



# **2018/19 annual report**



---

## **Our Mission**

To reduce isolation and improve wellbeing of individuals, families and communities by creating opportunities for participation and support.

## **Our Vision**

Diverse and resilient communities where people connect, share and grow.

## **Our Values**

SANDBAG is committed to the following values in the way we work:

Inclusive – We actively seek difference and are open to new perspectives across all we do.

Integrity – We are guided by mutual respect and fairness and do everything to meet expectations and learn from our mistakes.

Collaborative – We respect the knowledge and contributions of others and their ability to strengthen our work.

Responsive – We listen and respond positively to the changing needs of the community.

---

## CONTENTS

### **Section 1 – An overview of SANDBAG**

About us	3
----------	---

Our people	6
------------	---

### **Section 2 – Governance**

President's Report	7
--------------------	---

CEO's report	9
--------------	---

Our Programs and Activities	13
-----------------------------	----

### **Section 3 – Our Finances**

Auditor's statement	20
---------------------	----

Financial statements	29
----------------------	----

### **Section 4 – Our other important information**

Acknowledgements	48
------------------	----

Looking to the future	49
-----------------------	----

## **ABOUT US**

With roots going back to the creation of Bracken Ridge Family & Youth Support Group in 1982, and officially incorporated as Sandgate and Bracken Ridge Action Group Inc. in 1992, SANDBAG is a community-owned not for profit organisation dedicated to serving our community and assisting the most vulnerable in our society.

Overseen by a volunteer Board of Management and permanent Chief Executive Officer, SANDBAG is a registered Charity under the Queensland Government and the Australian Charities and Not for Profit Commission (ACNPC). We have Deductible Gift Recipient and Public Benevolent Institution status from the Australian Taxation Office.

Our community focus is strong, with more than 100 members and many more volunteers offering their time and financial support to deliver and manage a wide variety of community programs, disability services, education and training, and a social enterprise that creates employment opportunities for about 20 staff.

Our head office and Community Centre is located in Sandgate, with another office and counselling services at Bracken Ridge. Some of our services have weekly outreach locations as far afield as Mitchelton, Nundah and Zillmere, and we are also a joint-venture partner in the Fitzgibbon Community Centre.

The major programs SANDBAG delivers are:

- Neighbourhood Programs – Sandgate, Bracken Ridge and Fitzgibbon
- Domestic Violence Counselling and Support
- Skilling Queenslanders for Work traineeships
- SEED Parks & Property Maintenance (Social Enterprise)
- Green P Community Farm
- Disability Employment Services (DES)
- NDIS (National Disability Insurance Scheme) Support Coordination
- NDIS (National Disability Insurance Scheme) Community Linking & Access Service (Disability)

Our programs are supported in a variety of ways, with our Neighbourhood Centre and Domestic Violence counselling receiving block funding from the Queensland Government; Support Coordination and CLAS being fee for service with Participants receiving funding on an individual needs basis from the Australian Government; SEED Parks & Property Maintenance operating commercially and securing a variety of contracts with Brisbane City Council, private enterprise, and residential customers; DES receiving payment from the Australian Government for services and outcomes; specific grants funding defined activities such as Global Kitchen (fostering

---

multicultural awareness and connections); and a number of corporate and private donors very graciously sponsoring and donating to SANDBAG.

---

## OUR PEOPLE

### Board members

Name	Position	Dates acted
Arkadii Itsikson	President	Nov 2018 – Jan 2019
Rod Hillman	Vice President Acting President President	Nov 2018 – Jan 2019 Feb 2019 Mar 2019 – Oct 2019
Debby Drago	General Member Acting Vice President Vice President	Nov 2018 – Jan 2019 Feb 2019 Mar 2019 – Oct 2019
Jane Keegan	Secretary	Nov 2018 – Jan 2019
Nicola Duhig	General Member Acting Secretary Secretary	Nov 2018 – Jan 2019 Feb 2019 Mar 2019 – Oct 2019
Tegan Hooper	Treasurer	Nov 2018 – Oct 2019
David Gill	General Member	Nov 2018 – May 2019
Clinton Roberts	General Member	May 2019 – Oct 2019
Tracey Jackson	General Member	May 2019 – Oct 2019
Paul Chesher	General Member	May 2019 – Oct 2019
Dr Sandra Woodbridge	General Member	May 2019 – Oct 2019
Nick Horn	General Member	Nov 2018 – Jan 2019

### Management and Coordinators

Name	Position	Dates acted (if not the whole year)
Maggie Daunt	CEO	
Lin Rosney	Finance Lead	Jul 2019 – Mar 2019

---

Georgia Farrell	Community Linking & Access Service Support Coordination	- May 2019  May 2019 - present
Honey Rooke	DES Coordinator	Departed July 2019
Kylie Keenan	DV & Family Counselling Program Coordinator / Counsellor	July 2018 – present
Keira Brett	Green P Community Farm Coordinator	July 2018 – present
Sue Batten	Social Enterprise - SEED	Departed July 2019
Sue Batten	SQW	Jan 2019 – July 2019

---

## PRESIDENT'S REPORT



Mr Rod Hillman

The past year has been tough, but I believe we are now able to focus on moving forward and consolidate on SANDBAG's strengths and opportunities. This has been the first year for all on the Board and we've needed some time to gain an appreciation and understanding of the organization, its significant challenges and the huge positive role it plays in our community.

It's been a pleasure to see the impact of SANDBAG's staff and volunteers delivering high quality services to those in need. It's a selfless and skilled task and I have the utmost respect.

