

# **TaskForce Community Agency Incorporated**

An Association Incorporated under the Associations Incorporations Act (Vic)

## **Financial Statements**

**For the Financial Year Ended June 30, 2014**

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# TASKFORCE COMMUNITY AGENCY INC

## *Financial Report for the Year Ended 30 June 2014*

### COMMITTEE'S REPORT

Your committee members submit the financial report of TaskForce Community Agency for the financial year ended 30 June 2014.

#### Committee Members

The names of committee members throughout the year and at the date of this report are:

John Bower	(President)	Rosetta Isma	(Vice President)
Ronald Barnacle	(Immediate Past President)	Dennis Liberis	(Treasurer) <i>(from December 2013)</i>
Chester Allan		Deborah Dobbie	
Trevor Williams		Hyacinth Hancock	<i>(appointed 25 November 2013)</i>
Carrick McLellan	<i>(appointed 25 November 2013)</i>	Sue Bradshaw	<i>(retired 25 November 2013)</i>
Kathy Soros	<i>(retired 25 November 2013)</i>		

#### Principal Activities

The principal activities of the association during the financial year were to give life changing opportunities to those most in need.

#### Significant Changes

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

#### Operating Result

The surplus after providing for income tax for the 2014 financial year amounted to \$ 23,583.

Signed in accordance with a resolution of the members of the committee.

  
[John Bower]

  
[Rosetta Isma]

DEBBIE DOBBIE

# TASKFORCE COMMUNITY AGENCY INC

## Annual Statements Give A True and Fair View of the Financial Position and Performance of TaskForce Community Agency

*DEBBIE DEBBIE*

We, John Bower, and ~~Rosetta Lima~~, being members of the committee of TaskForce Community Agency certify that:

The statements attached to this certificate give a true and fair view of the financial position and performance of TaskForce Community Agency during and at the end of the financial year of the association ending on 30 June 2014.

Signed:

Dated:

Signed:

Dated:

# TASKFORCE COMMUNITY AGENCY INC

## Certificate By Members of The Committee

I, John Bower of 1607/250 St Kilda Rd, Southbank 3006, Victoria, certify that:

- a. I attended the annual general meeting of the association held on 27th October 2014.
- b. The financial statements for the year ended 30 June 2014 were submitted to the members of the association at its annual general meeting.

Dated this 27th day of October 2014



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John Bower(Committee Member)

**INDEPENDENT AUDIT REPORT**  
**TO THE MEMBERS OF**  
**TASKFORCE COMMUNITY AGENCY INCORPORATED**

***Report on the Financial Report***

I have audited the accompanying financial report, being a special purpose financial report, of TaskForce Community Agency Incorporated, which comprises the statement of financial position as at 30 June 2014, 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 Committee Members declaration.

***The Responsibility of Committee Members for the Financial Report***

Committee Members of the association 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 financial reporting requirements of the Associations Incorporation Reform Act 2012 Vic and is appropriate to meet the needs of the members. The Committee Members' responsibility also includes establishing and maintaining internal control as the Committee Members and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements, and that I 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 association'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Committee Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

***Independence***

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

***Auditor's Opinion***

In my opinion, the financial report presents fairly, in all material respects, the financial position of TaskForce Community Agency Incorporated as at 30 June 2014, and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

***Basis of Accounting and Restriction on Distribution***

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee Members' financial reporting obligations under the Associations Incorporation Reform Act 2012 Vic. As a result, the financial report may not be suitable for another purpose.



**Geoffrey B Johnson**  
**Chartered Accountant**  
**Rucker DWC Pty Ltd**

Date: 21<sup>st</sup> day of October 2014.

