

Volunteering Victoria Inc.

ABN 79 378 017 212

Annual Financial Report - 30 June 2018

Volunteering Victoria Inc.

Contents

30 June 2018

Contents

Statement of profit or loss and other comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7
Officers' declaration	14
Independent auditor's report to the members of Volunteering Victoria Inc.	15

General information

The financial statements cover Volunteering Victoria Inc. as an individual entity. The financial statements are presented in Australian dollars, which is the functional and presentation currency used by Volunteering Victoria Inc.

The financial statements were authorised for issue on 20th September 2018.

Volunteering Victoria Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	3	871,403	1,338,160
Expenses			
Employment related expenses		(757,254)	(863,064)
Marketing, Training and Program expenses		(74,800)	(182,533)
Office and Premises expenses		(63,957)	(64,806)
Travel, Accommodation and Meeting expenses		(11,118)	(26,404)
IT and Communication expenses		(30,914)	(50,423)
Finance and Membership expenses		(10,272)	(13,607)
Depreciation expense	4	(33,268)	(16,617)
Current Year Surplus / (Deficit)		(110,180)	120,706
Surplus for the year attributable to the members of Volunteering Victoria Inc.		(110,180)	120,706
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members of Volunteering Victoria Inc.		<u>(110,180)</u>	<u>120,706</u>

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

Volunteering Victoria Inc.
Statement of financial position
As at 30 June 2018

	Note	2018 \$	2017 \$
Assets			
Current assets			
Cash and cash equivalents	5	230,500	402,350
Trade and other receivables	6	47,912	9,132
Inventories		-	1,236
Other current assets	7	-	121,813
Total current assets		<u>278,412</u>	<u>534,531</u>
Non-current assets			
Property, plant and equipment	8	7,637	36,575
Total non-current assets		<u>7,637</u>	<u>36,575</u>
Total assets		<u>286,049</u>	<u>571,106</u>
Liabilities			
Current liabilities			
Trade and other payables	9	45,069	83,076
Revenues received in advance	10	70,702	143,224
Accrued expenses		-	40,690
Employee benefits	11	5,000	28,658
Total current liabilities		<u>120,771</u>	<u>295,648</u>
Total liabilities		<u>120,771</u>	<u>295,648</u>
Net assets		<u>165,278</u>	<u>275,458</u>
Equity			
Retained surplus	12	165,278	275,458
Total equity		<u>165,278</u>	<u>275,458</u>

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

Volunteering Victoria Inc.
Statement of changes in equity
For the year ended 30 June 2018

	Retained surplus \$	Total equity \$
Balance at 1 July 2016	154,752	154,752
Surplus/Deficit after income tax expense for the year	120,706	120,706
Other comprehensive income for the year, net of tax	-	-
	<u>275,458</u>	<u>275,458</u>
Total comprehensive income for the year	<u>275,458</u>	<u>275,458</u>
Balance at 30 June 2017	<u>275,458</u>	<u>275,458</u>
	Retained Surplus \$	Total Equity \$
Balance at 1 July 2017	275,458	275,458
Surplus/Deficit after income tax expense for the year	(110,180)	(110,180)
Other comprehensive income for the year, net of tax	-	-
	<u>165,278</u>	<u>165,278</u>
Total comprehensive income for the year	<u>165,278</u>	<u>165,278</u>
Balance at 30 June 2018	<u>165,278</u>	<u>165,278</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Volunteering Victoria Inc.
Statement of cash flows
For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from Members		98,873	96,970
Receipts from Grants and Sponsorships		597,162	1,045,210
Receipts from training programs and consulting services		61,049	112,897
Interest received		1,455	2,291
Payments to suppliers and employees		(926,059)	(994,195)
		<hr/>	<hr/>
Net cash inflow / (outflow) from operating activities	18	<u>(167,520)</u>	<u>263,173</u>
 Cash flows from investing activities			
Payments for property, plant and equipment		<u>(4,330)</u>	<u>(30,093)</u>
Net cash used in investing activities		<u>(4,330)</u>	<u>(30,093)</u>
 Net increase in cash and cash equivalents			
		(171,850)	233,080
Cash and cash equivalents at the beginning of the financial year		<u>402,350</u>	<u>169,270</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>230,500</u></u>	<u><u>402,350</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

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 opinion of the Board of Volunteering Victoria Inc., Volunteering Victoria 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 Victorian legislation, the Associations Incorporation Reform Act 2012 and associated regulations. The Board has determined that the accounting policies adopted are appropriate to meet the needs of the members of Volunteering Victoria Inc.

These financial statements have been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1048	Interpretation of Standards
AASB 1054	Australian Additional Disclosures

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 Volunteering Victoria'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 Volunteering Victoria and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Membership Subscriptions

Memberships under the Volunteering Victoria membership model are for a defined financial year. Subscriptions are payable at the time membership is approved. There is no provision for a commitment to automatic renewal in the current model.

Recognition of revenue occurs after payment has been made in the financial year to which the subscription relates.

Training and consulting services

Revenue from training and consulting services are recognized when relevant services have been delivered to the participants and the participants are aware of their financial obligations to Volunteering Victoria before receiving any services from Volunteering Victoria.

Grants and sponsorships

Grants and sponsorships are recognised when the services contracted in relevant agreements have been provided and there is a reasonable assurance that the grant/sponsorship will be received.

Unexpended Grants

Volunteering Victoria receives grant monies to fund projects either for contracted periods of time or specific projects irrespective of the period of time required to complete those projects. It is the policy of the entity to treat grant monies as income in advance in the Statement of financial position where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

Interest

Interest revenue is recognised as revenue at the time it is paid to Volunteering Victoria's nominated bank accounts.