SANDBAG's challenges need to be addressed and the Board, with our staff, has started on this journey.

Our key issues include:

- The introduction of the NDIS and its changed financial arrangement has had a negative impact on our cash reserves and operation as a whole. SANDBAG supports the move to a client centered approach but it has meant a significant change to the way we do business, and it will continue to change.
- SANDBAG's financial position lacks strength and a clear path forward. Our traditional sources of revenue are changing in what is a very dynamic business environment.
- Creating a productive and positive organization culture that is flexible and well led.
- Building respect and positive relationships with our current and potential funding partners and supporters.
- Developing channels and methods to better communicate with our members and stakeholders



- 
- Improving governance through Board stability and better organizational compliance reporting.

To address these issues the Board and staff have spent significant time and effort in reviewing our financial position and making some hard decisions. We invested in an organizational review to explore SANDBAG's culture and strengths as we've had very high staff turnover with some legal challenges in this area. We've held marketing workshops to sharpen our approach and had meetings with our funding bodies to build respect and understanding.

We now believe our financial position is stabilized and we've moved into developing a new strategic plan to be completed in early/mid 2020. This process will build on our current strategic plan but better cater for the emerging opportunities and SANDBAG's undoubted strengths.

I want to thank Maggie, and now Phillip for providing strong leadership to our team. To our staff and volunteers putting in every day and my great appreciation to our Board. These people have put in a huge effort, in trying situations, and achieved well above my expectations.

Yours

Mr Rod Hillman  
President

---

## CEO'S REPORT

Dear Members,

After a few months in the role of CEO, I must say that I am immensely proud of the staff and volunteers at SANDBAG, and feel honoured to be given the opportunity to lead this organisation that plays such a significant role in our community.

Just this morning, as I'm writing this, another person has walked all the way from Bracken Ridge to our Sandgate Community Centre after being harshly evicted from share housing and we've been able to offer them a warm welcome, referrals, food to eat, and the sense that they're not alone when they most need it.

That is the type of story I see repeated here on virtually a daily basis.

No matter an individual's background and circumstances, all are made to feel welcome and safe at SANDBAG.

This was highlighted to me by a regular attendee at our Community Centre – she described it like this:

“The difference with SANDBAG is that you don't feel like you can only come here for a specific service, appointment, or reason. The drop-in service makes everyone feel free to just drop in for any reason or none whatsoever and we know that we've always got a place we can go.”

Most people are surprised to learn the full extent of all the services and programs we offer – community activities, computer tutorials, Community Kitchen lunches, food hampers, a shower and laundry for those who need it, Disability Employment Services, NDIS Support Coordination, NDIS Community Linking & Access Service, domestic violence counselling, the Green P Community Farm (at Deagon Racecourse), traineeships funded by the Queensland Government's Skilling Queenslanders for Work initiative, and even our own commercially competitive social enterprise SEED Parks and Property Maintenance which provides landscaping, parks and garden maintenance, and cleaning services to a variety of Government, corporate, and private/residential customers.

Of course, delivering these programs and services comes with a variety of challenges, and FY2018/19 has had more than its fair share.

On the people front, we've lost a significant number of staff including my predecessor, Maggie Daunt, who stood aside as CEO in August and then resigned



---

from SANDBAG in October after eight and a half years of dedicated and selfless service to SANDBAG and our local communities.

When I joined SANDBAG, I quickly identified people and culture as a priority for me as we seek to build a stronger, innovative, resilient, sustainable organisation that impacts more people and delivers more benefits to our community.

We've also had to address financial imperatives, with a focus on containing costs; structural reforms; improving efficiency through the judicious use of appropriate technologies; digital transformation as a means to reduce administrative overhead and create a smarter, more informed, more proactive organisation; and driving growth in our market-based revenue streams.

In an era of ever-increasing Government regulation, it is my belief that our DES and NDIS programs need to grow if they are to achieve economies of scale and become financially viable.

In order to achieve this, we have made the difficult decision to reduce our Support Coordination resourcing and increase our focus on our Disability Employment Services and Community Linking & Access Service.

Although it's not been an easy few months, I believe we're already starting to see some results from our efforts:

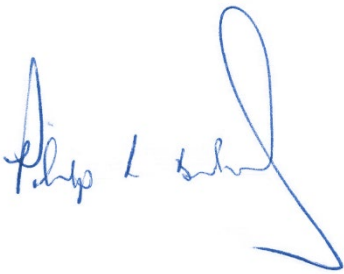
- Financial losses have been slowed and we are operating with a budget which should see us return to surplus within this financial year
- Despite some team issues last year, I have observed recently an increase in morale, constructive interpersonal dialogue, strengthening communication, and positive indicators that we are building the team culture we aspire to
- We have introduced a CRM software system for our SEED PPM social enterprise, and new compliance software to aid our Compliance Officer's challenging responsibilities
- We are currently developing a new website for SEED PPM, due to launch in mid-November
- Online engagement and visibility has been growing dramatically, with a 45% increase in our Facebook post 'reach' (seen by almost 12,000 people) over the past 28 days, and over 10,000 views of our Google listings during the same period. Even better, our FB post engagement grew by 93% to 3604 engagements.
- We are in discovery phase for the redevelopment of our SANDBAG website
- We are also mapping out a digital transformation pathway that will include migrating our accounting system to better integrate with other platforms, implementing job tracking and timesheets software, improving our regular management reporting, and optimising our billing and accounts receivable processes
- The staff have provided some input to the Board in reviewing and updating SANDBAG's Strategic Plan for 2020 and beyond, and this process is continuing

---

Along the way, I have received fantastic assistance from the Board – they have gone well beyond what I would expect from a voluntary board, and their support has been vital in allowing me to gain momentum and make vital improvements.

