



Australian Government  
Registered Organisations Commission

10 February 2021

Tony Khoury  
Executive Director  
Waste Contractors & Recyclers Association of NSW

Sent via email: [tony@wcra.com.au](mailto:tony@wcra.com.au)

Dear Tony Khoury,

**Section 269 application for certificate stating financial affairs of reporting unit are encompassed by financial affairs of associated State body for year ended 30 June 2020 (FR2020/232)**

I refer to the application lodged pursuant to section 269 of the *Fair Work (Registered Organisations) Act 2009* in respect of the Waste Contractors & Recyclers Association of NSW (**the reporting unit**) for the financial year ended 30 June 2020. The application was lodged with the Registered Organisations Commission (**ROC**) on 17 November 2020. I also acknowledge receipt of the Waste Contractors & Recyclers Association of NSW (**the Association**)'s amended financial report for the year ended 30 June 2020 which was lodged with the ROC on 9 February 2021.

I have granted the application. The certificate is attached.

If you wish to discuss this matter, please contact Kylie Ngo on (03) 9603 0764 or by email at [kylie.ngo@roc.gov.au](mailto:kylie.ngo@roc.gov.au).

Yours sincerely,

A handwritten signature in dark ink, appearing to be 'CE' followed by a flourish.

Chris Enright  
Executive Director  
Registered Organisations Commission



Australian Government

Registered Organisations Commission

# CERTIFICATE

*Fair Work (Registered Organisations) Act 2009*

s.269(2)(a)—Reporting unit's financial affairs encompassed by associated State body

**Waste Contractors & Recyclers Association of NSW**  
(FR2020/232)

MR ENRIGHT

MELBOURNE, 10 FEBRUARY 2021

*Reporting unit's financial affairs encompassed by associated State body*

[1] On 17 November 2020 an application was made under s.269(2)(a) of the *Fair Work (Registered Organisations) Act 2009* (**the Act**) by the Waste Contractors & Recyclers Association of NSW (**the reporting unit**) for a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of Waste Contractors and Recyclers Association of New South Wales (**the Association**), an associated State body, in respect of the financial year ending 30 June 2020.

[2] On 17 November 2020, the reporting unit lodged a copy of the audited accounts of the Association with the Registered Organisations Commission.

[3] I am satisfied that the Association:

- is registered under the *Industrial Relations Act 1996 (NSW)*, a prescribed State Act; and
- is, or purports to be, composed of substantially the same members as the reporting unit; and
- has, or purports to have, officers who are substantially the same as designated officers in relation to the reporting unit; and
- is an associated State body.

[4] I am further satisfied that:

- the Association has in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the relevant State authority;
- any members of the reporting unit who are not also members of the Association have been provided with copies of the accounts at substantially the same time as the members of the reporting unit who are members of the Association; and
- a report under s.254 of the Act has been prepared in respect of those activities of the reporting unit and has been provided to the members of the reporting unit with copies of the accounts.

[5] I am satisfied that the financial affairs of the reporting unit in respect of the financial year ending 30 June 2020, are encompassed by the financial affairs of the Association and I certify accordingly under s.269(2)(a) of the Act.



DELEGATE OF THE COMMISSIONER

Printed by authority of the Commonwealth Government Printer



WASTE CONTRACTORS &  
RECYCLERS ASSOCIATION  
OF N.S.W

ABN 72 805 135 472

16<sup>th</sup> November 2020

Financial Reporting Branch  
Registered Organisations Commission

By email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear ROC Staff

### **Application pursuant to s269 Fair Work (Registered Organisations) Act 2009**

The Waste Contractors and Recyclers Association of New South Wales (the reporting unit) hereby makes application pursuant to s269 of the *Fair Work (Registered Organisations) Act 2009* to be taken to have satisfied the requirements of the Act.

#### **Relief Sought**

That the General Manager issue a certificate stating that the financial affairs of the reporting unit are encompassed by the financial affairs of the Waste Contractors and Recyclers Association of New South Wales registered under the Industrial Relations Act 1996 (the associated state body) for the financial year ending 30 June 2020.

#### **Grounds and Reasons**

Section 269 applies to the Waste Contractors and Recyclers Association of New South Wales (hereinafter referred to as the "Reporting Unit") on the following basis:

1. Waste Contractors and Recyclers Association of New South Wales (hereinafter referred to as the "associated State body") is registered as an Industrial Association of Employers under the New South Wales *Industrial Relations Act 1996*, a prescribed State Act.
2. The associated State body is composed of the same Members as the Reporting Unit. There are no members of the Reporting Unit who are not also members of the associated State body.