Mitcham, Victoria

# TASKFORCE COMMUNITY AGENCY INC

## Statement Of Financial Performance

AS AT 30 JUNE 2014

	Note	2014	2013
<b>INCOME</b>			
<b>Core Funding</b>			
Government grants - State		1,223,199	1,200,234
Government grants - Commonwealth		1,822,046	1,723,163
Work for the Dole		-	-
<b>Fees for Service</b>			
ACSO Coats		364,796	302,703
Charitable foundations		145,911	82,101
Non government organisations		371,532	307,586
Local government		46,543	37,662
Seminars training and workshops		92,095	21,985
<b>Other Income</b>			
Donations		19,928	24,490
Rent received		44,450	23,618
Profit on sale of assets		-	-
Sundry		8,698	11,035
<b>TOTAL INCOME</b>		<b>4,139,198</b>	<b>3,734,577</b>
<b>LESS EXPENDITURE</b>			
Staff costs		2,888,004	2,576,899
Accommodation		327,399	376,415
Project costs		166,665	152,148
Administration		445,425	320,008
Partnership allocation		257,433	257,388
Depreciation & amortisation		29,384	16,531
<b>TOTAL EXPENDITURE</b>		<b>4,114,310</b>	<b>3,699,389</b>
<b>OPERATING SURPLUS (DEFICIT)</b>		<b>24,888</b>	<b>35,188</b>
Staff costs relating to prior year	12	(99,101)	(97,000)
Net Investment Profit (Loss)	6	97,795	133,183
<b>NET SURPLUS (DEFICIT) FOR YEAR</b>		<b>23,583</b>	<b>71,371</b>
Add Accumulated Surplus 1 July 2013		1,322,989	1,251,618
Add Revaluation Reserve Moorabbin Building		1,071,871	1,071,871
<b>Capital at end of financial year</b>		<b>2,418,443</b>	<b>2,394,860</b>

The accompanying notes form part of these financial statements

# TASKFORCE COMMUNITY AGENCY INC

## Statement Of Financial Position

AS AT 30 JUNE 2014

	Note	2014	2013
<b>CURRENT ASSETS</b>			
Cash assets		258,574	685,655
Receivables		243,025	141,880
Investments at Market Value		739,253	652,023
Prepaid Expenses	2	66,104	8,629
<b>TOTAL CURRENT ASSETS</b>		<b>1,306,956</b>	<b>1,488,187</b>
<b>NON-CURRENT ASSETS</b>			
<b>Property Plant &amp; Equipment</b>	3		
Equipment & Motor Vehicles at cost		138,134	241,060
Land & Buildings and Improvement		2,018,900	2,002,800
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,157,034</b>	<b>2,243,860</b>
Less Provision for Depreciation & Amortisation		(100,379)	(223,634)
<b>TOTAL NON CURRENT ASSETS</b>		<b>2,056,655</b>	<b>2,020,226</b>
<b>TOTAL ASSETS</b>		<b>3,363,611</b>	<b>3,508,413</b>
<b>CURRENT LIABILITIES</b>			
Creditors	4	355,058	221,213
Provision for Employee Entitlements		185,625	175,638
Grants in Advance	5	404,485	670,959
<b>TOTAL CURRENT LIABILITIES</b>		<b>945,168</b>	<b>1,067,810</b>
<b>LONG TERM LIABILITIES</b>			
Westpac Mortgage		-	45,743
<b>TOTAL LIABILITIES</b>		<b>945,168</b>	<b>1,113,553</b>
<b>NET ASSETS</b>		<b>2,418,443</b>	<b>2,394,860</b>
<b>TOTAL EQUITY</b>		<b>2,418,443</b>	<b>2,394,860</b>