My current focus, after the turbulence of the past few years, is to build a robust and effective team and guide them, with the support of the Board and members, into a period of sustained growth and increased impact.

Thank you for putting your faith in me to lead this fantastic organisation – I look forward to all that we're going to do together for the benefit of our community during FY2019/20 and beyond.

A handwritten signature in blue ink, appearing to read 'Philip L. Brookes', with a large, stylized loop at the end.

Mr. Philip Brookes  
Chief Executive Officer

---

The difference a compassionate and practical program can make. This is a wonderful example of how just one of SANDBAG'S programs, through our Domestic Violence and Family Counselling service, can make.

*From a client who attended SANDBAG between 2016 and 2019:*

*"I was told about SANDBAG by a professional at TPCH. Having somehow found the strength to insist my then husband leave our home because I didn't like his treatment of me, being a newly disabled person, and having zero support from my family, my self-esteem was at its lowest. I was suffering from depression and was feeling extremely powerless and very alone.*

*I sought SANDBAG hoping to solve problems with my family. However, with counselling support, I soon realised... that I was a victim of domestic violence. [This was] something I found hard to accept being a proud, intelligent woman - how could I have allowed myself to be a domestic violence victim? After putting myself last throughout my life, including as a mother and wife... I finally gave myself permission to take care of me.*

*Today, I continue to be authentic whilst learning each day to love and embrace myself and accepting I can't solve other people's problems. I have become the person I was always meant to be and know that domestic violence can happen to anyone. Life truly is wonderful; I have SANDBAG and Kylie to thank for helping me achieve this."*

---

## OUR PROGRAMS AND ACTIVITIES

### Domestic Violence and Family Counselling (DV)

SANDBAG's Domestic Violence and Family Counselling program offers counselling, support, risk assessment and safety planning to hundreds of women and children in the North Brisbane region each year.

We work closely with Queensland Police and other local organisations to support vulnerable persons in our community and we are funded by the Qld Dept of Child Safety, Youth and Women. Here are some of our achievements over the last financial year:

We provided face to face counselling and group work to around 519 women and 15 children who have experienced domestic and family violence. We also received and responded to 428 referrals from police who attended domestic and family violence incidents. This equated to around 1360 hours of client contact. *Not bad for a core team of one coordinator and four volunteer counsellors!*

We also offer a therapeutic group called SHE – Support. Heal. Enrich – for women who are seeking a life free from abuse and moving towards healthy relationships and personal growth.

In response to a need identified by the participants themselves, this became a rolling group in the last financial year and now runs through all four school terms providing a longer term, ongoing form of support for women in our community.

The DV program also hosted two significant events during Domestic Violence Prevention Month in May 2019.

Our annual Tree Planting Ceremony, supported by Councillor Amanda Cooper, honours the lives impacted by domestic and family violence by planting trees each year along a beautiful waterway in the Bald Hills Creek parkland.

The annual Peaceful Walk & Candle Lighting Ceremony, supported by the Department of Child Safety, Youth and Women, Hon. Stirling Hinchliffe, and Councillor Jared Cassidy, promotes the message that 4017 Says NO to domestic violence. As





---

dozens of community members walked through Sandgate, accompanied by QPS mounted police and bagpipes, we carried a banner comprising artworks created by local Brisbane women who conveyed their personal message around domestic and family violence.

As we lit candles to remember those affected by domestic and family violence, we shared the message that prevention of domestic and family violence is a collaborative, community-based effort and we are all responsible for challenging the social norms, biases and inequalities that promote violence or abuse of any form within our suburbs.

### **Skilling Queenslanders for Work (SQW)**

Learning about teamwork, problem-solving, and tradie skills is all part of the great SQW program SANDBAG has been fortunate to coordinate. With many participants travelling from across North Brisbane to attend the SANDBAG SQW program based in Sandgate, the SQW team always have a great experience and learn skills that they'll carry with the for life.

Skilling Queenslanders for Work is funded by the Queensland Government and goes beyond standard traineeships and vocational training, with disadvantaged and long-term unemployed participants receiving individualised support to overcome barriers to learning and employment.

Whether it's occasional help with the cost of a Go Card, our job club which helps participants with presentation, resume, and job search skills, or someone to talk to when the pressures at home are getting a bit much, we take a personal interest in every participant and ensure that they come through the program with enhanced life skills, increased confidence, and a belief in their own ability to overcome challenges.

SQW is an example of a program with multiplying benefits, as every project the trainees work on in Construction or Conservation and Land Management is non-commercial and directly assists our community.





After several years of exemplary performance, our award-winning SQW program struggled during 2018/19, with a number of internal issues affecting the quality of service delivery and participant engagement suffering as a result.

This was driven home for us when we were unsuccessful in reapplying for the SQW Construction grant.

However, we are pleased to report that, with a monumental effort by our SQW team, we had 100% (thirty) of our June intake of trainees graduate on Friday 18<sup>th</sup> October 2019, thanks in no small part to the incredible efforts of Shelly Knight, Rhiannon Buglar, John Buckby and Amy Kemp.

We have also received feedback from the Department of Employment, Small Business and Training that our reporting standards have picked up dramatically and we believe we are now in a promising position for future applications.

## **Neighbourhood & Community Programs**

SANDBAG is perhaps most visible within the community for our Neighbourhood Centre located at 153 Rainbow Street, Sandgate. This is an open and inclusive environment that welcomes people irrespective of their personal circumstances, creating great community connections and supporting individuals where appropriate.

