

Annual Report.

2019/2020



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About Us.

Community Transport Services Tasmania Inc. (CTST) is a not-for-profit organisation that provides door-to-door transport for the frail and people with disabilities, to assist them to attend medical and other appointments, shopping, social activities and remain connected to their community.

We have a fleet of 80-plus vehicles located statewide. Plus, a volunteer team of 250-plus who transport our aged, disabled and disadvantaged members of the community – including their support person where appropriate – to where they need to be, and back. Our drivers are provided with both internal and external training programs.

Trips can be a few kilometres to the local doctor, or shop for groceries; or more extensive, such as visit relatives located in another town, or to attend a clinic appointment at the Hospital. Our consumers also have access to our social outings program.

Funding from both the Commonwealth Home Support Program (CHSP) and the Tasmanian Home and Community Care (HACC) program assists us to maintain infrastructure, vehicle fleet and paid staff. Consumers (eligible users) pay a co-contribution (fee) for each trip. Volunteer drivers are a vital part of the service.

Our Purpose.

To provide affordable transport to support people to live well and connect with their community.

Our Vision.

Everybody has access to Community Transport.

Our Values.

- Commitment
- Collaboration
- Innovation
- Professionalism
- Respect

Chair Report.



The 2019/20 financial year has been one of achievement, challenges, growth, opportunity and massive change.

In the early part of the financial year, CTST was on a trajectory of working closely with State and Federal Governments as the new community transport delivery services were being implemented in a world of limited resources and a need to identify efficiencies whilst delivering a quality and safe service to our consumers.

In this regard, CTST was rising on all of the indicators to the point that demand was starting to surpass the funded supply. CTST was at a point where it was required to limit entry into some of the delivery mechanisms. This results in some consumers, the frail and elderly within our community who rely on these services to stay connected and be able to access services, being unable to live the lives which they require or desire. CTST has been very fortunate where our CEO, Lyndon Stevenson, not only leads CTST

through these difficult issues, but is also the National Chairman of the Australian Community Transport Association (ACTA). In this role, Lyndon has the opportunity to express the national industry views on these critical issues to the State and Federal authorities and ultimately, the respective Ministers with a chance to influence the outcome of these deliberations.

CTST has also continued with the innovation of the Social Enterprise of Area Connect which met an initial community service requirement within the community and has continued to grow throughout the year. Area Connect has been successful with new contracts for service provision that deliver much needed support in regional Tasmania while also assisting CTST with delivery of other community transport needs. Area Connect has been critical to supplying essential services during the COVID-19 pandemic.

With the growth of services through both CTST and Area Connect, it became very apparent that the organisation had outgrown its rented office accommodation space where staff were accommodated in spaces that needed improvement. The acquisition of new premises in a prime position on Main Road in Glenorchy will not only provide improved accommodation for staff, but will also provide for the expanding volunteer base on which we rely heavily and provide for future growth as CTST continues to meet the growing community need for transport services.

The impacts of COVID-19 hit the entire community and the CTST response to protect and safeguard the health and wellbeing of staff, volunteers and consumers was quick, decisive and effective. The Management Team are to be congratulated for the effective and efficient measures put in place to ensure that essential services continued throughout this difficult period whilst the health and wellbeing of staff, volunteers and consumers was not compromised. This challenge was even more difficult as many staff were required to work from home which made the task that much more challenging. However, the team worked tirelessly to ensure that there were no compromises and the necessary measures and activities were delivered.



I acknowledge the unselfish dedication of the Board of CTST who have volunteered their time and efforts to steer the organization through these challenging times. The commitment of each and every Board member is commendable and they should rightly take pride in their efforts which make a difference to the lives of the elderly, frail and others in need of transport services within our community. I also acknowledge the tireless work of our CEO Lyndon Stevenson who commits a large part of himself

to this service. Lyndon's efforts have shaped not only CTST as an organization, but the community transport service throughout the nation.

Glenn Hardwick
Chairman

CEO Report.

In considering how best to report the last twelve months at CTST, I have chosen to report pre COVID-19 and life with COVID-19.

Before COVID-19 hit our shores CTST was solely focused on achieving its vision – everybody has access to Community Transport. Our direction was being guided by the outcome of a recently commissioned report that identified there are approximately 4,600 Tasmanians requiring community transport across the state, over and above the 9,000 current active consumers already being serviced by CTST. However, by December 2019 CTST reached full capacity and had to make the obvious but difficult decision to cease accepting new referrals for both state funded HACC consumers and Commonwealth funded CHSP consumers state-wide. CTST was fortunate however to have receive some additional Commonwealth funding to allow us to continue accepting CHSP referrals in the North and North West Aged Care Planning Regions.

Throughout the year CTST has been engaging State and Federal governments in terms of the demand and supply challenges. No doubt this strategy, amongst others, will remain the stable to meet the current and future demands.

Future funding models for the Commonwealth's aged care transport services continues to be the most significant risk to the sector. I make this point with consideration given to the COVID-19 pandemic. It is somewhat comforting that the language from the Commonwealth appears to be changing in a manner that recognises the risk to the sector and more importantly to the end user the thousands of people frail and or aged who need this service to live well and remain connected to their community.

In advocating for the continuation of block funding CTST developed an Issues Paper that articulated the specific problems and likely outcomes with a move away from an infrastructure type funding regime. This paper was made available to the sector nationally and at both State and Federal levels. Furthermore, CTST has been keenly following the Royal Commission into Aged Care Quality and Safety and has provided a response to the initial Consultation Paper where again the case for ongoing block funding has been made.

On a positive note the sector received advice from the Commonwealth that the Equal Remuneration Order (ERO) supplement will be extended and will form part of future funding agreements. This is a very comforting outcome given the loss of such a supplement would result in a funding reduction of circa 13%.

CTST's Social Enterprise, Area Connect (AC) continues to grow. In fact, the enterprise doubled in size over the 2019/20 year. AC is now operating in, Primrose Sands, Bothwell, Ouse, Ellendale, Maydena, Colebrook, and Queenstown. This growth continues to assist more and more regional Tasmanians with community access. Additionally, the increase in enterprise revenue has provided CTST with increased capacity to support our growth and development aspirations for core service, community transport.

Undoubtedly the most significant non-services delivery project undertaken through the year was the purchase of a new property to house CTST's head office staff and Hobart regional fleet. CTST's new head office is located in a prime position, main road Glenorchy, and once renovated will provide the perfect environment for CTST's people, volunteers and staff, to continuing providing and developing services at the highest level to thousands of Tasmanians. As an organisation we look forward with excitement as we plan to relocate in the coming twelve months.

As noted earlier in my report, CTST was operating at full capacity when COVID-19 hit our community. In response to the restrictions put into place by the State and Federal Governments, CTST management moved quickly to ensure that our actions safeguarded the health and safety of staff, volunteers and consumers and that the risks to the ongoing sustainability and development of CTST and Area Connect were identified and minimised. Based on the advice from both Federal and state, public health management immediately commenced daily meetings to formulate and review a COVID-19 Infection Control Management Plan. The following plans were also developed as part of the organisations ongoing response: COVID-19 Infection Control Management Plan, Consumer Engagement Plan, Staff and Volunteer Engagement Plan, Recovery Road Map and COVID-19 safety plans.

Throughout the depth of the pandemic CTST continued to deliver essential transport, albeit at a much-reduced level. Additionally, with the funding support from both the Tasmania and Federal government, CTST was able to swiftly transition to deliver groceries, food and other essential supplies right across the state. This additional funding also provided much needed resources to recruit a pool of paid drivers to ensure driver supply as direct result of volunteers 70 years or older stepping down or at times being ask to step down due to the assessed health risks.

