

# **Dandenong & District Aborigines Co-operative Limited**

**ABN : 34 256 073 685**

**Financial Report For The Year Ended  
30 June 2018**

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## **Financial Report For The Year Ended 30 June 2018**

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## DIRECTORS' REPORT

The directors present their report together with the financial statements of Dandenong & District Aborigines Co-operative Limited ("the Co-operative") for the year ended 30 June 2018 and the independent audit report thereon.

### Directors' details

The following persons were directors of the Co-operative during or since the end of the financial year.

	Board Meetings	
	Number eligible to attend	Number attended
Patricia Ockwell	11	10
Chris Walker (appointed 21/01/2018)	6	6
Daryl Walker (resigned 21/01/2018)	5	2
Margaret Gardiner	11	11
Elaine Taylor	11	9
Stewart Taylor	11	9
Lynette Davey	11	5
Daniel Walker	11	3

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Patricia Ockwell

Elected 6 December 2015 for a three year term.

Patricia has been a member of the Co-operative since 1977, has served on the Board for many years. Patricia has been involved in Aboriginal affairs for approximately 41 years and is a former Chairperson of the Co-operative. Patricia has been involved with Aboriginal Housing Victoria for 31 years. Patricia is a senior elder of the Wurundjeri Tribal Council and is a Life Member.

Patricia is also a Director of the Aboriginal Community Elders Services (ACES) and is currently Vice Chairperson. 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.

### Chris Walker

Appointed 21/01/2018 for a one year term.

Chris holds a Bachelor of Education (Personal development, Health & Physical Education). He was on the Governing Committee for the Yorta Yorta Nation from 1999 - 2004 and has been a member of the Co-operative since its inception. Chris's main interests are community development, music and business development.

## **DIRECTORS' REPORT CONTINUED**

### **Directors' details continued**

#### **Daryl Walker**

Re-elected 22 January 2017 for a three year term.

Resigned 21/01/2018

Daryl operated his own business for 26 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 and has served as a Director for 21 years.

Daryl is currently on the committee of the Larnangurag Aborigines Association (NSW). Daryl has completed his Certificate IV In Governance Training.

Daryl is currently on the committee of the Larnangurag Aborigines Association (NSW). Daryl has completed his Certificate IV In Governance Training.

#### **Margaret Gardiner**

Re-elected 2 November 2014 for a three 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 31 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.

#### **Elaine Taylor**

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

Elaine has been involved In Aboriginal Affairs for over 46 years, has worked at VALS and VACCA, served as a Board Member at VALS, VACCA and VAYSAR and was an elected ATSIC 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.

#### **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.

There have been no significant changes in the nature of these activities during the year.

## DIRECTORS' REPORT CONTINUED

### Strategies

Strategies 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 Primary Health Network (SEMPHN).

The Chief Executive Officer continues to represent the Co-operative and community at various 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.

### 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.

### Indemnification of Officers

During the financial year, the Co-operative paid a premium in respect of a contract insuring the directors of the Co-operative and all executive officers of the Co-operative against a liability incurred as such a director or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the cover and the amount of the premium.

The Co-operative has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Co-operative or of any related body corporate against a liability incurred as such officer or auditor.

### Proceedings on Behalf of the Co-operative

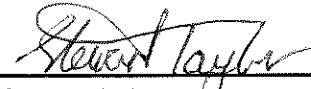
No person has applied for leave of court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

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 s.60-40 of the *Australian Charities and Not for-profits Commission Act 2012* is included in page 4 of this financial report and forms part of the Directors' Report.

Signed in accordance with a resolution of the directors.

Director:   
Date: 23rd October 2018  
Stewart Taylor

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

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Dandenong & District Co-operative Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

- i. No contraventions of the auditor independence requirements of the 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit

Ryecrofts



Terrence Vail  
Director

Dated: 23<sup>rd</sup> October 2018

## Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Grant revenue	4	3,988,218	3,508,620
Other income	4	527,769	498,047
Employee benefits expense		(2,392,534)	(2,307,123)
Depreciation expense		(122,526)	(119,176)
Motor vehicle expense		(180,948)	(151,128)
Maintenance expense		(106,746)	(74,210)
Special projects expense		(187,156)	(152,791)
Utilities expense		(269,271)	(276,709)
Professional services expense		(77,616)	(159,897)
Medical fees expense		(320,956)	(297,601)
Other expenses		(789,569)	(426,993)
<b>Surplus for the year before tax</b>		<b>68,665</b>	<b>41,039</b>
Income tax expense	3.2	-	-
<b>Surplus for the year</b>		<b>68,665</b>	<b>41,039</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>68,665</b>	<b>41,039</b>

