360 Health + Community

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

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360 HEALTH + COMMUNITY LTD
DIRECTORS REPORT
FOR THE YEAR ENDED 30 JUNE 2019

DIRECTOR'S REPORT

Your Directors present this report on the Consolidated entity consisting of 360 Health + Community Ltd and its controlled entities for the year ended 30 June 2019.

Directors

The names and details of the Company's Directors who held office during or since the end of the financial year are:

Director	Elected / Appointed	Retired
Mr Andrew NGEOW	3/09/2015	31/07/2018
Ms Fiona PAYNE	19/06/2013	
Mr Keith ROWE	19/06/2013	
Ms Amelia Yam	27/09/2017	31/12/2018
Ms Grace J Cox	4/12/2018	
Mr John Knowles	2/12/2018	
Mr Edward A Bartnik	5/12/2018	

Operating Results
The net profit of the Consolidated entity amounted to $172,703 (2018: loss $1,428,800)

Principal Activities

Principal activities for the year included provision of a range of chronic health, mental health and disability services across WA

The service divisions include the following:

- **Mental health** - Better Access, ALIVE, headspace, IPMHC, National Psychosocial Disability Support and Partners in Recovery (PIR).
- **Chronic health** - diabetes management, dietetics, speech pathology, exercise physiology, podiatry, persistent pain program and occupational therapy.
- **Street Doctor** - a mobile GP clinic which provides free services to people who are homeless.
- **Disability services** - NDIS therapy services and NDIS support coordination.

Objectives:

• We will be the provider of choice, delivering quality, reliable, client centred clinical and support services, pursuing positive health and wellbeing outcomes for our clients and the community

• We will have a highly skilled, engaged and motivated workforce who collaborate and are efficient in their service delivery; and are supported by the expertise, leadership and governance throughout 360.

• We will have the funding model, business focus and performance that make us competitive in contestable markets and guarantees our financial viability and strategic success.

• We will invest in people, partnerships, systems and technologies that support collaboration, innovation, evaluation and effective services.

After Balance Date Events
The Directors are not aware of any matters or circumstances that have arisen since the end of the financial year, which significantly affected, or may significantly affect operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

Future Developments

The company has undertaken a Strategic Review in August 2019 to ensure the organisation is NDIS ready and able to deliver quality services in a sustainable way.

Directors' Particulars

Mrs Fiona PAYNE	–	Chair Person
Qualifications	–	BA Applied Science (Physiotherapy); M. Sc (Physiotherapy); GAICD; ASDA
Experience	–	Professional and management background in health and disability sectors.
Special Responsibilities	–	Member of the Audit and Risk Committee
Mr Keith ROWE	–	Director
Qualifications	–	BA Applied Science (Physiotherapy); Post Grad Dip (Manipulative Therapy); GAICD
Experience	–	Over 30 years of clinical experience within both the health and mining industries. Numerous Non executive directorships and executive directorships of both NFP and ASX listed companies.
Special Responsibilities	–	Chair of the Nominations and Governance Committee
	–	Member of the Clinical Governance Committee
Mrs Julie COX	–	Director
Qualifications	–	BComm (UWA), FCA, MAICD
Experience	–	Professional background in finance, strategy and mergers & acquisitions, together with non-executive director experience in the disability sector, the arts and food and agribusiness
Special Responsibilities	–	Member of the Audit and Risk Committee
	–	Member of the Nominations and Governance Committee
	–	Chair of the Strategic Working Group
Mr Edward A BARNIK	–	Director
Qualifications	–	BA (Hons), M Psych (Clinical), M Ed Studies, GAICD, FAIM, FASID
Experience	–	Professional and management experience in disability, mental health and community services; Experienced non-executive director
Special Responsibilities	–	Chair of the Clinical Governance Committee
Mr John KNOWLES	–	Director
Qualifications	–	BBus, MHA
Experience	–	30 years CEO and CFO in health, disability and Government. 15 years Director in wildlife, social services, health, disability and environment
Special Responsibilities	–	Chair of the Audit and Risk Committee

Directors' Meetings

MEETINGS ATTENDED FROM JULY 2018 TO JUNE 2019 (12 MEETINGS HELD)		
DIRECTOR	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr Andrew NGEOW	1	1
Ms Fiona PAYNE	12	12
Mr Keith ROWE	12	12
Ms Amelia YAM	6	5
Ms Julie COX	7	6
Mr Edward BARTNIK	7	6
Mr John KNOWLES	7	7

