

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
ABN 34 256 073 685

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE, 2014

DIRECTORS' REPORT

Your directors present their report on the Co-operative for the financial year ended 30 June, 2014.

The surplus amounted to \$120,759 (2013: deficit \$1,910).

No dividends have been paid or recommended during the year.

During the year 19 shares were issued (2013: 6 shares).

No person has applied for leave of Court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings.

The Co-operative was not a party to any such proceedings during the year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in future financial years.

The Co-operative's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the Co-operative.

The names of the directors in office during or since the end of the year were Patricia Ockwell, Daryl Walker, Margaret Gardiner, Elaine Taylor, Stewart Taylor, Lesley Gardener and Douglas Smith.

The principal activity of the Co-operative during the financial year 2013/2014 was Aboriginal Community Advancement, including the provision of comprehensive Primary Health Care and Allied Health services, Maternity Services (Ante and Post Natal), Aboriginal Health Promotion and Chronic Care, Social and Emotional Well Being, Home and Community Care, Family Services, Youth Services, Bringing Them Home (Stolen Generations), Aboriginal Best Start and a Community Housing Program. Funding to conduct these activities was provided by grants received from state and federal government agencies. The information contained herein is presented on a consolidated basis covering all services provided under the programs.

The gross operating income of the Co-operative for the financial year was \$3,381,044 (2013: \$3,276,582). No significant changes in the state of affairs occurred during the financial year.

Developments that have been established to enhance the operations of the Co-operative in the future financial year are: the continuing development of the Bunurong Healthy Lifestyle Team (BHLT) and implementation of the Regional Action Plan and the Social Marketing Campaign on Tobacco Action. Also continuing member involvement in the emerging South East Melbourne Medicare Local (SEMML).

All Directors have undertaken governance training. Staff performance reports and appraisals continue with the ongoing staff professional development, the professional development for Directors and raising the standard of service delivery across the Co-operative to the Aboriginal community. The Chief Executive Officer continues to represent the Co-operative and community at various and appropriate meetings with funding agencies, mainstream agencies and with the peak health body – Victorian Aboriginal Community Controlled Health Organisation. The Executive Management Team has continued to add value and strength to the Leadership, Management and Coordination of operations.

DIRECTORS' REPORT (Cont'd)

Directors' qualifications, experience and special responsibilities are as follows:

Patricia Ockwell Elected 27 October 2013 for a two year term.

Patricia has been a member of the Co-operative since 1977, and in that time, has served on the Board for many years at various times.

Patricia has been involved in Aboriginal affairs for approximately 40 years and is a former Chairperson of the Co-operative.

Patricia has been involved with Aboriginal Housing Victoria for 30 years.

Patricia is a senior elder of the Wurundjeri Tribal Council for several years and is a Life Member.

Patricia is also a Director of the Aboriginal Community Elders Services (ACES).

Patricia was employed for twenty years by Aboriginal Hostels Limited, where she was primarily involved in funding arrangements and as a hostel manager.

Patricia also sits on the Koori Children's Court, Broadmeadows Adult Koori Court and will shortly begin involvement with the new Koori Court in Dandenong.

Patricia has graduated from Governance Training in the Certificate IV in Business (Governance) conducted by Swinburne University and intends undertaking the Diploma of Business Governance.

Her special interests are in Finance, Housing and Youth.

Daryl Walker Re-elected 28 October 2012 for a two year term.

Daryl operated his own business for 25 years, mainly in the Gas industry and has always required the Co-operative to have a sound economic position.

Daryl has been involved in the Co-operative since the first meetings as an Association in 1971 and has served as a Director for 20 years at various times.

Daryl is currently the Chairperson of the Larnangurag Aborigines Association (NSW).

Daryl has completed his Certificate IV in Governance Training.

His special interests are in Finance, Funding Arrangements, Education Youth and Elders.

Margaret Gardiner Re-elected 28 October 2012 for a two year-term.

Margaret is the Chairperson of the Board of Directors.

Margaret has been a member of the Co-operative for over 30 years.

