Financial Report

For the year ended
30 June 2023

Mambourin Enterprises Limited

ACN: 159 527 036

mambourin

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Directors' report

30 June 2023

The directors present their report on Mambourin Enterprises Limited for the financial year ended 30 June 2023.

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/Resigned
Paul Larcher	Chair	
Fiona Schutt	Deputy Chair	
James Barrie		
Leslie Chitts		Resigned 23 April 2023
Chris Cullin		
Kevin Glennon		
Marija Maher		
Emanuel Tumino		Resigned 7 November 2022
Jennifer Webster		
Mario Briffa		Appointed 7 November 2022
David Cullen		Appointed 7 November 2022
Caroline Pilot		Appointed 7 November 2022

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 30 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.
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.
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.
Mario Briffa	Mario is an experienced and empathetic senior executive and legal practitioner. Mario's considerable legal experience and practice in injury, disability and OHS law has seen him become a trusted advisor to the public and private sectors and to Victorians navigating complex compensation, medical and disability systems.
David Cullen	David has more than 25 years' experience as a senior executive in the Australian Public Service working in the aged care, disability services and health sectors. Most recently, David was Chief Economist of the National Disability Insurance Scheme (NDIS) from 2016 until his retirement in 2022.
Caroline Pilot	Caroline brings over 25 years' experience as a healthcare leader. She has a reputation for providing emotionally intelligent and creative solutions to complex issues and healthcare challenges. Caroline's expertise lies in strategy, stakeholder engagement and partnerships. She is passionate about making a positive difference to people's health outcomes.

Directors' meetings

During the financial year, 14 meetings of directors (including six board of directors' meetings and eight committees of directors' meetings) were held. Attendances by each director during the year were as follows:

	Directors' meetings		Risk and audit committee meetings		Governance committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Paul Larcher	6	6	4	1	4	-
Fiona Schutt	6	5	4	4	-	-
James Barrie	6	5	-	-	4	4
Leslie Chitts	5	4	-	-	3	2
Chris Cullin	6	6	4	4	-	-
Kevin Glennon	6	4	-	-	4	3
Marija Maher	6	5	4	3	-	-
Emanuel Tumino	2	2	-	-	1	1
Jennifer Webster	6	4	4	3	-	-
Mario Briffa	4	4	2	1	-	-
David Cullen	4	3	2	2	-	-
Caroline Pilot	4	4	-	-	2	2

Company secretary

Susannah Duncan held the position of company secretary at the end of the financial year and has been the company secretary since April 2023.

Principal purpose

The principal purpose of the Company 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.
- 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 in the nature of the Company's principal purposes during the financial year.

Principal activities

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

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

Performance measures

The Company 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 2023 the collective liability of members was $340 (2022: $340).

Operating results and review of operations for the year

Review of operations

The surplus of the Company amounted to $2,329,946 (2022: $765,371).

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.

Significant changes in state of affairs

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

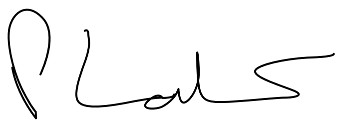
Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which 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.

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 2023 has been received and can be found on page 5 of the financial report.

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



Director
Dated this 2nd day of October 2023
Melbourne, Victoria

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 2023, 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

2 October 2023

Statement of income and retained earnings

For the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue and other income	4	23,750,446	17,020,027
Rental and lease expense		(23,849)	(54,850)
Employee expenses	6	(17,092,183)	(13,430,317)
Client transport costs		(431,537)	(267,274)
Client program costs		(452,356)	(287,612)
Depreciation and amortisation expenses	6	(574,029)	(495,724)
Finance expenses	5	(238,152)	(1,497)
Other expenses	7	(2,608,394)	(1,717,382)
Surplus for the year		**2,329,946**	**765,371**
Retained surplus			
Retained surplus at the start of the year		9,517,974	8,752,603
Retained surplus at the end of the year		**11,847,920**	**9,517,974**

