

Volunteering Victoria Inc.

ABN 79 378 017 212

Annual Financial Report - 30 June 2016

Volunteering Victoria Inc.
Contents
30 June 2016

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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 1 September 2016.

Volunteering Victoria Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	3	1,090,187	1,020,130
Expenses			
Employment related expenses		(692,587)	(632,254)
Marketing, Training and program expenses		(207,945)	(166,893)
Office and Premises expenses		(70,955)	(60,029)
Travel, Accommodation and Meeting expenses		(26,364)	(19,217)
IT and Communication expenses		(32,130)	(24,198)
Finance and Membership expenses		(19,608)	(19,969)
Depreciation expense	4	(5,270)	(6,603)
Current Year Surplus		35,328	90,967
Surplus for the year attributable to the members of Volunteering Victoria Inc.	13	35,328	90,967
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members of Volunteering Victoria Inc.		<u>35,328</u>	<u>90,967</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 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash equivalents	5	169,270	273,207
Trade and other receivables	6	74,023	244,495
Inventories		1,082	-
Other current assets	7	39,081	1,199
Total current assets		<u>283,456</u>	<u>518,901</u>
Non-current assets			
Property, plant and equipment	8	3,058	7,240
Other non-current assets	9	20,040	6,680
Total non-current assets		<u>23,098</u>	<u>13,920</u>
Total assets		<u>306,554</u>	<u>532,821</u>
Liabilities			
Current liabilities			
Trade and other payables	10	60,458	49,099
Revenues received in advance	11	37,163	325,538
Accrued expenses		28,868	11,032
Employee benefits	12	25,313	27,728
Total current liabilities		<u>151,802</u>	<u>413,397</u>
Total liabilities		<u>151,802</u>	<u>413,397</u>
Net assets		<u>154,752</u>	<u>119,424</u>
Equity			
Retained surplus	13	154,752	119,424
Total equity		<u>154,752</u>	<u>119,424</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 2016

	Retained surplus \$	Total equity \$
Balance at 1 July 2014	28,457	28,457
Surplus/Deficit after income tax expense for the year	90,967	90,967
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	90,967	90,967
Balance at 30 June 2015	<u>119,424</u>	<u>119,424</u>
	Retained surplus \$	Total equity \$
Balance at 1 July 2015	119,424	119,424
Surplus after income tax expense for the year	35,328	35,328
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	35,328	35,328
Balance at 30 June 2016	<u>154,752</u>	<u>154,752</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 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from Members		67,933	99,484
Receipts from Grants and Sponsorships		789,093	780,864
Receipts from training programs and consulting services		110,497	258,607
Interest received		4,761	7,069
Payments to suppliers and employees		(1,061,773)	(1,088,802)
Net cash from operating activities	18	(89,489)	57,222
Cash flows from investing activities			
Payments for property, plant and equipment		(14,448)	(10,466)
Net cash used in investing activities		(14,448)	(10,466)
Net increase in cash and cash equivalents		(103,937)	46,756
Cash and cash equivalents at the beginning of the financial year		273,207	226,451
Cash and cash equivalents at the end of the financial year	5	<u>169,270</u>	<u>273,207</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 2016. 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

	2016 \$	2015 \$
Recurrent Grants	348,163	331,520
Project related Grants	438,000	368,000
Fundraising and Sponsorships	98,485	23,690
Memberships	79,781	73,320
Training and Consulting services	119,024	216,133
Interest	4,761	7,069
Other revenue	1,973	398
Total Revenue	<u>1,090,187</u>	<u>1,020,130</u>

Note 4. Depreciation Expenses

	2016 \$	2015 \$
<i>Depreciation</i>		
Computer Equipment	5,270	6,603
	<u>5,270</u>	<u>6,603</u>

Note 5. Current assets - cash and cash equivalents

	2016 \$	2015 \$
Cash on hand	108	167
Cash at bank	169,162	273,040
	<u>169,270</u>	<u>273,207</u>

Note 6. Current assets - trade and other receivables

	2016 \$	2015 \$
Trade receivables	74,023	244,495
	<u>74,023</u>	<u>244,495</u>

Volunteering Victoria Inc.
Notes to the financial statements
30 June 2016

Note 7. Current assets - other

	2016	2015
	\$	\$
Prepayments	3,081	1,199
Accrued Income	36,000	-
	<u>39,081</u>	<u>1,199</u>

