

GENERAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

COMMUNITY WEST (VICTORIA) LTD
ACN 603 318 494

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DIRECTORS' REPORT

The Board of Directors presents their report on the Association for the financial year ended 30 June 2015.

DIRECTORS

The names of members of the Board of Directors in office at any time during or since the end of the year are:

Name	Board Position	Term Notes
James McCarthy	Chairperson	
Helen Douglas	Deputy Chairperson	
Sejla Kadric	Treasurer	
Dawn Rees	Director	
John Typaldos	Director	Resigned 28 October 2014
Godefa Gher	Director	
Kim Nguyen	Secretary	
Jasmine Pisasale	Director	

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

PRINCIPAL ACTIVITIES

Community West delivers a range of early intervention and prevention programs and focuses on informing and engaging with their communities by delivering:

- Adult Education
- Family Services
- Legal Services (from the Brimbank Melton Community Legal Centre) and
- A range of community engagement activities from their Neighbourhood House at Deer Park.

The services are pivotal to building social capital in Melbourne's Western Suburbs.

There were no significant changes in the principal activities of the Association during the year.

COMPANY SECRETARY

The following person held the position of the Company Secretary at the end of the financial year.

Kim Nguyen

SHORT TERM & LONG TERM OBJECTIVES

Building the capacity of our community by respecting diversity and striving for social justice.

Plan and deliver a range of services across the continuum, including intervention and prevention services.

Accessible flexible and easy to navigate, cohesive programs.

Comprehensive engagement with the community and stakeholders to respond to unmet needs and evaluate our services.

Aimed at children, families and community members who may experience multiple barriers due to:

- Social isolation
- Language, literacy and numeracy
- Concerns for social, physical or emotional safety

STRATEGY FOR ACHIEVING SHORT AND LONG-TERM OBJECTIVES

The Company's strategies for achieving these short and long-term objectives are to:

1. Build relationships and collaboration for improved service delivery:
 - Establish community engagement strategies to provide input into planning programs
 - Ensure services are delivered in partnership with relevant stakeholders
 - Commitment to evaluating effectiveness of our programs from both client and stakeholder perspectives
2. Deliver services across the continuum
 - Plan, implement and monitor early intervention and prevention services
 - Provide outreach models and flexible delivery options
 - Seamless referral pathways provided with improved referral processes

3. Embed a sustainable future through organisational development
 - Develop mechanisms to monitor quality of service delivery and regular evaluation
 - Commit to building capacity in our workforce and offer ongoing professional development opportunities
 - Value the skills, knowledge and attributes of paid, unpaid staff and community members of Community West

KEY PERFORMANCE INDICATORS

Measured using the strategies for achieving short and long-term objectives.

COMMENTS BY THE DIRECTORS FOR INFORMATION PURPOSES

During the 2015 financial year the Association formerly known as Community West Inc legally migrated to form the Company, Community West (Victoria) Ltd on 20 January 2015.

INFORMATION ON DIRECTORS

The particulars of the qualifications, experience and special responsibilities of each Director are as follows:

James McCarthy	
Qualifications:	Dip Social and Community Service Work, Cert IV Mental Health Work, Cert IV Alcohol and Other Drug Work, Grad Cert Human Services, Grad Cert Social Science, Grad Cert Community Service Practice, Cert IV Business (Governance)
Experience:	A Board member since 2004, James is a trained social worker and works as the Business and Quality Manager of Anglicare Victoria Northern Region. He has extensive experience in various sectors including; family violence, disability advocacy, disadvantaged youth and homelessness. James is the Chairperson of No to Violence and the Men's Referral Service and is committed to social justice and community development, particularly in the western suburbs. James has been Chairperson of Community West for three terms.

Helen Douglas	
Qualifications:	Division 1 Nursing (General/Children), Grad Cert Management
Experience:	Helen emigrated to Australia in 1987, and is qualified in nursing, risk management, quality assurance and occupational health and safety. Helen has worked for both hospital and community based organisations in various roles for over 25 years and is currently General Manager of Operations at Calvary Community Care, a not-for-profit community organization. Helen has been a Community West Board Member since 2009.