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2023

	Note	2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	8	4,561,799	5,466,129
Trade and other receivables	9	1,392,151	1,142,567
Other assets	10	105,652	178,105
Total current assets		**6,059,602**	**6,786,801**
Non-current assets			
Property, plant and equipment	11	15,471,665	6,691,432
Right-of-use assets	12	125,221	428,957
Total non-current assets		**15,596,886**	**7,120,389**
Total assets		**21,656,488**	**13,907,190**
Liabilities			
Current liabilities			
Trade and other payables	13	1,019,985	699,386
Lease liabilities	12	128,661	147,057
Employee provisions	14	2,054,645	1,665,706
Other financial liabilities	15	20,000	1,200
Total current liabilities		**3,223,291**	**2,513,349**
Non-current liabilities			
Borrowings	16	6,284,479	1,458,479
Lease liabilities	12	-	280,636
Employee provisions	14	300,798	136,752
Total non-current liabilities		**6,585,277**	**1,875,867**
Total liabilities		**9,808,568**	**4,389,216**
Net assets		**11,847,920**	**9,517,974**
Equity			
Retained surplus		11,847,920	9,517,974
Total equity		**11,847,920**	**9,517,974**

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities:			
Receipts from customers		23,452,483	17,084,831
Payments to suppliers and employees		(19,662,282)	(15,785,782)
Interest received		28,861	15
Interest paid		(233,602)	(326)
Right-of-use interest paid		(4,550)	(1,171)
Net cash provided by operating activities	**21**	**3,580,910**	**1,297,567**
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment		38,318	24,818
Purchase of property, plant and equipment		(9,212,542)	(97,029)
Net cash used in investing activities		**(9,174,224)**	**(72,211)**
Cash flows from financing activities:			
Proceeds from borrowings		6,750,000	-
Repayment of borrowings		(1,924,000)	(411,631)
Payment of lease liabilities		(137,016)	(145,634)
Net cash provided by/ (used in) financing activities		**4,688,984**	**(557,265)**
Net (decrease)/increase in cash and cash equivalents held		**(904,330)**	**668,091**
Cash and cash equivalents at beginning of year		**5,466,129**	**4,798,038**
Cash and cash equivalents at end of financial year	**8**	**4,561,799**	**5,466,129**

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2023

The financial report covers 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 the Directors on 2 October 2023.

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 Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accruals 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 payables 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.

Capital work in progress

Capital work in progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

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

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) 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 at amortised cost.

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

Amortised cost

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.

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 asset 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 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 and contract assets 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.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is 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.

(h) 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.

(i) 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.

(j) 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 been 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 continued to accrue as they would prior to joining the Scheme as legal obligations to employees are not delegated. The benefits will remain an obligation of the Company until the employee reaches eligibility, then reduce as the entitlement is consumed or employee departs. From the date of commencement into the Scheme, a corresponding receivable for reimbursement from the Scheme will be accrued by the Company for eligible employees, as the future entitlements will now be funded through the Scheme.

(k) 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 are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period.

(l) 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

The directors 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, see note 11 for further details.

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, see note 14 for further details.

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, see note 9 for further details.

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, see note 14 for further details.

Similarly, funds receivable from the Victorian Portable Long Service Leave Scheme are based on estimated recoupment and obligations forgone in relation to employees eligible for the Scheme as future entitlements are expected to be directly funded by the Scheme, not the Company.

4. Revenue and other income

Revenue from continuing operations

	2023 $	2022 $
Sales	1,828,852	1,357,521
Fees and charges	380,013	255,526
NDIS service income	20,782,431	15,116,395
Donations	2,370	2,548
Fundraising	27,571	14,244
Interest on financial assets measured at amortised cost	28,861	15
Gain on sale of plant and equipment	38,318	19,991
Other income	662,030	253,787
Total revenue and other income	**23,750,446**	**17,020,027**

5. Finance expenses

	2023 $	2022 $
Interest expense on financial liabilities	233,602	326
Interest expense on lease liabilities	4,550	1,171
Total finance expenses	**238,152**	**1,497**

6. Result for the year

The result for the year includes the following specific expenses:

	Note	2023 $	2022 $
Employee benefit expenses		15,660,131	12,278,748
Superannuation contributions		1,432,052	1,151,569
		17,092,183	**13,430,317**
Depreciation expenses	11	432,309	341,183
Amortisation expenses	12	141,720	154,541
		574,029	**495,724**