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

	2016	2015
	\$	\$
Computer Equipment – at cost	62,384	61,295
Less accumulated depreciation	59,326	54,055
Total Computer Equipment	<u>3,058</u>	<u>7,240</u>

Note 9. Other non-current assets

	2016	2015
	\$	\$
Work In Progress (Website Development)	20,040	6,680
	<u>20,040</u>	<u>6,680</u>

Note 10. Current liabilities - trade and other payables

	2016	2015
	\$	\$
Trade payables	31,684	17,586
Superannuation payables	5,708	2,604
BAS Payables	23,066	28,909
	<u>60,458</u>	<u>49,099</u>

Note 11. Current liabilities – Revenue Received in Advance

	2016	2015
	\$	\$
Training and Consulting Services	6,473	15,000
Memberships	25,690	37,538
Sponsorships	5,000	-
Grants	-	273,000
	<u>37,163</u>	<u>325,538</u>

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

Note 12. Non-current liabilities - employee benefits

	2016 \$	2015 \$
Provision for Annual Leave	<u>25,313</u>	<u>27,728</u>

Note 13. Equity - retained surplus

	2016 \$	2015 \$
Retained surplus at the beginning of the financial year	119,424	28,457
Surplus after income tax expense for the year	<u>35,328</u>	<u>90,967</u>
Retained surplus at the end of the financial year	<u>154,752</u>	<u>119,424</u>

Note 14. Remuneration of auditors

During the financial year ended 30 June 2016 the following fees were paid or payable for services provided by the auditor of Volunteering Victoria:

	2016 \$	2015 \$
<i>Audit services – William Buck</i>		
Audit of the financial statements	<u>6,000</u>	<u>3,750</u>

Note 15. Contingent liabilities

Volunteering Victoria had no contingent liabilities as at 30 June 2016 and 30 June 2015.

Note 16. Commitments

Volunteering Victoria had no commitments for expenditure as at 30 June 2016 and 30 June 2015.

Note 17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2016 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.

Volunteering Victoria Incorporated Association
Notes to the financial statements
30 June 2015

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


	2016	2015
	\$	\$
Surplus after income tax expenses for the year	35,328	90,967
Adjustments for:		
Depreciation	5,270	6,603
Employee entitlements	(2,415)	15,376
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	170,472	(87,602)
Decrease/(increase) in inventories	(1,082)	-
Decrease/(increase) in other current assets	(37,882)	654
Increase/(decrease) in trade and other payables	11,359	(44,653)
Increase/(decrease) in revenues received in advance	(288,375)	76,887
Increase/(decrease) in accrued expenses	17,836	(1,010)
Net cash from operating activities	<u>(89,489)</u>	<u>57,222</u>

Volunteering Victoria Inc.
Officers' declaration
30 June 2016

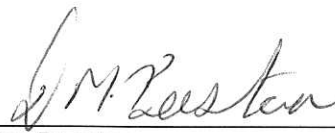
In the opinion of the Board of Directors:

- 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 2016 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:



Robyn Rose
Chair of the Board
1/9/16
Melbourne



Dallas Beeston
Director and Chair of the Finance Committee
1/9/16
Melbourne

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTEERING VICTORIA INC.

Report on the Financial Report

We have audited the accompanying financial report on pages 3 to 14, being a special purpose financial report of Volunteering Victoria Inc. (the Association), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the officers' declaration of the Association.

Managements' Responsibility for the Financial Report

The Management of Volunteering Victoria Inc. are responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the *Associations Incorporation Reform Act 2012* and is appropriate to meet the needs of the members. Management's responsibility also includes such internal control as management determine 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

CHARTERED ACCOUNTANTS & ADVISORS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUNTEERING VICTORIA INC. (CONT)*Auditor's Opinion*

In our opinion, the financial report on pages 3 to 14 presents fairly, in all material respects, the financial position of Volunteering Victoria Inc. as at 30 June 2016, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of the *Associations Incorporation Reform Act 2012*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Volunteering Victoria Inc. to meet the requirements of the *Associations Incorporation Reform Act 2012*. As a result, the financial report may not be suitable for another purpose.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Volunteering Victoria Inc. for the year ended 30 June 2016 included on Volunteering Victoria Inc.'s web site. The Association's board are responsible for the integrity of the Volunteering Victoria Inc. web site. We have not been engaged to report on the integrity of the Volunteering Victoria Inc. web site. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

**William Buck Audit (VIC) Pty Ltd**

ABN 59 116 151 136

**A.P. Marks**

Director

Dated this 1st day of September, 2016