AUDIT AND RISK MANAGEMENT COMMITTEE ('ARC') MEETINGS ATTENDED FROM JULY 2018 TO JUNE 2019 (3 MEETINGS HELD)		
DIRECTOR	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr John KNOWLES	3	3
Ms Fiona PAYNE	3	3
Ms Julie COX	3	3
CLINICAL GOVERNANCE COMMITTEE MEETINGS ATTENDED FROM JULY 2018 TO JUNE 2019 (1 MEETING HELD)		
DIRECTOR	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr Edward BARTNIK	1	1
Mr Keith ROWE	1	1
NOMINATIONS & GOVERNANCE MEETINGS ATTENDED FROM JULY 2018 TO JUNE 2019 (1 MEETING HELD)		
DIRECTOR	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Mr Keith ROWE	1	1
Ms Julie COX	1	1

The business of Board Committees was conducted within the Board meetings for the first half of the year given the reduced size of the Board.

Directors' Indemnification

During the year the Company has entered into an agreement to indemnify, or paid or agreed to pay insurance for Personal Accident & Illness and Association Liability, which includes insuring Officer Bearers of the Company against any claims made against them whilst acting in their capacity as Office Bearers.

Directors' Benefits

No Director has received or became entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Company, controlled entity or related body corporate with the Director, a firm of which the Director is a member or equity in which the Director has substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the Company's accounts, prepared in accordance with the Corporations Regulations, or the fixed salary of a full-time employee of the Company, controlled entity or related body corporate.

Auditor's independence

A copy of the Auditor's Independence Declaration, as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012, is included in this financial report.

Signed in accordance with a resolution of the Board of Directors

Signed on the 3 day of October 2019

03/10/2019

Director	**Date**

360 HEALTH + COMMUNITY LTD
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019	2018 Restated
		$	$
Revenue			
Grants and Medical Services	2	15,664,002	18,338,020
Other Income	2	538,868	391,706
		16,202,869	18,729,726
Expenses			
Employee benefits expense	3	(10,870,433)	(12,336,599)
Depreciation & amortisation expense		(383,572)	(402,877)
Interest expense		(1,248)	(1,125)
Motor Vehicle expense		(123,049)	(22,798)
Rent & Occupancy expenses		(1,806,555)	(1,755,461)
Audit, Legal and Consultancy fees		(267,440)	(433,240)
Client Support services expenses		(1,611,737)	(3,591,823)
Administration Expenses		(176,243)	(375,379)
Staff Support, Training and Recruitment		(402,141)	(257,263)
Sundry expense		(388,140)	(782,706)
		(16,030,559)	(19,959,271)
Surplus from continuing operations		**172,310**	**(1,229,545)**
Revenue from discontinued operations			64,099
Sundry expenses for discontinued operations		(295)	(28,854)
Impairment on Franchise Asset		688	(234,500)
Loss from discontinued operations		393	(199,255)
Net current year surplus		**172,703**	**(1,428,800)**
Items that will not be reclassified subsequently to Surplus or deficit:			
Transfer from General Reserve		-	-
Transfer to General Reserve		-	-
Total Comprehensive Income for the Year		**172,703**	**(1,428,800)**

This statement is to be read in conjunction with the accompanying notes.

360 HEALTH + COMMUNITY LTD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019	2018 Restated	1 July 2017 Restated
		$	$	$
CURRENT ASSETS				
Cash and Cash equivalents	4	6,763,010	6,847,186	6,545,656
Accounts receivable and other debtors	5	387,705	1,141,199	639,591
Other Current Assets	6	122,824	18,605	273,061
TOTAL CURRENT ASSETS		7,273,540	8,006,990	7,458,308
NON-CURRENT ASSETS				
Property, Plant and Equipment	7a	777,951	1,108,895	1,679,905
Intangible Assets	7b	-	-	234,500
TOTAL NON-CURRENT ASSETS		777,951	1,108,895	1,914,405
TOTAL ASSETS		8,051,491	9,115,885	9,372,713
CURRENT LIABILITIES				
Accounts Payable	8	3,289,648	4,427,178	2,899,570
Provisions	9	563,490	663,058	710,044
Lease Liabilities		-	-	117,760
Borrowings		-	-	-
TOTAL CURRENT LIABILITIES		3,853,138	5,090,236	3,727,374
NON-CURRENT LIABILITIES				
Provisions	9	-	-	190,890
Lease Liabilities		-	-	-
TOTAL NON-CURRENT LIABILITIES		-	-	190,890
TOTAL LIABILITIES		3,853,138	5,090,236	3,918,264
NET ASSETS		4,198,352	4,025,649	5,454,449
EQUITY				
Retained Surplus		4,198,352	4,025,649	5,454,449
TOTAL EQUITY		4,198,352	4,025,649	5,454,449

This statement is to be read in conjunction with the accompanying notes.

