

Centre for Excellence in Child & Family Welfare Inc

ABN: 24 629 376 672

Financial Report for the Year ended 30 June 2017

Centre for Excellence in Child & Family Welfare Inc.

Board Members' Report

The Board members of the Association submit the annual financial report for the financial year ended 30 June 2017.

The names and particulars of the Board members during or since the end of the financial year are:

Name	Position	Organisation Representative
Paul McDonald	Chairperson	Anglicare Victoria, CEO
Sheree Limbrick	Vice Chairperson (Retired – 26 June 2017)	CatholicCare Melbourne,
Grant Boyd	Treasurer	Bethany Community Support, CEO
Athina Georgiou	Board Member (Retired – 26 June 2017)	QEC, CEO
Gerard Jones	Board Member	MacKillop Family Services, Executive Director of Operations
Peter Mulholland	Board Member	The Salvation Army Westcare, Acting General Manager
Fran O'Toole	Board Member	Berry Street, Deputy CEO/Director of Services
Kelly Stanton	Board Member (Retired – 12 June 2017)	Wesley Mission Victoria, General Manager – Services
Lisa J. Griffiths	Board Member	OzChild, CEO
Greg Levine OAM	Independent Expert Member	
Karen Milward	Independent Expert Member	

Principal Activities

The principal activity of the Association during the year was as the State peak body to advance the rights, needs and aspirations of vulnerable children, young people and families through collaborative action that result in just outcomes.

Short and long term objectives and strategy

The Centre's short and long term objectives are to:

- Increase the wellbeing of vulnerable and disadvantaged children, young people and families.
- Be recognised as the instigator of ground-breaking evidence based research.
- Be a source of commentary from the sector, driving public debate and bringing about positive government policies.

The Centre's strategy for achieving these objectives includes:

- Advocate for change that improves the lives of children, young people and families.
- Lead and support the development of innovative, evidence-based policies, programs and practice.
- Strengthen and build the capacity of member and sector agencies delivering services to children, young people and families.
- Continue to build a proactive, responsive and sustainable Centre.

Centre for Excellence in Child & Family Welfare Inc.

Board Members' Report

Performance Measures

The Centre measures performance through the use of both quantitative and qualitative measures. The measures are used by the Board and Management to assess whether the Centre's short and long term objectives are being achieved.

Measure	2017
Participants at program forums, networks and meetings, including: CEO & Corporate Services Forum, IFS/Child First Network, Annual Sector Research & Evidence Symposium, Leaving & Post Care Forum, Kinship Services Forum, Foster Care Network.	1,483
Subscribers to Sector-Link e-news	3,587
Training programs developed & provided to CSO's to meet organisational requirements	58
Participants at training programs developed & provided to CSO's to meet organisational requirements	2342
Training programs provided to sector workforce	43
Participants at training programs provided to sector workforce	455
Training programs provided as part of the Residential Care Learning &	52
Participants at training programs provided as part of the Residential Care Learning & Development Strategy (including ResiROCKS)	1485

In addition to the above measures the Centre also meet with significant numbers of stakeholders across the financial year.

Significant Changes in activities

No significant change in the nature of these activities occurred during the year.

Significant Changes in the state of affairs

In the opinion of the Board Members, there were no significant changes in the state of affairs of the Association that occurred during the financial year.

Events Subsequent to Reporting Period

There has not arisen in the interval between the end of the financial year and the date of this report, any additional item, transaction or event of material and unusual nature likely, in the opinion of the Board Members of the Association, to affect significantly the operations of the Centre, the results of those operations, or the state of affairs of the entity, in future financial years.

Indemnification of Officers and Auditors

Since the end of the previous financial year, the Association has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Association.

Operating Result


The surplus after income tax expense for the year attributable to the members of the Centre was \$461,668 (2016:\$239,296).

Centre for Excellence in Child & Family Welfare Inc.

Board Members' Report

Board Member	Board Meeting		Finance, Audit & Risk Management Committee		Governance Committee	
	Held	Attended	Held	Attended	Held	Attended
Grant Boyd	9	8	7	7	-	-
Athina Georgiou	9	9	-	-	-	-
Lisa Griffiths	9	7	7	6	-	-
Gerard Jones	9	6	-	-	3	1
Greg Levine OAM	9	6	-	-	-	-
Sheree Limbrick	9	7	-	-	3	3
Paul McDonald	9	9	7	-	3	-
Karen Milward	7	4	-	-	-	-
Peter Mulholland	9	6	-	-	3	2
Fran O'Toole	9	6	-	-	-	-
Kelly Stanton	9	9	-	-	-	-

This Board report is signed in accordance with a resolution of Board members and is signed for and on behalf of the Board by:



