategy, innovation, regulatory oversight, financial and risk management. Marija is committed to invigorating organisational performance through people and technology blended transformations. Marija is passionate about social justice.

Claire Thomas

Claire is an economist with over 40 years' experience in public policy and public sector management. This background gives her a good line of sight to the policy and government challenges currently facing disability service providers.

Emanuel Tumino

Emanuel has practised law since 1977 and has been a partner of a legal firm since 1989 dealing with litigation in complex commercial matters. He has extensive experience in strategic decision making and corporate governance.

Jennifer Webster

Jennifer was a Deputy Principal and Campus Leader prior to her retirement. She has expertise in project management, strategic and innovative thinking, case management and community engagement. She has specialist skills in working with students with disabilities and their families.

Edmund Wong

Edmund had 30 years' experience in executive roles at high technology corporations. He was also on several boards including YMCA Services and was Chairperson at RIAC (Rights Information Advocacy Centre).

Directors' meetings

During the financial year, 15 meetings of directors (including seven directors' meetings and eight committees of directors' meetings) were held. Attendance by each director during the year were as follows:

Directors	Eligible to attend	Total attended
Paul Larcher	7	7
Fiona Schutt	7	4
James Barrie	7	7
Leslie Chitts	7	7
Chris Cullin	7	7
Kevin Glennon	4	4
Barbara MacKinnon	3	3
Marija Maher	7	7
Claire Thomas	3	3
Emanuel Tumino	7	7
Jennifer Webster	7	7
Edmund Wong	5	4

Company secretary

Rohan Braddy, Chief Executive Officer (CEO), has held the role of Company Secretary since October 2014.

Principal purpose

The principal purpose of Mambourin Enterprises Limited during the financial year was to:

- manage and maintain services for the education, employment, training and support of people with disabilities
- cooperate with government in providing appropriate facilities and services for people with disabilities
- provide community-based resources for people with disabilities to live independently in the community
- maximise the potential skill of people with disabilities to live independently in the community
- assist people with disabilities and their parents/guardians who are in necessitous circumstances
- educate the general public to a greater understanding of the rights and needs of people with disabilities.

There were no significant changes to the Company's principal purposes during the financial year.

Principal activities

The principal activities of Mambourin Enterprises Limited during the financial year were to provide various services and resources to the community.

No significant changes in the nature of the Company's principal activities occurred during the financial year.

Performance measures

Mambourin Enterprises Limited has a strategic plan, and management reports to the Board regularly via the CEO on progress. The CEO also reports financial performance on a monthly basis to the Board and an annual report is produced which demonstrates the Company's performance to the community.

Contributions on winding up

Mambourin Enterprises Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $10 each.

At 30 June 2021 the collective liability of members was $340 (2020: $400).

Operating results

Review of operations

The surplus of the Company amounted to $1,716,132 (2020: $842,140).

A review of the operations of the Company during the financial year and the results of those operations found that during the year the Company continued to engage in its principal activities, the results of which are disclosed in the attached financial statements.

The Company highlights that JobKeeper provided income of approximately **$4.6 million** (refer to Note 4) during the financial year 2020/21, to support employment during the unprecedented COVID-19 pandemic. Excluding this government support, the Company would have reported an operating loss of approximately $2.9 million for the financial year. All JobKeeper payments received by the Company were fully passed on to eligible employees to enable the Company to continue to provide its principal activities which enable its continued principal purpose.

The Company also wishes to highlight the GST liability reversal of $177,610 that was recorded in the 2019/20 financial year based on legal advice received after the end of 2019/20 financial year.

Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

The COVID-19 pandemic has continued to create unprecedented uncertainty in the wider economic environment. Actual economic events and conditions in future may be materially different from those estimated by the Company at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the Company. At the date of the financial statements an estimate of the future effects of the COVID-19 pandemic on the Company cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Auditor's independence declaration

The auditor's independence declaration in accordance with Section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2021 has been received and can be found on page 6 of the financial report.