I would like to take this opportunity to acknowledge the outstanding performance of the CTST executive management team, leadership group, support staff, service delivery teams and volunteer team. As noted above, pre-COVID-19 CTST was operating at full capacity and to maintain this level of actively whilst ensuring quality and safety is no easy feat. I wish to highlight our wonderful volunteer team for again rising to meet the challenge of what has often been longer days, more complex routing and of course a huge increase in infection control procedures. With that said, I speak on behalf of the all staff when I say it has been our pleasure supporting all CTST volunteers over the last twelve months.

COVID-19 proved many things to CTST, one of those being how important it is to have extremely passionate, capable, and flexible people in the business, volunteers and staff alike. The other, regardless of the crisis, our consumers need and want to get around the community!

I also would like to acknowledge the support of State and Federal governments in terms of their respective approach to CTST through the depths of COVID-19 and as the situation evolved. As the CEO I was and still am extremely encouraged by the level of support and common sense afforded as we together, with everybody else, continue to work through life with COVID-19.

Finally, I wish to also pay tribute to the CTST Board for the ongoing governance of CTST. Their respective support has and continues to support me, and the executive management team to deliver community transport services in an innovative, however sustainable manner. I would like to particularly thank the Chair, Glenn Hardwick, for his exceptional leadership throughout the last twelve months, a period that has placed tremendous pressure on leadership in general.

In closing, CTST remains focused on its vision and will be executing plans to ensure it continues to make a positive and sustainable difference in our community given the new environment we will be required to operate in.



Lyndon Stevenson
Chief Executive Officer

The Board.

Glenn Hardwick

Chairman

Glenn was elected to the Board in 2014 and has previously held the positions of Deputy Chairman and Chair of the Finance, Risk & Audit Committee.

Glenn was appointed as the Board Chairman in November 2017.

Professionally, Glenn is the CEO of Christian Homes Tasmania, a not for profit aged care provider providing residential, homecare and independent living services to the elderly in Southern Tasmania.

Previous positions have included Deputy CEO of OneCare Ltd, Official Receiver in Bankruptcy for Tasmania, Deputy Commissioner and forensic accountant for the Tasmanian Corporate Affairs office, as well as numerous positions with the Tasmanian and NSW Health Authorities.

Glenn is a qualified accountant and holds membership of CPA Australia, Governance Institute and Chartered Institute of Company Secretaries. Glenn is also a graduate of the Australian Institute of Company Directors.

In what spare time he has, Glenn is interested in running, cycling, kayaking and bushwalking.

Peter Dane

Deputy Chair

Chair - Finance, Risk & Audit Committee

Peter has worked across the telecommunications and energy sectors within Australia, mainly in Tasmania. He has held management positions at White Pages, TasTel, Hydro and Aurora Energy.

Apart from Peter's time as CEO at TasTel, his business roles have involved marketing, pricing and retail regulation in the energy sector in Tasmania.

Previous Board experience includes:

- The Community Advisory Group on Mental Health
- The Teachers Registration Board
- The Legal Profession Board of Tasmania

Peter continues to serve on a number of boards and associations, is a foundation member of the Australian Direct Marketing Association, a Graduate Member of the Australian Institute of Company Directors and holds and MBA from the University of Tasmania.

Peter has a key focus on community involvement, currently volunteering for organisations such as the Guide Dogs Tasmania, driving for Community Transport Services Tasmania Inc., and Committee member and Welfare officer for the Lenah Valley RSL.

Nicola Cox

MAICD - Public Officer

Finance, Risk & Audit Committee member

In 2016, Nicola was elected to the office of Public Officer, after initial appointment to the Board in 2015.

Nicola is the Co-Founder and Director of Virtual Information Technology Pty Ltd., a Tasmanian IT service provider. Nicola is a member of the Australian Institute of Company Directors and Recipient of Tasmanian Premier's Board Diversity Scholarship – 2016

Formal membership and qualifications include:

- Degree in Journalism
- Member of the Australian Institute of Company Directors
- Governance Foundations for Not-For-Profit Directors course

Nicola continually invests in building her board and directorship knowledge.

Nicola enjoys spending time with her family, volunteering at the local football club and catching up on trashy TV.

Bruce Taylor

Board Member

Bruce Taylor was appointed to the Board in 2012. Having held the office of Deputy Chairman from 2013-2016, Bruce was elected to the office of Chairman in 2016 and retired from the position at the 2017 Annual General Meeting. He continues as a Board member.

Previously, Bruce held extensive employment with the Australian Bureau of Statistics where he spent considerable time in the Populations Surveys area.

In 1984, Bruce transitioned to the Australian Electoral Office, assuming the role of Director Industrial Elections. During this time Bruce conducted over 500 elections for unions and employer bodies.

Bruce transitioned to the Tasmanian Electoral Office in 1993 to manage the setting up of the first postal elections for local government councils. In 2002, Bruce was appointed as the Chief Electoral Officer and then Tasmania's first Electoral Commissioner in 2005.

Bruce retired in 2010. His skills, knowledge and experience in operational management, policy and legislation analysis and review are an asset to the CTST Board.

Bruce has a keen interest in motoring, having participated in and helped organise car rallies for many years. He enjoys travelling and being with family and friends.

Robert James

Board Member
Finance, Risk & Audit Committee member

Robert (Bob) was appointed to the Board in October 2014. Bob also maintains his appointment to the CTST Finance, Risk & Audit Committee.

Robert has extensive professional experience previously holding management positions with Perpetual Trustee, and GIO Australia. He has also held employment with the National Westminster Bank and Spotless Ltd.

- Academic qualifications include:
- Associate – Executor and Trustee Institute of Australia
 - Diploma – U.K. Institute of Bankers – Banking and Trustee Taxation

Bob is a long serving volunteer driver with CTST, within CTST’s Greater Launceston District.

Deborah Fisher

Board Member

Deborah was appointed to the Board in 2016. Deborah has previously worked in management roles for not-for-profit community organisations including the Cancer Council and Family Services.

Originally Deborah trained as a nurse where she worked as both matron, and as a nurse. Deborah’s love is for nursing in palliative care, offering care-not-cure to those dying.

Deborah then studied law and management. She is an active JP and has an Australia Day Award for her services to the community.

Deborah currently gives her time as a Bench JP with the Magistrates Court and is employed as a Health Consultant.

- Formal qualifications include:
- Nursing (and hospital training)
 - Law
 - Management
 - Volunteer Management
 - Assessment and Training.

Deborah loves swimming, natural things, alpacas, good coffee and old movies.

Deborah also has a keen interest in exploring why people, and things, behave as they do.

Bruce Corbett AFSM

Board Member

Bruce commenced as a Volunteer CTST driver in April 2016 and was appointed to the Board in November 2017. Bruce also serves as a Government appointment on the State Fire Commission representing the Tasmanian Retained Volunteer Firefighters Association (TRVFA) and has been on that Board since 2007.

His working life has been in Local Government Administration, the last 35 years in management positions including General Manager King Island Council, Deputy Manager Wynyard Council, Administration Manager Burnie City Council, shared Risk and OH & S Manager Waratah/Wynyard and Circular Head Councils, and when he retired in 2016 he was serving as Manager Corporate Services for those two Councils.

His involvement in the fire service spans over 40 years, 26 years as Brigade Chief for the Wynyard Retained Brigade, recently stepping down to the position of Third Officer/Brigade Secretary. Aside from that he was Group Officer of a number of brigades for seven years. In 1999 Bruce was awarded the Australian Fire Service Medal (AFSM) as part of the Australia Day Honours, the highest award for a volunteer firefighter. He also is the recipient of a National Medal and a Volunteer Firefighter Medal.