Sejla Kadric	
Qualifications:	BBA, Grad Dip CA, Member of the Institute of Chartered Accountants in Australia
Experience:	Sejla was elected to the Community West Board in 2012. She is the manager and chartered accountant at ShineWing. Sejla moved to Australia in 1996 and grew up in the western suburbs. As a Board member, her financial expertise ensures Community West has highly developed financial and internal control systems to mitigate any risks. Sejla has significant experience auditing not-for-profit organisations and understands the structures, rules and reporting obligations of incorporated associations. Sejla is also on the Board of No to Violence and was appointed to the Community West Board as Treasurer in 2013.

Dawn Rees	
Qualifications:	MBA, BBus, Grad Dip Education
Experience:	Dawn is a Management Consultant for McKinsey & Company and has been on the Board of Community West since 2010. She is a former teacher from the Brimbank area and has a particular interest in the development of the Brimbank community. Dawn emigrated to Australia in 1987 and has worked in the government and health sectors in several countries bringing a breadth of experience to Community West.

Godefa Gher	
Qualifications:	BA, MSocSc(DevSt), MCCD
Experience:	Godefa was elected to the Community West Board in 2013. Godefa is an experienced adult educator teaching Community Services working extensively with newly arrived communities in Melbourne's western suburbs. Godefa sits on several boards and committees, including the Migrant Resource Centre North West and City West Water.

Kim Nguyen	
Qualifications:	BA, Cert IV Frontline Management, Cert III Employment Services, Grad Cert Management
Experience:	Kim was elected to Community West's Board in 2013 and worked extensively in the employment and asylum seeker sector assisting culturally diverse clients find pathways to employment in Australia. Arriving to Australia as a refugee over 17 years ago, Kim is passionate about the rights of culturally and linguistically diverse communities and advocates to remove barriers to employment. She strongly believes in integrating compassion, respect and honesty into her daily work.

Jasmine Pisasale	
Qualifications:	BA, LLB
Experience:	Jasmine was elected to the Community West Board in 2014. She is a practicing criminal lawyer and works for a well-known criminal defence firm. Through her work in the court system, Jasmine regularly assists people facing issues such as homelessness, drug addiction, family violence and poverty through linking them with appropriate community support services. As a Board member, Jasmine contributes her knowledge and passion in this field by ensuring the best possible support services can be provided to those from disadvantaged or marginalised backgrounds.

MEETINGS OF DIRECTORS

During the financial year, 6 (six) meetings of Directors (including committees of Directors) were held.

Attendances by each director during the year were as follows:

Meetings	"Number eligible to attend"	"Number attended"
James McCarthy	6	6
Helen Douglas	6	4
Sejla Kadric	6	6
Dawn Rees	6	4
John Typaldos	6	–
Godefa Gher	6	4
Kim Nguyen	6	4
Jasmine Pisasale	6	5

The Directors act in an honorary capacity and are not paid for services as Directors to Community West (Victoria) Ltd.

AFTER BALANCE DAY EVENTS

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

CONTRIBUTION IN WINDING UP

Community West (Victoria) Ltd is a Company is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$5.00 towards meeting any outstanding obligations of the Company.

At 30 June 2015 the collective liability of members was \$45.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2015 has been received and is included in this report on Page 5.

Signed in accordance with a resolution of the Board of Directors.

Director:



James McCarthy

Director:



Sejla Kadric

Dated: **1 October 2015**

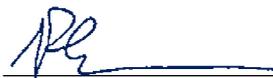
AUDITOR'S INDEPENDENCE DECLARATION

**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
COMMUNITY WEST (VICTORIA) LTD
ACN 603 318 494**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been:

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

Name of Firm: Collins & Co



Name of Auditor: Frederik R.L. Eksteen

Date: 1 October 2015

Address: 127 Paisley Street,
Footscray VIC 3011

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
Note	\$	\$
REVENUES	4,867,773	6,203,630
EXPENSES		
Employee benefits expenses	(3,780,047)	(3,989,525)
Depreciation and amortisation expenses	(160,108)	(116,186)
Loss on Sale of Property, Plant & Equipment	-	(14,673)
Program Resources	(94,190)	(389,391)
Lease Expenditure	(627,554)	(776,005)
Data Management Fees	(123,072)	(102,541)
Other expenses	(410,843)	(505,941)
Profit/ (Loss) attributable to entity	(328,041)	309,369
Other comprehensive income after income tax	-	-
Net gain or loss on revaluation of non-current assets	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year, net of tax	(328,041)	309,369
Total comprehensive income/ (loss) attributable to entity	(328,041)	309,369

