



ACFIPS

Arts, Communications, Finance Industries and Property Services Limited

(A company limited by guarantee)

ABN 55 074 207 784

Annual Report

Year ended 30 June 2020

Directors' Report

Your Directors submit this report on the company for the financial year ended 30 June 2020.

Directors

The names of each person who has been a Director during the year and to the date of this report are:

Tim Cramsie
Sasha Boe
Suzette Po Williams
Leni Ison
Lee Xavier
Ian Millner
Michael Coghlan
Andrew Bryson
Max Wilson

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company is to act as a voice of the Arts Communications Finance Industries and Property Services (ACFIPS) on issues relating to vocational education and training in NSW in accordance with the established objectives of the NSW Department of Education, Training Services NSW.

The company is a non-profit organisation which gains funding from the NSW Department of Education, Training Services NSW, other government agencies and the Arts Communications, Finance Industries and Property Services sectors.

ACFIPS is incorporated as a public company being a company limited by guarantee under the Corporations Act 2001.

Results

The net result of operations after applicable income tax expense was a deficit of (\$12,051).

Dividends

The Directors advise that the company's Memorandum of Association prohibits the making of any distribution to its Members by way of Dividend or otherwise.

Review of Operations

During the financial year ACFIPS developed an ambitious plan to increase collaboration with industry and VET. We undertook a range of strategies to increase numbers of apprentices and trainees within our industry sectors. We also took on the challenge of collaborating with industry and VET specialists to develop traineeships in industry sectors that have not normally employed trainees. The start of 2020 brought many challenges. Dealing with the terrible events of last summer impacted on the community in many ways. What had been common was the way people worked together to get through the tough times.

This spirit of working together and collaboration was severely tested with the appearance of the COVID 19 pandemic in March 2020. The impact of COVID 19 has been dramatic. It has affected every aspect of our lives, and is continuing to reshape the ways we live.

In reporting for the financial year, it was very much a case of pre-COVID 19 and then operating during COVID 19. At the end of the financial year we were still trying to adapt to changed circumstance and planning for the post-COVID 19 period.

Pre-COVID 19

We hosted face-to-face forums for industry sectors during late 2019 with many themes identified previously again prominent in discussions. Major concerns about the impact of technology on jobs and how vocational training can prepare candidates to meet the needs of the workplace. Life-long learning and how this can be accommodated through the training system remained one of challenges that remain to be resolved.

Digital transformation continued to be one of the major changes in the way we work. With limited time for employees to be released for off-the-job training, short courses/module training that address immediate on-the-job skills gaps are increasingly the preferred training model. Being highly qualified in IT is seen as an advantage.

Skills Forums for Security and Business Services, Arts and Creative Industries, and ICT were held. At these industry forums there was renewed interest and support from employers and organisations for taking on a trainee if



there was a model and assistance which suited their needs. Other issues raised at the forums suggested that multi-discipline careers are ahead for large numbers of job seekers. Training will need to focus on managing your career, adaptability to change, redesigning job functions, social responsibility, structure of work, management of self and time and diversity in your workplace.

We continued our efforts in piloting projects in three industry sectors — Arts & Creative Industries, ICT, Cyber Security and Live Production and Services.

Live production traineeships were successfully completed. We also undertook a range of promotional activities and industry engagement to roll out this program out to other regions in NSW.

During the reporting period we saw the overall number of people in NSW enrolling in full qualifications (Smart and Skilled funded) increase. ACFIPS met with Department of Education teachers and staff working on the ICT Industry Curriculum Framework (ICF) Program for 2020 and PwC representatives in December 2019. At the meeting PwC outlined the simplification of the ICT training package from 26 qualifications to four basic qualifications with underpinning specialisations embedded at all levels.

We were also involved in collaborations with other organisations in projects which achieved considerable success. The Bourke Security Training project was a great example.

Collaboration between several organisations lead to achieving the aspiration of local jobs for local people. In this case Bourke. For many years there has been a noticeable lack of suitably qualified security officers in regional NSW, including in far western NSW, and specifically the Bourke community. There are now 14 suitably qualified security officers ready to fill existing positions. However, it took more than waving a wand to realise the outcome.