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

Paul Larcher, Director

Dated this 27th day of September 2021

Auditor’s independence declaration

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AUDITOR’S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF *THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012*
TO THE DIRECTORS OF MAMBOURIN ENTERPRISES 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 the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Moore Australia

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

RYAN LEEMON
Partner
Audit and Assurance

Melbourne, Victoria

27 September 2021

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	Note	2021 $	2020 $
Revenue	4	16,737,731	15,570,848
Rental and lease expenses		(60,568)	(42,263)
Employee costs - general		(11,888,244)	(11,880,185)
Administration expenses	6	(1,581,929)	(1,161,337)
Client transport costs		(175,859)	(349,574)
Client program costs		(263,692)	(312,449)
Depreciation expenses	5	(651,365)	(647,377)
Finance expenses		(6,451)	(20,008)
Other expenses		(393,491)	(315,515)
Surplus before income tax		**1,716,132**	**842,140**
Income tax expense		-	-
Surplus for the year		**1,716,132**	**842,140**

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2021

	Note	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	4,798,038	3,622,123
Trade and other receivables	8	1,033,150	1,097,160
Financial assets	9	-	47,500
Other assets	10	147,761	146,255
TOTAL CURRENT ASSETS		**5,978,949**	**4,913,038**
NON-CURRENT ASSETS			
Property, plant and equipment	11	6,940,413	7,051,935
Right-of-use assets	12	150,380	341,458
TOTAL NON-CURRENT ASSETS		**7,090,793**	**7,393,393**
TOTAL ASSETS		**13,069,742**	**12,306,431**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	368,453	430,752
Lease liabilities	12	135,055	162,310
Employee provisions	14	1,793,080	1,685,375
Amounts received in advance	15	32,131	529,690
TOTAL CURRENT LIABILITIES		**2,328,719**	**2,808,127**
NON-CURRENT LIABILITIES			
Borrowings	16	1,870,110	2,179,360
Lease liabilities	12	5,154	164,080
Employee provisions	14	113,156	118,393
TOTAL NON-CURRENT LIABILITIES		**1,988,420**	**2,461,833**
TOTAL LIABILITIES		**4,317,139**	**5,269,960**
NET ASSETS		**8,752,603**	**7,036,471**
EQUITY			
Retained surplus		8,752,603	7,036,471
TOTAL EQUITY		**8,752,603**	**7,036,471**

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2021

2021	Retained surplus $	Total $
Balance at 1 July 2020	7,036,471	7,036,471
Surplus for the year	1,716,132	1,716,132
Balance at 30 June 2021	**8,752,603**	**8,752,603**

2020	Retained surplus $	Total $
Balance at 1 July 2019	6,194,331	6,194,331
Surplus for the year	842,140	842,140
Balance at 30 June 2020	**7,036,471**	**7,036,471**

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2021

	Note	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		16,531,642	15,971,716
Payments to suppliers and employees		(14,228,275)	(14,416,312)
Interest received		44	23,229
Interest paid		(1,291)	(7,753)
Right-of-use interest paid		(5,160)	(12,255)
Net cash provided by operating activities	**21**	**2,296,960**	**1,558,625**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		-	186,756
Proceeds from sale of investment		47,500	-
Purchase of property, plant and equipment		(673,114)	(2,664,256)
Payment for investments		-	(22,500)
Net cash used in investing activities		**(625,614)**	**(2,500,000)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (repayments of)/proceeds from borrowings		(309,250)	1,978,379
Payment of lease liabilities		(186,181)	(215,768)
Net cash provided by/ (used in) financing activities		(495,431)	1,762,611
Net increase in cash and cash equivalents held		1,175,915	821,236
Cash and cash equivalents at beginning of year		3,622,123	2,800,887
Cash and cash equivalents at end of financial year	7	4,798,038	3,622,123

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2021

The financial statements cover Mambourin Enterprises Limited as an individual entity. Mambourin Enterprises Limited is a not-for-profit unlisted public company limited by guarantee, registered and domiciled in Australia.

The functional and presentation currency of Mambourin Enterprises Limited is Australian dollars.

The financial report was authorised for issue by those charged with governance on 27 September 2021. Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Summary of significant accounting policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally, the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Service revenue

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent, relative to the total expected labour hours. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision becomes known by management.

Revenue considered to be variable in nature is only recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Once the uncertainty related to the variable consideration is resolved, this amount is adjusted.

Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue
Sales, fees and charges and fundraising are recognised when received or receivable.

Donations
Donations are recognised at the time the pledge is made and right to receipt is established.

Grants
Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received, and all attached enforceable performance obligations will be complied with.

