

TASKFORCE COMMUNITY AGENCY INC

Financial Report for the Year Ended 30 June 2018

COMMITTEE'S REPORT

Your committee members submit the financial report of TaskForce Community Agency for the financial year ended 30 June 2018.

Committee Members

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

Rosetta Isma	(President)	Chester Allan	(Vice President)
Bill Reynolds	(Treasurer)	John Bower	
Kate Daddo		Deborah Dobbie	
Hyacinth Hancock		Carrick McLellan	
Trevor Williams			

Principal Activities

The principal activities of the Agency 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 operating surplus for the 2018 financial year amounted to \$ 29,314.
In addition, the Investment income amounted to \$112,052.

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


[Rosetta Isma]


[William Reynolds]

Dated this 26/9/18

TASKFORCE COMMUNITY AGENCY INC

Statement Of Financial Performance FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
INCOME			
Core Funding			
Government grants - State		4,655,417	3,461,966
Government grants - Commonwealth		1,334,696	1,047,063
Government grants - Work for the Dole		-	17,311
Fees for Service			
ACSO Coats		315,603	457,106
Non government organisations		1,145,753	401,617
Local government		6,671	70,569
Seminars training and workshops		214,257	159,082
Other Income			
Donations		26,789	22,300
Charitable foundations		136,614	204,026
Rent received		70,631	55,487
Profit on sale of assets		-	-
Sundry		6,468	18,068
TOTAL INCOME		7,912,898	5,914,593
LESS EXPENDITURE			
Staff costs		4,505,213	3,352,200
Accommodation		315,670	281,666
Project costs		73,489	88,555
Administration		514,013	450,694
Partnership allocation		2,365,811	1,588,021
Depreciation & amortisation		109,388	134,550
TOTAL EXPENDITURE		7,883,584	5,895,686
SURPLUS (DEFICIT) FROM ORDINARY ACTIVITIES		29,314	18,906
Investment Income	6	112,052	80,053
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		141,366	98,960
Add Accumulated Surplus 1 July 2017		1,666,159	1,567,200
Add Revaluation Reserve Moorabbin Building		1,071,871	1,071,871
Capital at end of financial year		2,879,397	2,738,031

The accompanying notes form part of these financial statements

TASKFORCE COMMUNITY AGENCY INC

Statement Of Financial Position

AS AT 30 JUNE 2018

	Note	2018	2017
CURRENT ASSETS			
Cash assets		629,043	545,119
Receivables		221,009	394,707
Investments at Market Value		940,263	837,949
Prepaid Expenses	2	40,699	39,001
TOTAL CURRENT ASSETS		1,831,014	1,816,776
NON-CURRENT ASSETS			
Property Plant & Equipment	3		
Equipment & Motor Vehicles at cost		416,814	307,743
Land & Buildings and Improvement		2,494,193	2,177,114
TOTAL NON-CURRENT ASSETS		2,911,007	2,484,857
Less Provision for Depreciation & Amortisation		(421,111)	(311,722)
TOTAL NON CURRENT ASSETS		2,489,896	2,173,134
TOTAL ASSETS		4,320,910	3,989,910
CURRENT LIABILITIES			
Creditors	4	395,998	280,631
Provision for Employee Entitlements		349,189	260,048
Grants in Advance	5	696,325	711,201
TOTAL CURRENT LIABILITIES		1,441,513	1,251,880
TOTAL LIABILITIES		1,441,513	1,251,880
NET ASSETS		2,879,397	2,738,031
TOTAL EQUITY		2,879,397	2,738,031

The accompanying notes form part of these financial statements

TASKFORCE COMMUNITY AGENCY INC

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Government Grants & Donations	9	6,305,716	4,983,446
Receipts from customers		1,764,308	1,084,329
Payments to suppliers		(3,640,061)	(2,801,803)
Payments for salaries		(3,929,625)	(2,951,158)
Net cash provided by operating activities	8	500,338	314,814
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of assets		-	-
Purchase of motor vehicles		(65,582)	(31,391)
Purchase of fixed assets		(360,568)	(172,170)
Proceeds from Investments	6	9,738	11,913
Net cash used in investing activities		(416,412)	(191,648)
Net increase/ (decrease) in cash held		83,925	123,166
Cash at beginning of the financial year		545,119	421,953
Cash at end of the financial year	7	629,044	545,119

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 2018

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 Agency. 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 Agency 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. Land & Buildings are not depreciated but undergo revaluation on a periodical basis. 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 Agency 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 2018

(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 Agency 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 Agency 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.