The long-term problem has always been the absence of a local security training provider approved by the NSW Police Security Licensing and Enforcement Directorate (SLED) to deliver the licensing course. To obtain a NSW qualification and be eligible for a NSW Security Licence Class 1A or 1C, a person must successfully complete a Certificate II in Security Operations conducted by a SLED approved RTO.

An obvious employment opportunity was totally missed because of a lack of training.

A co-ordinated effort to improve this unrealised opportunity followed. The Orange office and Head Office of Training Services NSW organised funding for the project. We consulted with ACES Group (trading as Affirm Training — an RTO approved by the NSW Police SLED and with a Smart & Skilled contract) about how the training could be delivered in Bourke. The local Bourke Shire Council and some dedicated prospective employers did all they could to support the program and encourage students.

The ACES Group sent one of their most experienced trainers to Bourke for four weeks to deliver the course. Fourteen hopeful students enrolled and successfully completed the course.

This is a great example of what collaboration and co-operation can achieve. The biggest congratulations, of course, must go to the graduates themselves. Many of whom had to travel large distances and make sacrifices to complete what is a rigorous and demanding course. Based on its initial success ACES Group is planning to run other regional security training courses in the future.

ACFIPS also provided support to the Mathematics in Trades Pathway project undertaken by the Apprenticeship Engagement Forum and the construction industry. Maths is vital as underpinning knowledge for traineeships and apprenticeships under the ACFIPS umbrella of industry sectors.

A new emphasis on targeting schools to increase participation in VET also reinforced our focus on Mathematics in Trades. As part of our regional visit's meetings were held with principals, careers advisers and maths teachers.

During COVID 19 — meeting training challenges in a new environment

COVID 19 had a negative effect on apprenticeships and traineeships. There has been a drop in approvals and an increase in cancellations and suspensions. The 2020 New Year optimism for increasing numbers of traineeships in Live Production and Services was swept away as COVID 19 effectively stopped normal activities. Venues closed and with this employment opportunities in the Arts and Creative Industries.

The commencements in training in the first six months of 2020 were significantly down on full year commencements for 2019. The Industry with least shrinkage was the Printing industry (-30%), followed closely by Real Estate (-36%). Both sectors showed healthy increases, with Real Estate up a 48% and Printing up 10%.

Commencements in the Business Services sector were down 51% in 2020 compared to 2019, while traineeships were down by only 15%. This indicated that the Job Keeper and the apprentice and trainee wage subsidies along with fee-free course subsidies had a positive impact, but more research is needed to substantiate this.

PwC's Skills for Australia recently presented the Case for Endorsement on FNS Financial Services Training Package Version 5.0 training for review before submitting it to AISC. The Case for Endorsement included training products covering Financial Planning, Insurance Services, Agency and Broking and Superannuation.

From the ACFIPS perspective there had been little uptake of any of the FNS qualifications over the last couple of years, especially at the Certificate IV and above levels. The increased funding for vocational education and train-



ing as announced by the Commonwealth and State governments had yet to make an impact as of 30 June 2020..

In looking at all industries under the umbrella of ACFIPS, the impact of COVID 19 has been uneven.

ACFIPS played a role in disseminating information on Smart and Skilled funding and other government initiatives aimed at supporting apprentices and trainees and VET training opportunities. Short courses and part qualifications were critical for job seekers and existing workers who needed to respond to a changing employment environment. Communication with stakeholders has largely been undertaken by online methods. Some face-to-face meetings have also been held, with adherence to COVID 19 safety protocols.

ICT Industry Forum

On 23 April 2020, CFIPS hosted an online ICT industry forum with key industry stakeholders including Telstra, AIIA, ADTIA, AISA, TAFE NSW and NSW Treasury to discuss training issues. The key points from the forum are outlined below.

Help being provided to industry and RTOs via national and state government initiatives was outlined:

- Job Keeper allowance; the National Careers Institute Partnership Grants program; fully subsidised apprenticeships and traineeships in NSW; TNI funding for skill sets; the Australian Apprenticeships Incentives Program; free Supervisor training; 50% subsidy for wages paid to apprentices; and tertiary and international education providers fee relief.
- Industry using micro-credentials accredited by higher education providers as well as the VET sector outside of the National Training Package development process.
- Industry support for a proposed industry 'help line or website' contact point to link students to mentoring, coaching, shadowing and work experience opportunities. ACFIPS is applying for funding.
- Job roles for the future to include 5G, ethics, AI and automation.