Paul McDonald
Chairperson



Grant Boyd
Treasurer

Melbourne, 23 October 2017

Centre for Excellence in Child & Family Welfare Inc.
Statement of Surplus or Deficit and Other Comprehensive Income
For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
Revenue	2	4,496,942	3,538,093
Investment income	3	81,039	73,594
Other gains and losses		(517)	-
Depreciation expense		(53,516)	(65,931)
Employee benefits expense		(1,990,072)	(1,691,737)
Operations expense		(1,758,331)	(1,303,246)
Office expense		(227,162)	(225,284)
Occupancy expense		(69,638)	(64,642)
Motor Vehicle expense		(17,077)	(21,551)
(Deficit)/Surplus for the year		<u>461,668</u>	<u>239,296</u>
Other comprehensive income		-	-
Total comprehensive income for the year attributable to members of the Centre		<u>461,668</u>	<u>239,296</u>

The above Statement of Surplus or Deficit and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Centre for Excellence in Child & Family Welfare Inc.
Statement of Financial Position
At 30 June 2017

	Note	2017 \$	2016 \$
Assets			
<i>Current Assets</i>			
Cash and cash on hand		4,240,758	970,474
Other financial assets	4	2,384,333	2,347,689
Trade and other receivables	5	121,361	94,240
Other assets	6	6,523	40,142
Total current assets		6,752,975	3,452,545
<i>Non-current assets</i>			
Property, plant and equipment	7	1,023,235	1,010,819
Total non-current assets		1,023,235	1,010,819
Total assets		7,776,210	4,463,364
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	8	534,818	459,359
Deferred revenue	9	536,097	114,668
Provisions	10	140,104	124,811
Other liabilities	11	3,778,816	1,450,403
Total current liabilities		4,989,835	2,149,241
<i>Non-current liabilities</i>			
Provisions	10	22,859	12,275
Total non-current liabilities		22,859	12,275
Total liabilities		5,012,694	2,161,516
Net Assets		2,763,516	2,301,848
Equity			
Accumulated Surplus		2,763,516	2,301,848
Total Equity		2,763,516	2,301,848

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Centre for Excellence in Child & Family Welfare Inc.
Statement of Changes in Equity
For the Year Ended 30 June 2017

	Accumulated Surplus \$
Balance at 1 July 2015	2,062,552
Total comprehensive income for the year attributable to members of the Centre	<u>239,296</u>
Balance at 30 June 2016	<u>2,301,848</u>
Total comprehensive income for the year attributable to members of the Centre	<u>461,668</u>
Balance at 30 June 2017	<u><u>2,763,516</u></u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Centre for Excellence in Child & Family Welfare Inc.
Statement of Cash Flows
For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers		7,219,664	4,473,516
Payments to suppliers and employees		(3,927,324)	(3,360,162)
Interest received		81,039	70,474
Net cash generated from operating activities		<u>3,373,379</u>	<u>1,183,828</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(86,450)	(39,048)
Proceeds from sale of property plant and equipment		20,000	-
Net cash used in investing activities		<u>(66,450)</u>	<u>(39,048)</u>
Net increase in cash and cash equivalents		<u>3,306,929</u>	<u>1,144,780</u>
Cash and cash equivalents at the beginning of the year		<u>3,318,163</u>	<u>2,173,383</u>
Cash and cash equivalents at the end of the year	15	<u>6,625,092</u>	<u>3,318,163</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Centre for Excellence in Child & Family Welfare Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2017

I. Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Associations Incorporation Reform Act 2012. The Centre is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report was authorised for issue in accordance with a resolution of the directors on 23 October 2017.

Historical cost convention

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

New, revised or amending Accounting Standards and Interpretations adopted

The Centre has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Accounting Standards in issue but not yet effective

The following Accounting Standards have been issued but are not yet effective:

- AASB 9 Financial Instruments; and
- AASB 15 Revenue from Contracts with Customers.
- AASB 16 LEASES

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The expected impact on the financial statements of the Accounting Standards that have been issued but are not yet effective is detailed below:

AASB 9 Financial Instruments:

AASB 9 replaces the existing guidance in AASB 139 Financial Instruments: Recognition and Measurement. AASB 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de recognition on financial instruments from AASB 139.

AASB 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The Association anticipate that the application of AASB 9 in the future may have an impact on the amounts reported in respect to the Association's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of AASB 9 until the entity undertakes a detailed review.

AASB 15 Revenue from Contracts with Customers:

AASB 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of AASB 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Association anticipate that the future application of AASB 15 may have an impact on the amounts reported and disclosures made in the Association's financial statements. However, it isn't practicable to provide a reasonable estimate of the effect of AASB 15 until the entity undertakes a detailed review.