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12-16 Daniel Street  
Wetherill Park NSW 2164

PO Box 6643  
Wetherill Park BC NSW 2164

Phone (02) 9604 7206  
Fax (02) 9604 7256  
Email [tony@wcra.com.au](mailto:tony@wcra.com.au)

3. The associated State body has the same officers as the Reporting Unit.
4. The financial affairs of the reporting unit are encompassed by the financial affairs of the associated State body for the financial year ending 30 June 2019.
5. The associated NSW State body has, in accordance with prescribed State legislation, prepared accounts, had those accounts audited, provided a copy of the audited accounts to its members and lodged the accounts with the NSW Industrial Registrar.
6. The Reporting unit attaches a copy of the audited accounts with ROC via an attachment; and
7. A report under s254 of the *Fair Work (Registered Organisations) Act 2009* has been prepared in respect of the activities of the Reporting unit and has been provided to members of the Reporting unit with the copies of the accounts. A compliant copy of this "Operating Report" is attached in your preferred format.

Waste Contractors and Recyclers Association of NSW (as the Reporting unit) submits that based on the grounds and reasons stated herein it has satisfied s269 of the *Fair Work (Registered Organisations) Act 2009* and consequently seeks relief as sought in this application.

Should you require further information, please contact our Executive Director, Mr Tony Khoury at the Association's office.

Yours faithfully



Jeff Brandstater  
Secretary

Attach.

**WASTE CONTRACTORS AND RECYCLERS  
ASSOCIATION OF NSW  
ABN 72 805 135 472**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2020**

**WASTE CONTRACTORS AND RECYCLERS  
ASSOCIATION OF NSW**

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STIRLING WILLIAMS  
CHARTERED ACCOUNTANTS  
ABN 24 389 387 809

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW**

**Opinion**

I have audited the financial report of Waste Contractors and Recyclers Association of NSW, which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2020, notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Waste Contractors and Recyclers Association of NSW as at 30 June 2020, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the *Industrial Relations Act 1996 (NSW)*.

I declare that management's use of the going concern basis in the preparation of the financial statements of the Association is appropriate.

**Basis for Opinion**

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Information Other than the Financial Report and Auditor's Report Thereon**

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.



## **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Waste Contractors and Recyclers Association of NSW is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Industrial Relations Act 1996 (NSW)*, and for such internal control as the Committee of Management 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 Committee of Management is responsible for assessing the Association'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 Committee of Management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 Waste Contractors and Recyclers Association of NSW's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management'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 Waste Contractors and Recyclers Association of NSW's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Waste Contractors and Recyclers Association of NSW to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Association's audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of the Institute of Chartered Accountants and hold a current Public Practice Certificate.

Stirling Williams



Roger Williams

Dated this 9<sup>th</sup> day of February 2021

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## WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW

### Operating Report For the year ended 30 June 2020

The Committee of Management presents its operating report on Waste Contractors and Recyclers Association of NSW for the year ended 30 June 2020.

#### Committee Members

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

Harry Wilson	President
Susie McBurney	Vice President
Gregory Turner	Treasurer
Jeffrey Brandstater	Secretary
Mark Falanga	Committee member
Glenn Gauslaa	Committee member
David Johnston	Committee member
David Harrison	Committee member
Nathang Ung	Committee member
Mick Nicholson	Committee member (resigned 11 February 2020)
Ros Dent	Committee member (appointed 20 November 2019)
David Clancy	Committee member (appointed 20 November 2019)

#### Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Association during the financial year were to provide support and services to members of the Association. There were no significant changes in the nature of the activities of the Association during the year. The surplus for the year amounted to \$48,866 (2019 surplus of \$4,747).  
*Please refer to the 2020 Executive Report for further information.*

#### Right of members to resign

All new Members are advised of the rules of the Association via the Membership Application form and a full current copy of the Rules is available on the WCRA website. Further, Members are reminded that the provisions of Rule 7 must be complied with in relation to the cessation of Membership.

**Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

Not applicable.

#### Number of Members

The number of members at 30 June 2020 was 205.– (192 members in 2019).

#### Number of employees

Not applicable. The Association engages contractors only.