Whether people are turning up to our Unplugged Café on the first Friday of each month, attending one of the multitude of activities in our hall, using the free computers, attending some technology familiarisation training, dropping in for a coffee on our back deck, or arriving at the centre in times of crisis to use our shower and laundry, obtain a food hamper, or obtain some wise counsel



---

(and referrals) from Garry and Daniel, SANDBAG plays an invaluable role in our community.

Our Global Kitchen: 2<sup>nd</sup> Course project was a great opportunity to connect our community members from different cultures by learning to cook from each other, sharing a few laughs and a meal together, and ultimately publishing a cook book at the end of the project.

In total, our Community Support workers provided almost 18,000 hours of their time to people in need, particularly with regards to homelessness, emergency relief, navigating Government agencies, and helping people get back on track.

The feedback we consistently receive from participants at our centre is how much they appreciate the welcoming, open, and supportive environment at SANDBAG. Our Community Kitchen lunches, Bag-a-Bargain food distribution, Christmas lunch program, and other events to foster community connection and support the disadvantaged are not only impactful but also very fulfilling for our team members.

## **SEED PPM Social Enterprise**

SEED Parks and Property Maintenance has continued to employ about 20 staff involved in horticulture/landscape gardening/parks maintenance and commercial cleaning (although these numbers fluctuate seasonally and as staff move on to employment in the open market).

We were able to purchase a new utility, bringing our total number of SEED vehicles to four. We also have an array of trailers, ride-on mowers, leaf blowers, steam cleaning equipment, and other essential machinery and equipment to provide a full commercial suite of landscaping, hedging, cleaning, garden maintenance, and handyman/maintenance services.

We continue to have key contracts with Brisbane City Council and corporate clients, as well as serving a broad range of 4017 local residents.

Our social enterprise revenue remained fairly consistent throughout the year, and we finished the year with a minimal loss. This was achieved with minimal marketing, an outdated website, and a focus primarily on tenders and inbound sales enquiries.

Our ambitions for 2020 are to grow SEED, starting first by reinvigorating it's website with a complete makeover and then implementing a sales and marketing strategy that we expect will result in steady growth this year and, most importantly, more job opportunities.



## **Green P Community Farm**

Agnes was the first born in a family of 11 children and was born and raised in Kenya. Her dream was to develop herself and to be completely free of poverty, so that she could support her family and community especially women and children. She had been through a lot of hardships and trauma in life experiencing domestic violence, an abusive marriage and ill health as a result. She left an abusive husband and received an opportunity to study in Australia.

Agnes travelled to Australia with her three children but soon due to a lack of finances had to cease her studies. At this stage she met someone who introduced her to the Green P Community Farm.

At Green P Community Farm, Agnes received a free plot which allowed her to plant vegetables to feed her family including African herbs. Her enthusiasm for the Green P Community Farm led to her becoming involved in the Global Kitchen Project where she showed community members how to prepare a Kenyan dish and shared her story with participants in the cookery class.





Agnes has now returned to her studies and is completing a Diploma of Community Services and is undertaking a student placement with SANDBAG.

## **Disability Employment Service (DES)**

We commenced our contract with the Australian Government as a Disability Services provider in July 2018. Working to help people with disabilities become job-ready and obtain work is both rewarding and immensely challenging. The financial and regulatory compliance realities are not for the faint-hearted, and the learning curve has been steep for us.

Whilst we employed a Coordinator with DES experience, we still had to create processes, documentation, and organisational capabilities to reach a level of capability and efficiency which would be sustainable. By the end of the financial year we were still coming to grips with the program delivery, and our Coordinator resigned in July while expressing concern that the financial imperatives may drive the heart and soul out of the work we do with the Participants.

In the new financial year, the team have worked hard to improve our performance and, although we will continue to feel the financial impact of past under-performance for several months, we are now seeing evidence that our team's hard work is paying off and they are reaching a point of proficiency in case management in line with the Department's expectations.

---

We do, however, believe that DES needs strong leadership by a qualified and experienced Manager with DES experience and so we are now commencing an executive search for such a person.

DES is currently one of our loss-making programs and we believe key drivers of success will be strong leadership by an experienced DES professional coupled with a growth strategy to achieve economies of scale. The current compliance burden is disproportionate to the scale of the business unit, and can only be supported if we take on additional participants.

During FY2018/19 we took in 68 clients and were able to place 18 of them into employment. A number of others exited the program or were suspended for reasons over which we have no influence.

SANDBAG also obtained Nationals Standards of Disability Services accreditation. The 6 NSDS principles are based on Human Rights standards.

## **National Disability Scheme (NDIS)**

With the rollout of the NDIS around Australia, 2018/19 was a big year for SANDBAG. Our Community Linking & Access Service (CLAS), which we've delivered successfully for some time, transitioned from block funding to a model whereby clients receive an allocation of funds through the NDIS and can choose how to spend those funds to receive "reasonable and necessary" supports.

CLAS supported 29 clients during 2018/19, providing a total of 6,844 hours individual support through our team of disability support workers.

Our CLAS program covered costs and delivered a valued service to our community.

Along with the rollout of the NDIS, a new service known as Support Coordination was established and SANDBAG elected to become a provider of Support Coordination services, from May 2019.

As at the end of the financial year, Support Coordination had received only a trickle of clients, hampered in part by limited marketing support and no marketing or promotion. Hence, we were nowhere covering the cost of our Support Coordinator and are in the process of scaling this back while we consolidate and strengthen other programs.