7. Other expenses

	2023 $	2022 $
Contracts/consultants	221,789	93,113
Utilities	122,318	79,814
External services	2,044,777	1,422,452
Insurance	73,349	52,998
Others	146,161	69,005
Total other expenses	**2,608,394**	**1,717,382**

8. Cash and cash equivalents

	2023 $	2022 $
Cash at bank and in hand	4,533,087	5,447,546
Other cash and cash equivalents	28,712	18,583
Total cash and cash equivalents	**4,561,799**	**5,466,129**

9. Trade and other receivables

	Note	2023 $	2022 $
Current			
Trade and other receivables	(a)	1,425,027	1,155,051
Allowance for expected credit losses		(32,876)	(12,484)
Total current trade and other receivables		**1,392,151**	**1,142,567**

(a) During the financial period, legal advice was sought in relation to Portable Long Service Leave eligibility and staff participation in the Scheme. This resulted in increased in long service leave provision (refer to note 14). Similarly, a corresponding receivable of approximately $436,800 for reimbursement from the Scheme was accrued by the Company for eligible employees, as the future entitlements will now be funded through the Scheme.

The carrying value of trade and other 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.

10. Other assets

	2023 $	2022 $
Prepayments	73,352	141,411
Security deposits	32,300	36,694
Total other assets	**105,652**	**178,105**

11. Property, plant and equipment

	2023 $	2022 $
Land and buildings		
Freehold land		
At cost	5,002,000	2,142,000
Buildings		
At cost	11,346,049	5,783,969
Accumulated depreciation	(1,891,587)	(1,591,648)
Total buildings	9,454,462	4,192,321
Total land and buildings	**14,456,462**	**6,334,321**
Plant and equipment		
At cost	579,302	490,623
Accumulated depreciation	(415,624)	(377,249)
Total plant and equipment	163,678	113,374
Motor vehicles		
At cost	1,228,323	1,005,725
Accumulated depreciation	(776,047)	(761,988)
Total motor vehicles	452,276	243,737
Capital works in progress		
At cost	399,249	-
Total plant and equipment	**1,015,203**	**357,111**
Total property, plant and equipment	**15,471,665**	**6,691,432**

(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:

	Land $	Buildings $	Plant and equipment $	Motor vehicles $	Capital works in progress $	Total $
Year ended 30 June 2023						
Balance at the beginning of year	**2,142,000**	**4,192,321**	**113,374**	**243,737**	**-**	**6,691,432**
Additions	2,860,000	5,562,080	89,176	302,037	399,249	9,212,542
Disposals	-	-	-	-	-	-
Depreciation expense	-	(299,939)	(38,872)	(93,498)	-	(432,309)
Balance at the end of the year	**5,002,000**	**9,454,462**	**163,678**	**452,276**	**399,249**	**15,471,655**

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.

During the financial year, the Company exited two of its property leases as it acquired its own premises (refer to note 11). 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*, 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.

(a) Right-of-use assets

	2023 $	2022 $
Buildings		
Opening balance	428,957	150,380
Amortisation charge	(141,720)	(154,541)
Additions to right-of-use assets	-	433,118
Disposal of right-of-use assets	(162,016)	-
Balance at end of year	**125,221**	**428,957**

(b) Lease liabilities

	2023 $	2022 $
Current	128,661	147,057
Non-current	-	280,636
Balance at end of year	**128,661**	**427,693**

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year $	1–5 years $	Total undiscounted lease liabilities $	Lease liabilities included in this Statement of Financial Position $
2023				
Lease liabilities	130,391	-	130,391	128,661
2024				
Lease liabilities	155,233	292,681	447,914	427,693

Extension options

The lease contains 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.

13. Trade and other payables

	2023 $	2022 $
Current		
Trade payables	627,222	410,550
GST/PAYG payable	12,659	33,155
Employee benefits	312,971	213,728
Sundry payables and accrued expenses	67,133	41,953
Total trade and other payables	**1,019,985**	**699,386**

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.

14. Employee provisions

	Note	2023 $	2022 $
Current			
Annual leave		1,096,379	1,086,374
Long service leave	(a)	909,824	489,761
Backpay provisions		48,442	89,571
Total employee provisions		**2,054,645**	**1,665,706**
Non-current			
Long service leave	(a)	432,309	341,183

(a) During the financial period, legal advice was sought in relation to Portable Long Service Leave (PLSL) eligibility and staff participation in the Scheme. This resulted in increased registration for the Scheme and relevant back payment. As part of this process the accounting treatment for Long Service Leave (LSL) and PLSL was reviewed, which has resulted in an overall increase of the LSL provision of approximately $633,365 and an increase of PLSL receivable of $436,800 (refer to note 9).

