Centre for Excellence in Child & Family Welfare Inc

ABN: 24 629 376 672

Annual Financial Report for the Year ended 30 June 2016

Centre for Excellence in Child & Family Welfare Inc.
Board Members' Report

The Board members of Centre for Excellence in Child & Family Welfare Inc. (the Centre) submit the annual financial report for the financial year ended 30 June 2016.

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	CatholicCare Melbourne,
Grant Boyd	Treasurer	Bethany Community Support, CEO
Ailsa Carr	Board Member (Retired 27-Nov-15)	Gippsland Lakes Community Health, Executive Manager
Angela Forbes	Former Chairperson (Retired 27-Nov-15)	Connections, CEO
Athina Georgiou	Board Member (Appointed 27-Nov-15)	QEC, CEO
Rudy Gonzalez	Board Member (Resigned 24-Sept-15)	Lighthouse Institute, Executive Director
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 (Appointed 27-Nov-15)	Berry Street, Deputy CEO/Director of Services
Marita Scott	Board Member (Retired 27-Nov-15)	Baptcare, General Manager
Kelly Stanton	Board Member (Appointed 27-Nov-15)	Wesley Mission Victoria, General Manager – Services
Lisa J. Griffiths	Board Member (Appointed 27-Nov-15)	OzChild, CEO
Greg Levine OAM	Independent Expert Member	

Principal Activities
The principal activity of the Centre for Excellence in Child & Family Welfare Inc. 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 results 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:
- Continue to provide high quality professional development and training programs relevant to sector needs.
- Continue to build capacity and preparedness within CSO's to develop evidence based cultures through the Sector Research Partnership and annual research & evidence symposiums.
- Build on current Centre publications to highlight and disseminate principles of best practice.

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	2016
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.	1,419
Subscribers to Sector-Link e-news	2,553
Training programs developed & provided to CSO's to meet organisational requirements	35
Participants at training programs developed & provided to CSO's to meet organisational requirements	783
Training programs provided to sector workforce	38
Participants at training programs provided to sector workforce	582
Training programs provided as part of the Residential Care Learning & Development Strategy	70
Participants at training programs provided as part of the Residential Care Learning & Development Strategy (including ResiROCKS)	1,670

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 $239,296 (2015: deficit $15,993).

Centre for Excellence in Child & Family Welfare Inc.
Board Members' Report

Board Meetings

The following table sets out the number of Board Meeting (including meetings of committees of the Board) held during the financial year and the number of meetings attended by each Board member (while they were a Board or Committee member).

	Board Meeting		Finance, Audit & Risk Management Committee		Governance Committee		HR & Remuneration Committee	
Board Member	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Grant Boyd	9	7	7	6	-	-	-	-
Ailsa Carr	4	3	4	3	-	-	-	-
Angela Forbes	4	4	4	4	4	4	-	-
Athina Georgiou	5	3	-	-	-	-	-	-
Rudy Gonzalez	2	1	-	-	-	-	-	-
Gerard Jones	9	6	-	-	3	2	-	-
Greg Levine OAM	9	5	-	-	-	-	-	-
Sheree Limbrick	9	7	-	-	7	4	-	-
Paul McDonald	9	7	3	1	3	-	-	-
Peter Mulholland	9	8	-	-	7	6	-	-
Fran O'Toole	5	4	-	-	-	-	-	-
Marita Scott	4	3	-	-	4	3	-	-
Kelly Stanton	5	4	-	-	-	-	-	-
Lisa J. Griffiths	5	5	3	3	-	-	-	-

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, 24 October 2016

Centre for Excellence in Child & Family Welfare Inc.
Statement of Surplus or Deficit and Other Comprehensive Income
For the Year Ended 30 June 2016

	Note	2016 $	2015 $
Revenue	2	3,538,093	2,508,992
Investment income	3	73,594	69,361
Depreciation expense		(65,931)	(71,865)
Employee benefits expense		(1,691,737)	(1,192,459)
Operations expense		(1,303,246)	(1,018,139)
Office expense		(225,284)	(206,759)
Occupancy expense		(64,642)	(78,445)
Motor Vehicle expense		(21,551)	(26,679)
(Deficit)/Surplus for the year		239,296	(15,993)
Other comprehensive income		-	-
Total comprehensive income for the year attributable to members of the Centre		**239,296**	**(15,993)**

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 2016

	Note	2016 $	2015 $
Assets			
Current Assets			
Cash on hand		970,474	365,230
Other financial assets	4	2,347,689	1,808,153
Trade and other receivables	5	94,240	92,964
Other assets	6	40,142	33,697
Total current assets		3,452,545	2,300,044
Non-current assets			
Property, plant and equipment	7	1,010,819	1,037,702
Total non-current assets		1,010,819	1,037,702
Total assets		4,463,364	3,337,746
Liabilities			
Current liabilities			
Trade and other payables	8	459,359	202,059
Deferred revenue	9	114,668	359,503
Provisions	10	124,811	74,360
Other liabilities	11	1,450,403	629,902
Total current liabilities		2,149,241	1,265,824
Non-current liabilities			
Provisions	10	12,275	9,370
Total non-current liabilities		12,275	9,370
Total liabilities		2,161,516	1,275,194
Net Assets		**2,301,848**	**2,062,552**
Equity			
Accumulated Surplus		2,301,848	2,062,552
Total Equity		**2,301,848**	**2,062,552**

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 2016

	Accumulated Surplus $
Balance at 1 July 2014	2,078,545
Total comprehensive income for the year attributable to members of the Centre	(15,993)
Balance at 30 June 2015	2,062,552
Total comprehensive income for the year attributable to members of the Centre	239,296
Balance at 30 June 2016	2,301,848

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 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from customers		4,473,516	3,120,310
Payments to suppliers and employees		(3,360,162)	(2,792,246)
Interest received		70,474	68,807
Net cash generated from operating activities		1,183,828	396,871
Cash flows from investing activities			
Payments for property, plant and equipment		(39,048)	(16,612)
Net cash used in investing activities		(39,048)	(16,612)
Net increase in cash and cash equivalents		1,144,780	380,259
Cash and cash equivalents at the beginning of the year		2,173,383	1,793,124
Cash and cash equivalents at the end of the year	14	3,318,163	2,173,383

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

1. Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements that 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 24 October 2016.