360 HEALTH + COMMUNITY LTD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	RETAINED SURPLUS $	TOTAL EQUITY $
Balance as at 30 June 2017		5,817,947	
Adjustment	11	(363,498)	
Balance as at 1 July 2017		5,454,449	5,454,449
Surplus for the year attributable to members of the entity originally reported		246,216	246,216
Total Comprehensive Income attributable to members of the entity originally reported		5,700,665	5,700,665
Total transactions with owners and other transfers		5,700,665	5,700,665
Balance as at 30 June 2018 originally reported		5,700,665	5,700,665
Adjustment to 2017-18 Total Comprehensive Income on Error Correction	11	(1,675,016)	(1,675,016)
Balance as at 30 June 2018 (restated)		**4,025,649**	**4,025,649**
Balance as at 1 July 2018		4,025,649	4,025,649
Surplus/(Deficit) for the year attributable to members of the entity		172,703	172,703
Total Comprehensive Income attributable to members of the entity		4,198,352	4,198,352
Total transactions with owners and other transfers		4,198,352	4,198,352
Balance as at 30 June 2019		**4,198,352**	**4,198,352**

This statement is to be read in conjunction with the accompanying notes.

360 HEALTH + COMMUNITY LTD
CONSOLIDATED STATEMENT OF CHANGES IN CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
Cash Flows From Operating Activities			
Receipts of Grants and Other Income		16,257,969	19,479,640
Interest Received		90,492	115,879
		16,348,460	19,595,519
Payments to Suppliers and Employees		(16,418,377)	(19,255,375)
Interest Paid		(1,248)	(1,125)
		(16,419,625)	(19,256,500)
Net Cash (Used In)/Generated from Operating Activities	16	(71,165)	339,019
Cash Flows from Investing Activities			
Payments for Property, Plant and Equipment		(61,653)	(108,974)
Proceeds from Property, Plant and Equipment		48,642	189,245
Net Cash (Used In)/Generated from Investing Activities		(13,011)	80,271
Cash Flows from Financing Activities			
Repayment of Finance Lease Liabilities		-	(117,760)
Net Cash (Used In)/Generated from Financing Activities		-	(117,760)
Net Increase (Decrease) in Cash Held		(84,176)	301,531
Cash on hand at Beginning of the Financial Year		6,847,186	6,545,656
Cash on hand at the End of the Year		6,763,010	6,847,186

This statement is to be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These Consolidated financial statements and notes represent those of 360 Health + Community Ltd.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Act 2010. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent 360 Health + Community Ltd and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the controlled entities is provided in Note 12.

The assets, liabilities and results of the subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

New accounting standards effective 1 July 2018

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an ‘expected credit loss’ model for impairment of financial assets.

When adopting AASB 9, the Entity has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings as at 1 July 2018

	Notes	Original	New AASB 9 category
Current financial assets			
Cash and Cash equivalents		Amortised Cost	Amortised Cost
Trade and other receivables		Amortised Cost	Amortised Cost
Current financial liabilities			
Trade and other payables		Amortised Cost	Amortised Cost

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Revenue

Revenue from the rendering of a service is recognised upon delivery of the service to the customer. Revenue from the sale of goods is recognised upon delivery of the goods to the customer. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Government Grants

Non-reciprocal grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant and 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.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied and are detailed at Note 2 and disclosed as unexpended funds (current liabilities) in the statement of financial position.

When grant revenue is received whereby the entity 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.

If non-reciprocal contributions of assets are received 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.

Donations and bequests are recognised as revenue when received.

(b) 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 Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

(c) Cash on hand

Cash on hand include cash at bank, deposits available on demand with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

(d) Accounts receivable and Other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to note1 (i) for further discussion on determination of impairment losses.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, Plant and Equipment

Each class of fixed assets is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation or impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment loses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to note 1(i) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs or maintenance are recognised as expenses in profit or loss in the financial period in which they are included.