The income statement is to be read in conjunction with the audit report and the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

		2015	2016
	Note	\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	4	1,021,217	1,033,781
Trade and Other Receivables	5	119,066	236,764
Other Current Assets	6	143,110	30,373
TOTAL CURRENT ASSETS		1,283,393	1,300,917
NON CURRENT ASSETS			
Property, Plant and Equipment	7	1,227,231	1,324,210
TOTAL NON-CURRENT ASSETS		1,227,231	1,324,210
TOTAL ASSETS		2,510,624	2,625,127
CURRENT LIABILITIES			
Trade and Other Payables	8	557,772	338,831
Provisions	9	220,091	225,494
TOTAL CURRENT LIABILITIES		777,863	564,325
NON-CURRENT LIABILITIES			
Trade and Other Payables	8	-	-
Provisions	9	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		777,863	564,325
NET ASSETS		1,732,761	2,060,802
EQUITY			
Accumulated Funds		1,080,124	1,408,165
Reserves		652,637	652,637
TOTAL EQUITY		1,732,761	2,060,802

The balance sheet is to be read in conjunction with the audit report and the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Accumulated Funds	Asset Revaluation	Reserve Total
	\$	\$	\$
Original Balance as at 1 July 2013	1,098,796	652,637	1,751,433
Profit Attributable to Entity	309,369	-	309,369
Balance as at 30 June 2014	1,408,165	652,637	2,060,802
Loss Attributable to Entity	(328,041)	-	(328,041)
Balance as at 30 June 2015	1,080,124	652,637	1,732,761

The statement of changes in equity is to be read in conjunction with the audit report and the notes to the financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

		2015	2014
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers & Grants		5,089,219	6,209,389
Payments to Employees & Suppliers		(5,057,662)	(5,813,944)
Interest Received		19,009	16,193
Net Cash Generated from/ (Used in) Operating Activities	12	50,565	411,639
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Disposal of Property, Plant and Equipment		-	-
Payment for Purchase of Property, Plant and Equipment		(63,129)	(310,583)
Net Cash (Used in)/ Provided by Investing Activities		(63,129)	(310,583)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		-	-
Repayment of Borrowings		-	-
Net Cash Used in Financing Activities		-	-
Net increase/ (decrease) in cash held		(12,564)	101,056
Cash and Cash Equivalents at Beginning of Financial Year		1,033,781	932,725
Cash and Cash Equivalents at End of Financial Year	4	1,021,217	1,033,781

The cash flow statement is to be read in conjunction with the audit report and the notes to the financial statements.

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements and notes represent those of Community West (Victoria) Ltd, the Company.

Policies Basis of preparation

The Company applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 201 0-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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

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

Accounting Policies

a. Property, Plant and Equipment

Freehold land and buildings, plant & equipment are brought to account at cost less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Company includes the cost of materials, labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the asset can be measured reliably. All other repairs & maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on the revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to depreciation.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.50%
Computer Software	30.00%
Telephone System	20.00%

Class of Fixed Asset	Depreciation Rate
Computer Equipment	30.00%
Office Equipment, Furniture & Fittings	7.50% - 30.00%
Security System	25.00%

b. Impairment of Assets

At each reporting date, the company reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

c. Leases

All leases are classified as operating leases. Minimum lease payments made under operating leases are charged as an expense in equal instalments over the accounting periods covered by the lease term.

d. Financial Instruments

Initial Recognition and Measurement

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

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

Classification and Subsequent Measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as (i) the amount at which the financial asset or financial liability is measured at initial recognition (ii) less principal repayments (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

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

Financial assets at fair value through the profit & loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Company of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of reporting period. If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments would be tainted and reclassified as available-for-sale.

Available-for-sale Financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in equity of other entities where there is neither fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value

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

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. Employee Benefits

Short term benefits

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on-costs, which the Company expects to pay at the end of each reporting period.

Long term benefits

The provision for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' services provided up to reporting date.