# 2019 Closing Report

Prepared for **SANDBAG Inc.**

30 June 2019



22 October 2019

The Committee Members  
SANDBAG Inc.  
77 Bracken Street  
Bracken Ridge QLD 4017

Dear Committee Members,

**SANDBAG INC. – CLOSING REPORT  
YEAR ENDED 30 JUNE 2019**

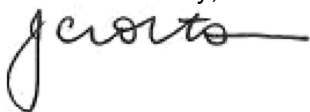
We have now completed the audit of SANDBAG Inc. for the year ended 30 June 2019.

The purpose of this report is to communicate various matters that have arisen during the course of our audit with management and those charged with governing the entity and to summarise the results of our completed audit of the financial statements of SANDBAG Inc..for the year ended 30 June 2019.

Please review the information included in our closing report and advise if you would like any further clarification.

We would like to take this opportunity to thank the members of SANDBAG Inc. for again appointing us as auditors. We look forward to working with you again next year.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'j croston', written over a horizontal line.

Jason Croston

**Director**

## CONTENTS

1. SUMMARY .....	4
1.1 SCOPE OF THE AUDIT .....	4
1.2 AUDIT CONCLUSIONS .....	4
1.3 DISCLAIMER.....	4
2. AREAS OF AUDIT SIGNIFICANCE.....	5
3. OTHER MATTERS.....	6
3.1 FRAUD.....	6
3.2 ERRORS, IRREGULARITIES AND ILLEGAL ACTS.....	6
3.3 GOING CONCERN .....	6
3.4 ACCOUNTING POLICIES AND FINANCIAL REPORT DISCLOSURES.....	6
3.5 ACCOUNTING ESTIMATES.....	7
3.6 DISAGREEMENTS ENCOUNTERED WITH MANAGEMENT .....	7
3.7 INDEPENDENCE .....	7
4. AUDIT ISSUES AND ADJUSTMENTS.....	7
APPENDIX A – 2019 AUDIT MANAGEMENT REPORT.....	8

## **1. SUMMARY**

### **1.1 SCOPE OF THE AUDIT**

We have conducted an independent audit of the financial statements in order to express an opinion on it to the Members of SANDBAG Inc. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free from material misstatement.

Our audit approach focused on key financial report audit risks which involved:

- Gaining an understanding of significant financial reporting systems and key internal controls
- Walk through tests of key internal controls to check compliance with documented procedures
- Substantive audit procedures, and
- An assessment of the residual risk of material misstatement of the financial report.

### **1.2 AUDIT CONCLUSIONS**

In accordance with Australian Auditing Standards we have obtained sufficient and appropriate audit evidence on which to express an unmodified opinion on the financial report of SANDBAG Inc.

### **1.3 DISCLAIMER**

This report has been prepared for the members and Management of SANDBAG Inc. only. It should not be quoted or referred to, in whole or in part, without our prior written consent. No warranty is given to, and no liability will be accepted from, any party other than SANDBAG Inc.



## 2. AREAS OF AUDIT SIGNIFICANCE

In planning and conducting our audit we have identified areas of audit significance in which we assessed risks that have the potential to give rise to material error in the financial statements. We addressed these risks throughout the audit process by testing individual transactions and account balances.

The table below provides you with a summary of our identified areas of audit significance and our audit approach to address these.

Area of Significance	Audit approach to address risk	Audit conclusion
Revenue Recognition	Evaluation of revenue recognition policies and overview of controls	No material misstatements found.
Validity and Authorisation of Expenses	Review and assessment of the effectiveness of controls implemented and testing of identified controls.	No material misstatements found.
Management Override of Controls	Test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements. Obtain an understanding of business rationale of significant transactions that we become aware of that are outside the normal course of business for the entity.	No material misstatements found.
Related Party Transactions	Discuss and review the related party transactions policy for the entity with management.	No material misstatements found.
Asset Register	Obtain and review the asset register and depreciation schedule.	No material misstatements found.

### **3. OTHER MATTERS**

#### **3.1 FRAUD**

We have conducted discussions with management, performed walk through tests of key controls in the financial reporting systems and considered the potential risks with respect to fraud.

Our fraud procedures also included a focus on journal entries which were tailored to identify high-risk journal entries or 'red flags' that warrant further investigation. We have performed an interrogation of all general journals posted during the period.

During the audit, there were no instances of fraud that came to our attention and management also confirmed that to the best of their knowledge and belief there have been no instances of fraud during the period.

#### **3.2 ERRORS, IRREGULARITIES AND ILLEGAL ACTS**

During our audit we did not identify any errors or irregularities that would result in a material misstatement of the financial report. As part of our normal statutory audit, we obtained sufficient and appropriate audit evidence regarding your compliance with applicable laws and regulations and no apparent illegal acts have come to our attention.

#### **3.3 GOING CONCERN**

As part of our audit, we have concluded on the appropriateness of management's use of the going concern basis.

#### **3.4 ACCOUNTING POLICIES AND FINANCIAL REPORT DISCLOSURES**

We consider that the accounting policies adopted in the financial statements are appropriately disclosed. There have been no changes to accounting policies adopted by the company for the year ended 30 June 2019 other than new accounting standards effective for the first time.

### **3.5 ACCOUNTING ESTIMATES**

We have gained an understanding of the accounting estimates used and the data on which management estimates are based. We have evaluated the accounting estimates and concluded that they are reasonable in the context of the financial reporting framework.