Plant and equipment that have contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Leasehold Improvements	20%
Plant & Equipment, Fixtures & Fittings	25%
Motor Vehicles	25%
Computer & IT Equipment	25%
Leased plant and equipment	25%

Assets purchased by a Funding Authority for use in a nominated program are depreciated 100% at the time of purchase, provided the sum is less than $5,000. Their existence is recorded in a discrete asset register. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(f) Intangible Assets

Franchise Costs

Costs associated with acquiring franchise rights are recognised at cost of acquisition. They have a finite life and are carried at cost less any accumulated amortisation and impairment losses. Franchise costs are amortised over the life of the franchise agreement.

(g) Leases

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Company, are classified as finance leases.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.
Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(h) Financial Instruments

Recognition, initial measurement and derecognition
Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable)

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows

- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Entity’s cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than ‘hold to collect’ or ‘hold to collect and sell’ are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

Trade and other receivables

The Entity makes use of a simplified approach in accounting for trade and other receivables records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Entity uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely unchanged from AASB 139, the Entity’s financial liabilities were not impacted by the adoption of AASB 9. However, for completeness, the accounting policy is disclosed below.

The Entity’s financial liabilities include trade and other payables.
Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Entity designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

(h) Financial Instruments (Comparative period)

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent measurement
Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or at cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Amortised cost is calculated as:

(a) the amount in which the financial asset or financial liability is measured at initial recognition;
(b) less principal repayments;
(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the
(d) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

(i) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.
Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(ii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company’s intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Financial liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment
At the end of each reporting period, the Company assesses whether there is objective evidence that a financial instrument has been impaired.

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, indications that they will enter bankruptcy or other financial reorganisation and changes in arrears or economic conditions that correlate with defaults.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Impairment (continued)

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the writing off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Company no longer has any significant continued involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of assets

In accordance with Australian Accounting Standards the Company's assets are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

(j) Accounts Payable and Other Payables

Accounts payable and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.
The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition. Accounts payable and other payables are carried at amortised cost.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee Provisions

Short-term employee provisions
Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions
Provision is made for employees long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense. The company's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(l) Borrowing Costs
Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

(m) Provisions
Provisions are recognised when:

(a) the Company has a present legal or constructive obligation as a result of past events;
(b) for which it is probable that an outflow of economic benefits will result; and
(c) that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Comparative Figures
Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.
When the Company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Income Tax

The Company receives government grants and is not carried on for the purposes of profit or gain to its individual members. In accordance with Division 50 Subdivision 50-B of the Income Tax Assessment Act 1997, the Company is endorsed as an income tax exempt charitable entity.

(p) Economic Dependence

The accounts have been prepared on a going concern basis with contracts in place for significant grant funding.

(q) Charity

360 Health + Community Ltd Limited holds licence number 21078 issued in terms of the Charitable Collections Act 1946.

The Authority vested with administering the Act has accepted that the purpose of issuing the licence is:

To provide services and infrastructure in order to maximise the provision of health services to homeless people, Aboriginal People, people with mental illness, young people and other marginalised West Australian populations.

All donations are kept in a separate identifiable bank account, and records of the donors and expenses are identifiable in the Accounts (note 14).

(r) Critical Accounting Estimates and Judgements

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The directors 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 company.

Impairment

For the purpose of measurement, the value is based on the fair value less cost to sell. The company has concluded that these assumptions remain materially unchanged and are satisifed that the carrying amount does not exceed the recoverable amount of its fixed assets at 30 June 2019.

Key judgments - employee benefits

For the purpose of measurement, AASB 119: Employee Benfits defines obligations for short term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned will not have a material impact on the amounts recognised in respect of obligations for employees' entitlements.

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) New Accounting Standards and Interpretations not yet mandatory or early adopted

New Accounting Standards for Application in Future Periods

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- provides a new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return and warranties); and
- Expands and improves disclosures about revenue.

Based on a preliminary assessment of these contracts, 360 has evaluated that the impact from the application of AASB 15, is not expected to have a material impact on the recognition of revenue once adopted for the year ending 30 June 2020.

AASB 16 **Leases**

The new AASB 16:
- replaces AASB 117 Leases and some lease-related Interpretations
- requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases
- provides new guidance on the application of the definition of lease and on sale and lease back accounting
- largely retains the existing lessor accounting requirements in AASB 117
- requires new and different disclosures about leases.

360 has evaluated the impact that AASB 16 is expected to have on the organisation. Lease assets and financial liabilities on the balance sheet will increase by $503,561 and $516,793 respectively (based on the facts at the date of the assessment). Contracts in relation to office equipment, room and unit rentals are low value and therefore it is not expected to have a material impact on the financial statements when it is first adopted for the year ending 30 June 2020.