The accompanying notes form part of these financial statements



# TASKFORCE COMMUNITY AGENCY INC

## Statement of Cash Flows

AS AT 30 JUNE 2014

	Note	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Government Grants & Donations	9	3,410,042	3,226,100
Receipts from customers		304,063	707,656
Payments to suppliers		(1,524,517)	(1,127,507)
Payments for salaries		(2,668,316)	(2,563,344)
<b>Net cash provided by operating activities</b>	8	<b>(478,729)</b>	<b>242,905</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Westpac Mortgage		(45,743)	45,743
<b>Net cash provided by financing activities</b>		<b>(45,743)</b>	<b>45,743</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of assets		-	-
Purchase of motor vehicles		-	-
Purchase of fixed assets		86,826	(603,663)
Investment Income	6	97,795	133,183
<b>Net cash used in investing activities</b>		<b>184,621</b>	<b>(470,480)</b>
Net increase/ (decrease) in cash held		(339,851)	(181,832)
Cash at beginning of the financial year		1,337,678	1,519,510
<b>Cash at end of the financial year</b>	7	<b>997,827</b>	<b>1,337,678</b>

The accompanying notes form part of these financial statements

# TASKFORCE COMMUNITY AGENCY INC

## Notes To & Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2014

### Note 1:

#### Statement of Significant Accounting Policies

These financial statements are a general purpose financial report. The Board has determined that the Agency is not a reporting entity as defined in Statement of Accounting Concepts 1 'Definition of the Reporting Entity' and therefore, as there is no requirement to apply accounting standards in the preparation and presentation of this report, they have been adopted only to the extent shown in this note. The report has been prepared in accordance with the requirements of the Associations Incorporation Reform Act 2012 (Vic). The statements are prepared on an accruals basis, whereby items are brought to account as revenue earned or expenses incurred, from the records of the Association. The following Australian accounting standards have been applied:

AASB101	Presentation of Financial Statement
AASB107	Statement of Cash Flows
AASB1031	Materiality
AASB108	Accounting Policies, Changes in Accounting Estimates and Events
AASB1048	Interpretation of Standards
AASB1054	Australian Additional Disclosures

**(a) Income Tax** The Association is endorsed as an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997 so no provision for income tax has been raised.

**(b) Property, Plant and Equipment** The purchase amount of all property, plant and equipment is depreciated over the useful lives of the assets to the Agency, commencing from the time the asset is held ready for use. Leasehold Improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Refer (d) below for assets purchased with capital grants. The carrying amount of fixed assets is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of expected cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining the recoverable amounts.

**(c) Employee Entitlements** Employee entitlements are calculated and accrued based on the Agency's liability in accordance with obligations calculated under current requirements. Long service leave is accrued for employees based on the likelihood of reaching entitlement. 100% of the entitlement is accrued for all employees with seven or more years service.

**(d) Grants** Some assets are purchased from funds received as grants and/or donations. When the asset is purchased, the relating grant and/or donation is recorded as income and the asset is fully depreciated in the year of purchase. The Committee of Management of Taskforce consider this non compliance with accepted accounting standards, as appropriate for the organisation.

**(e) 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(f) Cash on Hand** Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**(g) Accounts Receivable and Other Debtors** Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

# TASKFORCE COMMUNITY AGENCY INC

## Notes To & Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2014

**(h) Revenue and Other Income** Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

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. Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt. If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

**(i) Leases** Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(j) 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 assets and liabilities statement.