Arts and Creative Industries Industry Forum

The Creative Industries Forum held on 27 May 2020 was very successful. Representatives from Training Services NSW, TAFE NSW, NSW Department of Education and Create NSW also participated and offered support for the concerns raised. As already mentioned, there is widespread support for part qualification courses including an Accredited COVID 19 Hygiene Course and a one-day train-the-trainer type course to meet the needs of workplace supervisors. Post COVID 19 there may be some positive developments that may assist the Creative Arts sector in regional areas. As part of planning for boosting regional tourism, Creative Arts can play an important part of the tourist experience. No official policy has been announced.

Business Services Training Package

The final draft of Business Services (BSB) Training Package (business enterprise skills and technical skills projects) has been submitted for endorsement. In the latest version there are:

- 16 Business Enterprise qualifications from Certificate I in Workplace Skills to Graduate Diploma in leadership and management.
- 14 Technical Skills qualifications from the Certificate III level to Advanced Diplomas in library, legal, HR, Auditing, and marketing specialisations.
- 4 qualifications in Work Health and Safety from Certificate III to Advanced Diploma level

There is a diverse range of part qualifications from Business Services which are suitable for Creative Industries. A recently completed Regional Arts Survey showed support for short courses and traineeships which is heartening.

Security Training Package

The new training package has been approved, and the regulator (Security Licencing and Enforcement Directorate – SLED) ran an information session in June. There was a large change in the number of hours required to complete the training, but there is flexibility in the mode of delivery. You now can undertake all units online, but assessment must be face to face. There is a strong focus on infection control and hygiene.

ACFIPS maintained strong links to federally funded SSOs (Services Skills Organisations) – Artibus (Property Services and Security) and PwC Skills for Australia (Arts, Communications, Business and Financial Services). These SSOs have oversight of all training packages for the industry sectors under our umbrella. We have taken an active role in encouraging participation in training package review. We have also worked closely with Training Services NSW in providing feedback on training package reviews and potential impacts on NSW industry sectors. We improved communications with our regular newsletter *NSW Training Matters*, our ACFIPS website and social media promotions.

We advised the Department and Training NSW on apprenticeship and traineeship arrangements in industry sectors, including school-based arrangements and the establishment of Vocational Training Orders. ACFIPS provided timely advice to the Department and Skills Service Organisations (SSOs), Industry Reference Committees (IRCs) and other relevant bodies on any issues identified in each stage of developing Training Packages, qualifications and units of competency. These stages included:

- Draft training products and their validation
- Cases for endorsement

Skills sets required

Organisational soft skills such as emotional intelligence and entrepreneurial thinking; basic business skills in accounting; how to grow a business; training the team; leadership management; coaching/mentoring; customer service engagement for your industry; project management from understanding big infrastructure management to



schedules of any project; being part of a team; and the changing nature of employment are required.

- For ICT — basic computer hardware and system troubleshooting, computer and application fundamentals, computing fundamentals, digital literacy, fault finding.
- Soft skills necessary to create the 'accessible manager', leading a team with emotional intelligence, mentoring and coaching staff, staying up-to-date with industry changes and compliance.
- For Printing and Graphic Arts — business management, communication skills, graphics, prepress, media elements, and cross disciplinary skills are in demand.
- WHS training needs to be contextualised for the Security Industry acknowledging the changing responsibilities, and for the Entertainment Industry addressing mental health issues and workplace resilience.
- Digital and interpersonal skills required for all industry sectors.

Key training requirements across the ACFIPS sectors

Across all sectors:

- BSBWHS332X Apply infection prevention and control procedures to own work activities.
- Big data management, computer coding and data security. Safeguarding against hacking and other cyber security threats.
- Digital component in all skill sets — blended skills sets needed across training packages:
- Procurement and contract/project management.