Harry Wilson - President

Dated 9 | 2 | 2021

**WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW**

**Statement of Comprehensive Income**

**For the year ended 30 June 2020**

		<b>2020</b>	<b>2019</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Revenue from contracts with customers</b>			
Membership subscriptions		450,820	395,640
Sponsorship income		118,252	116,068
Levies	3(a)	<u>-</u>	<u>-</u>
<b>Total revenue from contracts with customers</b>		<u>569,072</u>	<u>511,708</u>
<b>Income for furthering objectives</b>			
Grants – NHVR	3(b)	32,800	46,000
Functions and events		43,104	58,670
Training fees		57,866	104,307
Waste and Recycling Expo		<u>-</u>	<u>10,010</u>
<b>Total income for furthering objectives</b>		<u>133,770</u>	<u>218,987</u>
<b>Other Income</b>			
Revenue from recovery of wages activity	3(c)	<u>-</u>	<u>-</u>
Investment income		15,922	18,094
Other income		<u>300</u>	<u>9,767</u>
<b>Total other Income</b>		<u>16,222</u>	<u>27,861</u>
<b>Total Income</b>		<u>719,064</u>	<u>758,556</u>
 <b>Expenses</b>			
Administration expenses	4(c)	47,568	52,859
Bad and doubtful debts		2,500	(1,891)
Contracting fees		420,956	422,197
Depreciation	4(e)	16,225	17,569
Functions and events		59,162	66,586
Grants - NHVR Training		35,133	50,619
Legal fees	4(f)	33,400	34,100
Property expenses		23,228	28,722
Training expenses		<u>32,026</u>	<u>83,048</u>
<b>Total Expenses</b>		<u>670,198</u>	<u>753,809</u>
 <b>Surplus for the year</b>		<b>48,866</b>	<b>4,747</b>
<b>Other comprehensive income:</b>			
Items that will be subsequently reclassified to profit or loss		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>48,866</u>	<u>4,747</u>

*The above statement should be read in conjunction with the notes.*

**WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW**

**Statement of Financial Position**

**As at 30 June 2020**

	Note	2020	2019
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5(a)	1,257,863	1,056,808
Trade and other receivables	5(b)	<u>339,567</u>	<u>337,582</u>
<b>Total Current Assets</b>		<u>1,597,430</u>	<u>1,394,390</u>
<b>Non-Current Assets</b>			
Strata Property	6(a)	626,872	642,290
Plant and equipment	6(b)	<u>6,425</u>	<u>1,507</u>
<b>Total Non-Current Assets</b>		<u>633,297</u>	<u>643,797</u>
<b>Total Assets</b>		<u>2,230,727</u>	<u>2,038,187</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7(a)	74,188	90,429
Other payables	7(b)	<u>571,365</u>	<u>421,450</u>
<b>Total Current Liabilities</b>		<u>645,553</u>	<u>511,879</u>
<b>Non-Current Liabilities</b>			
Provision	8(a)	<u>37,125</u>	<u>27,125</u>
<b>Total Non-Current Liabilities</b>		<u>37,125</u>	<u>27,125</u>
<b>Total Liabilities</b>		<u>682,678</u>	<u>539,004</u>
<b>NET ASSETS</b>		<u>1,548,049</u>	<u>1,499,183</u>
<b>EQUITY</b>			
Retained Earnings		<u>1,548,049</u>	<u>1,499,183</u>
<b>Total Equity</b>		<u>1,548,049</u>	<u>1,499,183</u>

*The above statement should be read in conjunction with the notes.*

**WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW**

**Statement of Changes in Equity**

**For the year ended 30 June 2020**

	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 July 2018</b>	1,494,436	1,494,436
<b>Comprehensive income</b>		
Surplus for the year	4,747	4,747
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u>4,747</u>	<u>4,747</u>
<b>Balance as at 30 June 2019</b>	<u>1,499,183</u>	<u>1,499,183</u>
 <b>Balance as at 1 July 2019</b>	 1,499,183	 1,499,183
<b>Comprehensive income</b>		
Surplus for the year	48,866	48,866
Other comprehensive income for the year	-	-
<b>Total comprehensive income</b>	<u>48,866</u>	<u>48,866</u>
<b>Closing balance as at 30 June 2020</b>	<u>1,548,049</u>	<u>1,548,049</u>