### **3.6 DISAGREEMENTS ENCOUNTERED WITH MANAGEMENT**

There have been no disagreements with management during the course of the audit.

### **3.7 INDEPENDENCE**

Our audit services are subject to legal and professional requirements regarding auditor independence. We have internal policies and procedures in order to maintain objectivity and to be free of conflicts of interest when discharging our professional responsibilities.

We confirm that, to the best of our knowledge and belief, we are independent having regard to SRJ's policies, professional standards and relevant statutory requirements regarding auditor independence.

## **4. AUDIT ISSUES AND ADJUSTMENTS**

Please refer to Appendix A for a copy of the management letter which highlights all audit issues raised with management. Please note that the issues were discussed with management and their comments are included in the letter.

The management letter also includes all the adjusted and unadjusted audit differences identified during the audit.

## **APPENDIX A – 2019 AUDIT MANAGEMENT REPORT**

### **Brendale**

phone +61 7 3490 9988  
office Unit 3 / 27 South Pine Road  
Brendale Q 4500  
post PO Box 418  
Strathpine Q 4500

### **Caboolture**

phone +61 7 5428 9555  
office 14 Annie Street  
Caboolture Q 4510  
post PO Box 1100  
Caboolture Q 4510

### **Brisbane**

phone +61 7 3490 9988  
office Level 8, 300 Ann Street  
Brisbane Q 4000  
post PO Box 418  
Strathpine Q 4500

# **SANDBAG Inc.**

53 905 821 076

## **Financial Statements**

**For the Year Ended 30 June 2019**

**SANDBAG Inc.**

53 905 821 076

**Contents**  
**For the Year Ended 30 June 2019**

	Page
<b>Financial Statements</b>	
Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Statement by Members of Committee	14
Independent Audit Report	15

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 30 June 2019**

		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue	3	<b>2,753,163</b>	2,704,505
Finance income		<b>16,407</b>	18,058
Other income	3	<b>44,446</b>	25,903
Employee benefits expense		<b>(2,524,780)</b>	(2,240,636)
Depreciation and amortisation expense		<b>(38,225)</b>	(27,423)
Other expenses	4	<b>(483,714)</b>	(360,697)
Finance expenses		<b>(2,207)</b>	(2,177)
<b>Surplus/(deficit) for the year</b>		<b>(234,910)</b>	117,533



## Statement of Financial Position

### As At 30 June 2019

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	1,023,012	1,403,755
Trade and other receivables	6	155,885	121,519
Inventories	7	-	1,710
Prepayments	8	22,798	17,989
TOTAL CURRENT ASSETS		<u>1,201,695</u>	<u>1,544,973</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	945,299	884,153
TOTAL NON-CURRENT ASSETS		<u>945,299</u>	<u>884,153</u>
TOTAL ASSETS		<u><u>2,146,994</u></u>	<u><u>2,429,126</u></u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	225,647	135,370
Employee benefits	11	160,668	127,123
Other financial liabilities	13	25,518	31,141
Other liabilities	12	652,153	847,505
TOTAL CURRENT LIABILITIES		<u>1,063,986</u>	<u>1,141,139</u>
NON-CURRENT LIABILITIES			
Employee benefits	11	17,982	22,641
Other financial liabilities	13	65,148	30,558
TOTAL NON-CURRENT LIABILITIES		<u>83,130</u>	<u>53,199</u>
TOTAL LIABILITIES		<u><u>1,147,116</u></u>	<u><u>1,194,338</u></u>
NET ASSETS		<u><u>999,878</u></u>	<u><u>1,234,788</u></u>
<b>EQUITY</b>			
Reserves		444,968	444,968
Retained earnings		554,910	789,820
TOTAL EQUITY		<u><u>999,878</u></u>	<u><u>1,234,788</u></u>

The accompanying notes form part of these financial statements.

**SANDBAG Inc.**

53 905 821 076

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2019****2019**

	<b>Retained Earnings</b>	<b>Asset Revaluation Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2018</b>	<b>789,820</b>	<b>444,968</b>	<b>1,234,788</b>
Surplus/(deficit) for the year	<b>(234,910)</b>	<b>-</b>	<b>(234,910)</b>
<b>Balance at 30 June 2019</b>	<b>554,910</b>	<b>444,968</b>	<b>999,878</b>

**2018**

	<b>Retained Earnings</b>	<b>Asset Revaluation Surplus</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2017</b>	<b>672,287</b>	<b>444,968</b>	<b>1,117,255</b>
Surplus/(deficit) for the year	<b>117,533</b>	<b>-</b>	<b>117,533</b>
<b>Balance at 30 June 2018</b>	<b>789,820</b>	<b>444,968</b>	<b>1,234,788</b>

The accompanying notes form part of these financial statements.

**Statement of Cash Flows**  
**For the Year Ended 30 June 2019**

	<b>Note</b>	<b>2019</b> \$	<b>2018</b> \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers		<b>2,560,492</b>	2,832,212
Payments to suppliers and employees		<b>(2,885,030)</b>	(2,772,672)
Interest received		<b>16,407</b>	18,058
Finance costs		<b>(2,207)</b>	(2,177)
Net cash provided by/(used in) operating activities	16	<b>(310,338)</b>	75,421
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Movement in property, plant and equipment		<b>(99,372)</b>	(56,116)
Net cash provided by/(used in) investing activities		<b>(99,372)</b>	(56,116)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Repayment of borrowings		<b>28,967</b>	(14,637)
Net cash provided by/(used in) financing activities		<b>28,967</b>	(14,637)
Net increase/(decrease) in cash and cash equivalents held		<b>(380,743)</b>	4,668
Cash and cash equivalents at beginning of year		<b>1,403,755</b>	1,399,087
Cash and cash equivalents at end of financial year	5	<b>1,023,012</b>	1,403,755

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2019**

The financial report covers SANDBAG Inc. and its controlled entities ('the Group'). SANDBAG Inc. is a not-for-profit Association, registered and domiciled in Australia.