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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Centre.

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 derecognition 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 Company anticipates that the application of AASB 9 in the future may have an impact on the amounts reported in respect to the Company's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of AASB 9 until the Company 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.

AASB 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

1. Summary of Significant Accounting Policies

The Company anticipates that the application of AASB 15 in the future may have an impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of AASB 15 until the Company 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 Company anticipates that the application of AASB 16 in the future may have an impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of AASB 16 until the Company undertakes a detailed review.

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.

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 which are subject to an insignificant risk of change in value.

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).
Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.
Cash flows are presented on a 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*.

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 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.

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.

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.

	2016 $	2015 $
2. Revenue		
Affiliation fees	418,157	348,017
Business undertakings	686,238	550,705
Charitable contributions	172,990	7,058
Government grants	2,260,708	1,603,212
	3,538,093	2,508,992
3. Investment Income		
Interest income	73,594	69,361
4. Other financial assets		
Held-to-maturity investments		
Term Deposit	1,026,881	526,148
Cash Management Fund	1,320,808	1,282,005
	2,347,689	1,808,153

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

	2016 $	2015 $
5. Trade and other receivables		
Trade receivables	90,028	91,872
Allowance for impairment of receivables	-	-
	90,028	91,872
Bonds and Deposits	454	454
Accrued Income	3,758	638
	94,240	92,964
Movement in allowance for impairment of receivables		
Balance at beginning of the year	-	-
Impairment losses recognised on receivables	-	24,442
Amounts written off during the year as uncollectible	-	(24,442)
	-	-
6. Other assets		
Prepayments	40,142	33,697
7. Property, plant and equipment		
Buildings – at cost	1,256,000	1,256,000
Less: Accumulated depreciation	(332,309)	(307,109)
	923,691	948,891
Computer Equipment – at cost	167,283	179,640
Less: Accumulated depreciation	(131,025)	(157,521)
	36,258	22,119
Furniture and Equipment – at cost	207,908	208,494
Less: Accumulated depreciation	(179,324)	(176,041)
	28,584	32,453
Motor Vehicles – at cost	59,767	59,767
Less: Accumulated depreciation	(37,481)	(25,528)
	22,286	34,239
	1,010,819	1,037,702

Reconciliations

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

Cost	Buildings $	Computer Equipment $	Furniture and Equipment $	Motor vehicles $	Total $
Balance at 30 June 2015	948,891	22,119	32,453	34,239	1,037,702
Additions	-	35,406	3,642	-	39,048
Disposals	-	-	-	-	-
Depreciation expense	(25,200)	(21,267)	(7,511)	(11,953)	(65,931)
Balance at 30 June 2016	923,691	36,258	28,584	22,286	1,010,819

	2016	2015
	$	$
8. Trade and other payables		
Trade payables	426,089	189,419
Other payables	33,270	12,640
	459,359	202,059
9. Deferred revenue		
Business Undertakings	114,668	359,503
10. Provisions		
Employee Benefits	137,086	83,730
Current	124,811	74,360
Non-current	12,275	9,370
	137,086	83,730
11. Other liabilities		
Unexpended Project Grants	1,450,403	629,902

This represents the value of project grants received from funding sources which are to be expended against contracted policies in 2016/17, 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:

	2016	2015
Compensation to board members and other members of key management personnel of the Centre	195,216	180,208

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.

	2016	2015
	$	$

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:

	2016 $	2015 $
Cash and cash on hand	970,474	365,230
Other financial assets	2,347,689	1,808,153
	3,318,163	2,173,383

Financial assets include term deposits aggregating $1,000,000 and $26,881 with initial maturity periods of 6 months and 12 months respectively.

15. Contingent liabilities and contingent assets

As at 30 June 2016 and 30 June 2015, there were no contingent liabilities and/or contingent assets.

16. Commitments

The Centre had no commitments for expenditure as at 30 June 2016 and 30 June 2015 other than those recorded in the financial statements.

17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2016 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.
Diretors' Declaration
For the Year Ended 30 June 2016

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 2016 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	Grant Boyd
Chairperson	Treasurer

Melbourne, 24 October 2016

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

Report on the financial report

We have audited the accompanying Financial Report of Centre for Excellence in Child & Family Welfare 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 for the year then ended, the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

The board members' responsibility for the financial report

The Board Members of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Reduced Disclosure Requirement*s and the *Associations Incorporation Reform Act 2012 (Vic)* and for such internal control as the board members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We 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 whether the financial report is free from material misstatement.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the financial report of Centre for Excellence in Child & Family Welfare Inc. is in accordance with the *Associations Incorporation Reform Act 2012 (Vic)*, including:

(i) Giving a true and fair view of the Association's financial position as at 30 June 2016 and of its financial performance for the year then ended on that date; and

(ii) Complying with Australian Accounting Standards – *Reduced Disclosure Requirements*.

Crowe Horwath Melbourne

CROWE HORWATH MELBOURNE

David Munday

DAVID MUNDAY
Partner

Melbourne Victoria
24 October 2016