Note 1. Significant accounting policies (continued)

Other revenue

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

Income tax

As Volunteering Victoria is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

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 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 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 amortised cost, less any provision for impairment.

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 (excluding land) over their expected useful lives as follows:

Furniture & Fittings	7 years
Office Equipment	5 years
Computer Equipment	3 years

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 Volunteering Victoria. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to Volunteering Victoria 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.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by Volunteering Victoria for the annual reporting period ended 30 June 2017. Volunteering Victoria has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Board of Volunteering Victoria determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Board of Volunteering Victoria assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to Volunteering Victoria and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2018	2017
	\$	\$
Recurrent Grants	431,807	378,843
Project related Grants	136,367	500,000
Fundraising and Sponsorships	149,032	101,166
Memberships	91,052	87,318
Training and Consulting services	61,394	255,217
Interest	1,455	2,291
Other revenue	296	13,325
Total Revenue	871,403	1,338,160

Note 4. Depreciation Expenses

	2018	2017
	\$	\$
<i>Depreciation & amortisation</i>		
Furniture, Computers & Office Equipment	33,268	16,617
	<u>33,268</u>	<u>16,617</u>

Note 5. Current assets - cash and cash equivalents

	2018	2017
	\$	\$
Cash on hand	95	142
Cash at bank	230,405	402,208
	<u>230,500</u>	<u>402,350</u>

Note 6. Current assets - trade and other receivables

	2018	2017
	\$	\$
Trade receivables	47,912	9,132
	<u>47,912</u>	<u>9,132</u>

Volunteering Victoria Inc.
Notes to the financial statements
30 June 2018

Note 7. Current assets - other

	2018	2017
	\$	\$
Accrued Income	-	121,813
	<u>-</u>	<u>121,813</u>

Note 8. Non-current assets - property, plant and equipment

	2018	2017
	\$	\$
Furniture, Computers & Office Equipment – at cost	158,264	153,935
Less accumulated depreciation	(150,627)	(117,360)
Total	<u>7,637</u>	<u>36,575</u>

Note 9. Current liabilities - trade and other payables

	2018	2017
	\$	\$
Trade payables	27,277	37,521
Superannuation payables	-	8,143
BAS Payables	17,792	37,412
	<u>45,069</u>	<u>83,076</u>

Note 10. Current liabilities – revenue received in advance

	2018	2017
	\$	\$
Training and consulting services	-	345
Memberships	50,700	42,879
Grants	20,002	100,000
	<u>70,702</u>	<u>143,224</u>

Note 11. Current liabilities - employee benefits

	2018	2017
	\$	\$
Provision for Annual Leave	<u>5,000</u>	<u>28,658</u>

**Pinnacle Incorporated Association Special Purpose
Notes to the financial statements
30 June 2015**

Note 12. Equity - retained surplus

	2018	2017
	\$	\$
Retained surplus at the beginning of the financial year	275,458	154,752
Surplus after income tax expense for the year	<u>(110,180)</u>	<u>120,706</u>
Retained surplus at the end of the financial year	<u><u>165,278</u></u>	<u><u>275,458</u></u>

Note 13. Remuneration of auditors

During the financial year ended 30 June 2018 the following fees were paid or payable for services provided by the auditor of Volunteering Victoria:

	2018	2017
	\$	\$
<i>Audit services – William Buck</i>		
Audit of the financial statements	<u>6,000</u>	<u>6,000</u>

Note 14. Contingent liabilities

Volunteering Victoria had no contingent liabilities as at 30 June 2018.

Note 15. Commitments

Lease Expenditure Commitments - under Operating Leases

Committed at the reporting date but not recognised as liabilities, payable:

Within one year	50,875	12,375
One to five years	61,325	-
More than five years	<u>-</u>	<u>-</u>
	<u><u>112,200</u></u>	<u><u>12,375</u></u>

Note 16. Events after the reporting period

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect Volunteering Victoria's operations, the results of those operations, or the state of affairs in future financial years.

Note 17. Economic dependence

Volunteering Victoria is dependent upon grant funding from the Department of Health and Human Services and the Department of Social Services in order to continue operations. There is no reason to suggest that these contracts will not continue in the future.

Volunteering Victoria Inc.
Notes to the financial statements
30 June 2018

Note 18. Reconciliation of surplus after income tax to net cash from operating activities

	2018	2017
	\$	\$
Surplus / (Deficit) after income tax expenses for the year	(110,180)	120,706
Adjustments for:		
Depreciation	33,268	16,617
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(38,780)	64,891
Decrease/(increase) in inventories	1,236	(154)
Decrease/(increase) in other current assets	121,813	(82,732)
Increase/(decrease) in trade and other payables	(37,008)	22,617
Increase/(decrease) in revenues received in advance	(72,521)	106,061
Increase/(decrease) in accrued expenses	(40,690)	11,822
Employee entitlements	(23,658)	3,345
Net cash from operating activities	<u>(167,520)</u>	<u>263,173</u>

Volunteering Victoria Inc.
Officers' declaration
30 June 2018

In the opinion of the Board of Directors:

- Volunteering Victoria 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 Victorian legislation the Associations Incorporation Reform Act 2012 and associated regulations;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of Volunteering Victoria's financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that Volunteering Victoria will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors:



Angela Seach
Chair of the Board



Dallas Beeston
Director and Chair of the Finance Committee

Melbourne: 20th September 2018