The principal activities of the Association for the year ended 30 June 2019 was the delivery of services including domestic and family violence counselling, disability support and community participation, employment assistance and training and drop in support for those who are socially isolated at the local neighbourhood centre.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Comparatives are consistent with prior years, unless otherwise stated.

#### **1 Basis of Preparation**

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

#### **2 Summary of Significant Accounting Policies**

##### **(a) Income Tax**

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

##### **(b) 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.

##### **(c) Revenue and other income**

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 Group 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.

##### **Grant revenue**

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Group obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

SANDBAG Inc. receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2019**

#### **2 Summary of Significant Accounting Policies**

##### **(c) Revenue and other income**

###### **Donations**

Donations and bequests are recognised as revenue when received.

###### **Other income**

Other income is recognised on an accruals basis when the Group is entitled to it.

##### **(d) Goods and services tax (GST)**

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

Receivables and payable are stated inclusive of GST.

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.

##### **(e) Inventories**

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

##### **(f) 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 revaluation model.

###### **Plant and equipment**

Plant and equipment are measured using the cost model.

###### **Depreciation**

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

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 2 Summary of Significant Accounting Policies

##### (g) 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.

##### (h) Employee benefits

Provision is made for the Group'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.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

##### (i) Provisions

Provisions are recognised when the Group 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.

##### (j) Economic dependence

SANDBAG Inc. is dependent on government grants, community and corporate donations for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe that government grants, community and corporate donations will not continue to support SANDBAG Inc.

#### 3 Revenue and Other Income

	2019 \$	2018 \$
<b>REVENUE</b>		
CLAS disability income	365,852	431,195
Commercial cleaning income	289,954	374,983
Disability employment services	202,637	-
Donations	17,313	77,116
Grant income	1,434,854	1,452,040
Mowing and gardening income	395,952	312,073
Service fee income	21,775	29,629
Unplugged cafe income	16,194	13,561
Venue hire income	8,633	13,908
<b>Total revenue</b>	<b>2,753,163</b>	<b>2,704,505</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 3 Revenue and Other Income

	2019	2018
	\$	\$
<b>OTHER INCOME</b>		
Other income	44,446	25,903
<b>Total revenue and other income</b>	<b>2,814,016</b>	<b>2,748,466</b>

#### 4 Result for the Year

The result for the year includes the following other expenses:

	2019	2018
	\$	\$
Advertising and marketing	16,059	12,620
Bad debts	985	17,920
Bank charges	1,685	1,510
Cleaning	23,243	20,164
Computer expenses	32,044	29,027
Consumables	5,432	8,424
Events and workshops	9,317	13,825
Insurance	15,245	10,410
Legal and compliance costs	47,642	9,382
Materials and equipment	45,367	46,331
Motor vehicle expenses	49,175	31,335
Nursery expenses	2,110	12,642
Printing and stationery	13,652	17,078
Rent	2,033	1,714
Repairs and maintenance	17,091	14,162
Security expenses	11,651	8,556
Service fees and venue hire	13,741	2,053
Sub contractor	73,411	28,964
Sundry expenses	31,657	19,025
Telephone and internet	22,126	21,041
Trainee expenses	32,827	17,877
Unplugged cafe expenses	10,822	8,231
Utilities	6,397	8,406
<b>Total other expenses</b>	<b>483,714</b>	<b>360,697</b>

# Notes to the Financial Statements

## For the Year Ended 30 June 2019

### 5 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash at bank and in hand	1,032,759	1,403,976
Other cash and cash equivalents	(9,747)	(221)
<b>Total cash and cash equivalents</b>	<b>1,023,012</b>	<b>1,403,755</b>

### 6 Trade and Other Receivables

	2019	2018
	\$	\$
CURRENT		
Trade receivables	142,327	129,722
Provision for doubtful debts	(15,530)	(14,645)
Accrued service income	28,738	6,442
Deposits and bonds	350	-
<b>Total current trade and other receivables</b>	<b>155,885</b>	<b>121,519</b>

### 7 Inventories

	2019	2018
	\$	\$
CURRENT		
At cost:		
Inventories	-	1,710
<b>Total inventories</b>	<b>-</b>	<b>1,710</b>

### 8 Other Assets

	2019	2018
	\$	\$
CURRENT		
Prepayments	22,798	17,989
<b>Total other assets</b>	<b>22,798</b>	<b>17,989</b>



## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 9 Property, plant and equipment

	2019	2018
	\$	\$
LAND AND BUILDINGS		
At fair value	869,586	869,586
Accumulated depreciation	(104,744)	(92,254)
<b>Total land and buildings</b>	<b>764,842</b>	<b>777,332</b>
PLANT AND EQUIPMENT		
	2019	2018
	\$	\$
Furniture, fixtures and fittings		
At cost	16,361	15,873
Accumulated depreciation	(10,688)	(9,331)
Total furniture, fixtures and fittings	5,673	6,542
Motor vehicles		
At cost	152,153	74,903
Accumulated depreciation	(40,103)	(26,365)
Total motor vehicles	112,050	48,538
Computer equipment		
At cost	24,697	15,579
Accumulated depreciation	(9,468)	(4,084)
Total computer equipment	15,229	11,495
Leasehold Improvements		
At cost	18,217	18,217
Accumulated depreciation	(5,093)	(4,638)
Total leasehold improvements	13,124	13,579
Maintenance and cleaning equipment		
At cost	75,670	63,154
Accumulated depreciation	(41,289)	(36,487)
Total maintenance and cleaning equipment	34,381	26,667
<b>Total plant and equipment</b>	<b>180,457</b>	<b>106,821</b>
<b>Total property, plant and equipment</b>	<b>945,299</b>	<b>884,153</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 10 Trade and Other Payables