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. The effective date is for annual reporting periods beginning on or after 1 January 2019. 360 is yet to undertake a detailed assessment of the impact of AASB 1058 However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

2. REVENUE

	Note	2019 $	2018 $
Revenue from (non-reciprocal) government grants and other grants:			
Unexpended grants from last year		3,087,770	1,710,545
Less: unexpended Grants refunded		(1,012,317)	
Commonwealth Government grants-operating		13,889,375	16,779,734
State Government grants-operating		-	-
Other grants-operating		2,345	33,000
Less: Unexpended grants carried forward to next year		(2,488,775)	(2,444,851)
Less: Advanced income received		-	(642,919)
Revenue from medical services rendered		2,185,603	2,902,511
		15,664,002	18,338,020
OTHER INCOME			
Profit/(Loss) on Sale of Assets		39,617	(87,862)
Income Derived from Programs		-	-
Donations from Liquidations		21,294	23,118
Rent received		1,389	7,000
Interest received		90,492	115,879
Other		386,076	333,571
Total Other Income		538,868	391,706
Total Revenue and Other Income		**16,202,869**	**18,729,726**

3. SURPLUS/(DEFICIT) FOR THE YEAR

	2019 $	2018 $
Expenses:		
Total employee benefit expense (incl. on-costs)	10,870,433	12,336,599

4. CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at Bank -unrestricted	2,733,936	6,813,211
Short Term Deposit	4,026,870	30,875
Cash float	2,205	3,100
Total Cash in Hand as stated in the Statement of Financial position and Statement of Cashflows	6,763,010	6,847,186

Bank Guarantee

The company has a bank guarantee with NAB of $12,772 that relates to the property lease for Unit 8, 14-16 Commodore Drive, Rockingham WA 6168

5. ACCOUNTS RECEIVABLE AND OTHER DEBTORS

	2019 $	2018 $
Current		
Account Receivable	268,787	1,141,199
Other Debtors	118,918	-
Total current Accounts Receivable and Other debtors	387,705	1,141,199

Credit Risk - Accounts Receivable and Other Debtors

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than as specifically mentioned in Note 17a.

The main source of credit risk to the company is considered to relate to the class of assets described as "accounts receivable and other debtors"

6. OTHER CURRENT ASSETS

Accrued Income	19,025	18,605
Prepayments	103,799	-
	122,824	18,605

7a. PROPERTY, PLANT AND EQUIPMENT

	2019 $	2018 $
Plant & Equipment at Cost	114,440	114,440
Less Accumulated Depreciation	(90,478)	(55,008)
	23,961	59,432
Buildings & Land at Cost	320,440	320,440
Less Accumulated Depreciation	(15,488)	(9,079)
	304,952	311,361
Computer Equipment at Cost	840,316	802,202
Less Accumulated Depreciation	(605,923)	(408,578)
	234,393	393,624
Furniture & Fittings at Cost	41,822	41,822
Less Accumulated Depreciation	(29,242)	(18,786)
	12,580	23,036
Leasehold Improvements at Cost	273,370	273,370
Less Accumulated Depreciation	(194,782)	(162,493)
	78,588	110,877
Motor Vehicles at Cost	401,636	397,248
Less Accumulated Depreciation	(278,160)	(186,683)
	123,476	210,565
	777,951	1,108,895

7a. PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in Carrying Amounts

The following represents the movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year

	Plant & Equipment $	Computer Equipment $	Buildings Land $	Furniture & Fittings $	Leasehold Improvements $	Motor Vehicles $	Total $
Balance as at the beginning of the year 01 July 2017	99,405	583,595	317,770	46,933	190,279	441,923	1,679,905
Additions at cost	1,952	35,714	-	1,645	20,788	48,875	108,974
Disposals / write offs	(20,750)	(24,928)	-	(15,002)	(73,509)	(142,919)	(277,107)
Depreciation (Expense)	(21,175)	(200,756)	(6,409)	(10,539)	(26,682)	(137,316)	(402,877)
Carrying amount at the end of year 30 June 2018	**59,433**	**393,625**	**311,361**	**23,036**	**110,877**	**210,564**	**1,108,895**
Balance as at the beginning of the year 01 July 2018	59,432	393,624	311,361	23,036	110,877	210,565	1,108,895
Additions at cost	-	42,520	-	-	-	19,133	61,653
Disposals / write offs	-	(1,653)	-	-	-	(7,372)	(9,025)
Depreciation (Expense)	(35,471)	(200,098)	(6,409)	(10,456)	(32,289)	(98,849)	(383,572)
Carrying amount at the end of year 30 June 2019	**23,961**	**234,393**	**304,952**	**12,580**	**78,588**	**123,477**	**777,951**