Superannuation

Superannuation contributions are made by the Company to approved superannuation funds for all employees. The costs are charged as employee expenses as they are incurred. The Company has no legal obligation to cover any shortfall in the superannuation funds' obligations to provide benefits to employees on retirement.

f. Provisions

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

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

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities in the statement of financial position.

h. Revenue

Revenue comprises income from the provision of government grants, client contributions and donations. Revenue from major products and services is shown in Note 2.

Government Grants

A number of the organisation's programs are supported by grants received from the Federal, State and Local Governments.

Where conditions are attached to a grant which must be satisfied before the organisation is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the organisation obtains control of the funds, economic benefits are probable and the amount can be measured reliably.

If the organisation receives a non-reciprocal contribution of an asset from a government or other party for no nominal considerations, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Client Contributions

Fees charged services provided to clients are recognised when the service is rendered.

Donations

Donations collected, are recognised as revenue when the organisation gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Interest Received

Interest revenue is recognised on a time proportional basis taking into account the interest rates applicable to the financial assets.

All receipts are stated net of Good and Services Tax.

i. Trade & Other Payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

j. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

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 ATO is included with other receivables or payables in the statement of financial position.

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

k. Income Tax

By virtue of its aims as set out in the constitution, the Company qualifies as an organisation specifically exempt from income tax under Section 50-45 of the Income Tax Assessment Act, 1997.

l. Comparative Figures

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

NOTES TO FINANCIAL REPORT CONTINUED

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

m. Critical Accounting Estimates and Judgements

The direction evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates - Impairment (General)

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets.

Where an impairment trigger exists, the recoverable amount of the asset is determined.

Key Judgements - Provision for Impairment of Receivables

The management believe that \$4,208 of the debt may be unrecoverable, and therefore a similar provision for impairment has been made.

	2015	2014
	\$	\$

NOTE 2. OPERATING ACTIVITIES: REVENUES

Grants & Other Funding Income	4,752,622	5,984,995
Corporate Services Income	35,246	137,889
Fees Received	41,281	39,149
Other Income	19,615	25,404
Interest Received	19,009	16,193
Total Revenues	4,867,773	6,203,630

NOTE 3. OPERATING ACTIVITIES: EXPENSES

Depreciation of non-current assets	160,108	116,186
Salaries and wages	3,377,043	3,177,986
Superannuation	309,876	283,625

Key Management Personnel Remuneration

Key management of the Association are the members of the Board of Management, the Chief Executive Officer and Senior Executive Managers. Included in salaries and wages above is the following key management personnel remuneration:

Key management personnel remuneration	524,709	541,182
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Note that the Board of Management are not financially remunerated.

NOTE 4. CASH AND CASH EQUIVALENTS

Cash on Hand	1,120	569
Commonwealth Bank of Australia - Trading Cheque Account	51,598	53,173
Commonwealth Bank of Australia - Term Deposit Account	8,707	8,519
Commonwealth Bank of Australia - Term Deposit Account	456,118	-
Commonwealth Bank of Australia - Saver Account	117,036	-
Commonwealth Bank of Australia - Cash Deposit Account	-	445,495
Commonwealth Bank of Australia - Cash Management Account	386,638	526,024
	1,021,217	1,033,781

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and Cash Equivalents	1,021,217	1,033,781
	<u>1,021,217</u>	<u>1,033,781</u>

NOTE 5. TRADE AND OTHER RECEIVABLES

Trade Debtors & Grants Receivable	123,274	236,764
Less: Provision for Doubtful Debts	(4,208)	-
	<u>119,066</u>	<u>236,764</u>

NOTE 6. OTHER CURRENT ASSETS

Accrued Income	36,225	-
Prepayments	54,545	-
Rental Bonds	52,340	30,373
	<u>143,110</u>	<u>30,373</u>

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

Freehold Land & Buildings		
At Valuation	1,131,625	1,118,879
Impairment	(203,251)	(177,926)
	<u>928,374</u>	<u>940,953</u>
Computer & Office Equipment		
At Cost	307,898	287,928
Accumulated Depreciation	(238,308)	(152,496)
	<u>69,590</u>	<u>135,431</u>
Telephone System		
At Cost	47,665	43,006
Accumulated Depreciation	(27,466)	(20,388)
	<u>20,199</u>	<u>22,618</u>
Office Equipment		
At Cost	274,545	252,536
Accumulated Depreciation	(154,015)	(120,986)
	<u>120,530</u>	<u>131,550</u>
Security System & Card		
At Cost	17,359	17,359
Accumulated Depreciation	(15,793)	(15,011)
	<u>1,566</u>	<u>2,349</u>
Software Pool		
At Cost	17,108	17,108
Accumulated Depreciation	(13,339)	(11,445)
	<u>3,769</u>	<u>5,663</u>
Motor Vehicle		
At Cost	33,002	33,002
Accumulated Depreciation	(9,282)	(3,094)
	<u>23,720</u>	<u>29,908</u>
Capital Works in Progress	59,483	55,738
Total Property, Plant and Equipment	<u>1,227,231</u>	<u>1,324,210</u>