Margaret has life long commitment to the community and this organisation and has served on the Board at various times and has also been a Manager, Administrator and Receptionist in the past.

Margaret is keen to enable the organisation to grow and develop to its full potential in providing the best possible services and programs to the community.

Her special interests are in Housing, Health, Youth and Elders.

DIRECTORS' REPORT (Cont'd)

Elaine Taylor Re-elected 27 October 2013 for a two year term.

Elaine has worked 8 years at the Aboriginal Child Care Agency, 5 years at the Aboriginal Legal service.

Elaine has been a Director of the Aboriginal Child Care Agency for 4 years, Director of Aboriginal Youth Support & Recreation for 4 years, previous Director of Dandenong & District Aborigines Co-operative. Elaine was one of the first members of the Co-operative and her mother and father were among the founding members.

Elaine works with Indigenous families in crisis and in contact with DHS.

Her special interests are Family Services and Mental Health.

Stewart Taylor Re-elected 28 October 2012 for a two-year term.

Stewart has been an active member of the Dandenong & District Aborigines Co-operative Ltd for 30 years and has served on the Board from 2004 to 2006. Stewart's grandparents and mother were among the founding members of the organisation.

Stewart has completed his Certificate IV in Governance at Victoria University.

Stewart has been a proud and active member of the community and was one of the original participants of the Men's Group "Tjaegan's Warriors" established in 2007. He has been integral in participation of youth over the past 8 years in the annual Murray River Marathon.

Stewart is a member of the Southern Wimbi's Committee.

Stewart has run his own business, "Taylor Made Communications", for the past 11 years in the telecommunications industry.

His special interests are Youth and Environment.

Lesley Gardener Re-elected 28 October 2012 for a two-year term.

Lesley has been an active member of the Dandenong & District Aborigines Co-Operative Limited for over 17 years and has been an active community member in events and activities since she was a child and since being elected she brought a wealth of community experience, commitment and collaboration.

Lesley has completed her Certificate IV in Governance at Victoria University.

Lesley is the grand-daughter of one of the founding members. Lesley has worked for the Dandenong & District Aborigines Co-Operative Limited in the recent past and is currently employed by Monash Health in their Aboriginal Health team.

Douglas Smith Elected 27 October 2013 for a two-year term.

Douglas holds a Certificate IV in Art and Culture at Monash, a Certificate IV in Workplace Training and Assessment at Chisholm Institute and has been awarded Outstanding Koorie Student of the Year at Chisholm Institute. Doug continues to produce artwork. He has been involved in the organisation from the time the community started to have meetings to establish an organisation as a focal point for Aboriginal people in the area.

Douglas has completed his Certificate IV in Governance at Victoria University. He has worked at Baluk Arts as a teacher of Aboriginal art and culture.

Douglas has lived in the Dandenong area for almost 40 years, and has recently started painting and jewellery work shops with community members.

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
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During the financial year, 11 meetings of directors were held. Attendances were:

Director	Directors' Meetings	
	Number eligible to attend	Number attended
Patricia Ockwell	11	10
Daryl Walker	11	8
Margaret Gardiner	11	9
Elaine Taylor	11	8
Stewart Taylor	11	8
Lesley Gardener	11	10
Douglas Smith	11	11

Indemnification of Officers


Insurance is provided by the Department of Human Services, Victoria at no cost to the Co-operative.

Auditor's Independence Declaration

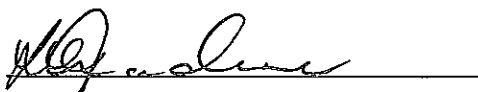
A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors:

Director


Margaret Gardiner

Director


Lesley Gardener

Dated this 31st day of October 2014

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF DANDENONG AND DISTRICT ABORIGINES CO-OPERATIVE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