Bruce is the President of the NW Branch of the TRVFA and as such, a member of the State Executive. In 1984 he was elected as the Association’s representative on the Australasian Assembly of Volunteer Fire Associations, later to become the Council of Volunteer Firefighters Association Inc. He was elected as Secretary of the Assembly in the late 1980’s, continuing in that role until appointed as the Company Secretary of the incorporated body and more recently the Public Officer as well. Bruce has been married to his wife Dorothy for fifty years and they have two children and two grandchildren. They have lived at Wynyard since 1975 but enjoy a lot of time travelling and at their holiday shack at Great Lake.

Jeff Harper

Board Member

Jeff has been involved with CTST for over 20 years, appointed to the Board in October 2014.

Jeff is a member of the North East Lions Club. In a period spanning 30 years, Jeff was the Club President twice and currently acts in the role of Lion Tamer.

Jeff has been the Lions Zone Chairman looking after the North East, Scottsdale, Bridport, Lilydale, Flinders Island and George Town for nine years. Currently, Jeff has responsibility for St Helens, St Marys, Scottsdale, and Flinders Island Clubs. Jeff has been on the Board of the Tasmanian Lions Foundations for over ten years. During this time Jeff was awarded the Melvin Jones Fellowship from the State Lions 201 T1 Cabinet.

- Other achievements and services in which Jeff is involved are:
- 20 years service – Branxholm Hall & Reserves Committee
 - Member of the Dorset Men’s Shed
 - Recipient of the 2002 Dorset Citizen of the Year Award

Finance, Audit and Risk Committee.

It is with great pleasure that I present the Finance, Audit and Risk Committee report for 2019/20.

The Committee membership has remained the same as last year, that is Peter Dane - Chair, Nicola Cox and Robert James - Members. Over the year we held 5 meetings. In February 2020, in the place of a meeting, management circulated their regular reports for the information of Committee members. The Finance, Audit and Risk committee plays a key role in assisting the Board to fulfil its oversight responsibilities in areas such as CTST's financial reporting, internal control systems, risk management systems and the internal and external audit functions. The major financial and business risk issue for 2019/20 has been the impact of the COVID-19 pandemic. Management have responded with an Infection Control Management Plan (ICMP) and a COVID-19-Safe plan that have been extremely effective in keeping people safe and healthy and ensuring the business could continue to provide essential services. While the FAR Committee has a role in oversight of these plan, the praise must go to management in the way the plans were developed and implemented. The danger is not over yet, but CTST is well placed with strong control measures and systems in place to adapt to changes leading to, hopefully, an end to this pandemic.

The main activities and achievements of the FAR Committee for 2019/20 have been:

- Completion of the Financial Management Processes Audit review. An external review of internal audit controls which confirmed no significant issues, but identified 6 minor changes in processes mainly to ensure better visibility of existing management checks
- Review of Strategic Risk Register – presented to the Board in November 2019
- Completion of the Business Continuity Plan – November 2019
- Review of the implementation and communication of Aged Care Quality Standards
- Ongoing monitoring of monthly Budget performance
- Ongoing monitoring of the Quality, Safe & Risk and Workplace Health & Safety reports
- Scheduled reviews of Delegations, Board Policies, Fees and Fee Structures, and Insurance renewal
- Review and recommendation to the Board on the Financial Assumptions and the Operational and Capital budgets for the 2020/21 financial year.

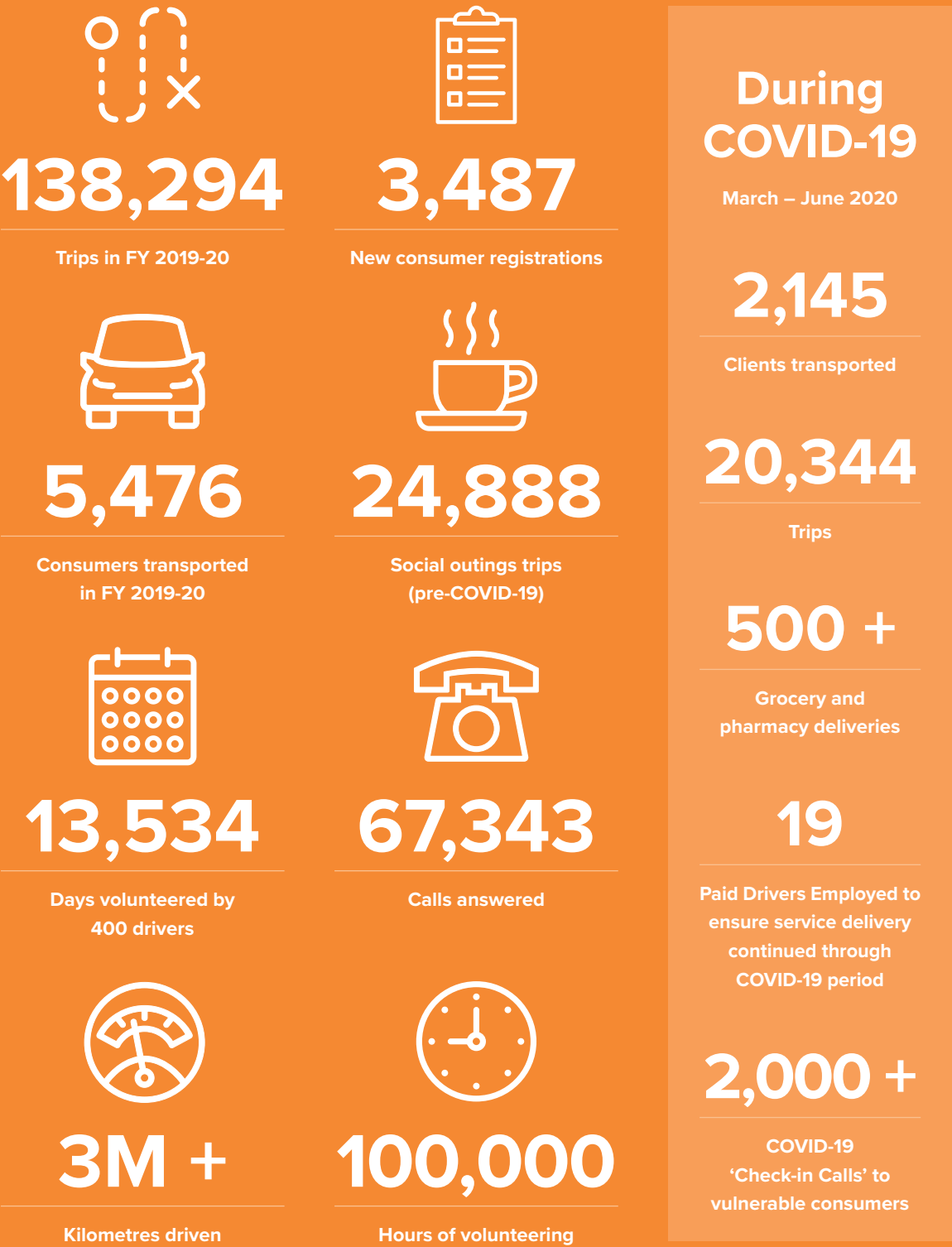
The work of the FAR Committee would not be possible without the cooperation of the management team, and in particular I would like to extend my appreciation to Bernadette Marney who has been a valuable support to the Committee since its inception.



Peter Dane
Chair FAR Committee

Our Accomplishments.

CTST achieved significant success across the many facets of the organisation.



Business Services.



Financial Performance 2019/20

CTST have again achieved a very strong financial result for the year with a surplus exceeding \$500,000. This has further strengthened our financial position with net equity increasing to over \$5m as at 30 June 2020.

For the first six months of the financial year, CTST continued to increase the number of consumers being serviced and, as a result, we were fortunate to receive CHSP Growth Funding again which had a significantly positive impact on our revenues.