*The accompanying notes form part of these financial statements*

## Statement of Financial Position as at 30 June 2018

	Note	2018 \$	2017 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	3,925,733	3,239,468
Trade and other receivables	7	72,237	115,942
<b>Total Current Assets</b>		<b>3,997,970</b>	<b>3,355,410</b>
<b>Non-Current Assets</b>			
Plant and equipment	8	3,108,885	3,155,760
<b>Total Non-Current Assets</b>		<b>3,108,885</b>	<b>3,155,760</b>
<b>Total Assets</b>		<b>7,106,855</b>	<b>6,511,170</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	9(a)	1,531,722	1,058,631
Provisions	10	270,649	228,786
<b>Total Current Liabilities</b>		<b>1,802,371</b>	<b>1,287,417</b>
<b>Non-Current Liabilities</b>			
Provisions	10	79,530	67,464
<b>Total Non-Current Liabilities</b>		<b>79,530</b>	<b>67,464</b>
<b>Total Liabilities</b>		<b>1,881,901</b>	<b>1,354,881</b>
<b>Net Assets</b>		<b>5,224,954</b>	<b>5,156,289</b>
<b>Equity</b>			
Contributed equity		938	938
Reserves	11	3,158,078	3,158,078
Retained surplus		2,065,938	1,997,273
<b>Total Equity</b>		<b>5,224,954</b>	<b>5,156,289</b>

*The accompanying notes form part of these financial statements*



## Statement of Changes in Equity for the year ended 30 June 2018

	Asset Revaluation	Capital Grants	Special Purpose	Contributed Equity	Retained Surplus	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	54,755	3,084,418	18,905	938	1,956,234	5,115,250
Net surplus for the year	-	-	-	-	41,039	41,039
Other comprehensive income for the year	-	-	-	-	-	-
<b>Balance at 30 June 2017</b>	<b>54,755</b>	<b>3,084,418</b>	<b>18,905</b>	<b>938</b>	<b>1,997,273</b>	<b>5,156,289</b>
Balance at 1 July 2017	54,755	3,084,418	18,905	938	1,997,273	5,156,289
Net surplus for the year	-	-	-	-	68,665	68,665
Other comprehensive income for the year	-	-	-	-	-	-
<b>Balance at 30 June 2018</b>	<b>2,065,938</b>	<b>2,065,938</b>	<b>2,065,938</b>	<b>2,065,938</b>	<b>2,065,938</b>	<b>2,065,938</b>

*The accompanying notes form part of these financial statements*

**Statement of Cash Flows  
 for the year ended 30 June 2018**

	Note	2018 \$	2017 \$
<b>Cash Flows from Operating Activities</b>			
Grants received		3,495,530	3,233,975
Receipts from customers		571,138	719,916
Interest received		336	339
Payments to suppliers and employees		(3,305,088)	(3,731,728)
Net cash generated by operating activities	14	761,916	222,502
<b>Cash Flows from Investing Activities</b>			
Payments for property, plant and equipment		(75,651)	(105,132)
Net cash used in investing activities		(75,651)	(105,132)
<b>Net Increase in Cash and Cash Equivalents</b>		686,265	117,370
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>		3,239,468	3,122,098
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	6	3,925,733	3,239,468

*The accompanying notes form part of these financial statements*

## NOTES TO THE FINANCIAL STATEMENTS

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## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The financial report includes the financial statements and notes of Dandenong & District Aborigines Co-Operative Limited ("the Co-operative").

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for profits Commission Act 2012*. Dandenong & District Aborigines Co-Operative Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 30 June 2018 were approved and authorised for issue by the Board of Directors on the 23rd October 2018.

### NOTE 2 CHANGES IN ACCOUNTING POLICIES

#### 2.1 New and revised standards that are effective for these financial statements

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2017. Information on the more significant standard(s) is presented below.

#### **AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107**

AASB 2016-2 amends AASB 107 Statement of Cash Flows to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

AASB 2016-2 is applicable to annual reporting periods beginning on or after 1 January 2017.

