

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

ABN 34 256 073 685

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

ABN: 34 256 073 685

Directors Report

Your directors present their report on the Co-operative for the financial year ended 30 June 2016.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Directors	Date appointed	Date of cessation	Board Meetings	
			No. eligible to attend	No. attended
Patricia Ockwell			11	9
Daryl Walker			11	9
Margaret Gardiner			11	9
Elaine Taylor			11	11
Stewart Taylor			11	10
Douglas Smith		22 December 2015	5	5
Lynette Davey	6 December 2015		6	6
Jennifer Ockwell	19 January 2016		5	4

Shares

No new shares were issued during the year.

Review of Operations

The surplus of the Co-operative for the financial year after amounted to \$43,937.

Significant Changes in State of Affairs

No significant changes in the Co-operative's state of affairs occurred during the financial year.

Principal Activities

The principal activity of the Co-operative during the financial year 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.

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

Events Subsequent to the End of the Reporting Period

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.

Likely Developments and Expected Results of Operations

Developments that have been established to enhance the operations of the Co-operative in the future financial year are: the continuing development of the Bunorong 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 Primary Health Network (SEMPHN).

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.

Environmental Regulation

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.

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

ABN: 34 256 073 685

Directors Report (cont'd)

Options

No options over issued shares or interests in the Co-operative were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Dividends

No dividends have been paid or recommended during the year.

Information on Directors

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.

Patricia Ockwell

Elected 6 December 2015 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) and is currently Vice Chairperson. 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, the Melbourne Magistrates Adult and Children's Court and the Dandenong Children's Koori Court.

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 2 November 2014 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 more than 20 years at various times.

Daryl is currently on the committee 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 2 November 2014 for a two year-term.

Margaret was Chairperson until March 2016 and then re-elected as the Deputy 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 and being the premier Aboriginal organisation in our catchment.

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

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

ABN: 34 256 073 685

Directors Report (cont'd)

Information on Directors (cont'd)

Elaine Taylor

Re-elected 6 December 2015 for a two year term.

Elaine has been involved in Aboriginal Affairs for over 45 years, has worked at VALS and VACCA, served as a Board Member at VALS, VACCA and VAYSAR and was an elected ATSI Regional Councillor.

Elaine was one of the first members of the Co-operative and her Mother and Father were among the founding members. Elaine currently sits on the Koori Children's court at Dandenong and Melbourne and also at the Melbourne Magistrates Court.

Elaine's special interests and support are for her community's wellbeing in all the social determinants.

Stewart Taylor

Re-elected 2 November 2014 for a two-year term.

Stewart was elected Chairperson in March 2016 and has been an active member of the Dandenong & District Aborigines Co-operative Ltd for 30 years and has served on the Board at various times. Stewart's grandparents and mother were among the founding members of the organisation.

Stewart has completed his Certificate IV in Business Governance at Victoria University. Stewart is a proud Wemba Wemba man and is an active member of the community. He has been integral in participation of youth over the past 10 years in the annual Murray River Marathon. In the past Stewart has run his own business and is currently employed as the Aboriginal Community Liaison Officer with Victoria Police.

His special interests are Youth and Environment.

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 Business 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 jewelry workshops with community members.

Jennifer Ockwell

Elected 19 January 2016

Jennifer is a proud Aboriginal woman with experience in management and administration. Jennifer became a member of the Cooperative when she moved to Springvale in 1977. Jennifer has proudly maintained her connection to the Co-op since then. After working with Centrelink for 17 years (whilst raising her children) Jennifer decided to use her skills and expertise for her people and Aboriginal Health (Management and Administration) became her area of expertise. Whilst working with Centrelink Jennifer obtained many certificates, such as staff training certificates, recognising domestic violence, staff mediation, and since leaving Jennifer has obtained a Diploma of Practice Management.