**(k) Financial Assets** Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

**(l) Accounts Payable and Other Payables** Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

# TASKFORCE COMMUNITY AGENCY INC

## Notes To & Forming Part of the Accounts FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
<b>Note 2: Prepaid Expenses</b>		
Rent	21,921	8,095
Other	44,183	534
	<b>66,104</b>	<b>8,629</b>
<b>Note 3: Property, Plant and Equipment</b>		
Equipment	79,814	182,741
Less Accumulated depreciation	(34,747)	(181,878)
	<b>45,067</b>	<b>863</b>
Land & Buildings	1,914,667	1,914,667
Less Accumulated depreciation		
	<b>1,914,667</b>	<b>1,914,667</b>
Motor Vehicles	58,320	58,320
Less Accumulated depreciation	(43,601)	(36,250)
	<b>14,719</b>	<b>22,070</b>
Building Improvements	104,233	88,132
Less Accumulated amortisation	(22,031)	(5,506)
	<b>82,202</b>	<b>82,626</b>
Total Property Plant & Equipment	<b>2,056,655</b>	<b>2,020,226</b>
<b>Note 4: Payables</b>		
GST & Group Tax Payable	72,460	85,869
Trade Creditors and Accruals	282,598	135,344
	<b>355,058</b>	<b>221,213</b>
<b>Note 5: Grants in Advance</b>		
<b>: Friends of Taskforce</b>		
Friends of Taskforce monies historically is used for specific purposes, expended in the financial year after its receipt.		
Unspent Friends of Taskforce monies have been transferred to Grants in Advance to be expended in the coming financial year on Board approved projects.		
Beginning balance Friends of Taskforce	48,327	50,574
Friends of Taskforce Income 2013-14	9,325	8,450
Less expended on specific projects in 2013-14	(13,306)	(10,697)
Transferred from/to Grants in Advance	(3,981)	(2,247)
<b>Balance Friends of Taskforce</b>	<b>44,346</b>	<b>48,327</b>
Sundry project grants	359,902	621,897
Social Club	237	735
<b>Balance Grants in Advance</b>	<b>404,485</b>	<b>670,959</b>

# TASKFORCE COMMUNITY AGENCY INC

## Notes To & Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2014

2014 2013

### Note 6: Investment Income

Investment Income	94,928	129,702
Less Management fee	(6,998)	(8,696)
Net cash flow from Investing Activities:	87,930	121,006
Refund Imputation Credits	9,865	12,177
Net Investment Income	97,795	133,183

### Note 7: Reconciliation of cash

For the purpose of the statement of cash flows, cash included cash at bank and cash at call. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows

Cash at bank & on hand	258,574	685,655
Investments	739,253	652,023
	997,827	1,337,678

### Note 8: Reconciliation of net cash provided by operating activities to operating surplus/(deficit)

Operating surplus/ (deficit)	24,888	35,188
Add back		
Depreciation	(123,254)	16,531
Decrease/ (increase) in receivables and other assets	(101,145)	(15,547)
Decrease/ (increase) in prepayments	(57,475)	(8,629)
Increase/ (decrease) in payables and accrued expenses	44,731	(7,993)
Increase/ (decrease) in Grants in Advance	(266,474)	223,355
Net cash provided by operating activities	(478,729)	242,905

### Note 9: Receipts from Government Grants

Department of Health Victoria	457,555	502,260
Stepping Up Consortium	755,981	666,938
Department of Education, Employment and Workplace Relations	1,577,489	1,501,305
Acso Coats	364,796	302,703
Department of Justice	9,664	31,036
Department of Health & Ageing - Health Strategies	244,557	221,858
	3,410,042	3,226,100

### Note 10 : Statement of Changes in Equity

Equity as at June 30 2013	1,322,989	1,251,618
Prior Period Adjustment	-	-
Surplus (Net Income) 2013-14	23,583	71,371
Reserve on Revaluation on 421 South Road Moorabbin	1,071,871	1,071,871
Balance of Equity as at June 30 2014	2,418,443	2,394,860

# TASKFORCE COMMUNITY AGENCY INC

## Notes To & Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
<b>Note 11 : Leasing Commitments</b>		
<b>a Finance Leases</b>		
Lease payments payable		
being for Motor Vehicles		
- not later than 12 months	37,976	57,927
- between 12 months and five years	14,387	46,051
- later than five years	-	-
	<b>52,363</b>	<b>103,978</b>
<b>b Operating Leases</b>		
being for Office rentals		
- not later than 12 months	147,622	163,749
- between 12 months and five years	20,222	111,059
- later than five years	-	-
	<b>167,844</b>	<b>274,808</b>

### Note 12 : Staff Costs Relating to Prior Year

At the Finance Committee meeting on February 17, 2014 the Finance Committee resolved to recognise the liability for unpaid wages as at balance day. This is a change of accounting policy and brings TaskForce in line with Australian Accounting Standards.