Security — whole risk environment and risk evaluation, how to deal with an intoxicated person, and observational skills regarding terrorism.

In all forums held during the financial year, areas of skills shortages and gaps in training were identified and various actions were identified. This year's forums emphasised the need for VET to be focused on job outcomes and that qualifications should indicate pathways.

ACFIPS focus on developing practical approaches to improving apprenticeship and traineeship uptake and completions along with utilising partial qualifications/skills as an entry to jobs are some of the key received broad endorsement from forum participants. We also actively promoted Department initiatives such as the Apprentice and Trainee Supervisor workshops.

ACFIPS has played a significant role in ensuring that NSW interests are raised in the development of training packages and that consultation is undertaken with a broad range of stakeholders.

ACFIPS successfully met all key performance areas as outlined in our service agreement with Training Services NSW, Department of Industry.

Short-term Objectives

The company's short-term objectives are:

- To provide VET policy advice to the Training Services NSW Department of Education and for the following industry sectors — Arts (Cultural and Creative Industries); Information Communications Technology; Graphic Arts and Printing; Finance Industries (Financial Services and Insurance Industry); Property Services (Real Estate and Security Industry); and Business Services
- To provide advice and assistance to industry sectors covered by the company in its role as an ITAB.
- Assist industries, enterprises and their workforce to integrate skill development with business goals.
- Market the advantages of recognised training to all users and stakeholders relevant to the ITAB (company).
- Manage industry projects and programs where required.

The company completed all of its contractual obligations required by the NSW Training Services, Department of Industry and achieved all short term objectives.

During the 2019/2020 Financial Year the board was active in its industry consultation processes covering key industry sectors represented by the company in its role as an ITAB.

The company works closely with industry and government to promote employability skills. Helping to improve productivity, effectiveness and efficiency and provide an expanded skills base with which to deal with the changes and challenges facing particular industry sectors.



Long-term Objectives

The company's long-term objectives are:

- To act as the principal voice of the Arts, Communications, Finance Industries and Property Services on issues related to Vocational Education and Training (VET) in the State of New South Wales;
- Advance education and training and continue to identify generic and emerging skills to support the employability of individuals and provide for local community development and to give strategic advice to government on these issues.
- Continue to work closely with Training Services NSW in programs aimed at improving completion rates for apprenticeships and traineeships.
- Support and encourage the uptake of general maths and the mathematics in trades pathway in high schools for students wanting to undertake vocational education courses.
- Support the development, implementation and continuous improvement of high quality, nationally recognised training products and services, including enhancing innovation, rationalising materials where there are cross-industry synergies, and improving efficiency.
- Achieve a more diversified funding base and sustainable projects.
- Work creatively with industry and employers and students to increase the numbers of young people undertaking vocational education and training employment pathways.

Strategies

To achieve its stated objectives, the company has adopted the following strategies.

In the short term, the company has developed Sector Advisory Committees (SACs) Forums to ensure that all projects have stakeholder involvement and strong industry partnerships.

The long-term objective is to build the company's expertise and expand projects within our industry sectors in order to achieve sustainability and continuous improvement in programs it provides.

In response to the need to improve student uptake in apprenticeships and traineeships the company is developing apprenticeship/traineeship engagement strategies and forums.

We will continue to carry out NSW regional meetings, workshops and consultations for the ACFIPS industry sectors.

Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short term and long term objectives are being met.

Importantly, the company provides a NSW 'state' perspective in the provision of advice and the delivery of training. The company was also active in promotion of Traineeships and Apprentices across all industries under our coverage with a special focus on School-based Apprenticeships and Traineeships.

Our ITAB's experience has been that many issues are common across industry sectors.

We measure our performance against rapidly changing employment market shaped by both internal and international forces. In this context training will need to be more flexible and targeted to industry requirements.

Some factors already identified include:

- Management, leadership, emotional intelligence skills, while incorporated into the training packages still need to be actually developed and applied in workplaces.
- Digital Marketing – understanding of how to manipulate big data (critical aspects of data coming from social media) to then be able to extract product/relevant content to attract audiences, to know your audience, and develop appropriate product
- Change in the workplace is now constant, as many entry level jobs tasks are shifted off shore and new technologies emerge. The workforce need skills to keep up with change, to take responsibility to keep up to date.