Jennifer has also completed Financial Planning and Management courses. Jennifer has served several terms on the Board of DDACL, since being the youngest Director to be elected when aged 21. Jennifer is passionate about Aboriginal Health and dedicated to the sustainability and viability of this organisation and driving change which meets the evolving needs of the community. Jennifer is a Mother, Grandmother, Aunt and Cousin ...a Daughter and Niece....and Jennifer believe if we are not related through blood, we are related through identity, culture and respect.

Special Interests: Health, Administration and Children.

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

ABN: 34 256 073 685

Directors Report (cont'd)

Information on Directors (cont'd)

Lyn Davey

Elected 6 December 2015 for a two-year term.

Lyn had started her career in Taxation Department performing taxation duties in 1975 and as the career progressed she had joined the Melbourne University as an Administration officer in 1976. Lyn moved to New Zealand with her family and returned to Melbourne, Australia in 1983 after that she had resumed her work with Prahran C.E.S as a Clerical Assistance.

In her most recent role involving the Aboriginal community, Lyn was employed by Aboriginal Hostels Ltd as a Chef/Domestic at W.T Onus Hostel in Northcote. During that time she was trained as a Relief Manager. She was performing relief management for various hostels such as W.T Onus Hostel Northcote, Roy Harrison Hostel Dandenong, Lionel Rose Centre Morwell, & Harry Nanya Hostel in Mildura.

Lyn has been an active community member and her special interests are in Youth, Health 'Quit Smoking Program', and Stolen Generation Events.

Indemnification of Officers

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.

Proceedings on Behalf of the Co-operative

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.

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 in the financial report.

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



Stewart Taylor
Director




Margaret Gardiner
Director

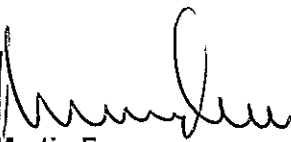
Dated this 2nd day of November 2016.

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 2016 there have been no contraventions of:

- (i) 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 Bentleys Audit Pty Ltd


Martin Fensome
Partner

Hawthorn
2 November 2016

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Grant revenue	2	3,293,066	3,121,338
Other income	2	401,377	448,408
Employee benefits expense		(2,149,444)	(2,018,520)
Depreciation expense	4	(114,363)	(96,874)
Motor vehicle expense		(149,370)	(150,964)
Maintenance expense		(63,650)	(82,067)
Special projects expense		(164,855)	(170,742)
Utilities expense		(202,571)	(174,581)
Professional services expense		(198,003)	(179,807)
Medical fees expense		(258,435)	(296,433)
Other expenses		(349,815)	(334,856)
Surplus	4	43,937	64,902
Other Comprehensive Income		-	-
Total Comprehensive Income		43,937	64,902

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 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	3,122,098	3,095,847
Trade and other receivables	6	<u>63,502</u>	<u>60,151</u>
TOTAL CURRENT ASSETS		<u>3,185,600</u>	<u>3,155,998</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	<u>3,169,806</u>	<u>3,203,714</u>
TOTAL NON-CURRENT ASSETS		<u>3,169,806</u>	<u>3,203,714</u>
TOTAL ASSETS		<u>6,355,406</u>	<u>6,359,712</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	860,622	1,004,679
Provisions	9	<u>311,524</u>	<u>254,107</u>
TOTAL CURRENT LIABILITIES		<u>1,172,146</u>	<u>1,258,786</u>
NON-CURRENT LIABILITIES			
Provisions	9	<u>68,010</u>	<u>29,613</u>
TOTAL NON-CURRENT LIABILITIES		<u>68,010</u>	<u>29,613</u>
TOTAL LIABILITIES		<u>1,240,156</u>	<u>1,288,399</u>
NET ASSETS		<u>5,115,250</u>	<u>5,071,313</u>
EQUITY			
Contributed equity		938	938
Reserves	10	3,158,078	3,158,078
Retained surplus		<u>1,956,234</u>	<u>1,912,297</u>
TOTAL EQUITY		<u>5,115,250</u>	<u>5,071,313</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 30 JUNE 2016

