

Community Information & Support Victoria

2016-2017

Finance Report



CISVic

...helping local communities help local people

About us

Community Information & Support Victoria (CISVic) is the peak body representing local community information and support services.

Our local services assist people experiencing personal and financial difficulties by providing information, referral and support services including Emergency Relief.

We direct people who need help to local centres for services.

We liaise with local, state and federal governments on behalf of local centres for funding and support.

We undertake research and training.

CISVic and its members are committed to volunteering and offer a range of opportunities for people to work with us.

And we seek and arrange funding from philanthropic organisations and private donors.

Treasurer's report



I am very pleased to present the Treasurer's Report for the 2017 financial year. 2017 has been another year where living costs, such as housing, power and food, have continued to rise in Victoria. When this is combined with the reduction in employment opportunities due to the wind down and in some cases closure of traditional industries such as automotive production and manufacturing more broadly, there is a heightened level of pressure on many communities, especially the disadvantaged, elderly and remote.

CISVic and its member agencies have continued to work tirelessly to provide the support that many members of the community depend on. We have now been providing emergency relief on behalf of the Department of Social Service for over two years. We consider that the current program is providing real benefits to those who we support on an economically sound basis. Additionally, the consortia arrangement provides CISVIC with an additional source of funds which we are using to enhance the capability of our team and provide a broader service to our members. We remain very aware of the responsibility associated with managing the consortia funding and being transparent with the consortia members and satisfying our accountabilities to the DSS.

In managing CISVIC's financial arrangements, the Board focuses on balancing the immediate needs of our member agencies and the development of the CISVIC team with the ongoing financial stability of CISVIC. In this regard, we made some important investments this year to ensure continuity of service to communities where member agencies were experiencing challenges and to review the future direction of operating model of CISVic. The strategic review that was commissioned during the year is a critical project that the Board and management will use to ensure that CISVic remains relevant to our members, and a viable provider of services into the future.

For the financial year ended 30 June 2016, CISVIC generated a deficit of \$90,582 (2015: \$12,489 surplus) and incurred cash outflows from operations of \$67,757 (2015: \$84,634 outflow). Due to the investments noted above, CISVIC's net assets at year-end reduced to \$294,124 (2015: \$384,706). Following the sale of the office that completed at the beginning of the year, we have strong liquidity and financial flexibility. Surplus cash is invested in low risk investments and earnings are used to offset rental costs of the current office and other administrative expenses. Similar to prior years, CISVIC has received some cash in advance of delivering the associated services which appears as a liability in the balance sheet.

The Board will continue to utilise CISVIC's accumulated surplus for the benefit of member agencies and to ensure the ongoing viability of CISVIC throughout the economic cycle. CISVIC is in a secure financial position, however as always, remains dependent on funding that it primarily sourced from state and federal government funding.

I would like to acknowledge the tireless efforts of the CISVIC management team to continually deliver CISVIC's services at the high levels our members expect while also managing costs and pursuing funding opportunities.

A handwritten signature in blue ink, appearing to read 'James Dent'.

James Dent

**Community Information & Support Victoria Incorporated
Reg No. A0002124L
Audited Financial Statements
For the Year ended 30th June 2017**

**Community Information & Support Victoria
Incorporated
Reg No. A0002124L
Assets and Liabilities Statement
As at 30 June 2017**

		2017	2016
		\$	\$
Members Funds			
Unappropriated Surplus B/Fwd		384,706	372,217
Surplus/(Deficit) for the Year		(90,582)	12,489
Total Members Funds		294,124	384,706
Represented By:			
Current Assets			
Cash	2	339,498	100,169
Trade & Other Receivables	3	13,472	33,851
		352,970	134,020
Non-Current Assets			
Trade & Other Receivables	3	9,167	9,167
Property Improvements at Written Down Value		22,393	28,829
Office Building - Ste 209, Level 2, 343 Collins St Melbourne		-	331,269
Office Equipment at Written Down Value		11,706	3,878
Office Furniture at Written Down Value		4,035	5,045
		47,301	378,188
Total Assets		400,271	512,208
Current Liabilities			
Sundry Creditors		15,263	53,281
Accrued Salaries		8,544	7,020
PAYG Withholding Payable		10,190	2,744
GST Accrual Adjustment		3,764	606
Income received in Advance		1,290	-
Loans – Secured	5	-	10,488
Provisions	4	49,788	29,526
		88,839	103,665
Non-Current Liabilities			
Provisions	4	17,308	14,858
Loans – Secured	5	-	8,979
		17,308	23,837
Total Liabilities		106,147	127,502
Net Assets		294,124	384,706