*The above statement should be read in conjunction with the notes.*

**WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW**

**Statement of Cash Flows**

**For the year ended 30 June 2020**

		2020	2019
	Note	\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership fees		405,783	470,451
Sponsorship income		138,161	77,932
Other income		255,770	184,128
Grants received		32,800	46,000
Interest		17,840	18,705
<b>Cash used</b>			
Payments to suppliers and other customers		(643,574)	(742,543)
<b>Net cash provided by operating activities</b>	<b>10</b>	<u>206,780</u>	<u>54,673</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash used</b>			
Payment for plant and equipment		(5,725)	(1,409)
<b>Net cash used in investing activities</b>		<u>(5,725)</u>	<u>(1,409)</u>
<b>Net increase in cash held</b>		201,055	53,263
Cash and cash equivalents at beginning of the year		1,056,808	1,003,545
<b>Cash and cash equivalents at end of the year</b>	<b>5(a)</b>	<u>1,257,863</u>	<u>1,056,808</u>

*The above statement should be read in conjunction with the notes.*

Notes to the financial statements

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# WASTE CONTRACTORS AND RECYCLERS ASSOCIATION OF NSW

## Notes to the financial statements

For the year ended 30 June 2020

### Note 1 Summary of significant accounting policies

#### 1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Industrial Relations Act 1996 (NSW)*. For the purpose of preparing the general purpose financial statements, the Waste Contractors and Recyclers Association of NSW is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### 1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

#### 1.3 Significant accounting judgements and estimates

There were no accounting assumptions or estimates that have been identified which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### 1.4 New Australian Accounting Standards

##### Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- AASB 1058 Income of Not-for-Profit-Entities, which replaces in the income recognition requirements of AASB 1004 Contributions

No accounting standard has been adopted earlier than the application date stated in the standard.

##### Impact on adoption of AASB 1058 Income of Not-for-Profit Entities (AASB 1058)

AASB 1058 replaces the income recognition requirements in AASB 1004 Contributions that had previously applied to the Waste Contractors and Recyclers Association of NSW. AASB 1058 provides a more comprehensive model for accounting for income of not-for-profit entities and specifies that:

- the timing of revenue or income recognition will depend on whether a performance obligation is identified or a liability is recognised;
- not-for-profit lessees can elect to recognise assets, including leases provided at significantly less than fair value, at their fair value; and
- all not-for-profit entities can elect to recognise volunteer services at fair value if the fair value of those services can be reliably measured.

The adoption of AASB 1058 did not have a material impact on the Association's financial statements.

## **1.5 Revenue**

The Association enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, sponsorship, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

### **Revenue from contracts with customers**

Where the Association has a contract with a customer, the Association recognises revenue when or as it transfers control of services to the customer. The Association accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

### **Membership subscriptions**

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised services transfer to the customer as a member of the Association.

If there is only one distinct membership service promised in the arrangement, the Association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Association's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct service promised in the membership subscription, the Association allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Association charges for that service in a standalone sale. When a performance obligation is satisfied, which is when the service transfers to the customer (for example, member services or training course) the Association recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Association has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional services from the Association at their standalone selling price, the Association accounts for those sales as a separate contract with a customer.

### **Levies**

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Association transfers the services.

In circumstances where the criteria for a contract with a customer are not met, the Association will recognise levies as income upon receipt.

## **Income of the Association as a Not-for-Profit Entity**

Consideration is received by the Association to enable the entity to further its objectives. The Association recognises each of these amounts of consideration as income when the consideration is received (which is when the Association obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer services to the customer; and
- the Association's recognition of the cash contribution does not give to any related liabilities.

During the year, the Association received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- donations and voluntary contribution from members; and
- government grants.

### **Volunteer services**

During the year, the Association did not received volunteer services.

### **Interest income**

Interest revenue is recognised on an accrual basis using the effective interest method.

## **1.6 Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

## **1.7 Financial instruments**

Financial assets and financial liabilities are recognised when a the Association becomes a party to the contractual provisions of the instrument.

## **1.8 Financial assets**

### **Contract assets and receivables**

A contract asset is recognised when the Association's right to consideration in exchange of services that has transferred to the customer when that right is conditioned on the Association's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment.

### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Association's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Association's initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Association's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Association commits to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

#### **Financial assets at amortised cost**

The Association measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Association's financial assets at amortised cost includes trade receivables.