	Contributed Equity \$	Asset Revaluation \$	Reserves Capital Grants \$	Special Purpose \$	Retained Surplus \$	Total \$
Balance at 1 July 2014	930	54,755	3,084,418	18,905	1,847,395	5,006,403
Additional equity contributed	8	-	-	-	-	8
Surplus for the year	-	-	-	-	64,902	64,902
Balance at 30 June 2015	938	54,755	3,084,418	18,905	1,912,297	5,071,313
Surplus for the year	-	-	-	-	43,937	43,937
Balance at 30 June 2016	938	54,755	3,084,418	18,905	1,956,234	5,115,250

The accompanying notes form part of these financial statements

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Grants received	3	3,138,610	3,092,833
Receipts from customers		552,168	411,714
Interest received		314	322
Payments to suppliers and employees		(3,584,386)	(3,348,950)
Net cash provided by operating activities		<u>106,706</u>	<u>155,919</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(80,455)	(6,804)
Net cash used in investing activities		<u>(80,455)</u>	<u>(6,804)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	8
Net cash provided by financing activities		<u>-</u>	<u>8</u>
Net increase in cash held		26,251	149,123
Cash at beginning of financial year		3,095,847	2,946,724
Cash at the end of financial year	5	<u><u>3,122,098</u></u>	<u><u>3,095,847</u></u>

The accompanying notes form part of these financial statements

DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE LIMITED

ABN: 34 256 073 685

Notes to the Financial Statements

For the year ended 30 June 2016

1. Summary of Significant Accounting Policies

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.

The financial report was authorised for issue on 2nd November 2016 by the Board of Directors.

Basis of preparation

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 financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(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.

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.

Notes to the Financial Statements
For the year ended 30 June 2016

1. Summary of Significant Accounting Policies (cont'd)

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

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.

(c) Revenue

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 receivable.

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

(d) Cash and Cash Equivalents

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

Notes to the Financial Statements
For the year ended 30 June 2016

1. Summary of Significant Accounting Policies (cont'd)

(e) Financial Instruments

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. 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 recognised immediately as expenses in profit or loss. Subsequent to initial recognition these instruments are measured as set out below.

(i) 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 entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) 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.

(iii) Available-for-sale investments

Available-for-sale investments 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.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

(iv) Financial Liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately.

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 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 discharged or cancelled, or have expired. The difference between the carrying value of the financial liability, which is 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.

Notes to the Financial Statements
For the year ended 30 June 2016

1. Summary of Significant Accounting Policies (cont'd)

(f) Impairment of Assets

At the end of each reporting date, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

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

(g) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The company's obligations for long-term employee benefits are presented as:

- current liabilities where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.
- non-current liabilities where the company has an unconditional right to defer settlement. for at least 12 months after the end of the reporting period.

Notes to the Financial Statements
For the year ended 30 June 2016

1. Summary of Significant Accounting Policies (cont'd)

(h) 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 and 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.

(i) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Co-operative during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Comparative Figures

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

(l) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements 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.

Key Estimates - Impairments

The Co-operative assesses impairment at each reporting date by evaluating conditions specific to the Co-operative that may lead to impairment of assets.

No impairment has been recognised in respect of any assets for the year ended 30 June 2016.

(m) New and Amended Accounting Policies

The AASB has issued new, revised and amended Standards and Interpretations that have mandatory applicable dates for future reporting periods and which the Co-operative's has decided not to early adopt. Due to the nature of the Co-operative's activities, it does not expect them to have any material effect in the Co-operative's financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
NOTE 2: GRANT REVENUE AND OTHER INCOME		
Grant Revenue		
Grant monies - recurrent - Office for Aboriginal and Torres Strait Islander Health Service ("OATSIH/ IRHD")	914,460	777,972
Grant monies - recurrent - Department of Health & Human Services ("DH&HS")	1,165,598	1,103,521
Grant monies - Department of Health	409,992	792,530
Other grant monies	101,698	192,043
OATSIH/ IRHD - other grants	83,080	30,888
DHHS - other grants	618,238	224,384
	<u>3,293,066</u>	<u>3,121,338</u>
Other Income		
Medicare income	221,565	249,425
Rental income	127,734	143,040
Interest income	314	322
Sundry income	51,764	55,621
	<u>401,377</u>	<u>448,408</u>
Total Revenue	<u><u>3,694,443</u></u>	<u><u>3,569,746</u></u>