#### **AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash Generating Specialised Assets of Not-for-Profit Entities**

This Standard amends AASB 136 Impairment of Assets to:

- remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and
- clarify that the recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that:

\* AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets; and

\* AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138

\* AASB 2016-4 is applicable to annual reporting periods beginning on or after 1 January 2017.

The adoption of these standards has not had a material impact on the Co-operative.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3 SUMMARY OF ACCOUNTING POLICIES

#### 3.1 Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarised below.

The financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

#### 3.2 Income tax

No provision for income tax has been raised as the Co-operative is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### 3.3 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.

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 Co-operative 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.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3 SUMMARY OF ACCOUNTING POLICIES (continued)

#### 3.3 Property, Plant and Equipment continued

##### 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:

<u>Class of fixed asset</u>	<u>Depreciation rate</u>
Buildings	2.50%
Plant and equipment	7.5% to 40%
Motor vehicles	20% to 25%
Leasehold improvements	33.33%

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.

#### 3.4 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.

#### 3.5 Cash and cash equivalents

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

#### 3.6 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.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3 SUMMARY OF ACCOUNTING POLICIES (continued)

#### 3.6 Financial instruments continued

(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) Financial assets and 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.

(iii) 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.

(iv) 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.

#### 3.7 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.

#### 3.8 Employee benefits

Short-term employee benefits

Provision is made for the entity'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 entity'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.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3 SUMMARY OF ACCOUNTING POLICIES (continued)

#### 3.8 Employee benefits continued

Long-term employee benefits

The entity classifies employees' long service leave as long term employee benefits where they are not expected to be settled wholly within 12 months after the end of the annual reporting period. Provision is made for the entity'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 entity's obligations for long-term employee benefits are presented as:

- current liabilities where the entity 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 entity has an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

#### 3.9 Goods and services tax

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.

#### 3.10 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.

#### 3.11 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.

#### 3.12 Comparative figures

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



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3 SUMMARY OF ACCOUNTING POLICIES (continued)

#### 3.13 Critical accounting estimates and judgments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Co-operative.

#### 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 2018.

### NOTE 4 GRANT REVENUE AND OTHER INCOME

	2018	2017
	\$	\$
<b>Grant Revenue</b>		
Grant monies recurrent - Office for Aboriginal and Torres Strait Islander Health Service ("OATSHI/IRHD")	1,066,007	1,124,869
Grant monies - recurrent - Department of Health & Human Services ("DH&HS")	876,234	995,650
Grant monies - Department of Health	523,372	510,907
Other grant monies	1,323,614	513,321
OATSHI/IRHD - other grants	-	94,470
DHHS - other grants	198,991	269,403
<b>Total Grant Revenue</b>	<b>3,988,218</b>	<b>3,508,620</b>
<b>Other Income</b>		
Medicare income	267,622	270,907
Rental income	147,479	134,255
Interest income	366	339
Sundry income	112,302	92,546
<b>Total Other Income</b>	<b>527,769</b>	<b>498,047</b>
<b>Total Grant Revenue and Other Income</b>	<b>4,515,987</b>	<b>4,006,667</b>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 5 GRANTS RECEIVED DURING THE YEAR

	2018	2017
	\$	\$
Grant monies - OATSIH/IRHD	1,190,202	1,140,255
Grant monies - DH&HS	1,341,007	1,323,554
Grant monies - DET Best Start Program	79,366	117,454
Department of Health	622,276	518,524
Department of Prime Minister & Cabinet	10,192	61,150
Department of Social Services	-	-
Other grant monies	252,487	73,038
<b>Total grant monies received</b>	<b>3,495,530</b>	<b>3,233,975</b>

### NOTE 6 CASH AND CASH EQUIVALENTS

	2018	2017
	\$	\$
<b>Current</b>		
Cash on hand	350	100
Cash at bank	3,925,383	3,239,368
	<b>3,925,733</b>	<b>3,239,468</b>

### NOTE 7 TRADE AND OTHER RECEIVABLES

	2018	2017
	\$	\$
<b>Current</b>		
Trade debtors	73,190	116,895
<i>less doubtful debts provision</i>	<i>(953)</i>	<i>(953)</i>
<b>Total current trade and other receivables</b>	<b>72,237</b>	<b>115,942</b>
<b>Total trade and other receivables</b>	<b>72,237</b>	<b>115,942</b>