(i) The revaluation of land was performed by an independent property valuer.

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Reconciliation of Movement in Carrying Values

	Land & Buildings	Computer & Office Equipment	Telephone System	Office Equipment	Security System & Card	Software Pool	Motor Vehicle	Capital Works in Progress	Total Property, Plant & Equipment
Written down value at 1 July 2013	941,778	61,217	23,956	111,162	3,234	3,139	-	-	1,144,486
Additions	26,410	137,107	4,628	51,233	-	3,465	33,002	55,738	311,584
Revaluations	-	-	-	-	-	-	-	-	-
Disposals	(2,321)	(6,661)	(210)	(9,621)	(103)	-	-	-	(18,915)
Depreciation expense	(24,914)	(56,233)	(5,756)	(21,225)	(782)	(941)	(3,094)	-	(112,945)
Written down value at 30 June 2014	940,953	135,431	22,618	131,550	2,349	5,663	29,908	55,738	1,324,210
Written down value at 1 July 2014	940,953	135,431	22,618	131,550	2,349	5,663	29,908	55,738	1,324,210
Additions	12,746	19,971	4,659	22,009	-	-	-	3,745	63,129
Revaluations	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Depreciation expense	(25,325)	(85,812)	(7,078)	(33,029)	(782)	(1,894)	(6,188)	-	(160,108)
Written down value at 30 June 2015	928,374	69,590	20,199	120,530	1,566	3,769	23,720	59,483	1,227,231

	2015	2014
	\$	\$

NOTE 8. TRADE AND OTHER PAYABLES

Current - Unsecured		
Trade Creditors	55,250	79,952
Accrued Expenses	69,872	-
Income Received in Advance	274,259	111,069
Superannuation Payable	22,989	23,058
GST Payable	97,176	87,960
PAYG Withholding Tax Payable	38,226	36,825
Commonwealth Bank of Australia - Credit Cards	-	(32)
	557,772	338,831
Non-Current - Unsecured		
Other payables	-	-
	557,772	338,831
Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- Total current	557,772	338,831
- Total non-current	-	-
	557,772	338,831

NOTE 9. PROVISIONS

Current		
Annual Leave	116,429	136,481
Long Service Leave	103,662	89,013
	220,091	225,494
Non-Current		
Long Service Leave	-	-
	-	-

NOTE 10. LEASING COMMITMENTS

Operating Lease Commitments		
Payable - Minimum Lease Payments		
- no later than 12 months	594,688	493,955
- between 12 months and 5 years	1,391,454	1,617,980
- greater than 5 years	-	-
	1,986,141	2,111,935

The property lease commitments are non-cancellable operating leases with lease terms between one and five years. Increases in lease commitments may occur in line with CPI or market rent reviews in accordance with the agreements.

NOTE 11. CAPITAL COMMITMENTS

Future capital commitments include the following:		
Redevelopment of Deer Park Property in Ballarat Road	2,122,000	2,122,000
	2,122,000	2,122,000

The redevelopment of the Deer Park property will create the Deer Park Community Centre, which will be financed by a loan from the Bank.

	2015	2014
	\$	\$

NOTE 12. CASH FLOW INFORMATION

(a)	Reconciliation of Cash Flow from Operations with Profit after Income Tax		
	Operating Surplus/ (Deficit)	(328,041)	309,369
	Non-cash flows in profit		
	Depreciation	160,108	116,186
	(Profit)/ Loss on Disposal of Property, Plant & Equipment	-	14,673
	Changes in Assets and Liabilities		
	(Increase)/Decrease in Trade and Other Receivables	113,490	65,895
	Increase/(Decrease) in Doubtfull Debt Provision	4,208	-
	(Increase)/decrease in Accrued Income	(36,225)	-
	(Increase)/decrease in Prepayments and Rental Bonds	(76,513)	(26,550)
	Increase/(Decrease) in Trade and Other Payables	218,940	(163,509)
	Increase/(Decrease) in Provisions	(5,403)	95,574
	Cash flow from operations	50,565	411,639

NOTE 13. FINANCIAL RISK MANAGEMENT

a. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, commercial bills and bank loans.