Circumstances changed dramatically in the second half of the year due to COVID-19 which meant that there was a significant reduction in the number of trips taken and a subsequent steep reduction in fees from March onwards. However, this was cushioned by a reduction in motor vehicle and Volunteer expenses due to fewer trips and, along with the Government's commitment to guarantee our ongoing block funding, CTST was fortunate to avoid any negative financial impacts from COVID-19.

COVID-19 also meant that we experienced a significant reduction in available volunteer drivers which had the potential to restrict delivery of our

services to consumers. As such we applied for, and received, additional funding from Federal and State Governments to employ a number of casual drivers to fill the void and this has been very effective in allowing us to maintain our services.

As part of CTST's commitment to continuous improvement, the Finance, Audit and Risk Committee engaged Crowe to undertake a review into our internal financial processes and controls. The outcome of the review indicated CTST has a good overall control framework in place around the significant cycles, good documentation supporting transactions of each of the processes, good segregation of duties given the size of the organisation and strong knowledge of staff in their respective roles. Additionally, the final report provided CTST with some potential recommendations and observations for continuous improvement and we look forward to assessing and applying these enhancements over the coming 12 months.

Due to our positive financial results, our cash position is still very strong and, with a comfortable surplus forecast for 2020/21, we expect our financial situation to strengthen over the coming financial year.

I.T. and Communications

The outbreak of COVID-19 put our IT and communications systems to the test and we are pleased to say that our systems stood up well and we were able to operate effectively under highly abnormal conditions. The majority of our staff were required to work from home for approximately two months and we were able to operate effectively utilising our integrated phone and management systems.

In addition, we were able to effectively utilise the various communication platforms available to facilitate the staff interaction required to operate smoothly, along with ensuring staff were engaged and not isolated during the lockdown period.

As always, will we continue to explore and, where required, implement additional IT solutions to our operations to further enhance our ability to deliver our overall services.

Vehicle Fleet

2019/20 saw us replace six Toyota Commuter Vans with the updated model which has been well received by drivers and consumers alike. We plan to replace an additional seven vehicles in the coming year being four IMAXs, two Commuters and one Holden Commodore.

During the year, we took over the management of the Tamar Valley Council Community car which has increased our capacity to service the Tamar Valley area.

As at the 30th June 2020, the fleet consists of 87 vehicles made up of 35 Toyota Commuters, 21 Toyota Camrys, 14 Toyota RAV 4, 13 Hyundai IMAX, 1 Holden Commodore, 1 Ford Transit Bus, 1 Honda Odyssey and 1 Nissan LEAF.

District Offices/Lease Arrangements

CTST has maintained its presence across the State and are committed to continuing to provide a full Statewide service to Tasmania through our various regional offices. We would like to re-iterate our gratitude to all organisations and individuals who assist in allowing us to house vehicles at their

various locations across the State. This assistance is vital in ensuring we can maintain a presence in all areas and allows vehicles to be accessible to all consumers.

Through many years of prudent financial management, CTST has managed to accumulate sufficient funds with a goal of acquiring our own fit for purpose building for our Head Office. We are very excited to say that in November 2019 we acquired a property at 320 Main Road Glenorchy which was previously the Glenorchy RSL building.

The building will require renovation and upgrading but, once completed, will provide significantly increased amenity for staff, volunteers and consumers alike. It also has excellent parking facilities, which will allow for staff and fleet parking on-site in a highly central and visible location.

Staff

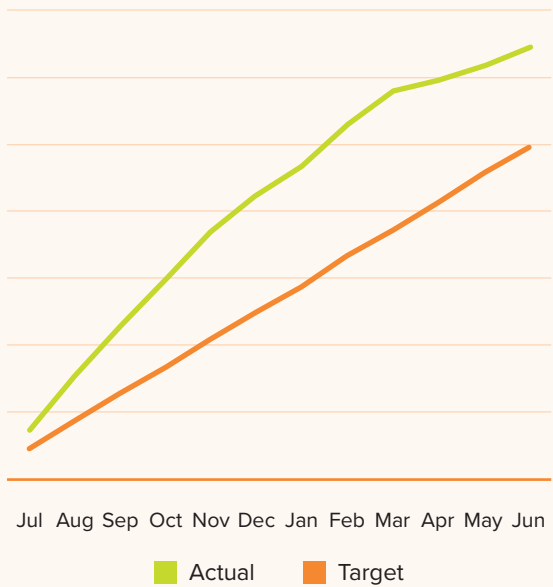
Throughout the year, the Business Services Team included: Leanne Rogers (Accounts receivable, payroll and administration), Sue Aylward (Accounts payable and administration), Lenka Bencikova (Fleet Manager), Jess Elwell (Receptionist/Admin support), Leigh Delaney (HR Manager) and Sophie Cashion (Personnel Compliance Coordinator).

Appreciation is extended to the Team for their efforts during what has been one of the most challenging years we have experienced. The ability of all staff to adapt quickly and willingly to the changes required due to COVID-19 is, and will continue to be, very much appreciated.

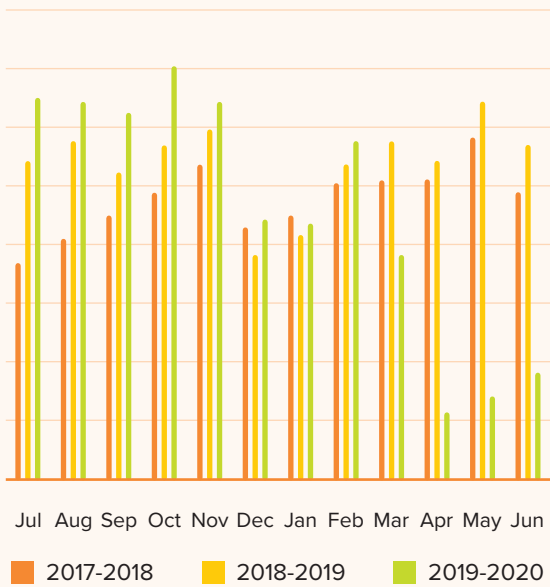
David Beattie
Chief Financial Officer

Community Impact.

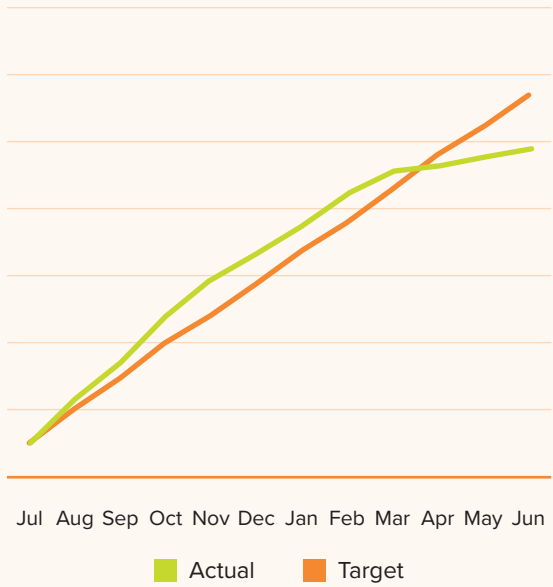
HACC Outputs



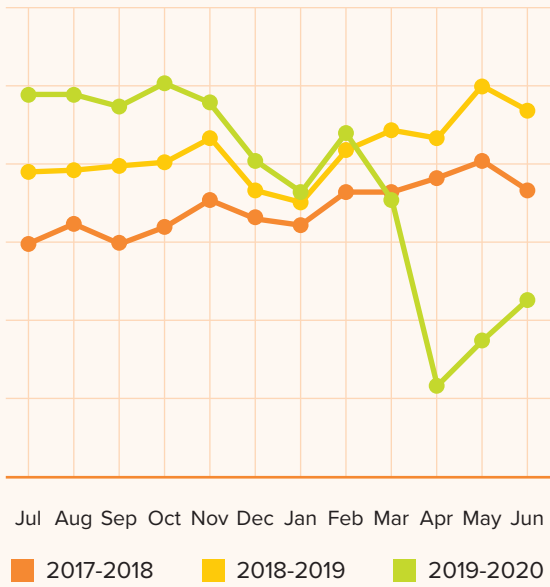
Trips per Month



CHSP Outputs



Customers per Month



Operations.