7b. INTANGIBLE ASSETS

The asset were fully impaired in 2017-18 as a result of the cessation of 360 Health and Community Just Better Care Ltd's operations.	2019 $	2018 $
Franchise at Cost	-	280,000
Less Accumulated Depreciation	-	(64,167)
Less Impairment	-	(215,833)
	-	-
Movements in Carrying Amount		
Balance at the beginning of the year	-	234,500
Additions	-	-
Amortisation expense	-	(18,667)
Impairment losses	-	(215,833)
	-	-

8. ACCOUNTS PAYABLE AND OTHER PAYABLES

	2019 $	2018 $
Current		
Accounts Payable	186,211	240,412
Unexpended Grants	2,488,775	2,444,851
Grants in Advance	-	642,919
Accrued Operating Costs	490,360	794,703
GST Payable	(32,888)	81,661
PAYG Payable	80,200	141,398
Superannuation Payable	76,991	81,234
	3,289,648	4,427,178

9. PROVISIONS

	2019 $	2018 $
Current		
Provision for Annual Leave	336,087	344,751
Provision for Long Service Leave	227,403	244,992
Other provisions	-	73,315
	563,490	663,058
Non-Current		
Provision for Long Service Leave		
	-	-
Movements in employee provisions		
Opening balance at beginning of year	589,743	900,934
Movements during the year	(26,253)	(311,191)
Closing balance at end of year	563,490	589,743

Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave.
The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.
The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

10. Operating Lease Commitments

	2019	2018
Payable:		
- not later than one year	177,102	872,315
- later than one year but not later than five years	530,973	-
- later than five years	-	-
	708,075	872,315

11. Correction of Prior Period Error

360 undertook a review of its unexpended grants and debtors and found that the unexpended grants balances were incorrectly accounted for in the financial year 2016-17 and 2017-18. Debtors for 2017-18 was also incorrectly accounted. These errors have been rectified by restating each of the finanical statement line items for prior period as

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Extract)

	30 June 2018			30 June 2017		
	Previous Amount $	Adjustment $	Restated Amount $	Previous Amount $	Adjustment $	Restated Amount $
Accounts Receivable and Other Debtors	1,600,775	(459,576)	1,141,199	639,591	-	639,591
Accounts Payable	2,452,819	1,974,359	4,427,178	2,536,072	363,498	2,899,570
Provisions	1,058,479	(395,421)	663,058	710,044	-	710,044
Retained Surplus	6,064,163	(2,038,514)	4,025,649	5,817,947	(363,498)	5,454,449
Total Equity	6,064,163	(2,038,514)	4,025,649	5,817,947	(363,498)	5,454,449

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(Extract)

	30 June 2018			30 June 2017		
	Previous Amount $	Adjustment $	Restated Amount $	Previous Amount $	Adjustment $	Restated Amount $
Revenue- Grant & Medical Services	20,013,036	(1,675,016)	18,338,020	23,556,085	(363,498)	23,192,587
Surplus from Continuing Operations	445,471	(1,675,016)	(1,229,545)	2,313,389	(363,498)	1,949,891
Net Current Year Surplus	246,216	(1,675,016)	(1,428,800)	2,313,389	(363,498)	1,949,891
Total Comprehensive Income for the Year	**246,216**	**(1,675,016)**	**(1,428,800)**	**2,313,389**	**(363,498)**	**1,949,891**

12. INTEREST IN CONTROLLED ENTITIES

(a) Controlled entities

	Equity Interest 2019 %	Equity Interest 2018 %
360 Health & Community Just Better Care Ltd (JBC)		
Particulars in relation to controlled entities		
360 Health & Community Just Better Care Ltd is a company limited by guarantee and does not have share capital as such.	-	-

(b) Discontinued Operations - JBC

The results of JBC for the year have been recorded in these financial statements.