#### **Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Association has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Association has transferred substantially all the risks and rewards of the asset, or
  - b) the Association has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Association has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the [reporting unit] continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

## Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Impairment

### Expected credit losses (ECL)s

Receivables for goods and services, which have 30-day terms, are recognised at the nominal amounts due less any loss allowance due to expected credit losses at each reporting date. A provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

#### (i) Trade receivables

For trade receivables that do not have a significant financing component, the Association applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## 1.9 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

## 1.10 Property, plant and equipment

### Asset recognition threshold

Purchases of, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located

### Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate. Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2020	2019
Strata building	2%	2%
Plant and equipment	15%-33.33%	15%-33.33%

## **Derecognition**

An item of buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

### **1.11 Income Tax**

The Association is exempt from income tax under Section 23(h) of the Income Tax Assessment Act however still has obligation for the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- a) where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- b) for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

### **Note 2 Events after the reporting period**

As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Association is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Association. Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Association, the results of those operations, or the state of affairs of the Association in subsequent financial periods.

### Note 3 Revenue and Income

#### Disaggregation of revenue from contracts with customers

A disaggregation of the Association's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

	2020	2019
	\$	\$
Type of customer		
Members	569,072	511,708
Total revenue from contracts with customers	569,072	511,708

#### Disaggregation of income for furthering activities

A disaggregation of the reporting unit's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source.

	2020	2019
	\$	\$
Type of customer		
Members	133,770	218,987
Total income for furthering activities	133,770	218,987

#### Note 3(a) Levies

Levies	-	-
Total levies	-	-

#### Note 3(b) Grants and other donations

Grants – NHVR	32,800	46,000
Total grants and donations	32,800	46,000

#### Note 3(c) Revenue from recovery of wages activity

Amounts recovered from employers in respect of wages

Interest received on recovered money

#### Total revenue from recovery of wages activity

	-	-
	-	-
	-	-

The Association has no employees.



	2020	2019
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4(a) - Employees expenses</b>		
Holders of office	-	-
Employees other than office holders	-	-
<b>Total employee expenses</b>	-	-
The Association has no employees.		
<b>Note 4(b) Affiliation fees</b>		
Affiliation fees	-	-
<b>Total affiliation fees</b>	-	-
<b>Note 4(c): Administration expenses</b>		
Advertising fees	195	1,014
Audit and accounting fees	5,400	5,300
Bank Charges	2,482	2,957
Computer expenses	3,505	4,391
Insurances	10,510	8,994
Other	8,854	7,470
Printing, postage and stationery	5,941	6,927
Travel and meeting expenses	10,681	15,806
<b>Total administration expenses</b>	<b>47,568</b>	<b>52,859</b>
<b>Note 4 (d) Grants or donations</b>		
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
<b>Total grants and donations</b>	<b>-</b>	<b>-</b>
<b>Note 4(e): Depreciation</b>		
Strata property	15,418	15,418
Plant and equipment	807	2,151
<b>Total depreciation</b>	<b>16,225</b>	<b>17,569</b>
<b>Note 4(f) Legal costs</b>		
Litigation	-	-
Other legal costs	33,400	34,100
<b>Total legal costs</b>	<b>33,400</b>	<b>34,100</b>
<b>Note 5: Current Assets</b>		
<b>Note 5(a) Cash and Cash Equivalents</b>		
Cash on hand	500	500
Cash at bank	470,449	229,589
Funds held in Trust	37,641	27,125
Short term deposits	749,273	799,594
<b>Total cash and cash equivalents</b>	<b>1,257,863</b>	<b>1,056,808</b>



	2020 \$	2019 \$
<b>Note 5(b) Trade and Other Receivables</b>		
Trade debtors	324,253	318,330
Provision for doubtful debts	(5,000)	(2,500)
Interest receivable	7,493	9,411
Prepayments	12,821	12,341
	<u>339,567</u>	<u>337,582</u>

**Note 6 Non-Current Assets**

**Note 6(a) Strata Property**

Strata property at cost	639,941	639,941
Improvement costs	130,947	130,947
	<u>770,888</u>	<u>770,888</u>
Less accumulated depreciation	(144,016)	(128,598)
<b>Net book value of strata property</b>	<u>626,872</u>	<u>642,290</u>