(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 Agency 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 2018

2018 2017

Note 2: Prepaid Expenses

Rent	15,768	15,985
Other	24,931	23,016
	40,699	39,001

Note 3: Property, Plant and Equipment

Equipment at cost	200,149	156,659
Less Accumulated depreciation	(117,429)	(90,136)
	82,720	66,523
Land & Buildings at 421 South Road, Bentleigh at Revaluation Value	1,400,000	1,400,000
Land & Buildings at 423 South Road, Bentleigh at Cost	514,667	514,667
Less Accumulated depreciation		
	1,914,667	1,914,667
Motor Vehicles at cost	216,666	151,084
Less Accumulated depreciation	(130,095)	(75,964)
	86,570	75,120
Building Improvements at cost	579,526	262,447
Less Accumulated amortisation	(173,587)	(145,623)
	405,939	116,824
Total Property Plant & Equipment	2,489,896	2,173,134

Note 4: Payables

GST & Group Tax Payable	131,712	91,371
Trade Creditors and Accruals	264,287	189,260
	395,998	280,631

Note 5: Grants in Advance : Friends of Taskforce

Friends of Taskforce monies historically are used for specific purposes and expended in the financial year after their 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	53,928	51,946
Friends of Taskforce Income 2017-18	4,050	9,300
Less expended on specific projects in 2017-18	(3,292)	(7,318)
Balance Friends of Taskforce	54,686	53,928
Sundry project grants	639,574	656,068
Social Club	2,065	1,205
Balance Grants in Advance	696,325	711,201

TASKFORCE COMMUNITY AGENCY INC

Notes To & Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
Note 6: Investment Income		
Refund of Imputation Credits & GST	9,738	11,913
Less Management fee	(8,757)	(8,007)
Unrealised Gain (Loss) on Investment	111,071	76,147
Net Investment Income	112,052	80,053

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	629,043	545,119
	629,043	545,119

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

Operating surplus/ (deficit)	29,314	18,906
Add back		
Depreciation	109,388	134,550
Decrease/ (increase) in receivables and other assets	173,698	(3,574)
Decrease/ (increase) in prepayments	(1,697)	(10,522)
Increase/ (decrease) in payables and accrued expenses	204,511	8,175
Increase/ (decrease) in Grants in Advance	(14,876)	167,279
Net cash provided by operating activities	500,338	314,814

Note 9: Receipts from Government Grants

Department of Health Victoria	2,850,683	1,761,161
Stepping Up Consortium	1,002,335	751,863
Department of Education, Employment and Workplace Relations	633,154	483,225
ACSO Coats	315,603	457,106
Dept of Infrastructure & Regional Development	16,350	-
South East Melbourne Primary Healthcare Network	1,424,622	1,191,031
Dept of Economic Development, Jobs, Transport and Resources	4,563	47,912
Department of Justice	58,406	40,000
Department of Health & Ageing - Health Strategies	-	251,149
	6,305,716	4,983,446

Note 10 : Statement of Changes in Equity

Equity as at June 30 2017	1,666,159	1,567,199
Surplus (Net Income) 2017-18	141,366	98,960
Reserve on Revaluation on 421 South Road Moorabbin	1,071,871	1,071,871
Balance of Equity as at June 30 2018	2,879,397	2,738,031

TASKFORCE COMMUNITY AGENCY INC

Notes To & Forming Part of the Accounts

FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
Note 11 : Leasing Commitments		
Operating Leases		
Lease payments payable		
being for Motor Vehicles		
- not later than 12 months	51,796	33,089
- between 12 months and five years	55,226	67,333
- later than five years	-	-
	107,022	100,422
being for Office rentals		
- not later than 12 months	198,696	155,922
- between 12 months and five years	279,355	88,600
- later than five years	-	-
	478,051	244,522

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TASKFORCE COMMUNITY AGENCY INCORPORATED

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of TaskForce Community Agency Incorporated, which comprises the assets and liabilities statement as at 30 June 2018, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In my opinion, the accompanying financial report presents fairly, in all material respects, in accordance with Associations Incorporation Reform Act 2012 Vic, the financial position of the association as at 30 June 2018 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012 Vic.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporation Reform Act 2012 Vic. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 Vic. and for such internal control as the committee determines 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 committee is 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 committee 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

My 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 my 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TASKFORCE COMMUNITY AGENCY INCORPORATED**

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit. I remain solely responsible for my audit opinion.

I communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Geoffrey B Johnson
Chartered Accountant
Rucker DWC Pty Ltd

Dated this 27th day of September 2018
Doncaster, VIC