(i) Profit/ (Loss) for the period (net of consolidation elimination adjustments)	**2019 $**	**2018 $**
Revenue	-	64,099
Expenses	(295)	(47,521)
Impairment of Franchise asset	688	(215,833)
Profit/ (Loss) for the year	393	(199,255)

(ii) Carrying amount of assets and liabilities at year end

The carrying amount of the assets and liabilities of JBC as at 30 June 2019 were as follows:
(net of consolidation elimination adjustments)

	2019	2018
Assets		
Cash and Cash equivalents	-	28,481
Trade debtors	-	(553)
Total assets	-	27,928
Liabilities		
Trade and other payables	-	135
Total liabilities	-	135
Net assets	-	27,793

13. KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation paid or payable to key management personnel (which includes all Directors and the Chief Executive Officer).

	2019 $	2018 $

(a) **Key Management Personnel**

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

	2019 $	2018 $
Key management personnel compensation:		
- short term benefits	295,854	480,620
- post-employment benefits	27,508	45,659
- other long-term benefits	-	-
	323,362	526,279

(b) **Other Related Parties**

Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

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

360 Health & Community Just Better Care Ltd   ABN 37 611 284 630

360 JBC acquired 4 franchise agreements with Just Better Care Pty Ltd
360 H+C have a management agreement with 360 JBC to run the franchises including the provision of staffing and occupancy at certain facilities.

	2019 $	2018 $
Provision of Staffing & Management expenses	-	139,388

14. CHARITABLE COLLECTIONS

Opening Balance	118,853	96,726
Donations Received	24,582	22,127
Interest Received	-	-
Less: Payments Made		
Closing Balance	143,435	118,853
Held in:		
NAB Account 1683	143,435	118,853
Total	143,435	118,853

15. EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any matters or circumstances that have arisen since the end of the financial year, which significantly affected, or may significantly affect operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

16. CASH FLOW INFORMATION

	2019 $	2018 $
(a) Reconciliation of Cash Flow from Operating Activities within the current year surplus/(deficit)		
Current Year Surplus/(Deficit)	172,703	(1,428,800)
Depreciation and amortisation expense	383,572	421,544
Impairment of intangible asset	-	215,833
(Profit)/Loss on Disposal of Assets	(39,617)	87,862
(Increase)/Decrease in Accounts receivable and Other debtors	753,494	(501,608)
Increase/(Decrease) in Accounts payable and Other payables	(1,181,453)	807,104
Increase/(Decrease) in Employee Provisions	(99,568)	(237,876)
Increase/(Decrease) in Accrued Income	(420)	82,890
Increase/(Decrease) in Unexpended Grants	43,924	720,504
(Increase)/Decrease in Prepayments	(103,799)	171,566
Net Cash from Operating Activities	(71,165)	339,019

(b) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank Overdraft limit	100,000	100,000
Credit Card limit	200,000	200,000
Credit Card Balance at Balance Date	(39,999)	(23,811)
Total Amount of Credit Unused	260,001	276,189

17. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, receivables and payables, and lease liabilities. The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2019 $	2018 $
Financial assets			
Cash on hand	4	6,763,010	6,847,186
Accounts receivable and other debtors	5	387,705	1,600,775
Total financial assets		7,150,716	8,447,961
Financial liabilities			
Financial liabilities at amortised cost:			
- accounts payable and other payables	8	3,289,648	2,452,819
Total financial liabilities		3,289,648	2,452,819

Financial Risk Management Policies

The finance committee is responsible for monitoring and managing the company's compliance with its risk management strategy and consists of senior board members. The finance committee's overall risk management strategy is to assist the company in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.
There have been no substantive changes in the types of risks the company is exposed to, how these risks arise, or the board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.
The company does not have any material credit risk exposures as its major source of revenue is the receipt of grants. Credit risk is further mitigated as over 90% of the grants being received from Commonwealth, state and local governments are in accordance with funding agreements which ensure regular funding for a period of 1 year.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as represented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 5.

The company has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties, other than that over 50% of grant funding is currently received via Western Australian Primary Health Alliance Ltd (WAPHA). However as this is a government funded body credit risk is considered low.