- A new and rapidly developing employment pathway is start-up companies (6-8 people). While they together share offices, staff, costs they are individually not strong in business skills. Short/sharp and affordable, subsidised courses are required with a focus on project management, partnering with clients and other stakeholders, tendering for and understanding contracts, the art of negotiation, and entrepreneurial skills.

Information on Directors

Tim Cramsie

1. Experience

Creative industries, training and technical production

2. Special Responsibilities

Tim Cramsie is a technical production and stage manager who works at major Sydney events for a number of organisations and a trainer and assessor working in the VET sector. Tim's passion for technical production and education has involved him in consultations for the review of training packages in the arts, cultural and creative industries. Tim has been instrumental in working with industry and training providers in establishing an industry based Certificate III traineeship under the new CUA13 training package. Tim is the ACFIPS Chair and is also the Chair of the Arts and Creative Industries SAC.

Sasha Boe

1. Experience

Managing Director, Real Estate Training Solutions

2. Special Responsibilities

Sasha Boe is the Deputy Chair of ACFIPS and Chair of the Property Services SAC. She has worked in the Vocational Education and Training (VET) sector for over 20 years and is primarily interested in the development of strategic policy and business information in the property market. As the Chair of the Property Services SAC, she has the special responsibility in matters involving training and education policies and practices for the property industry sector that include real estate, property operations and development and strata management. Sasha has been instrumental in providing information and advice to a range of bodies including for NSW Fair Trading (NSWFT) as part of their development of a range of implementation tools used to bridge training package requirements and the state based licensing requirements, as well as CPD requirements and updates to licensing.

Leni Ison

1. Experience

Management, business development and training

2. Special Responsibilities

Leni Ison is an Executive of Australian Concert and Entertainment Security Pty Ltd (ACES). ACES is one of the premier security companies in Sydney specialising in comprehensive security services for public facilities and places, and crowd management security services at concerts and licensed venues. ACES prides itself on delivering commitment and excellence to all its clients and caters to a large and diverse client base including government, major national companies and corporations. Leni has been a leader in promotion of training within the security industry and has been heavily involved in the development of resources and input into licensing and regulatory reviews. Leni is the Chair of the Security Industry SAC and has served on the NSW Police Security Licensing Enforcement Directorate, Security Industry Advisory Council.

Lee Xavier

1. Experience

Management, business development, account management, corporate governance, government and industry liaison

2. Special Responsibilities

Lee Xavier is the Acting National General Manager for Apprenticeship Support Australia (an Apprenticeship Support Network Provider since 1998) and has worked for over 20 years in the Australian apprenticeship and traineeship industry. During this time he has been managing programs for private business as well as government departments. His current role involves national responsibilities for discussing funding options in over 600 different training packages to meet the needs of all companies that train their staff within the Vocational and Education Training (VET) framework. Lee has a key understanding of apprenticeships and traineeships and their importance within workforce development in Australia.

Max Wilson

1. Experience

Management, Policy, Communications and Training



2. Special Responsibilities

Max is the Executive Director and Company Secretary of ACFIPS. He is primarily interested in the development of strategic policy, business information and development of services. As the Company's Executive Director, he has special responsibility in matters relating to overseeing the development of policy and services, ensuring corporate governance and compliance with funding body requirements, liaison with industry sectors and stakeholders. One of the key roles of his current position is also promoting effective communications with government and industry sectors covered by ACFIPS. Max has been a member of the working groups reviewing Leadership & Management, and Project Management and Marketing for the BSB training package review.

Andrew Bryson

1. Experience

Management, education, industry training

2. Special Responsibilities

Andrew Bryson is the Executive Director for the Apprenticeship Engagement Forum, a NSW ITAB. Andrew has widespread experience in the construction and mining industries. He also has experience in human resources and the vocational educational training sector. Andrew enjoys the challenges of working with a variety of industries and employers in establishing the right organisational structures to promote an expansion of industry participation in VET reform, and training. He is a strong advocate for Apprenticeships particularly in the Construction Industry. Andrew Bryson is also heavily involved in the development and promotion of the Mathematics in Trades pathway within NSW high schools.