**Community Information & Support Victoria
Incorporated
Reg No. A0002124L
Income and Expenditure Statement
For the Year ended 30 June 2017**

	2017 \$	2016 \$
Income		
Education & Training	56,082	133,943
Grant - Department of Human Services	300,307	299,746
Grants - DSS	1,973,726	1,956,728
Interest Received	1,415	2,917
Membership Fees	12,914	15,464
Recoupment	(98)	9,647
Other Revenue	13,793	-
Capital Gain/(Loss) on Sale of Non-current Assets	8,231	-
	2,366,370	2,418,445
Expenditure		
Advertising & Promotion	771	9,708
AGM and Other Meeting Costs	15,177	3,843
Audit Fees	4,830	4,600
Bank Charges	542	455
Bookkeeping	7,589	8,045
Body Corporate Costs	494	8,126
Computer Costs	51,616	44,623
Cleaning	1,000	1,035
Client Support Services	550	-
Committee of Management Costs	439	982
Conferences	2,082	1,162
Consultancy - Miscellaneous	5,911	16,660
Depreciation	12,565	12,127
DSS Distribution Account	1,763,792	1,733,318
Insurance	1,527	1,449
Interest Paid	162	1,192
Office Supplies & Printing	18,224	6,870
Postage	1,448	1,869
Professional Fees	2,443	10,310
Provision for Annual Leave	14,007	(747)
Provision for Long Service Leave	3,309	5,296
Rates, Light & Power	2,627	3,935
Rent	50,583	52,806
Repairs & Maintenance - Office Building	411	437
Salaries inc Salary Sacrifice	407,192	347,499
Staff Amenities	2,494	2,070
Sundry Expenses	739	1,169
Superannuation	38,139	32,114
Telephone	11,262	8,201
Training Costs	30,867	83,328
Workcare	4,160	3,474
	2,456,952	2,405,956
Surplus/(Deficit) from Ordinary Activities	(90,582)	12,489

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Statement of Cash Flows
For the Year ended 30 June 2017

	NOTE	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government and Other Grants		2,544,875	2,484,789
Interest Received		1,415	2,917
Other		104,360	159,586
Payments for Operating Activities		(2,718,192)	(2,730,734)
Interest paid		(215)	(1,192)
Net Cash provided by Operating Activities		(67,757)	(84,634)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(12,947)	(3,208)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	25,000
Sale of Non-current Assets		339,500	-
Loan Repayments		(19,467)	(9,511)
Increase/(Decrease) in Cash		239,329	(72,353)
Cash at beginning of the financial year		100,169	172,522
Cash at end of the financial year	2	339,498	100,169
CASH AT END IS REPRESENTED BY:			
Petty Cash Imprest		300	300
Bendigo Bank Cheque Account		15,446	76,128
Westpac – Term Deposit		323,749	23,737
Westpac – Community Solutions		3	4
		339,498	100,169
Total Cash	2	339,498	100,169

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Notes to the Financial Statements
For the Year ended 30 June 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the *Associations Incorporation Reform Act (Vic) 2012*. The Board has determined that the Association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

(a) Income Tax

The organisation is a non-profit organisation and is not subject to income tax.

(b) Fixed Assets

Each class of fixed assets is carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets is depreciated on a straight line or a diminishing value basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

The office property purchased in the 2009 financial year has not been depreciated as the value of the property is not expected to diminish over the long term. Property improvements have been depreciated.

(c) Impairment of Assets

At the end of each reporting period, the Board reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

(d) Employee Provisions

Provision is made for the association's employee entitlements arising from services rendered by employees to balance date, being annual leave and long service leave. The provision is determined in accordance with individual employment.

Long service leave is provided for employees with one or more years of service.