The Company does not have any derivative instruments at 30 June 2015.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2015	2014
		\$	\$
Financial Assets			
Cash and cash equivalents	4	1,021,217	1,033,781
Loans and receivables	5	119,066	236,764
		1,140,283	1,270,545
Financial Liabilities			
Trade and other payables	8	557,772	338,831
		557,772	338,831

(i) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the Statement of Financial Position and notes to the financial statements.

(ii) Liquidity Risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate bon-owing facilities are maintained.

	2015	2014
	\$	\$
(iii) Interest Rate Risk		
The finance committee meets on a regular basis to analyse the interest rate exposure in the context of the most recent economic conditions and forecasts.		

NOTE 14. CONTRIBUTION OF ASSETS

Federal Government Grant Funding		
Department of Social Services	308,336	377,968
Department of Industries	1,651,344	1,952,976
Victoria Legal Aid	238,124	231,740
Attorney General Department	25,935	-
State Government Grant Funding		
Department of Human Services	103,619	98,153
ACFE Funding	187,810	215,883
ACFE Capital Grants	9,500	-
ACFE Concessions	169,792	35,131
ACFE Project Income	51,675	-
Department of Education & Early Childhood Development	1,276,453	2,409,969
Victoria Legal Aid	566,519	566,360
Victoria Law Foundation	11,380	24,000
VLA - Clean Slate Project	5,000	-
LSB - Mortgage Stress	87,750	-
Legal Student Placements	1,200	-
Local Government Grant Funding		
Brimbank City Council Grants	27,900	15,600
Miscellaneous Grant Funding		
Victoria Law Foundation	-	1,784
Relationships Australia	30,285	45,430
Thiess Community Grants	-	10,000

NOTE 15. VICTORIA LEGAL AID COMPULSORY DISCLOSURE

Breakdown of Income from Victoria Legal Aid		
Commonwealth Income for the Financial Year	238,123	231,740
Victorian State Income for the Financial Year	600,892	486,360
SACS ERO Extra Income from 2014/2015 Financial Year	29,372	-
Service Generated Income	11,882	-
Victorian State Income carried forward from the 2012/2013 Financial Year	-	80,000
Total Income from Victoria Legal Aid	880,269	798,100
Grants from Victoria Legal Aid being carried forward to 2015/2016 Financial Year:		
SACS ERO Extra Income from 2012/2013 Financial Year	4,200	4,200
SACS ERO Extra Income from 2013/2014 Financial Year	18,395	18,395
SACS ERO Extra Income from 2014/2015 Financial Year	29,372	-
SACS ERO Extra Income carried forward to 2015/2016 Financial Year	51,967	22,595
Specific CLSP Assets		
Computer Equipment	8,205	8,205
less Accumulated Depreciation	(7,068)	(6,249)

NOTES TO FINANCIAL REPORT CONTINUED

	1,137	1,955
Office Equipment	32,618	32,618
less Accumulated Depreciation	(24,532)	(21,717)
	8,086	10,901
Telephone System	11,016	11,016
less Accumulated Depreciation	(7,900)	(6,862)
	3,115	4,154
Motor Vehicle	33,002	33,714
less Accumulated Depreciation	(9,282)	(3,161)
	23,720	30,553
TOTAL CLSP Assets	84,840	85,552
less Accumulated Depreciation	(48,782)	(37,989)
Written Down Value of Total CLSP Assets at 30 June 2015	36,058	47,563

NOTE 16. COMPANY'S DETAILS

The registered office of the company is:

Level 1
358 Main Road West
St Albans VIC 3021

The principal place of business of the company is:

Level 1
358 Main Road West
St Albans VIC 3021

DIRECTORS' DECLARATION

In the opinion of the Board of Directors the financial report as set out on pages 6 to 23:

1. Presents a true and fair view of the financial position of Community West (Victoria) Ltd as at 30 June 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
2. At the date of this statement, there are reasonable grounds to believe that Community West (Victoria) Ltd will be able to pay its debts as and when they fall due.