McLean Delmo Bentley's Audit

McLean Delmo Bentley's Audit Pty Ltd

Kevin P. Adams

Kevin P. Adams
Director

Hawthorn
31 October 2014

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Grant revenue	2	2,903,972	2,789,006
Other income	2	477,072	487,576
Employee benefits expense		(1,684,490)	(1,785,289)
Depreciation expense	4	(141,977)	(122,200)
Motor vehicle expense		(175,012)	(189,119)
Maintenance expense		(82,588)	(55,272)
Special projects expense		(170,239)	(158,651)
Utilities expense		(132,988)	(220,840)
Professional services expense		(176,838)	(186,015)
Medical fees expense		(218,697)	(142,765)
Other expenses		(477,456)	(418,341)
Surplus/(deficit)	4	120,759	(1,910)
Other Comprehensive Income		-	-
Total Comprehensive Income		120,759	(1,910)

The accompanying notes form part of these financial statements

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
ABN 34 256 073 685

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,946,724	3,845,046
Trade and other receivables	6	<u>20,790</u>	<u>4,915</u>
TOTAL CURRENT ASSETS		<u>2,967,514</u>	<u>3,849,961</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	<u>3,293,783</u>	<u>3,398,241</u>
TOTAL NON-CURRENT ASSETS		<u>3,293,783</u>	<u>3,398,241</u>
TOTAL ASSETS		<u>6,261,297</u>	<u>7,248,202</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	1,022,684	2,141,663
Provisions	9	<u>217,333</u>	<u>209,219</u>
TOTAL CURRENT LIABILITIES		<u>1,240,017</u>	<u>2,350,882</u>
NON-CURRENT LIABILITIES			
Provisions	9	<u>14,877</u>	<u>11,695</u>
TOTAL NON-CURRENT LIABILITIES		<u>14,877</u>	<u>11,695</u>
TOTAL LIABILITIES		<u>1,254,894</u>	<u>2,362,577</u>
NET ASSETS		<u>5,006,403</u>	<u>4,885,625</u>
EQUITY			
Contributed equity		930	911
Reserves	10	3,158,078	3,262,536
Retained surplus		<u>1,847,395</u>	<u>1,622,178</u>
TOTAL EQUITY		<u>5,006,403</u>	<u>4,885,625</u>

The accompanying notes form part of these financial statements

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Contributed Equity	Asset Revaluation	Reserves	Special Purpose	Retained Surplus	Total
	\$	\$	Capital Grants	\$	\$	\$
Balance at 1 July 2012	905	54,755	3,309,841	18,905	1,503,123	4,887,529
Additional equity contributed	6	-	-	-	-	6
Transfers to/from reserves	-	-	(120,965)	-	120,965	-
Surplus/(deficit) for the year	-	-	-	-	(1,910)	(1,910)
Balance at 30 June 2013	911	54,755	3,188,876	18,905	1,622,178	4,885,625
Additional equity contributed	19	-	-	-	-	19
Transfers to/from reserves	-	-	(104,458)	-	104,458	-
Surplus for the year	-	-	-	-	120,759	120,759
Balance as 30 June 2014	930	54,755	3,084,418	18,905	1,847,395	5,006,403

The accompanying notes form part of these financial statements

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Grants received	3	2,140,111	2,836,471
Interest received		1,840	11,328
Receipts from customers		399,778	476,248
Payments to suppliers and employees		<u>(3,402,551)</u>	<u>(2,895,707)</u>
Net cash provided by/(used in) operating activities	17	<u>(860,822)</u>	<u>428,340</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		<u>(37,519)</u>	<u>(1,235)</u>
Net cash used in investing activities		<u>(37,519)</u>	<u>(1,235)</u>
Cash flows from financing activities			
Proceeds from issue of shares		<u>19</u>	<u>6</u>
Net cash provided by financing activities		<u>19</u>	<u>6</u>
Net increase/(decrease) in cash held		<u>(898,322)</u>	<u>427,111</u>
Cash at beginning of financial year		<u>3,845,046</u>	<u>3,417,935</u>
Cash at the end of financial year	5	<u><u>2,946,724</u></u>	<u><u>3,845,046</u></u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report covers Dandenong & District Aborigines Co-operative Ltd as an individual entity. Dandenong & District Aborigines Co-operative Ltd is incorporated and domiciled in Australia.