It has been an extraordinary year for the Operations Team.

The year can be separated into two parts, pre-COVID-19 and COVID-19. In the pre-COVID-19 months, the focus was maximising resources to meet very high consumer demand for service. Once COVID-19 entered Australia, the focus for Operations Team, was delivering service amid a global pandemic.

In both pre-COVID-19 and COVID-19 periods, our service delivery model, our technology systems, and the resilience, flexibility and conscientiousness of our volunteers and staff, were all proven to be effective and efficient.

The trust our consumers have in the service we provide and the importance of our service to the Tasmanian Community, was proven again this year. All regions recording the highest numbers of individuals engaging with CTST, and the highest numbers of trips being delivered by CTST. The wonderful feedback received from consumers also attests to the satisfaction consumers have with what we do and how we do it.

Our ability to respond positively to a sudden change in operating environment was demonstrated as COVID-19 entered Australia.

In line with Health Department advice, swift actions were taken, and changes made to operating procedures to keep our consumers, volunteers and staff safe. Some of the key changes implemented within Operations included: an essential items delivery program was set up, a telephone check in with consumers project was put in place, restricting transport for consumers to medical and grocery trips, reducing number of people in vehicles, volunteers that were 70 years and over being stood down, and staff working from home. Staff and volunteers are to be commended for their cooperation and professionalism for their part in implementing the changes required.

I was fortunate again this year, to catch up with our volunteers around the state at our Volunteer Toolbox sessions and our Christmas celebrations. Unfortunately, due to COVID-19 restrictions, we had to postpone our CTST Volunteer Awards and our National Volunteer Week lunches and dinners. We look forward to hosting these events as soon as circumstances allow. Our volunteers continue to inspire staff with their generosity of time donated and their commitment to providing a safe and friendly, positive experience for consumers. On behalf of consumers and staff, I would like to say thank you to all our amazing CTST volunteers.

It has been another great year for collaboration. Operational staff have further strengthened the relationships we have with external community organisations and groups to deliver service to consumers. We have also had the opportunity to participate in community forums, network meetings and Peak Body led training, all of which have provided staff with the opportunity to learn and share with peers in the community service area.

I would like to acknowledge and thank Operational Staff, for their contribution across the year. Our staff should be very proud of the positive outcomes that have been achieved. I would also like to thank the families and housemates of our staff, your understanding and support of staff when they set up office at home was greatly appreciated.

Finally, I would like to thank Lyndon and fellow managers for their ongoing support of myself and the Operational Team.

Quality, Safety and Communications.



The Greek philosophers taught us that change is the only constant in life. And that has certainly been true for CTST this year: the change has been constant, and that is likely to remain the case for some years.

In 2019-2020, the world of compliance changed. Regular reviews and improvements for our processes and policies were implemented, and then – in early 2020 – a global pandemic introduced us to a new ‘normal’ of intensified infection control measures.

The year commenced with the first big change – the introduction on 1 July 2019 of the New Aged Care Standards and the Charter of Aged Care Rights from the Aged Care Quality and Safety Commission.

CTST was well-prepared for this paradigm shift from organisational-centric thinking to consumer-centric standards because our focus has always been excellent consumer outcomes, ongoing

consultation and engagement, as well as the translation of consumer feedback to continuous quality improvement that benefits each individual passenger in our vehicles.

Our consumer-centric, values-driven organisational culture underpinned a successful conversion from the Home Care Standards to the New Aged Care Standards and, during the last twelve months, we built on this foundation to concentrate on moving beyond compliance to exceeding the minimum requirements. We have maintained and furthered our vision for sustainable organisational excellence, providing Tasmanians with a community transport service of the highest quality that is safe and secure, respectful, inclusive, and collaborative.

As the year progressed, CTST volunteers and staff received ongoing education in the New Aged Care Standards and Charter of Aged Care Rights and were presented with challenging but attainable quality goals for the implementation of further enhancements to our services, compliance excellence, and safety.

Our Risk Assessment Framework was augmented and advanced through new processes and checks informed by an independent risk assessment for social outing activities. We enhanced our Consumer Rights & Responsibilities policy – leading a collaborative project initiative through our membership of the Home And Community Care (HACC) and Commonwealth Home Support Program (CHSP) Forum. We presented to the Forum at the end of the project on the topic, ‘A Culture of Collaboration’. Completing a Passenger Transport Operator Accreditation self-audit of our systems and processes, we confirmed our confidence in meeting this crucial compliance. We then commenced work on two major Continuous Improvement Plan Projects under the headings of ‘Diversity & Inclusion’ and ‘Wellness & Reablement’.

At that point, the world shifted beneath our feet and the executive team’s focus necessarily became our response to the COVID-19 (SARS-CoV-2) pandemic.



Our Infection Control Management Plan formed the basis of our response and in the early stages the executive met daily to ensure the safety of our service – for consumers, volunteers, and employees. We introduced new safety control measures, guided by the experts, public health authorities and the Tasmanian State Government. We went above and beyond – determined to apply an abundance of caution to the care and safety of thousands of vulnerable Tasmanians. Much of our workforce moved to a working-from-home model, while our services expanded and evolved to meet the changing needs of Tasmanians against the backdrop of a global pandemic.

Every provider in the aged care and disability services sector worked towards a common goal – infection control safety. CTST shared resources, templates and plans with other organisations. We were invited to conduct presentations, including to the national peak body – Australian Community Transport Association (ACTA). During these months, CTST also responded to requests for information and advice from around the country, other providers, local government, politicians, and peak bodies – all of whom were moving quickly to adapt and respond to the remarkably and rapidly changing landscape.

Any organisation may think, at this point: we’ve met the challenges, we’ve passed the test, we’re going well. However, the ultimate test is only truly heard in

the voices of individual consumers. Therefore, CTST has ensured that at every step along the way we have engaged with consumers and invited them to tell us their stories. We’ve conducted random surveys to find out if consumers are ‘feeling’ safe; we’ve put our staff on the road for a day, so they can gain a better understanding of the consumer journey; we’ve had the conversations that matter with the Tasmanians we assist. They are the most important partner in our community transport service.

In the first quarter of 2020-2021, we will again hold our annual consumer survey – inviting and supporting our passengers to participate further in community transport service design and improvements. The survey employs delivery mechanisms that ensure inclusive, accessible and two-way communication.

Though change has driven much of the narrative for 2019-2020, CTST has survived and even thrived. Our response to each change during the year has demonstrated our organisational, values-driven resilience as well as our agility in identifying and harnessing the opportunities presented.

We applaud our volunteers and staff for their readiness and willingness in adjusting to necessary and sometimes rapid changes during 2019-2020 – but more than anything else, we are confident that our consumers have received safe community transport of the highest quality.

Innovation and Development.

COVID-19

As with many businesses, CTST and Area Connect were significantly disrupted by the COVID-19 pandemic. With operational restrictions, social distancing, infection controls and staff working from home all impacting the way services were operated. Thankfully, the strength of CTST's IT infrastructure, new phone systems and work performed in recent years to move to more cloud-based platforms such as Office 365, meant that transitioning staff to working from home was a technologically feasible proposition. And while it was disruptive, it happened without significantly impacting service delivery. Staff showed great resilience and adaptability in learning new ways to use our IT systems from home to meet our client's needs.