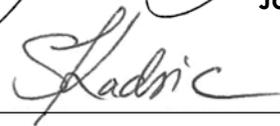
This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board by:

Chairperson:



James McCarthy

Treasurer:



Sejla Kadric

Dated this **1st day** of **October 2015**

DETAILED INCOME AND EXPENDITURE STATEMENT**FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
REVENUE		
Grants	4,752,622	5,984,995
Federal Government Grants	2,223,739	2,562,684
State Government Grants	2,051,921	3,098,482
Local Government Grants	27,900	15,600
ACFE Funding & Concessions	418,777	251,014
Miscellaneous Grants	30,285	57,214
Fees	41,281	39,149
Course Fees	30,875	25,613
Child Contact Service Fees	10,406	12,664
Facility Fees	-	436
Course Materials	-	436
Corporate Services Income	35,246	137,889
Corporate Service Fees	-	109,804
Rental Income	13,788	15,035
Bookkeeping Service Fees	21,458	13,050
Other Income	38,624	41,598
Donations	-	722
Interest Received	19,009	16,193
Legal Costs Recovered	2,854	4,009
Miscellaneous Income	16,761	20,673
TOTAL REVENUE	4,867,773	6,203,630
EXPENDITURE		
Depreciation & Amortisation	160,108	116,186
Employee Benefit Expenses	3,780,047	3,989,525
Consultancy Fees	60,686	396,187
Holiday Pay & Long Service Leave	(11,988)	86,329
Salaries & Oncost	3,377,043	3,177,986
Superannuation Contributions	309,876	283,625
WorkCover	24,967	23,931
Staff Professional Development	8,768	12,068
Payroll Processing Fees	10,695	9,398

	2015	2014
	\$	\$
Lease Expenditure	627,554	776,005
Rent	575,259	725,371
Venue Hire	52,295	50,634
Loss on Sale of Property, Plant & Equipment	-	14,673
Program Resources	94,190	389,391
Program Resources	18,442	50,812
Special Program Expenses	45,201	301,728
Translation Services	155	163
Subscriptions	16,940	18,583
Staff Training, Conferences & Seminars	13,452	18,105
Data Management Fees	123,072	102,541
Other Expenses	410,843	505,941
Accounting, Audit & Admin Fees	17,443	3,571
Advertising	11,728	8,005
Bad Debts	4,208	12,451
Bank Charges	1,136	1,664
Catering & Meeting Costs	8,429	8,041
Cleaning	21,781	20,924
Computer Software & Maintenance	18,092	12,610
Donations	1,679	819
Furniture & Equipment	8,535	10,496
General Expenses	3,475	3,899
Insurance	1,276	13,182
Internet & Web	43,191	40,232
Legal & Secretarial Expenses	3,237	-
Light & Power	29,560	36,022
Motor Vehicle Expenses	2,347	2,146
Postage & Freight	9,106	10,407
Printing & Stationery	54,366	63,033
Rates & Taxes	32,982	24,241
Recruitment Expenses	24,982	54,853
Repairs & Maintenance	33,267	39,328
Security Costs	5,507	3,608
Staff Amenities	10,790	37,516
Storage Fees	3,216	2,813
Telephone & Fax	48,662	53,922
Travel & Accommodation	6,306	35,978
Waste Disposal	5,542	6,184
(DEFICIT)/ SURPLUS FOR THE YEAR	(328,041)	309,369

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of Community West (Victoria) Ltd (the Company), which comprises the statement of financial position as at 30 June 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

Directors' Responsibility for the Financial Report

The Directors of the Company 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 Corporations Act 2001 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting my audit, I have complied with the independence requirements of the Australian professional ethical pronouncements.

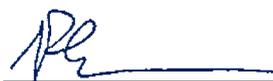
Auditor's Opinion

In my opinion, the financial report of the Community West (Victoria) Ltd (the Company) is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended; and
- ii. complying with Australian Accounting Standards - Reduced Disclosure Requirements.

Name of Firm: Collins & Co

Address: 127 Paisley Street,
Footscray VIC 3011



Name of Auditor: Frederik R. L. Eksteen

Date: 1 October 2015



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