(a) Credit Risk (continued)

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved board policy. Such policy requires that surplus funds are only invested with the Big 4 banks. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	Note	2019 $	2018 $
Cash at hand			
- Big 4		6,763,010	6,847,186
	4	6,763,010	6,847,186

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The company's policy is to ensure no more than 10% of borrowings should mature in any 3 month period. The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The company does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

Financial liabilities due for payment	**Within 1 Year**		**1 to 5 Years**		**Total**	
	2019 $	**2018 $**	**2019 $**	**2018 $**	**2019 $**	**2018 $**
Accounts payable and other payables (excluding estimated annual leave and deferred income)	3,289,648	4,427,178	-	-	3,289,648	4,427,178
Finance lease liabilities						
Total expected outflows	**3,289,648**	**4,427,178**	**-**	**-**	**3,289,648**	**4,427,178**
Financial assets-cash flows realisable						
Cash on hand	6,763,010	6,847,186	-	-	6,763,010	6,847,186
Accounts receivable and other debtors	387,705	1,141,199			387,705	1,141,199
Other financial assets	-				-	-
Total anticipated inflows	**7,150,716**	**7,988,385**	**-**	**-**	**7,150,716**	**7,988,385**
Net (outflow)/inflow on financial instruments	**3,861,067**	**3,561,207**	**-**	**-**	**3,861,067**	**3,561,207**

(c) Market Risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments. The financial instruments that expose the company to interest rate risk are limited to lease liabilities, listed shares, government and fixed interest securities, and cash on hand.

Interest rate risk in managed using a mix of fixed and floating rate debt. At 30 June 2019 approximately 0% of company debt is fixed rate. It is the policy of the company to keep between 10% and 20% of debt on fixed interest rates.
The company also manages interest rate risk by ensuring that, whenever possible, payables are paid within pre-agreed credit terms.

(ii) Other price risk

Other price risk relates to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.
The company is exposed to other price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.
Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised costs (i.e. accounts receivables, loan liabilities), are to be held until maturity and therefore the fair values figures calculated bear little relevance to the company.

	Note	2019		2018	
		Carrying Amount $	Fair Value $	Carrying Amount $	Fair Value $
Financial assets					
Cash on hand	4	6,763,010	6,763,010	6,847,186	6,847,186
Accounts receivable and other debtors	5	387,705	387,705	1,141,199	1,141,199
Total financial assets		**7,150,716**	**7,150,716**	**7,988,385**	**7,988,385**
Financial liabilities					
Accounts payable and other payables	8	3,289,648	3,289,648	2,452,819	2,452,819
Lease liabilities					
Total financial liabilities		**3,289,648**	**3,289,648**	**2,452,819**	**2,452,819**

(i) Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 9.

18. CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its mentoring programs and that returns from investments are maximised within tolerable risk parameters.
The finance committee ensures that the overall risk management strategy is in line with this objective.
The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements. The entity's capital consists of financial liabilities, supported by financial assets.
Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.
There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

19. AUDITORS' REMUNERATION

	2019 $	2018 $
Audit services - current & prior year	50,000	50,000
Non-audit services	-	22,000
	50,000	72,000

20. COMPANY DETAILS

The registered office of the Company and its principal place of business is:
48A James Street
Guildford WA 6055

21. MEMBERS' GUARANTEE

The Company is incorporated under the *Corporations Act 2001* and is limited by guarantee.
If the Company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the Company.
At 30 June 2019 the number of members was 61 (2018: 58)

360 HEALTH + COMMUNITY LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

DIRECTOR'S DECLARATION

The Directors of the Company declare that in their opinion:

1 The consolidated financial statements and notes of 360 Health + Community Ltd are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
a) Giving a true and fair view of its financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
b) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013, and

2 In the Directors' opinion there are reasonable grounds to believe that the 360 Health and Community Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Signed on the 3 day of October 2019

03/10/2019

Director Date

Central Park, Level 43
152-158 St Georges Terrace
Perth WA 6000

Correspondence to:
PO Box 7757
Cloisters Square
Perth WA 6850

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F +61 8 9480 2050
E info.wa@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration

To the Directors of 360 Health

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of 360 Health for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M J Hillgrove
Partner – Audit & Assurance

Perth, 3 October 2019

Central Park, Level 43
152-158 St Georges Terrace
Perth WA 6000

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Independent Auditor's Report

To the Members of 360 Health + Community Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of 360 Health + Community Ltd (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Board.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001:

a presents fairly, in all material respects, the Company's financial position as at 30 June 2019 and of its performance and cash flows for the year then ended; and

b complies with Australian Accounting Standards, Corporations Regulations 2001 and the Australian Charities and Not-for-profits Commission Act 2012.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the Corporations Act 2001 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.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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 Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Corporations Act 2001 and the Australian Charities and Not-for-profits Commission Act 2012. The Directors' responsibility also includes such internal control as the Directors 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, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

M J Hillgrove
Partner – Audit & Assurance

Perth, 3 October 2019