	2019	2018
	\$	\$
CURRENT		
Trade payables	63,178	27,767
Accrued expenses	35,039	23,903
GST payable	105,320	102,444
Other payables	(502)	406
Superannuation payable	22,612	(19,150)
<b>Total current trade and other payables</b>	<b>225,647</b>	<b>135,370</b>

#### 11 Employee Benefits

	2019	2018
	\$	\$
CURRENT		
Annual leave	133,678	118,464
Long service leave	26,990	8,659
<b>Total current employee benefits</b>	<b>160,668</b>	<b>127,123</b>
NON-CURRENT		
Long service leave	17,982	22,641
<b>Total non-current employee benefits</b>	<b>17,982</b>	<b>22,641</b>

#### 12 Other Liabilities

	2019	2018
	\$	\$
CURRENT		
Unspent grant funding	638,683	832,844
Funds held in trust	13,470	14,661
<b>Total current other liabilities</b>	<b>652,153</b>	<b>847,505</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 13 Other Financial Liabilities

	2019	2018
	\$	\$
CURRENT		
Motor vehicle loans	10,477	-
SEED loan	-	31,141
SEFA loan	15,041	-
<b>Total current other financial liabilities</b>	<b>25,518</b>	<b>31,141</b>
	2019	2018
	\$	\$
NON-CURRENT		
Motor vehicle loans	65,148	-
SEFA loan	-	30,558
<b>Total non-current other financial liabilities</b>	<b>65,148</b>	<b>30,558</b>

#### 14 Contingencies

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

#### 15 Events after the end of the Reporting Period

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

## Notes to the Financial Statements

### For the Year Ended 30 June 2019

#### 16 Cash Flow Information

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

	2019	2018
	\$	\$
Surplus/(deficit) for the year	(234,910)	117,533
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	38,225	27,423
- bad debts	-	17,920
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(34,367)	(69,075)
- (increase)/decrease in other assets	(4,809)	(23,129)
- (increase)/decrease in inventories	1,710	7,038
- increase/(decrease) in income in advance	(197,162)	7,228
- increase/(decrease) in trade and other payables	92,090	(11,703)
- increase/(decrease) in employee benefits	28,884	2,186
Cashflows from operations	<u>(310,338)</u>	<u>75,421</u>

#### 17 Statutory Information

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

SANDBAG Inc.  
77 Bracken Street  
BRACKEN RIDGE QLD 4017

Statement by Members of Committee

The members declare that in the Members of the Committees' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Member of Committee ..... Tegan Danielle Hooper  ..... Member of Committee ..... Board Member - Treasurer .....

Dated 21.10.19

## INDEPENDENT AUDITOR'S REPORT

To the Members of SANDBAG Inc.

### *Report on the Audit of the Financial Report*

#### *Opinion*

We have audited the financial report of SANDBAG Inc., which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies, and the Statement by the Members of the Committee.

In our opinion the financial report of SANDBAG Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the association's financial position as at 30 June 2019 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, 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 *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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 report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

## *Responsibilities of Management and Those Charged with Governance for the Financial Report*

Management is responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The management's responsibility also includes such internal control as the officers determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Management 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 Management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Management 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 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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting, from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Association.

- Conclude on the appropriateness of Association'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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read 'j croston', written over a dotted line.

Jason Croston  
**SRJ Walker Wayland**  
**Director**

Date: 22 October 2019

Address: Unit 3, 27 South Pine Road, BRENDAL QLD 4500



**SECTION 4****OUR OTHER IMPORTANT  
INFORMATION****ACKNOWLEDGMENTS & THANK YOU**

We are immensely grateful for the support and encouragement we receive from so many people, and would no doubt struggle to name them all. We have over 30 volunteers regularly assisting SANDBAG, and receive financial and practical support from Federal, State, and Local Governments, as well as many community organisations, individuals, and corporate partners.

We'd like to particularly acknowledge and thank the following supporters and partners:



Hon Stirling Hincliffe  
Councillor Jared Cassidy  
St. Patrick's College, Sandgate

## LOOKING TO THE FUTURE

As SANDBAG looks to the future, some of the priorities that have been identified by the staff and current Board include:

Development of Strategic Plan beyond 2020

Development of a financially sustainable organization that exceeds the expectations of our stakeholders and clients

Development of 2020 Business Plan

Organisation and Board stability and effectiveness

Constitutional review

Review of Rainbow street office location

Review of current business model

As staff, Members, and appointed Board representatives, we are excited about the future role that SANDBAG will continue to play in building inclusive, strong and resilient communities.





## **CONTACT US**

153 Rainbow Street, Sandgate QLD 4017  
77 Bracken Street, Bracken Ridge QLD 4017

Phone 07 3869 3244

Email [admin@sandbag.org.au](mailto:admin@sandbag.org.au)

**[www.sandbag.org.au](http://www.sandbag.org.au)**

[facebook.com/SandbagIncorporated](https://facebook.com/SandbagIncorporated)