(e) Cash

For the purposes of the Statement of Cash Flows, cash includes petty cash and bank/investment accounts held with Financial Institutions that generally have terms up to 3 months and are readily available for withdrawal.

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Notes to the Financial Statements
For the Year ended 30 June 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(f) Revenue recognition

Grants and goods received in kind.

Community Information & Support Victoria Incorporated is a non-profit association and receives the majority of its funds from grants and goods in kind.

Grants received, under a contractual arrangement, to be spent on specific purposes, are carried forward as a liability where the monies have not been spent on the agreed purpose.

For the year ended 30 June 2017, goods received in kind comprised of Telstra vouchers and phone cards with a face value of \$237,500. Similar to the previous year (30 June 2016: \$267,500), the Telstra vouchers and phone cards have not been recorded as revenue nor fully expensed in the period the goods were received.

(g) DSS Funding

Community Information & Support Victoria Incorporated is the head of a consortium of member agencies that provide emergency relief services in various regions throughout Victoria. As the head of the consortium, Community Information & Support Victoria Incorporated receives funding from the Federal Department of Social Services (DSS) that is then distributed to the member agencies based on principles included in the terms of the consortium. A component of this funding is retained by Community Information & Support Victoria Incorporated to fund the administration of the consortium. Funds received from DSS are initially recorded as deferred income until they are distributed to the member agencies, at which point they are recognised as income. A corresponding expense is recorded in the amount of funds distributed to member agencies.

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Notes to the Financial Statements
For the Year ended 30 June 2017

	2017	2016
	\$	\$
NOTE 2: CASH		
Petty Cash Imprest	300	300
Bendigo Bank - Cheque Account	15,446	76,128
Westpac – Term Deposit	323,749	23,737
Westpac – Community Solutions	<u>3</u>	<u>4</u>
	<u>339,498</u>	<u>100,169</u>
NOTE 3: TRADE & OTHER RECEIVABLES		
<i>Current</i>		
Accounts Receivable	13,070	25,198
Prepayments	<u>402</u>	<u>8,653</u>
	<u>13,472</u>	<u>33,851</u>
<i>Non-current</i>		
Bond	<u>9,167</u>	<u>9,167</u>
NOTE 4: PROVISIONS		
<i>Current</i>		
Provision for Superannuation payable	7,638	2,243
Provision for Annual Leave	33,916	19,908
Provision for Long Service Leave	<u>8,234</u>	<u>7,375</u>
	<u>49,788</u>	<u>29,526</u>
<i>Non-current</i>		
Provision for Long Service Leave	<u>17,308</u>	<u>14,858</u>
NOTE 5: MORTGAGE LOAN		
<i>Current</i>		
Loans - Secured	—	<u>10,488</u>
<i>Non-current</i>		
Loans - Secured	—	<u>8,979</u>

The mortgage was fully repaid during the current year (30 June 2017 Nil).

NOTE 6: SALE OF OFFICE BUILDING

The property of the Association located at Suite 209, Level 2, 343 Little Collins Street was sold in July 2017, for a gain on sale of \$8,231.

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Independent Audit Report
to the Members of
Community Information & Support Victoria Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Community Information & Support Victoria Incorporated (the association), which comprises the assets and liabilities statement as at 30 June 2017, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the Board on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report presents fairly, in all material respects the financial position of Community Information & Support Victoria Incorporated as at 30 June 2017 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the requirements of the *Associations Incorporation Reform Act 2012*.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of *Associations Incorporation Reform Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Independent Audit Report (Continued)
to the Members of
Community Information & Support Victoria Incorporated

Responsibilities of the Board for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act 2012* and for such internal control as the board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the association or to cease operations, or have no realistic alternative but to do so.

The Board is responsible for overseeing the association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.

Community Information & Support Victoria Incorporated
Reg No. A0002124L
Independent Audit Report (Continued)
to the Members of

Community Information & Support Victoria Incorporated

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

C & H ACCOUNTING GROUP
Suite 14, 39 Grand Boulevard MONTMORENCY. VIC. 3094



CHARLES J HESSE
Principal
Registered Company Auditor

Dated this 22nd day of November 2017