AASB 16 Leases:

AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. AASB 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted. The Association anticipate that the application of AASB 16 in the future may have an impact on the amounts reported and disclosures made in the Association's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of AASB 16 until the Association undertakes a detailed review.

Centre for Excellence in Child & Family Welfare Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2017

I. Summary of Significant Accounting Policies (continued)

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.

Revenue

Non-reciprocal grant revenue is recognised in surplus or deficit when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received. Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax.

Property, Plant and Equipment

Each class of Property, plant and equipment are 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:

Class of Fixed Asset	Useful Life
Buildings	40 years
Computer equipment	3 years
Furniture & equipment	4-10 years
Motor Vehicles	5 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 no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant or equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent costs are included in the asset's 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 entity and the costs of the item can be measured reliably.

All other repairs and maintenance are charged to the Statement of Surplus or Deficit and Other Comprehensive Income during the financial period in which they are incurred. Any property, plant and equipment donated to the Centre or acquired for nominal cost is recognised at fair value at the date the Centre obtains control of the assets.

Centre for Excellence in Child & Family Welfare Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2017

I. Summary of Significant Accounting Policies (continued)

Impairment of Non-Financial Assets

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

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit. Impairment losses are recognised in the Statement of Surplus or Deficit and Other Comprehensive Income.

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 recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

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

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.

For purposes of the Statement of Cash Flows, cash and cash equivalents consists of cash, cash management funds and term deposits with maturities of three months or less.

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 Taxation Office (ATO).

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 gross 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 included in receipts from customers or payments to suppliers.

Income Tax

No provision for income tax has been raised as the Centre has been endorsed as an Income Tax Exempt Charitable Entity and Deductible Gift Recipient under the provisions of the *Income Tax Assessment Act 1997*.

Centre for Excellence in Child & Family Welfare Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2017

I. Summary of Significant Accounting Policies (continued)

Comparative Figures

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

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Centre during the reporting period 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.

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 principle market; or in the absence of a principal market, in the most advantageous market.

Critical Accounting Estimates and Judgments

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association'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 below. The board evaluates estimates and judgments 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 Centre.

Estimation of useful lives of assets

The Centre determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation 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.

Deferral of Grant revenue:

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is initially recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Impairment of non-financial assets

The Centre assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Centre 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.

Employee benefits provision

As discussed in note I, 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.

Centre for Excellence in Child & Family Welfare Inc.

Notes to the Financial Statements

For the Year Ended 30 June 2017

I. Summary of Significant Accounting Policies (continued)

Trade and Other Receivables

Trade receivables, which comprise amounts due from services provided are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. Normal terms of settlement vary from 30 to 60 days. The notional amount of the receivable is deemed to reflect fair value. An allowance for impairment of receivables is made when there is objective evidence that the Centre will not be able to collect the debts. Bad debts are written off when identified.

Unexpended Project Grants

The liability for unexpended project grants is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date, or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted.

Provisions

Provisions are recognised when the Association 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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.

Investments

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.

Centre for Excellence in Child & Family Welfare Inc.
Notes to the Financial Statements
For the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies (continued)

Held to Maturity Investments

The financial assets include short term deposits which the Centre intends to hold to maturity. These are non-derivative financial assets with fixed payments and maturities where the Centre has a positive intention and ability to hold to maturity. Held to maturity investments are carried at amortised cost using the effective interest method.

	2017	2016
	\$	\$
2. Revenue		
Affiliation fees	421,707	418,157
Business undertakings	715,565	686,238
Charitable contributions	177,269	172,990
Government grants	3,182,401	2,260,708
	<u>4,496,942</u>	<u>3,538,093</u>
3. Investment Income		
Interest income	<u>81,039</u>	<u>73,594</u>
4. Other financial assets		
Held-to-maturity investments		
Term Deposit	1,027,673	1,026,881
Cash Management Fund	1,356,660	1,320,808
	<u>2,384,333</u>	<u>2,347,689</u>

Financial assets held to maturity represent short term deposit accounts which the Centre intends to hold until maturity.

Centre for Excellence in Child & Family Welfare Inc.
Notes to the Financial Statements
For the Year Ended 30 June 2017