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-Profits Commission Act 2012 and the Co-operatives National Law Application Act 2013. The Co-operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

The Co-operative, being established for community services purposes, is exempt from income tax.

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation on buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(b) Property, Plant and Equipment (Cont'd)

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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 cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	7.5% to 40%
Motor vehicles	20% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) **Impairment of Assets**

At each reporting date, the Co-operative reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Co-operative estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(d) **Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity 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 the 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 period in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) **Employee Benefits**

Provision is made for the Co-operative's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) **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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(g) **Grants and Other Income**

Revenue from grants is accounted for on an accruals basis. Interest revenue is recognised on a proportional basis taking into account the applicable interest rates. Revenue from rent is recognised at the time the rent is due for payment. Medicare revenue is accounted for on a cash receipts basis. Sundry income is recognised at the time it becomes due and

All revenue is stated net of the amount of goods and service tax (GST).

(h) **Financial Instruments**

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date the co-operative commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted process in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Financial Instruments (Cont'd)

Classification and Subsequent Measurement (Cont'd)

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit and loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Co-operative's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(h) Financial Instruments (Cont'd)

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Comparative Figures

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

(l) Critical Accounting Estimates and Judgements

The Board evaluates the estimates and judgments incorporated into the financial report 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 Co-operative.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(l) Critical Accounting Estimates and Judgements (Cont'd)

Key Estimates - Impairment

The Co-operative assesses impairment at each reporting date by evaluating conditions specific to the co-operative that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The financial report was authorised for issue on 31 October 2014 by the Board of Directors.

NOTE 2: GRANT REVENUE AND OTHER INCOME

	2014 \$	2013 \$
Grant Revenue		
Grant monies - recurrent - Office for Aboriginal and Torres Strait Islander Health Service ("OATSIH")	790,583	650,754
Grant monies - recurrent - Department of Human Services ("DHS") / Department of Health ("DoH")	1,061,645	969,009
Grant monies - Department of Health and Ageing ("DoHA")	815,901	701,741
Other grant monies	159,522	158,049
OATSIH - other grants	18,927	201,728
DHS - other grants	57,394	107,725
	<u>2,903,972</u>	<u>2,789,006</u>
Other Income		
Medicare income	180,163	221,070
Rental income	108,908	115,216
Interest income	1,840	11,328
Sundry income	186,161	139,962
	<u>477,072</u>	<u>487,576</u>
Total Revenue	<u>3,381,044</u>	<u>3,276,582</u>

NOTE 3: GRANTS RECEIVED DURING THE YEAR

Grant monies - OATSIH	878,672	863,986
Grant monies - DHS/DoH	1,005,116	1,011,858
Grant monies - DEECD Best Start program	110,676	108,506
Department of Health and Ageing	-	963,126
Other grant monies	145,647	123,892
	<u>2,140,111</u>	<u>3,071,368</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
NOTE 4: SURPLUS		
Surplus has been determined after:		
Charging as expenses:		
Depreciation of property, plant and equipment	- OATSIH 39,309	28,320
	- Other 102,668	93,880
	<u>141,977</u>	<u>122,200</u>
Rental expense on operating leases	<u>97,195</u>	<u>121,932</u>
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank - OATSIH	406,910	1,529,810
- Other	2,539,814	2,315,236
	<u>2,946,724</u>	<u>3,845,046</u>
NOTE 6: TRADE AND OTHER RECEIVABLES		
Sundry debtors	21,743	5,868
Less: provision for doubtful debts	(953)	(953)
	<u>20,790</u>	<u>4,915</u>
NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
Freehold land at cost	1,284,000	1,284,000
	<u>1,284,000</u>	<u>1,284,000</u>
Buildings at cost	2,639,545	2,639,545
Less: accumulated depreciation	(767,751)	(701,360)
	<u>1,871,794</u>	<u>1,938,185</u>
Plant and equipment at cost	- OATSIH 332,176	312,541
	- Other 189,280	164,491
	<u>521,456</u>	<u>477,032</u>
Less: accumulated depreciation	- OATSIH (266,733)	(238,918)
	- Other (130,956)	(102,022)
	<u>(397,689)</u>	<u>(340,940)</u>
	<u>123,767</u>	<u>136,092</u>
Motor vehicles at cost	- OATSIH 31,680	31,680
	- Other 180,985	180,985
	<u>212,665</u>	<u>212,665</u>
Less: accumulated depreciation	- OATSIH (31,680)	(25,344)
	- Other (166,763)	(147,357)
	<u>(198,443)</u>	<u>(172,701)</u>
	<u>14,222</u>	<u>39,964</u>
Total property, plant and equipment	<u>3,293,783</u>	<u>3,398,241</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES		
Creditors - OATSIH	64,841	335,737
- Other	40,369	65,092
Unexpended grants - OATSIH	67,638	59,825
- DHS	107,168	116,635
- FaHCSIA	-	-
- DOJ	9,945	6,394
- DoHA	298,520	1,114,411
- DoH	244,992	329,517
- Other	189,211	114,052
	<u>1,022,685</u>	<u>2,141,663</u>