CTST's social enterprise, Area Connect, was equally important in ensuring service continuity in these disrupted times. Due to Health Department advice many CTST volunteers were unable to transport passengers during the coronavirus pandemic. However, with an injection of funds from the Tasmanian State Government, Area Connect was able to pivot to providing back-up services for CTST. Paid drivers were deployed to ensure the provision of direct transport and also support CTST's new grocery and pharmacy delivery service to those who chose to remain at home.

Social Enterprise – Area Connect

Since the 'Community Connector' concept paper was first developed by CTST in 2017, Area Connect has gone from strength to strength. Created to fill different needs to CTST services, Area Connect now constitutes 7 route services funded through public transport contracts with the Department of State Growth; grant funding for 'Jobs Bus' services in the South East; fee-based services provided to other agencies; and support for CTST community transport through deliveries and provision of direct transport.

In 2019-20 the day-to-day running of the Area Connect services moved from the incubation phase to becoming embedded in CTST's operations team. This has enabled a greater number of staff to participate in the running of Area Connect through answering phones, scheduling routes, coordinating drivers, and promoting the service within the community.

This has strengthened the delivery of Area Connect services and allowed Area Connect to support CTST operations through the COVID-19 pandemic by sharing resources – namely vehicles and paid drivers.

Area Connect was successful in recontracting services in Bothwell, Maydena, Ellendale, Ouse, Colebrook, Primrose Sands and West Coast-Hobart until at least 2021. These route services were carrying hundreds of passengers a month prior to the pandemic and continued to operate throughout, providing a valuable community service in regions where traditional public transport does not exist.

In 2019, Area Connect was also successful in contracting service delivery for The District Nurses providing transport for their clients to their day centres. Across the route and agency contracts, Area Connect delivered almost 5000 incidences of service despite the disruption of COVID-19.

Area Connect was launched as a brand in 2018 with funding to deliver a Jobs Bus service in the Derwent Valley. We have developed a model of service delivery that consists of Intensive Transport Case Management to get to employment, transport to training and route services providing community access.

Area Connect continues to receive grant funding to deliver the Jobs Bus model with service delivery currently operating in the South East. Not only has Area Connect focused on transport to employment but has created employment with 25 drivers across 2019-20 supporting the route services, agency transport and CTST direct transport and deliveries.



Information Technology

In 2019-20 CTST developed our IT Strategic plan identifying short, medium and long-term technology priorities for the organisation. While our IT systems and infrastructure were proven to be robust enough to withstand the significant interruptions of the past few months, the IT Strategy identified some key projects for development in 2020-21.

CTST will embark on a project to deploy a company wide intranet which will enhance information accessibility, sharing and collaboration, enabling the automation of business processes and integrating existing software platforms. This is an exciting project which will strengthen CTST's ability to deliver services and mitigate risks associated with future disruptions. Secondly, CTST will deploy an online training platform which will enable staff and volunteers to access training modules from anywhere in the state, reducing reliance on face-to-face learning and streamlining the on-boarding of new drivers.

Other key IT priorities for 2020-21 include the recruitment of in-house IT support and project delivery and 'mobile device management'. Both will enhance the functionality of CTST's IT and ensure staff and volunteers have access to timely support as well as software updates.

2020-21

The year that was 2019-20 necessitated significant Innovation and Development often at short notice. Whether it was working from home, pivoting to grocery deliveries, rerouting call centres or online meetings, CTST and Area Connect were able to ensure that services were met. While the potential for distractions and interruptions in 2020-21 remain, CTST has exciting plans for the development of our Information Technology. Similarly, we look forward to opportunities to strengthen the Area Connect brand and are always scoping opportunities to deploy in other communities that would benefit from these services.

Community Transport Services Tasmania Inc.

Financial Report For the Year Ended 30 June 2020

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Board's Report

30 June 2020

The Board members submit the financial statements of the Association for the financial year ended 30 June 2020.

1. General information

Board members

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

- Glenn Hardwick
- Peter Dane
- Nicola Cox
- Bruce Taylor
- Jeff Harper
- Robert James
- Bruce Corbett
- Deborah Fisher – Resigned 3 June 2020

Principal activities

The principal activities of the Association during the financial year were to provide transport services to members of the HACC and CHSP eligible Tasmanian community.

Significant changes

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

2. Business Review

Operating result

The net surplus/(deficit) of the Association for the financial year amounted to \$ 615,667 (2019: \$ 562,345).

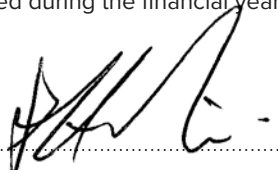
3. Other items

Significant changes in state of affairs

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

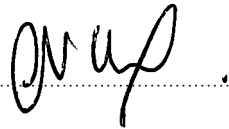
Signed in accordance with a resolution of the Members of the Board:

Board member: _____



Chairman

Board member: _____



Public Officer

Dated this 27th day of October 2020.

Board’s Declaration

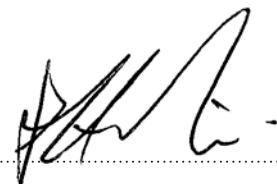
Per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013

The Board declare that in the Board’s opinion

- there are reasonable grounds to believe that Community Transport Services Tasmania Inc is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commision Act 2012 (Cth)*.

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

Signed in accordance with a resolution of the Board:

Board member: 

Board member: 

Dated this 27th day of October 2020.

Statement of Comprehensive Income.

For the Year Ended 30 June 2020

	2020 \$	2019 \$
Income		
CHSP Commonwealth funding	4,049,895	3,621,909
Donations and Contributions	5,278	1,052
Fees for services	588,900	694,416
HACC state funding	702,948	713,067
Interest received	17,654	47,447
Profit/(loss) on sale of assets	71,797	6,666
Department of state growth funding	443,237	187,094
Sundry income	88,986	19,556
Total Income	5,968,695	5,291,207
Less: cost of operations		
Coordinator expenses	177,128	229,476
Motor vehicle expenses	1,238,348	1,239,665
Other operating expenses	1,618,954	1,395,515
Volunteer expenses	318,774	352,131
Total cost of operations	3,353,204	3,216,787
Income net of cost of operations	2,615,491	2,074,420
Less: other expenses		
Administration	884,768	538,792
Insurance	28,473	31,234
Leased assets	47,378	-
Salaries	1,039,205	942,049
Total other expenses	1,999,824	1,512,075
Net surplus/(deficit) for the year	615,667	562,345
Other comprehensive income	-	-
Total comprehensive income	615,667	562,345

The accompanying notes form part of these financial statements.

Statement of Financial Position.

As at 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,887,504	1,186,376
Other financial assets		17,625	1,870,856
Prepayments		67,069	58,743
Trade and other receivables	3	150,524	144,918
TOTAL CURRENT ASSETS		2,122,722	3,260,893
NON-CURRENT ASSETS			
Property, plant and equipment	4	3,665,584	1,727,536
Right of use assets	5	71,570	-
TOTAL NON-CURRENT ASSETS		3,737,154	1,727,536
TOTAL ASSETS		5,859,876	4,988,429
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	154,564	184,535
Employee benefits	7	229,127	164,122
Other liabilities	8	193,586	69,193
Lease liability		57,722	-
TOTAL CURRENT LIABILITIES		634,999	417,850
NON-CURRENT LIABILITIES			
Financial liabilities		10,421	-
Employee benefits	7	54,295	40,881
Lease liability		14,796	-
TOTAL NON-CURRENT LIABILITIES		79,512	40,881
TOTAL LIABILITIES		714,511	458,731
NET ASSETS		5,145,365	4,529,698
EQUITY			
Accumulated surpluses		4,792,195	4,252,268
Reserves		353,170	277,430
TOTAL EQUITY		5,145,365	4,529,698

The accompanying notes form part of these financial statements.