	2017 \$	2016 \$
5. Trade and other receivables		
Trade receivables	109,885	90,028
Allowance for impairment of receivables	-	-
	<u>109,885</u>	<u>90,028</u>
Bonds and Deposits	-	454
Accrued Income	11,476	3,758
	<u>121,361</u>	<u>94,240</u>
6. Other assets		
Prepayments	<u>6,523</u>	<u>40,142</u>
7. Property, plant and equipment		
Buildings – at cost	1,256,000	1,256,000
Less: Accumulated depreciation	(357,509)	(332,309)
	<u>898,491</u>	<u>923,691</u>
Computer Equipment – at cost	216,268	167,283
Less: Accumulated depreciation	(146,437)	(131,025)
	<u>69,831</u>	<u>36,258</u>
Furniture and Equipment – at cost	209,089	207,908
Less: Accumulated depreciation	(185,289)	(179,324)
	<u>23,800</u>	<u>28,584</u>
Motor Vehicles – at cost	36,282	59,767
Less: Accumulated depreciation	(5,169)	(37,481)
	<u>31,113</u>	<u>22,286</u>
	<u>1,023,235</u>	<u>1,010,819</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Buildings \$	Computer Equipment \$	Furniture and Equipment \$	Motor vehicles \$	Total \$
Cost or valuation					
Balance at 30 June 2016	923,691	36,258	28,584	22,286	1,010,819
Additions	-	48,986	1,181	36,283	86,450
Disposals	-	-	-	(20,517)	(20,517)
Depreciation expense	(25,200)	(15,413)	(5,965)	(6,938)	(53,516)
Balance at 30 June 2017	<u>898,491</u>	<u>69,831</u>	<u>23,800</u>	<u>31,114</u>	<u>1,023,236</u>

Centre for Excellence in Child & Family Welfare Inc.
Notes to the Financial Statements
For the Year Ended 30 June 2017

	2017 \$	2016 \$
8. Trade and other payables		
Trade payables	176,687	426,090
Other payables	358,131	33,270
	<u>534,818</u>	<u>459,360</u>
9. Deferred revenue		
Business Undertakings	<u>536,097</u>	<u>114,668</u>
10. Provisions		
Employee Benefits	<u>162,963</u>	<u>137,086</u>
Current	140,104	124,811
Non-current	22,859	12,275
	<u>162,963</u>	<u>137,086</u>
11. Other liabilities		
Unexpended Project Grants	<u>3,778,816</u>	<u>1,450,403</u>

This represents the value of project grants received from funding sources which are to be expended against contracted policies in 2017/18, so that the outcomes specified for each project are delivered.

12. Key management personnel compensation

The aggregate compensation made to board members and other members of key management personnel of the Centre is set out below:

Compensation to board members and other members of key management personnel of the Centre	<u>203,216</u>	<u>195,216</u>
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13. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out above.

Transactions with related parties

There were no transactions with related parties during the current or previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Centre for Excellence in Child & Family Welfare Inc.
Notes to the Financial Statements
For the Year Ended 30 June 2017

14. Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Statement of Financial Position as follows:

Cash and cash on hand	4,240,758	970,474
Other financial assets	2,384,334	2,347,689
	<u>6,625,092</u>	<u>3,318,163</u>

15. Contingent liabilities and contingent assets

As at 30 June 2017 and 30 June 2016, there were no contingent liabilities and/or contingent assets.

16. Commitments

The Centre had no commitments for expenditure as at 30 June 2017 and 30 June 2016.

17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the Centre's operations, the results of those operations, or the Centre's state of affairs in future financial years.

18. Registered Office Details

The registered office of the Centre and its principal place of business is:

Level 5
50 Market Street
Melbourne Vic 3000

**Centre for Excellence in Child & Family Welfare Inc.
Directors' Declaration
For the Year Ended 30 June 2017**

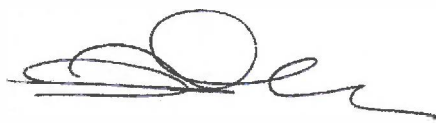
In the Directors' opinion:

- the attached financial statements and notes thereto comply with the requirements of the Associations Incorporation Reform Act 2012 and Australian Accounting Standards – Reduced Disclosure Requirements;
- the attached financial statements and notes thereto give a true and fair view of the Centre's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

This Directors' declaration is signed in accordance with a resolution of Board members and is signed for and on behalf of the Board by:



Paul McDonald
Chairperson



Grant Boyd
Treasurer

Melbourne, 23 October 2017

Centre for Excellence in Child & Family Welfare Inc.

Independent Auditor's Report to the Members of Centre for Excellence in Child & Family Welfare Inc.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Centre for Excellence in Child & Family Welfare Inc. (the Association), which comprises the statement of financial position as at 30 June 2017, the statement of surplus or deficit and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information.

In our opinion, the accompanying financial report presents fairly, in all material respects, gives a true and fair view of the financial position of the Association as at 30 June 2017, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Reform Act 2012 (Vic)*.

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 the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to 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.

Responsibilities of the Board Members for the Financial Report

The Board Members of the Association are responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as the board members 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.

In preparing the financial report, the board members are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the board members either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.



CROWE HORWATH MELBOURNE



DAVID MUNDAY

Partner

Melbourne Victoria

Dated this 23 October 2017