(a) Unexpended grants comprise the following:

Accreditation support - OATSIH	-	13,434
Bringing Them Home - OATSIH	43,186	-
Medical outreach - OATSIH	17,994	18,567
IT Upgrade - OATSIH	2,644	8,138
Bunurong Health Services - OATSIH	3,814	19,686
HACC - DoH	58,995	68,156
Family Support - DHS	56,327	54,847
Mental health project - DoH	14,084	14,307
Mental health outreach - DoH	43,889	48,653
Koori maternity services - DoH	69,107	92,090
Mental health week	1,652	1,652
AHPACC - DoH	52,126	89,658
Aboriginal Best Start - DEECD	65,375	72,904
Family violence - DHS	18,971	29,341
Housing R & M - DHS	14,857	14,857
ACCHO accreditation - DHS	12,273	12,273
Community youth justice - DOJ	-	(3,009)
Tackling Smoking & Healthy Lifestyle	-	-
Workforce - Establish - DoHA	-	7,490
Respite support group	1,026	1,026
Youth	73,937	-
Spirit Trax - School Focused Youth Service	4,255	13,182
Family services - ADFM - DHS	3,524	4,101
Aboriginal Services - Capacity Building - DHS	1,216	1,216
Youth group activities	2,035	-
CDG Health Lifestyles Brokerage	10,000	-
Family violence white ribbon week	1,000	-
Aboriginal Community Justice Panel - Vic Police	9,745	(566)
QUMAX - Pharmacy Guild Australia	18,872	18,872

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES (Cont'd)		
(a) Unexpended grants comprise the following (cont'd):		
Footy/Netball Carnival	314	314
Victims Assist & Counselling - DOJ	6,000	6,000
L I N Youth - AAV	1,000	1,000
Tackling Smoking & Healthy Lifestyles		
Workforce - DoHA	282,098	974,920
Tackling Smoking Fund - DoHA	16,422	132,001
CTG Management Training - DoH	6,791	6,791
AHPACC Chronic Care - DoH	-	9,862
S&C Koori Young People - Mission Australia	-	5,668
Young Tjaegan's Warriors - DOJ	3,945	3,403
	<u>917,474</u>	<u>1,740,834</u>
(b) Glossary of acronyms		
AAV	Aboriginal Affairs Victoria	
AHPACC	Aboriginal Health Promotion and Chronic Care	
DEECD	Department of Education and Early Childhood Development	
DEEWR	Department of Education, Employment and Workplace Relations	
DHS	Department of Human Services	
DoH	Department of Health	
DoHA	Department of Health and Ageing	
DOJ	Department of Justice	
ER	Emergency Relief	
FaHCSIA	Department of Family and Community Services and Indigenous Affairs	
HACC	Home and Community Care	
ICACC	The Inter Council Aboriginal Consultative Committee	
NAIDOC	National Aboriginal and Islander Day Observance Committee	
OATSIH	Office of Aboriginal and Torres Strait Islander Health	
OIPC	Office of Indigenous Policy Coordination	
PIRS	Patient Information Recall System	