Movement in provisions:

	Annual leave $	Long service leave $	Backpay provision $	Total $
Balance at the beginning of year	**1,086,374**	**626,513**	**89,571**	**1,802,458**
Additional provisions	1,151,471	783,292	-	1,934,763
Provisions used	(1,141,466)	(199,183)	(41,129)	(1,381,778)
Balance at 30 June 2023	**1,096,379**	**1,210,622**	**48,442**	**2,355,443**

15. Other financial liabilities

	2023 $	2022 $
Current		
Amounts received in advance	**20,000**	**1,200**

16. Borrowings

	2023 $	2022 $
Non-current		
Secured liabilities:		
Mortgage loan	**6,284,479**	**1,458,479**

The borrowing is secured by a registered first mortgage over certain freehold properties owned by the Company. The mortgage loan carries a variable interest rate and due for repayment in 2027.

17. Members' guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 34 (2022: 34).

18. Key management personnel disclosures

The remuneration paid to key management personnel of the Company is $828,165 (2022: $831,654).

19. Contingent liabilities

	2023 $	2022 $
Bank guarantees	**30,300**	**30,300**

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.

During the year, the Company subscribed to the services of Diligent Board Services Australia Pty Ltd, a Company that James Barrie is a Director of. Total subscription fees paid to Diligent Board Services during the year were $7,978.

21. Cash flow information

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

	2023 $	2022 $
Profit for the year	**2,329,946**	**765,371**
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
amortisation charge	141,720	341,183
depreciation expense	432,309	154,541
net gain on disposal of property, plant and equipment	(38,318)	(19,991)
Changes in assets and liabilities:		
(increase)/decrease in trade and other receivables	(249,584)	(109,417)
(increase)/decrease in other assets	72,453	(30,344)
increase/(decrease) in trade and other payables	320,599	330,933
increase/(decrease) in other financial liabilities	18,800	(30,931)
increase/(decrease) in employee benefits	552,985	(103,778)
Cashflows from operations	**3,580,910**	**1,297,567**

22. Auditors' remuneration

During the financial year the following fees were paid or payable for services by Moore Australia Audit (Vic), the auditor of the Company, and its network firms:

	2023 $	2022 $
Moore Australia Audit (Vic)		
- audit of the financial statements	31,500	29,375
- fees for assurance services and agreed upon procedures not required by legislation to be provided by the auditor	1,500	-
Total	**33,000**	**29,375**

23. Events after the end of the reporting period

The financial report was authorised for issue on 2 October 2023 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which 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.

24. Statutory information

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

Mambourin Enterprises Limited
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 Simplified Disclosure, 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; and
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date.

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

Director: ....

Dated this 2nd day of October 2023

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 2023, 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 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 2023 and of their performance for the year then ended on that date; and

b) complying with Australian Accounting Standards – Simplified Disclosure and the Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

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

Other Information

The directors/responsible entity 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 2023, 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.

MOORE

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 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
2 October 2023

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

hello@mambourin.org
03 9731 9200
Mambourin.org

Our locations

Head office and MBS warehouse (D1)
159 Derrimut Drive
Derrimut VIC 3026

Mambourin Business Solutions (MBS) office and warehouse (D3)
103-107 Derrimut Drive
Derrimut VIC 3026

MBS training centre (D2)
2/135 Derrimut Drive
Derrimut VIC 3026

MBS Melton warehouse
1 Collins Road
Melton VIC 3337

Altona
130 Queen Street
Altona VIC 3016

Bacchus Marsh
21-23 Gell Street
Bacchus Marsh VIC 3340

Braybrook
33 Ravenhall Street
Braybrook VIC 3019

Deer Park
836-842 Ballarat Road (corner Miles Street)
Deer Park VIC 3023

Melton
20 McKenzie Street (enter via Smith Street)
Melton VIC 3337

Sunshine
50 Stanford Street
Sunshine VIC 3020

Werribee
11 Walls Rd
Werribee VIC 3030