Interest revenue
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 income
Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income tax

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

(c) Goods and services tax (GST)

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

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

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

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Property, plant and equipment

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

Land and buildings

Land and buildings are measured using the cost model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

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

Fixed asset class	Depreciation rate
Freehold land	NIL
Buildings	40 years
Plant and equipment	3-7 years
Motor vehicles	4-7 years
Office equipment	3-5 years
Improvements	2-10 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit of the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

(f) Investment in associates

Interest in associates, where the investor has significant influence over the investee, are accounted for using the equity method in accordance with AASB 128 *Investments in Associates and Joint Ventures*. Under this method, the investment is initially recognised at cost and the carrying value is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee, after the date of acquisition.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Company 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 Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing 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
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company'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.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss (refer to hedging accounting policy for derivatives designated as hedging instruments).

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company 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 Company's historical experience and informed credit assessment and including forward looking information.

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

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

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

Credit losses are measured as the present value of the difference between the cash flows due to the Company 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 Company 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 Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows 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 Company 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 Company comprise trade payables, bank and other loans and lease liabilities.

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is any evidence of an impairment indicator for non-financial assets. An impairment loss is recognised from the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount of an asset is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash, have original maturity of less than three months and which are subject to an insignificant risk of change in value.

(j) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e., does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- the contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use
- the Company has the right to direct the use of the asset i.e., decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g., CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e., leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(k) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Portable long service leave

From 1 January 2020 the Company has registered for the Victorian Portable Long Service Benefit Scheme (the Scheme). The scheme enables eligible workers to accumulate paid long service leave entitlements for long service within a sector (including community services), irrespective of their employer. For eligible employees the Company will submit a quarterly return and pay the required levy. On the effective date of the Scheme's commencement, the accumulated entitlements owing to all eligible employees have been frozen. The benefits will remain an obligation of the Company until the employee reaches eligibility, then reduce as the entitlement is consumed. From the date of commencement into the Scheme, no further long service leave will be accrued by the Company for eligible employees, as the future entitlements will now be funded through the Scheme.

(l) Provisions

Provisions are recognised when the Company 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 the reporting period.

(m) Economic dependence

Mambourin Enterprises Limited derives the majority of its revenue used to operate the business from funding provided through the National Disability Insurance Scheme (NDIS) which is dependent on participants in the NDIS exercising choice and control and continuing to direct their funds to the Company. The Company must continue to be registered as a provider with the National Disability Insurance Agency (NDIA) and meet the obligations including business rules and quality standards as set by the NDIA and the NDIS Quality and Safeguards Commission. At the date of this report, the Directors have no reason to believe the customers will not continue to support the Company and believe the Company will continue to meet its obligations; however, the Board recognises the demand driven nature of NDIS funding and the associated risks and opportunities.

3 Critical accounting estimates and judgements

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

The significant estimates and judgements made have been described below.

Key estimates - useful lives of assets

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

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

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

Key estimates - employee benefits provision

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

Key judgements - COVID-19 pandemic

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

4 Revenue and other income

Revenue from continuing operations

	2021 $	2020 $
Sales	1,461,060	1,228,265
Fees and charges	175,308	495,458
Grants	10,091,314	11,335,997
Donations	17,382	4,521
Fundraising	5,765	14,959
Interest	44	23,229
Gain on sale of assets	-	169,626
JobKeeper subsidy	4,631,000	1,900,500
Other income	355,858	398,293
Total revenue	**16,737,731**	**15,570,848**

5 Result for the year

The result for the year includes the following specific expenses:

	Note	2021 $	2020 $
Other expenses			
Employee benefit expenses		11,090,881	11,056,450
Superannuation contributions		797,363	823,735
Depreciation expenses	11	460,287	446,677
Amortisation expenses	12	191,078	200,700

6 Administration expenses

	2021 $	2020 $
Contracts/consultants	123,738	163,951
Utilities	94,867	110,431
External services	1,319,984	860,183
Insurance	43,340	26,772
Total	**1,581,929**	**1,161,337**

7 Cash and cash equivalents

	2021 $	2020 $
Cash at bank and in hand	4,762,030	3,573,305
Other cash and cash equivalents	36,008	48,818
	4,798,038	**3,622,123**

8 Trade and other receivables

	2021 $	2020 $
CURRENT		
Trade receivables	1,046,726	1,105,772
Provision for impairment	(13,576)	(8,612)
Total current trade and other receivables	**1,033,150**	**1,097,160**