**Note 6(b) Plant and Equipment**

Furniture and fittings	8,532	8,532
Less accumulated depreciation	(8,532)	(8,532)
	<u>-</u>	<u>-</u>
Office equipment	26,437	20,712
Less accumulated depreciation	(20,012)	(19,205)
	<u>6,425</u>	<u>1,507</u>
<b>Net book value of plant and equipment</b>	<u>6,425</u>	<u>1,507</u>

**Reconciliation of the Opening and Closing Balances**

**Strata Property as at 1 July 2019**

Gross book value	770,888	770,888
Accumulated depreciation and impairment	(128,598)	(113,180)
<b>Net book value 1 July 2019</b>	<u>642,290</u>	<u>657,708</u>
Additions by purchase	-	-
Depreciation expense	(15,418)	(15,418)
<b>Net book value 30 June 2020</b>	<u>626,872</u>	<u>642,290</u>

**Plant and equipment as at 1 July 2019**

Gross book value	29,244	29,288
Accumulated depreciation and impairment	(27,737)	(25,666)
<b>Net book value 1 July 2019</b>	<u>1,507</u>	<u>3,622</u>
Additions by purchase	5,725	1,409
Disposal	-	(1,374)
Depreciation expense	(807)	(2,150)
<b>Net book value at 30 June 2020</b>	<u>6,425</u>	<u>1,507</u>

	2020 \$	2019 \$
<b>Note 7 Current Liabilities</b>		
<b>Note 7(a) Trade Payables</b>		
Trade creditors	20,354	56,765
Accrued expenses	53,834	33,664
	<u>74,188</u>	<u>90,429</u>

**Note (7b) Other Payables**

GST payable	16,335	(945)
Subscriptions in advance	371,258	410,372
Sponsorships in advance	31,932	12,023
Income in advance - Solo Resource Recovery	50,000	-
Industrial Exercise Asbestos	101,840	-
Legal costs	-	-
	<u>571,365</u>	<u>421,450</u>

**Note 8 Non-Current Liabilities**

**Note 8(a) Provision**

Loyalty Agreement	37,125	27,125
	<u>37,125</u>	<u>27,125</u>

**Note 9 Remuneration of Auditors**

Value of Services provided		
Financial Statements audit services	3,750	3,700
Other services	1,550	1,600
Total remuneration of auditors	<u>5,300</u>	<u>5,300</u>

2020	2019
\$	\$

#### Note 10: Cash flow reconciliation

##### Reconciliation of cash and cash equivalents as per the balance sheet To cash flow statement

##### Cash and cash equivalent as per:

Cash flow statement	1,257,863	1,056,808	1111
Balance sheet	1,257,863	1,056,808	
<b>Difference</b>	-	-	

##### Reconciliation of surplus to net cash from operating activities

Surplus for the year	48,866	4,747
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##### Adjustments for non-cash items:-

Depreciation	16,225	17,569
Loss on disposal of asset	-	1,374

##### Cash flow in operating activities not in operating surplus:-

Solo Resource Recovery	50,000	-
Industry exercise Asbestos income	101,840	-

##### Changes in assets/liabilities

(Increase)/decrease in net receivables	(1,985)	54,254
Increase/(decrease) in trade creditors and accruals	1,039	(9,722)
(Decrease)/increase in subscriptions in advance	(39,114)	14,166
Increase/(decrease) in sponsorship in advance	19,909	(38,136)
Increase in other liability	10,000	10,421

Net cash from operating activities	206,780	54,673
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#### Note 11: Related Party Disclosure

##### Interest in Contracts

On 1 June 2005, Waste Contractors and Recyclers Association of NSW entered into a contract with Transector Pty Ltd for whom Mr Tony Khoury acts as managing director, to provide management and business services.

This agreement was varied on 30 June 2009. A five year loyalty agreement was agreed to, whereby each year, commencing on 30 June 2009 for the 2008/2009 financial year, an amount of \$10,000 would be set aside by the Association for the benefit of Transector Pty Ltd and would be set aside in a separate bank account and the proceeds used to reward Transector Pty Ltd at the conclusion of the five year term.

This loyalty agreement was further extended on 1 July 2013 for a five year period to 30 June 2019. In June 2019, \$100,000 was paid to Transector Pty Ltd with a balance of accumulated interest owing of \$16,704.02 at 30 June 2019. A payment of \$10,000 was approved by Senior Executive in May 2019 to be paid in June 2019 and a further \$10,000 was approved in April 2020 to be paid in June 2020. The total liability at 30 June amounted to \$37,125.