NOTE 9: PROVISIONS

Current			
Provision for annual leave	- OATSIH	73,090	79,298
	- Other	59,938	57,487
Provision for long service leave	- OATSIH	42,065	45,257
	- Other	42,240	27,177
		<u>217,333</u>	<u>209,219</u>
Non Current			
Provision for long service leave	- OATSIH	7,423	6,658
	- Other	7,454	5,037
		<u>14,877</u>	<u>11,695</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 9: PROVISIONS (Cont'd)

	30 June 2013	Additional Provisions	Amounts Used	30 June 2014
	\$	\$	\$	\$
Annual Leave	136,785	108,630	(112,387)	133,028
Long Service Leave	84,129	15,053	-	99,182
	<u>220,914</u>	<u>123,683</u>	<u>(112,387)</u>	<u>232,210</u>

NOTE 10 RESERVES

Asset revaluation

The asset revaluation reserve records revaluations of non-current assets.

Capital grants

The capital grants reserve records assets at written down value purchased with grant funds.

Special purpose

The special purpose reserve records an allocation of rental receipts in excess of expenditure.

	2014	2013
	\$	\$
NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION		
Key management personal compensation	<u>287,020</u>	<u>338,283</u>
	<u>287,020</u>	<u>338,283</u>

Directors do not receive any remuneration for attending meetings.

NOTE 12: SEGMENT REPORTING

The Co-operative operates in the health services industry in Australia.

NOTE 13: OPERATING LEASE COMMITMENTS

Payable		
Not later than 12 months	59,374	97,174
Between 12 months and 5 years	<u>36,602</u>	<u>66,300</u>
	<u>95,976</u>	<u>163,474</u>

This comprises of eight motor vehicle operating leases over two to five years with monthly repayments, and the operating lease of a photocopier over five years with monthly repayments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 14: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year Taylor Made Communications was paid \$1,580 for services, the company is owned by Stewart Taylor.

NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances have arisen since the end of the reporting year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations, or the state of affairs of the Co-operative in future financial years.

NOTE 16: AUDITORS REMUNERATION

	2014	2013
Audit of the financial statements	24,000	23,000
Consulting services	<u>5,400</u>	<u>5,230</u>
	<u>29,400</u>	<u>28,230</u>

NOTE 17: CO-OPERATIVE DETAILS

The registered office and principal place of business of the Co-operative is:

Dandenong & District Aborigines Co-operative Limited
62 Stud Road
DANDENONG VIC 3175

DIRECTORS' DECLARATION

The directors of the Dandenong & District Aborigines Co-operative Limited declare that:-


1. the financial statements and notes as set out on pages 6 to 21:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements, the Co-operatives National Law Application Act 2013 and the Australian Charities and Not-for profits Commission Act 2012; and
 - (b) give a true and fair view of the financial position as at 30 June 2014 and performance for the year ended on that date.
2. in the directors' opinion there are reasonable grounds to believe that the Co-operative will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director


Margaret Gardiner

Director


Lesley Gardener

Dated this 31th day of October 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

We have audited the accompanying financial report of Dandenong & District Aborigines Co-operative Limited, which comprises the balance sheet as at 30 June 2014 and the statement of 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 directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Co-operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, the *Co-operatives National Law Application Act 2013* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors 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 about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Division 60 Australian Charities and Not-for-profits Commission Act 2012*.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED
(Continued)**

Opinion

In our opinion, the financial report of Dandenong & District Aborigines Co-operative Limited is in accordance with the *Co-operatives National Law Application Act 2013* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Co-operative's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, the *Co-operatives National Law Application Act 2013* and the *Australian Charities and Not-for-profits Commission Regulation 2013*.



McLean Delmo Benthleys Audit Pty Ltd



Kevin P Adams
Director

Hawthorn
31st October 2014