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

9 Financial assets

	2021 $	2020 $
Shares in Ability X	-	47,500

10 Other assets

	2021 $	2020 $
CURRENT		
Prepayments	111,067	95,596
Security deposits	36,694	50,659
	147,761	146,255

11 Property, plant and equipment

	2021 $	2020 $
LAND AND BUILDINGS		
Freehold land at cost	2,142,000	2,142,000
Buildings at cost	5,783,969	5,499,045
Accumulated depreciation	(1,360,645)	(1,195,153)
Total buildings	**4,423,324**	**4,303,892**
Total land and buildings	**6,565,324**	**6,445,892**
PLANT AND EQUIPMENT		
Plant and equipment at cost	456,699	1,639,223
Accumulated depreciation	(340,026)	(1,234,781)
Total plant and equipment	**116,673**	**404,442**
Motor vehicles at cost	1,220,821	1,112,051
Accumulated depreciation	(962,405)	(910,450)
Total motor vehicles	**258,416**	**201,601**
Total property, plant and equipment	**6,940,413**	**7,051,935**

(a) 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:

Year ended 30 June 2021	Land $	Buildings $	Plant and equipment $	Motor vehicles $	Total $
Balance at the beginning of year	2,142,000	4,303,892	404,442	201,601	7,051,935
Additions	-	402,129	155,503	115,482	673,114
Disposals	-	(50,459)	(273,890)	-	(324,349)
Depreciation expense	-	(232,324)	(169,382)	(58,667)	(460,287)
Balance at the end of the year	**2,142,000**	**4,423,4324**	**116,673**	**258,416**	**6,940,413**

12 Leases

The Company has leases over a range of sites accommodating land and buildings, which are disclosed in accordance with AASB 16, as leases at arm's length commercial terms.

The Company also enjoys the use of premises at Altona, Braybrook, Deer Park, Sunshine and Werribee owned by either local councils or Department of Families, Fairness and Housing where there is effectively no rental payments required.

The Company has elected to not fair value peppercorn leases in accordance with the *Amendments to Australian Accounting Standards - Right-of-Use Assets for Not-for-Profit Entities*. This election allows the Company a temporary option to measure right-of-use assets at initial recognition for leases that have significantly below market value terms, at cost, in accordance with AASB 16 Leases (paragraphs 23-25), which incorporates the amount of the initial measurement of the lease liability.

The Company has chosen not to apply AASB 16 to leases of intangible assets.

Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

The Company leases land and buildings for their offices and other buildings, the leases are generally between three to five years and some of the leases include a renewal option to allow the Company to renew for up to twice the non-cancellable lease term.

The leases contain fixed annual pricing mechanisms at each anniversary of the lease inception.

Concessionary leases

The Company has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability.

Right-of-use assets

Year ended 30 June 2021	Buildings $	Total $
Balance at beginning of year	341,458	341,458
Depreciation charge	(191,078)	(191,078)
Balance at end of year	**150,380**	**150,380**

Year ended 30 June 2020	Buildings $	Total $
Balance at beginning of year	542,158	542,158
Depreciation charge	(200,700)	(200,700)
Balance at end of year	**341,458**	**341,458**

Extension options

A number of the building leases contain extension options which allow the Company to extend the lease term by up to twice the original non-cancellable period of the lease.

The Company includes options in the leases to provide flexibility and certainty to the Company operations and reduce costs of moving premises and the extension options are at the Company's discretion.

At commencement date and each subsequent reporting date, the Company assesses where it is reasonably certain that the extension options will be exercised.

The Company has applied the practical expedient to all COVID-19 related rent concessions that meet the following conditions:

a. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
b. any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021)
c. there is no substantive change to other terms and conditions of the lease.

The practical expedient allows changes in lease payments resulting from the rent concession to be treated as a variable lease payment through the statement of profit or loss and other comprehensive income, rather than as a lease modification.

13 Trade and other payables

	Note	2021 $	2020 $
CURRENT			
Trade payables		247,223	123,79
GST payable	(a)	(41,646)	248,390
Employee benefits		147,806	58,569
Sundry payables and accrued expenses		15,070	-
		368,453	**430,752**

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

(a) GST payable

2020 GST payable included provisions totalling $177,610 in relation to self-assessed under remittance for the period 2016-2019. Upon seeking further legal advice, Directors were comfortable the Company was GST compliant for the period provided for and as such, this provision was reversed in 2021.