Suzette Po Williams

1. Experience

Management, Customer Service, Electronic Security, training and industry liaison

2. Special Responsibilities

Suzette is Customer Services Manager for Central Monitoring Services a family owned Grade 1 A Alarm Monitoring Centre which provides complete assistance and technical support to installation and service companies. This includes programming advice on all popular alarm systems and advice on solutions for technical problems. As Customer Services Manager, Suzette is well known for her superior industry knowledge with a customer service focus. Suzette also represents Central Monitoring Services at ASIAL (Australian Security Industry Association Limited) where she is a Director, the NSW Convenor and is also on various committees. Suzette was awarded the Australian Security Medal (ASM) by The Australian Security Medals Foundation in 2013. She was also recognised for her capabilities in Security Management being awarded the Security Industry Award for Excellence for Security Management (also in 2013). Suzette is a current member of the ICT and Security Industry Sector Advisory Committees.

Michael Coghlan

1. Experience

Sales, Senior Management, Training, ICT, Printing and Graphic Arts

2. Special Responsibilities

For over 20 years, Michael has been employed in industry in various positions from Sales to Managing Director for the Asia Pacific region. His broad industry experience includes team leadership; multiple task management; and internal/external solutions provision. new technology, and cost benefits at a board level to discussing applications at the user level. Michael started his career in the Printing and Graphic Arts and gravitated towards ICT. His technical understanding and abilities have ensured he developed a strong knowledge of new technologies, contacts and information. Michael is a qualified and experienced trainer to Advanced Diploma in Business Management and Sales. Michael currently manages three LinkedIn groups and believes strongly that management needs to utilise social media within business. He also advocates the benefits of mentoring, flexibility in the workplace and skills transition. Michael was elected to the ACFIPS Board of Directors in 2018.

Ian Millner

1. Experience

Leadership, Telecommunications, Information Technology and Security

2. Special Responsibilities

For over 30 years Ian has been involved in Telecommunications, Information Technology and Security. Ian established Milcom Communications, a leading Registered Training Organisation providing specialist training in Telecommunications, IT and Security. Ian was involved in the development of technical courses from Certificate II to Advanced Diploma. In 2008 Ian sold his business to Service Stream Limited, a large Australian public company,



providing network services to the telecommunications industry. Ian then made a career move to be a freelance consultant. Ian has been consulting in the area of business development across a range of industry sectors including telecommunications, security, vocational training. Ian was elected to the ACFIPS board of directors in 2018.

Meetings of Directors

During the financial year meetings of directors were held. Attendances were:

	Number eligible to attend	Number attended
Tim Cramsie	4	3
Sasha Boe	4	3
Leni Ison	4	4
Max Wilson	4	4
Lee Xavier	4	3
Andrew Bryson	4	3
Suzette Po Williams	4	3
Ian Millner	4	3
Michael Coghlan	4	3

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 30 June 2020 the total amount that members of the company are liable to contribute if the company is wound up is \$18.00.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2020 has been received and can be found later in this report.

Signed in accordance with a resolution of the Board of Directors
For and on behalf of the Board



Tim Cramsie
Chair



Max Wilson
Director/Company Secretary

Sydney, 2 November 2020



Auditor's Independence Declaration

Under Section 307C of the Corporations Act 2001
to the Directors of Arts, Communications, Finance Industries and Property Service Limited

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

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Michael Grasso

Michael Grasso MIPA
Registered Company Auditor
36 Lalor Crescent
Engadine NSW 2233

2 November 2020



Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2020

	Note	2020 (\$)	2019 (\$)
Revenue	3	245,351	302,734
Expenses			
Administration expense		(190,137)	(184,346)
Other expenses		(67,265)	(95,965)
Surplus before income tax expenses		(12,051)	22,423
Income tax expense	1	-	-
Surplus after income tax expense for the year attributable to the members of ACFIPS — Arts, Communications, Finance Industries and Property Services Ltd	8	(12,051)	22,423
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of ACFIPS — Arts, Communications, Finance Industries and Property Services Ltd		(12,051)	22,423

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.