Statement of Changes in Equity.

For the Year Ended 30 June 2020

		Community Vehicles Reserve \$	LT Reserves \$	Unspent Funding Reserve \$	Total \$
2020					
Balance at 1 July 2019	4,252,268	263,000	14,430	-	4,529,698
Net surplus/(deficit) for the year	615,667	-	-	-	615,667
Transfer to/(from) reserve	(75,740)	-	-	75,740	-
Balance at 30 June 2020	4,792,195	263,000	14,430	75,740	5,145,365
	Accumulated Surpluses \$	Community Vehicles Reserve \$	LT Reserves \$	Unspent Reserve \$	Total \$
2019					
Balance at 1 July 2018	3,689,923	263,000	14,430	-	3,967,353
Net surplus/(deficit) for the year	562,345	-	-	-	562,345
Balance at 30 June 2019	4,252,268	263,000	14,430	-	4,529,698

The accompanying notes form part of these financial statements.

Statement of Cash Flows.

For the Year Ended 30 June 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		790,114	765,684
Receipts from government		5,770,687	4,862,381
Payments to suppliers and employees		(5,305,703)	(4,657,795)
Interest received		17,654	47,447
Net cash provided by operating activities	11	1,272,752	1,017,717
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		137,280	49,951
Purchase of plant and equipment		(2,525,766)	(287,918)
Purchase of financial assets		1,853,231	(538,856)
Net cash used by investing activities		(535,255)	(776,823)
Repayment of loan		10,060	-
Repayment of lease liability		(46,429)	-
Net cash used by financing activities		(36,369)	-
Net increase/(decrease) in cash and cash equivalents held		701,128	240,894
Cash and cash equivalents at beginning of year		1,186,376	945,482
Cash and cash equivalents at end of financial year	2	1,887,504	1,186,376

Notes to the Financial Statements.

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

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

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

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

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

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

(b) Comparative Figures

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

(c) Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

Notes to the Financial Statements.

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(d) Trade and Other Receivables

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

(e) Property, Plant and Equipment

Motor Vehicles, office equipment and car phones are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready to use.

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

Fixed asset class	Depreciation rate
Motor Vehicles	22.5%
Office Equipment	10% - 33.33%
Car- Phones	10% - 33.33%

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.

(f) Trade Payables

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

(g) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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

(h) Provisions

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

Notes to the Financial Statements.

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(i) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time as at 1 July 2019. All required changes in respect of adopting these standards have been made to the reported financial position, performance or cash flow of the Association. The impact was as follows:

Leases

AASB 16 Leases standard is applicable to the annual reporting periods beginning on or after 1 January 2019. The Association applied the standard from 1 July 2019.

AASB 16 Leases introduced a single lessee accounting method and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value (lower than the asset capitalisation policy). A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.

The calculation of the lease liability takes into account appropriate discount rates, assumptions about the lease term, and increases in lease payment. A corresponding right-of-use assets is recognised and amortised over the term of the lease. Rent expense is no longer shown. The profit and loss impact of the leases is through amortisation and interest charges.

The Association adopted AASB 16 Leases using the modified retrospective method of transition, with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

In the statement of cash flows, lease payments are shown as cash flows from financing activities instead of operating activities.

The impact in 2020 first time implementation was to recognise a right-of-use asset and corresponding liability on totalling \$115,093 the impact on the statement of comprehensive income for 2020 was to reduce rent expense \$46,429 by and increase depreciation by \$43,523 and interest by \$3,855. Cashflows relating to leases are classified as finance activities.

The difference between the operating lease commitments disclosed at 30 June 2019 being \$562,122 and the lease liabilities recognised on the initial application \$115,093 is the discounting using the incremental borrowing rate at the date of initial application, recognition of new leases and clarifications of lease terms.

Revenue

AASB 15 Revenue from contracts with customers and AASB 1058 income for not-for-profit entities became effective from 1 July 2019. These standard changed the timing of income recognition depending on whether transactions give rise to a liability or other performance obligation (a promise to transfer a good or service).

Notes to the Financial Statements.

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(i) Adoption of new and revised accounting standards

The Association adopted AASB 15 and AASB 1058 using the modified retrospective method of adoption, with the date of initial application of 1 July 2019. In accordance with the transition approach, the Association recognised the cumulative effect of applying these new standards as an adjustment to opening retained earnings at the date of initial application, i.e. 1 July 2019. Consequently the comparative information presented has not been restated and continues to be reported under the previous standards on revenue and income recognition. In addition, the Association has applied the practical expedient and elected to apply these standards retrospectively only to contracts and transactions that were not completed contracts at the date of initial application, i.e. 1 July 2019.

The adoption of AASB 15 and AASB 1058 had no material impact on the financial statements.

New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Standard AASB 2020-1 Amendments to Australian Accounting Standards Classification of Liabilities as Current or Non-current amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. This standard applied to annual reporting periods beginning on or after 1 January 2022. The Association has decided against early adoption of this Standard.

(j) Income Tax

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

(k) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(l) Revenue and Other Income Accounting policy prior to 1 July 2019

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from the provision of services is recognised upon the delivery of the service to the customer.

Notes to the Financial Statements.

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(l) Revenue and Other Income

Grant revenue is recognised in the statement of comprehensive income when it is controlled. When there are conditions attached to the grant revenue relating to the use of those grants for specific purposes it is recognised in the statement of financial position as a liability until such conditions are met or services rendered.

Interest revenue is recognised over the period for which the funds are invested. Donations and bequests are recognised by the Association when received.

The net values of asset sales are included in income when the sale occurs. This may result in a profit or loss on sale depending on the written down value of the asset at the time of the sale.

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

Accounting policy from 1 July 2019

Interest revenue is recognised over the period for which the funds are invested. Donations and bequests are recognised by the Association when received.

The net values of asset sales are included in income when the sale occurs. This may result in a profit or loss on sale depending on the written down value of the asset at the time of the sale.

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

Operating Grants/Subsidies - Under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate method to reflect the transfer of benefit.

Operating Grants/Subsidies - Under AASB 1058

Assets arising from grants in the scope of AASB 1058 (i.e. agreements that are not enforceable or do not have sufficiently specific performance obligations) are recognised at their fair value when the asset is received. These assets are generally cash, but may be property which has been donated or sold to the Association significantly below its fair value.

Auditors Independence Declaration.

Under Section 60-40 of the Australian Charities and Not-for-profits Commissions Act 2012 (Cth)

1 Summary of Significant Accounting Policies

(l) Revenue and Other Income

The Association then considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised, then income is recognised for any difference between the recorded asset and liability.

Fees for services- Under AASB15

Fees for services arise from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the are shown inclusive of GST.

(n) Critical Accounting Estimates and Judgements

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

Key Judgements - Employee Benefits

For the purpose of measurement, the Association expects that most employees will not take their annual leave entitlements within a 12 month period in which they are earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees’ leave entitlements.

Key Estimates - Impairment

The Board assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of intangible assets are reassessed incorporating various key assumptions and impairment recognised, if any.

Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(n) Critical Accounting Estimates and Judgements

Key judgement - Revenue Recognition

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving review of the grant documents and consideration of the terms and conditions. Grants received by the Association have been accounted for under AASB 15 and/or AASB 1058 depending on the terms and conditions and decisions made. If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

2 Cash and Cash Equivalents

	2020 \$	2019 \$
Cash on hand	900	900
Bank balances	1,886,604	1,185,476
	1,887,504	1,186,376

3 Trade and Other Receivables

	2020 \$	2019 \$
CURRENT		
Trade receivables	170,989	114,865
Accrued interest	-	2,200
GST receivable/(payable)	(8,712)	27,853
Provision for doubtful debts	(11,753)	-
	150,524	144,918

Notes to the Financial Statements

For the Year Ended 30 June 2020

4 Property, Plant and Equipment

	2020 \$	2019 \$
LAND AND BUILDINGS		
Land at cost	972,465	-
Total Land	972,465	-
Buildings At cost	984,689	-
Accumulated depreciation	(13,437)	-
Total buildings	971,252	-
Total land and buildings	1,943,717	-
PLANT AND EQUIPMENT		
Motor Vehicle At cost	3,611,033	3,367,273
Accumulated depreciation	(1,945,837)	(1,751,394)
Total motor vehicles	1,665,196	1,615,879
Office Equipment at cost	249,671	235,542
Accumulated depreciation	(193,000)	(123,885)
Total office equipment	56,671	111,657
Equipment - car phones At cost	29,706	29,706
Accumulated depreciation	(29,706)	(29,706)
Total equipment - car phones	-	-
Total property, plant and equipment	3,665,584	1,727,536

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Leases

Right-of-use assets		
	2020 \$	2019 \$
Leased assets	115,093	-
At cost	(43,523)	-
Accumulated depreciation	71,570	-

6 Trade and Other Payables

	2020 \$	2019 \$
CURRENT		
Employee benefits	57,307	-
Payroll liabilities	33,171	41,940
Trade payables	64,086	142,595
	154,564	184,535

7 Employee Benefits

	2020 \$	2019 \$
CURRENT		
Provision for annual leave	195,884	142,494
Provision for long service leave	33,243	21,628
	229,127	164,122
NON-CURRENT		
Provision for long service leave	54,295	40,881
	54,295	40,881

Notes to the Financial Statements

For the Year Ended 30 June 2020

8 Other liabilities

	2020 \$	2019 \$
Regional employment transport	-	69,193
First and last mile project	-	-
HACC unspent funding	193,586	-
Total	193,586	69,193

9 Auditors' Remuneration

	2020 \$	2019 \$
Remuneration of the auditor of the Association, Crowe Tasmania, for:		
- Auditing and compilation of the financial statement	6,795	6,600
- Other services - accounting guidance	-	725
	6,795	7,325

10 Contingent Assets and Contingent Liabilities DHHS Funding

Under the funding agreement with the former Department of Health and Department of Communities Tasmania, in the event of cessation of the funded service, unexpended funds held at the date of cessation are repayable to the Department. Given the continuity of the services and the probability of repayment any potential future liability can not be reliably determined at this time.

Capital Grants

The Association has received, over time, capital grants. These grants may have conditions attached that require repayment of all, or part, of the grant to the funding provider if they are used or disposed of in a manner inconsistent with the original intended purpose. At the date of this report the amount and the probability of repayment being required can not be reliably determined.

There are no other contingent assets or contingent liabilities at year end.

Notes to the Financial Statements

For the Year Ended 30 June 2020

11 Cash Flow Information

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

	2020 \$	2019 \$
Net surplus/(deficit) for the year	615,667	562,345
Cash flows excluded from surplus/(deficit) attributable to operating activities		
Non-cash flows in profit:		
- depreciation	565,757	497,371
- lease interest	3,855	-
- loan interest	361	-
- net (gain)/loss on disposal of plant and equipment	(71,797)	(6,666)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(5,606)	(97,794)
- (increase)/decrease in prepayments	(8,326)	(2,894)
- increase/(decrease) in trade and other payables	(29,971)	58,345
- increase/(decrease) in other liabilities	124,393	95,267
- increase/(decrease) in employee benefits	78,419	33,084
Cashflow from operations	1,272,752	1,139,058

12 Events after the end of the Reporting Period

The Coronavirus (COVID-19) pandemic continues to impact both communities and businesses throughout the world, including Australia. The community where the Association operates. The scale, timing and duration of potential impacts on the branch is unknown, as are and future mitigating factors. The Association continues to closely monitor the impacts of COVID-19 and will respond as appropriate.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

13 Association Details

The registered office of the Association is:
Community Transport Services Tasmania Inc
20 Lampton Avenue
DERWENT PARK TAS 7009



Crowe Audit Australia
ABN 13 969 921 386
Level 1, 142-146 Elizabeth Street
Hobart TAS 7000 Australia
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Community Transport Services Tasmania Inc

Auditors' Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commissions Act 2012 (Cth) Community Transport Services Tasmania Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

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

Crowe Audit Australia

Crowe Audit Australia

Alison Flakemore
Senior Partner

Dated this 20th day of October 2020.

Hobart, Tasmania.

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Community Transport Services Tasmania Inc

Independent Audit Report to the members of Community Transport Services Tasmania Inc

Opinion

We have audited the financial report of Community Transport Services Tasmania Inc (the Association), which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the member of Board.

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

- giving a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance and cash flows for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note 1 to the financial statements, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial report has been prepared to assist the Association to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The Board are responsible for the other information. The other information comprises the Board's Report the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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Community Transport Services Tasmania Inc

Independent Audit Report to the members of Community Transport Services Tasmania Inc

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the needs of the members in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Community Transport Services Tasmania Inc

Independent Audit Report to the members of Community Transport Services Tasmania Inc

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Crowe Audit Australia

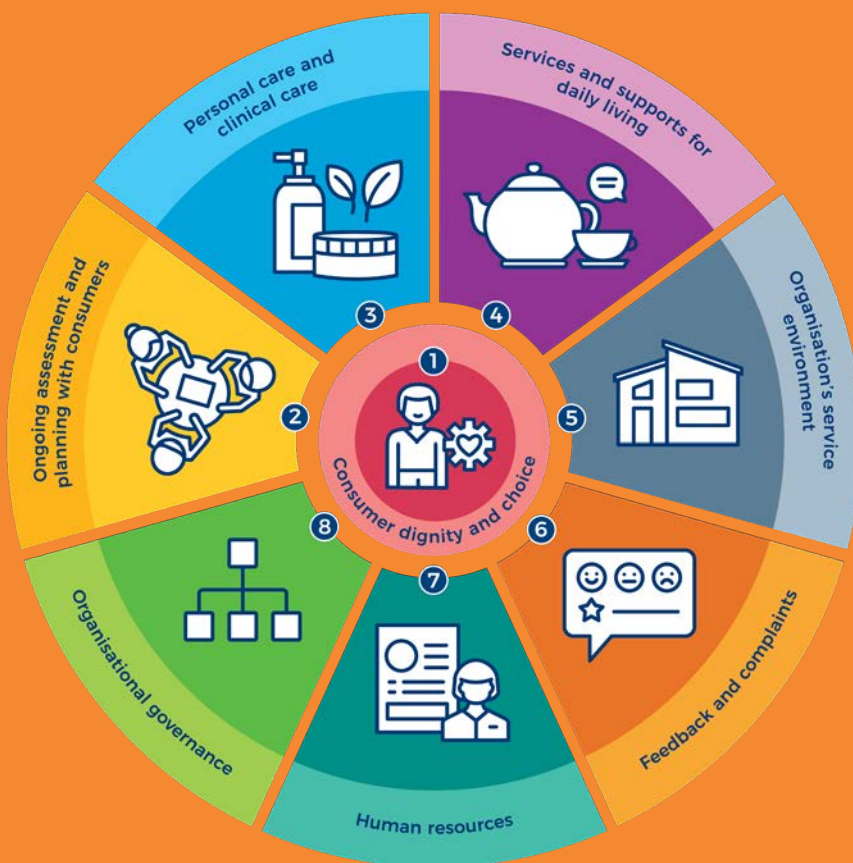
Alison Flakemore
Senior Partner

Dated this.....29th.....day of.....October.....2020.
Hobart, Tasmania.

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