14 Employee provisions

	2021 $	2020 $
CURRENT		
Annual leave	1,140,156	965,982
Long service leave	531,748	563,560
Backpay provision	121,176	155,833
	1,793,080	**1,685,375**
NON-CURRENT		
Long service leave	**113,156**	**118,393**

15 Other financial liabilities

	2021 $	2020 $
CURRENT		
Amounts received in advance	32,131	529,690

16 Borrowings

	2021 $	2020 $
NON-CURRENT		
Secured liabilities:		
Mortgage loans	1,870,110	2,179,360

17 Members' guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstandings and obligations of the Company. At 30 June 2021 the number of members was 34 (2020: 40).

18 Key management personnel remuneration

The total remuneration paid to key management personnel of the Company is $729,932.
(2020: $771,334).

19 Contingencies

	2021 $	2020 $
Contingent liabilities		
Bank guarantees	30,300	44,265
Additional GST shortfall	-	137,733

20 Related parties

(a) The Company's main related parties are as follows:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company are considered key management personnel.

For details on the remuneration relating to key management personnel, refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

21 Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2021 $	2020 $
Profit for the year	**1,716,132**	**842,140**
Non-cash flows in profit:		
amortisation of right-of-use assets	191,078	200,700
depreciation	460,287	446,677
net loss/(gain) on disposal of property, plant and equipment	324,349	(169,625)
Changes in assets and liabilities:		
(increase)/decrease in trade and other receivables	64,010	(290,720)
(increase)/decrease in other assets	(1,506)	(39,888)
increase/(decrease) in amounts received in advance	(497,559)	461,523
increase/(decrease) in trade and other payables	(62,299)	(162,498)
increase/(decrease) in employee benefits	102,468	270,316
Cashflows from operations	**2,296,960**	**1,558,625**

22 Events after the end of the reporting period

The financial report was authorised for issue on 27 September 2021 by those charged with governance.

The continued spread of Coronavirus (COVID-19) has disrupted many businesses, both domestically and globally. As a result of this pandemic, there are further potential accounting, financial reporting and commercial implications that management continue to monitor and consider. The Directors believe the Company remains financially resilient but notes that they did qualify for subsidies such as JobKeeper and Cash Flow Boost (refer to Note 4). Management acknowledges and are cognisant of further potential detrimental impacts and continue to manage these as facts and circumstances are known.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

23 Statutory information

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

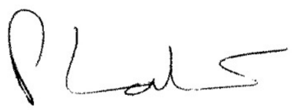
159 Derrimut Drive
Derrimut VIC 3026

Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012, the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profit Commission Regulation 2013 and other mandatory professional reporting requirements
- there are reasonable grounds to believe that the Company is able to pay all of its debts, as and when they become due and payable
- the attached financial statements and notes give 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.

Signed in accordance with a resolution of the Board of Directors.



Paul Larcher

Dated this 27th day of September 2021

Independent audit report

MOORE

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAMBOURIN ENTERPRISES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of Mambourin Enterprises Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the responsible entities directors' declaration.

In our opinion the financial report of Mambourin Enterprises Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (The ACNC Act), including:

a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of their performance for the year ended on that date; 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 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.

Other Information

The responsible entities are responsible for the other information. The other information comprises the information included in the Company's annual 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.

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 Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine 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, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has 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 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.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Moore Australia

MOORE AUSTRALIA AUDIT (VIC)
ABN 16 847 721 257

RYAN LEEMON
Partner
Audit and Assurance

Melbourne, Victoria

27 September 2021

Mambourin Enterprises Ltd
ABN 41 725 993 025 | ACN 159 527 036

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03 9731 9200
Mambourin.org

Our locations

Head Office and ADE Warehouse
159 Derrimut Drive
Derrimut VIC 3026

Braybrook
Ravenhall Street
Braybrook VIC 3019

ADE Melton Warehouse
1 Collins Road
Melton VIC 3337

Deer Park
Cnr Miles Street and
Ballarat Road
Deer Park VIC 3023

Training Centre
2/135 Derrimut Drive
Derrimut VIC 3026

Melton
20 McKenzie Street
Melton VIC 3337

Altona
130 Queen Street
Altona VIC 3016

Sunshine
50 Stanford Street
Sunshine VIC 3020

Bacchus Marsh
21-23 Gell Street
Bacchus Marsh
VIC 3340

Werribee
11 Walls Rd
Werribee VIC 3030