Statement of Financial Position

As at 30 June 2020

	Note	2020 (\$)	2019 (\$)
Assets			
Current Assets			
Cash and cash equivalents	4	48,870	134,553
Trade and other receivables	5	26,360	-
Total current assets		75,230	134,553
Non-current Assets			
Property, plant and equipment	6	-	-
Total non-current assets		75,230	134,553
Total assets		75,230	134,553
Liabilities			
Current Liabilities			
Trade and other payables	7	18,079	65,351
Total current liabilities		18,079	65,351
Total liabilities		18,079	65,351
Net assets		57,151	69,202
Equity			
Retained surpluses	8	57,151	69,202
Total equity		57,151	69,202

The above statement of financial position should be read in conjunction with the accompanying notes.



Statement of Changes in Equity

For the year ended 30 June 2020

	Retained surpluses (\$)	Total equity (\$)
Balance at 1 July 2018	46,779	46,779
Surplus after income tax expense for the year	22,423	22,423
Other comprehensive income for the year, net of tax	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	22,423	22,423
	<hr/>	<hr/>
Balance at 30 June 2019	69,202	69,202

	Retained surpluses (\$)	Total equity (\$)
Balance at 1 July 2019	69,202	69,202
Surplus after income tax expense for the year	(12,051)	(12,051)
Other comprehensive income for the year, net of tax	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	(12,051)	(12,051)
	<hr/>	<hr/>
Balance at 30 June 2020	57,151	57,151



Statement of Cash Flows

For the year ended 30 June 2020

	Note	2020 (\$)	2019 (\$)
Cash flows from operating activities			
Receipts from grants (inclusive of GST)		237,874	328,497
Payments to suppliers (inclusive of GST)		(323,850)	(292,919)
		(85,976)	35,578
Interest received		293	480
Net cash (used in) operating activities	13	(85,683)	36,058
Cash flows from investing activities			
Payments for property, plant and equipment		-	-
Net cash used in investing activities		-	-
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		(85,683)	36,058
Cash and cash equivalents at the beginning of the financial year		134,553	98,495
Cash and cash equivalents at the end of the financial year	4	48,870	134,553



Notes to the Financial Statements

For the year ended 30 June 2020

Note 1. Significant accounting policies

ACFIPS – Arts, Communications, Finance Industries and Property Services Ltd — is a not-for-profit, unlisted public company limited by guarantee, incorporated and domiciled in Australia. The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of ACFIPS – Arts, Communications, Finance Industries and Property Services Ltd. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of the company.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as and when received or earned.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The company is liable for income tax on receipt of unconditional NSW Government grants. Conditional government grants received for specified projects are not liable for income tax provided any unspent grants at the end of the agreement term are either refunded to the NSW Government or carried forward to a new project as authorised.



Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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.

Trade and other receivables

Other receivables are recognised at cost, less any provision for impairment (to reflect uncertainty on recoverability).

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Office equipment	3-5 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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



Cash flows 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 tax authority, are presented as operating cash flows.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

	2020 (\$)	2019 (\$)
Note 3. Revenue		
NSW Government Conditional Grants	243,929	298,544
Sundry Income	1,129	3,710
Interest received	293	480
	245,351	302,734
Note 4. Current assets — cash and cash equivalents		
Cash at bank	48,870	134,553
Note 5. Current assets — sundry debtors and prepayments		
Sundry debtors and prepayments	26,360	-
Note 6. Non-current assets — property, plant and equipment		
Office furniture & equipment — at cost	5,134	5,134
Less: Accumulated depreciation	(5,134)	(5,134)
	-	-
Note 7. Current liabilities — trade and other payables		
Unspent conditional grants repayable	-	58,405
BAS payable	1,712	1,417
Other payables	16,367	5,529
	18,079	65,351
Note 8. Equity — retained surpluses		
Retained surpluses at the beginning of the financial year	69,202	46,779
(Deficit) surplus after income tax expense for the year	(12,051)	22,423
Retained surpluses at the end of the financial year	57,151	69,202
Note 9. Auditor's remuneration		
During the financial year the following fees were paid or payable for services provided by the auditor of the company:		
<i>Audit services</i>		
Audit of the financial statements	4,200	4,020



Note 10. Contingent liabilities and commitments

The company had no contingent liabilities or commitments as at 30 June 2020 and 30 June 2019.