NOTE 3: GRANTS RECEIVED DURING THE YEAR

Grant monies - OATSIH/ IRHD	914,461	777,972
Grant monies - DH&HS	1,392,378	1,199,885
Grant monies - DET Best Start program	76,538	112,890
Department of Health	299,024	764,024
Department of Prime Minister & Cabinet	179,701	56,402
Department of Social Services	11,580	31,902
Other grant monies	264,930	149,758
	<u>3,138,610</u>	<u>3,092,833</u>

NOTE 4: SURPLUS

Surplus has been determined after:

Depreciation of property, plant and equipment - OATSIH/ IRHD	1,028	27,125
- Other	113,335	69,749
	<u>114,363</u>	<u>96,874</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash at bank	3,122,098	3,095,847
	<u>3,122,098</u>	<u>3,095,847</u>
NOTE 6: TRADE AND OTHER RECEIVABLES		
Sundry debtors	64,455	61,104
Less: provision for impairment	(953)	(953)
	<u>63,502</u>	<u>60,151</u>
NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
Freehold land at cost	1,284,000	1,284,000
Buildings at cost	2,707,681	2,707,620
Less: accumulated depreciation	(953,000)	(890,214)
	<u>1,754,681</u>	<u>1,817,406</u>
Plant and equipment at cost		
- OATSIH/ IRHD	401,997	331,126
- Other	195,690	186,107
	<u>597,687</u>	<u>517,233</u>
Less: accumulated depreciation		
- OATSIH/ IRHD	(313,257)	(278,236)
- Other	(153,305)	(146,459)
	<u>(466,562)</u>	<u>(424,695)</u>
	<u>131,125</u>	<u>92,538</u>
Motor vehicles at cost		
- OATSIH/ IRHD	31,680	31,680
- Other	180,985	180,985
	<u>212,665</u>	<u>212,665</u>
Less: accumulated depreciation		
- OATSIH/ IRHD	(31,680)	(31,680)
- Other	(180,985)	(171,215)
	<u>(212,665)</u>	<u>(202,895)</u>
	<u>-</u>	<u>9,770</u>
Total property, plant and equipment	<u>3,169,806</u>	<u>3,203,714</u>
NOTE 8: TRADE AND OTHER PAYABLES		
Trade creditors	20,279	22,625
Accrued expenses	96,901	93,114
Unexpended grants	743,442	888,940
	<u>860,622</u>	<u>1,004,679</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES (Cont'd)		
Unexpended grants comprise the following:		
Bringing Them Home - OATSIH/ IRHD/ PM&C	-	23,347
S&C Koori Young People	34,763	-
IT Upgrade - OATSIH/ IRHD	-	1,259
Bunurong Health Services - OATSIH/ IRHD	-	8,949
Semphn - CC HP & Education	17,900	-
HACC - DH&HS	50,809	52,888
Family Support - DH&HS	37,413	66,779
Mental health project - DH&HS	13,697	13,920
Mental health outreach - DH&HS	6,769	34,722
Koori maternity services - DH&HS	45,055	60,041
HR Project	5,612	-
AHPACC - DH&HS	-	658
Aboriginal Best Start - DET	-	48,043
Family violence - DH&HS	47,077	31,843
Housing Officer - DH&HS	20,783	14,857
ACCHO accreditation - DH&HS	9,855	5,136
Respite support group	1,026	1,026
Youth	-	2,926
Spirit Trax - School Focused Youth Service	4,255	4,255
Family services - AFLDM - DH&HS	1,946	3,524
Aboriginal Services - Capacity Building - DH&HS	3,705	981
Youth group activities	1,184	1,295
CGD Health Lifestyles Brokerage	10,000	10,000
Continuous Quality Improvement	55,417	-
Aboriginal Community Justice Panel - VALS	10,011	1,783
QUMAX - Pharmacy Guild Australia	21,573	20,231
Footy/ Netball Carnival	163	314
Victims Assist & Counselling - DOJ	5,293	6,000
L I N Youth - OAAV	-	1,000
Tackling Smoking & Healthy Lifestyles Workforce - DH&HS	15,959	372,901
Koolin Balit Mental Health	32,983	-
CTG Management Training - DH&HS	7,500	447
Young Tjaegan's Warriors - DOJ	-	1,644
VMA	-	446
Male Aboriginal Health Worker	25,695	80,000
CVD Project	110	682
Koori Health Champions	6,026	12,136
No Shame, Health & Culture	-	4,907
Safety & Wellbeing Project	26,310	-
Young Koori Stars	143,997	-
Naidoc	2,000	-
Personal Care Services	6,323	-
MH Carers Support	69,506	-
Best Start Project	2,727	-
	743,442	888,940