Note 11. Economic dependence

The company's continued operations depend on receiving grants from the NSW Government to continue to support vocational education and training in NSW on behalf of the arts, communications, finance industries and property services sectors.

Note 12. Events after the reporting period

No matter or circumstance has arisen since 30 June 2020 that has significantly affected or may significantly affect the company's operations, the results of those operations or the company's state of affairs in future financial years.

Note 13. Reconciliation of surplus after income tax to net cash from operating activities

	2020	2019
	(\$)	(\$)
Surplus after income tax expense for the year	(12,051)	22,423
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(24,393)	1,715
Decrease/(increase) in prepayments	(1,967)	-
Increase/(decrease) in trade and other payables	(47,272)	(2,759)
Increase/(decrease) in grants repayable, received in advance	-	14,679
Net cash from (used in) operating activities	<u>(85,683)</u>	<u>36,058</u>

Note 14. Registered office and principal place of business

As at the date of this report, the company's registered office and principal place of business is located at 132C Irrubel Road, Newport NSW 2106.



Directors' Declaration

In the directors' opinion:

- the company is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of the company;
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors:



Tim Cramsie
Chair



Max Wilson
Director/Company Secretary

Sydney, 2 November 2020



Independent Audit Report

to the members of ACFIPS: Arts, Communications, Finance Industries and Property Services Limited

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of ACFIPS – Arts, Communications, Finance Industries and Property Services Ltd (ABN 55 074 207 784) ('the company'), which comprises the statement of financial position as at 30 June 2020 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Directors' Declaration.

In my opinion, the financial report of the company has been prepared in accordance with the Corporations Act 2001, including:

- a) giving a true and fair view of the company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for opinion

I have 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 company 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 confirm that an independence declaration as required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter — Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the company's financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Directors' Responsibility 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and the needs of the members. The Directors' responsibility also includes such internal controls as the Directors determine is necessary to enable the preparation of a 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 relating 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.

The Directors are responsible for overseeing the company's financial reporting process.



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 it 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 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 the 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 the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 company to cease 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.

I communicate with the Directors 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.

Michael Grasso

Michael Grasso MIPA
Registered Company Auditor
36 Lalor Crescent
Engadine NSW 2233.

2 November 2020



Auditor's Supplementary Report

In connection with my audit of ACFIPS — Arts, Communications, Finance Industries and Property Services Ltd — for the year ended 30 June 2020, I have also examined the additional financial data presented on the following page, being the detailed profit and loss statement for the year of the company. In my opinion, such information is fairly presented in all material respects in relation to the financial report taken as a whole, although it is not necessary for this information to be presented with the financial report for it to show a true and fair view of the state of affairs or results of the operations of the company.

Michael Grasso

Michael Grasso MIPA
Registered Company Auditor
36 Lalor Crescent
Engadine NSW 2233

2 November 2020



Detailed Profit and Loss Statement

For the year ended 30 June 2020

	2020 (\$)	2019 (\$)
Revenues		
NSW Government Conditional Grants	243,929	298,544
Sundry income	1,129	3,710
Interest received	293	480
	<u>245,351</u>	<u>302,734</u>
Expenses		
Accounting fees	3,382	-
Administration communication	18,000	6,496
Auditors' remuneration	4,200	4,020
Awards presentation function	300	-
Bank charges	465	48
Computer expenses	-	3,982
Conferences	-	395
Contract management fees	122,240	119,040
Filing fees	443	-
Insurance	2,338	3,773
Meeting expenses	11,686	7,996
Postage, printing & stationery	1,337	893
Project costs	67,265	37,560
Rent — current year	10,000	12,000
Rent — prior year	-	6,000
Subscriptions	887	-
Telephone	813	902
Travel and accommodation	4,828	7,555
Unspent conditional grants repayable	-	58,405
Website development & maintenance	9,218	11,246
	<u>257,402</u>	<u>280,311</u>
Net surplus from operations before income tax	<u>(12,051)</u>	<u>22,423</u>