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2016

NOTE 8: TRADE AND OTHER PAYABLES (Cont'd)

Glossary of acronyms

OAAV	Office of 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
DH&HS	Department of Health & Human Services
DSS	Department of Social Services
DoHA	Department of Health and Ageing (formally IRHD)
DOJ	Department of Justice
ER	Emergency Relief
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
PIRS	Patient Information Recall System
VALS	Victorian Aboriginal Legal Service
IRHD	Indigenous & Rural Health Division
DET	Department of Education & Training
ACJP	Aboriginal Community Justice Panel

	2016	2015
	\$	\$
NOTE 9: PROVISIONS		
Current		
Provision for annual leave	210,387	170,935
Provision for long service leave	101,137	83,172
	<u>311,524</u>	<u>254,107</u>
Non Current		
Provision for long service leave	68,010	29,613
	<u>68,010</u>	<u>29,613</u>
Total provisions	<u>379,534</u>	<u>283,720</u>

	Employee Benefits \$
Movements in provisions	
Opening balance	283,720
Additional provision	215,160
Amounts utilised	<u>(119,346)</u>
Closing balance	<u>379,534</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

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.

NOTE 11 FINANCIAL RISK MANAGEMENT

The Co-operative's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and leases. The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2016	2015
	\$	\$
Financial Assets		
Cash and cash equivalents	3,122,098	3,095,847
Loans and receivables	63,502	60,151
Total financial assets	<u>3,185,600</u>	<u>3,155,998</u>
Financial Liabilities		
Financial liabilities at amortised cost:		
- Trade and other payables	860,622	1,004,679
Total financial liabilities	<u>860,622</u>	<u>1,004,679</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 12: KEY MANAGEMENT PERSONNEL COMPENSATION		
Key management personal compensation	330,377	283,492

The directors do not receive any remuneration for attending meetings.

NOTE 13: OPERATING LEASE COMMITMENTS

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable

Not later than 12 months

Between 12 months and 5 years

76,012	84,553
89,114	80,730
<u>165,126</u>	<u>165,283</u>

This comprises of 10 (2015: 12) motor vehicle operating leases over one to five years with monthly repayments and the operating lease of a photocopier over five years with monthly repayments.

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.

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

Audit of the financial statements

Consulting services

24,000	24,000
900	5,981
<u>24,900</u>	<u>29,981</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

In accordance with a resolution of the directors of Dandenong & District Aborigines Co-operative Limited, the directors of the Co-operative declare that:

1. The financial statements and notes, as set out:
 - 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 of the Co-operative as at 30 June 2016 and of its 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.

Stewart Taylor
Director



Margaret Gardiner
Director

Dated this 2nd day of November 2016.

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 2016 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 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*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of Dandenong & District Aborigines Co-operative Limited, would be in the same terms if given to the directors as at the time of this auditor's report.


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 Division 60 of 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 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.


McLean Delmo Bentleys Audit Pty Ltd


Martin Fensome
Partner

Hawthorn
2 November 2016