The company has assessed the recoverability of amounts receivable and has provided adequately for potential impairment of receivables. There is no material credit risk exposure to any single receivable or group of receivables.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 8 PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings	Plant & Equipment OATSIH/IRHD	Plant & Equipment Other	Motor Vehicles OATSIH/IRHD	Motor Vehicles Other	Leasehold Improvements	TOTAL
	\$	\$	\$	\$			\$	\$
<b>Gross Carrying Amount</b>								
<b>Balance at 1 July 2017</b>	1,284,000	2,707,681	405,168	234,644	61,938	180,985	32,749	4,907,165
Additions	-	-	14,830	32,782	28,039	-	-	75,651
Disposals	-	(3,799)	(9,714)	(16,072)	(35,407)	-	-	(64,992)
<b>Balance at 30 June 2018</b>	1,284,000	2,703,882	410,284	251,354	54,570	180,985	32,749	4,917,824
<b>Accumulated Depreciation</b>								
<b>Balance at 1 July 2017</b>	-	1,019,079	340,829	171,592	35,210	180,985	3,710	1,751,405
Depreciation expense	-	65,754	18,810	19,444	7,603	-	10,915	122,526
Eliminated on disposal of assets	-	(3,799)	(9,714)	(16,072)	(35,407)	-	-	(64,992)
<b>Balance at 30 June 2018</b>	-	1,081,034	349,925	174,964	7,406	180,985	14,625	1,808,939
<b>Net Book Value</b>								
<b>As at 1 July 2017</b>	1,284,000	1,688,602	64,339	63,052	26,728	-	29,039	3,155,760
<b>As at 30 June 2018</b>	1,284,000	1,622,848	60,359	76,390	47,164	-	18,124	3,108,885
<b>Gross Carrying Amount</b>								
<b>Balance at 1 July 2016</b>	1,284,000	2,707,681	401,997	195,690	31,680	180,985	-	4,802,033
Additions	-	-	3,171	38,954	30,258	-	32,749	105,132
Disposals	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2017</b>	1,284,000	2,707,681	405,168	234,644	61,938	180,985	32,749	4,907,165
<b>Accumulated Depreciation</b>								
<b>Balance at 1 July 2016</b>	-	953,000	313,257	153,305	31,680	180,985	-	1,632,227
Depreciation expense	-	66,079	27,572	18,287	3,530	-	3,710	119,178
Eliminated on disposal of assets	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2017</b>	-	1,019,079	340,829	171,592	35,210	180,985	3,710	1,751,405
<b>Net Book Value</b>								
<b>As at 1 July 2016</b>	1,284,000	1,754,681	88,740	42,385	-	-	-	3,169,806
<b>As at 30 June 2017</b>	1,284,000	1,688,602	64,339	63,052	26,728	-	29,039	3,155,760

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 9 TRADE AND OTHER PAYABLES

#### (a) Current Trade and Other Payables

	Notes	2018 \$	2017 \$
<b>Current</b>			
Trade payables		293,164	158,960
Accrued expenses		176,060	87,257
Unexpended grants	9(b)	1,062,498	812,414
		<b>1,531,722</b>	<b>1,058,631</b>

#### (b) Unexpended Grants

Unexpended grants comprise the following:

P.I.R.S. - OATSIH		25,444	-
Tackling Smoking & Healthy Lifest		49,402	-
HR Project		-	5,613
ACCHO Accreditation		1,056	9,855
Housing Officer		-	36,814
Mental Health Outreach - DHS		58,374	4,160
Bunurong Health Serv - OATSIH		58,727	-
Mental Health Devel Off OATSIH		47,288	-
Other		63,540	73,424
Family Services - DHS		99,571	83,306
HACC - DHS		82,279	35,551
Maternity Services - DHS		105,453	104,889
DHS Miscellaneous projects		226,352	41,120
Respite Support Group		-	1,026
Integrated Team Care		43,833	-
Family Violence		70,217	63,512
Mental Health Project		7,095	7,095
Family Services - AFLDM Conv		1,930	1,930
Aborig Servs-Capacity Building		4,262	
Aboriginal Comm Justice Panel		13,867	14,077
Victims Assist & Counselling		5,293	5,293
QUMAX - Pharmacy Guild of Australia		35,949	37,433
Footy/Netball Carnival		-	-
S&C Koori Young People - C4C		-	18,724
Prime Minister & Cabinet		-	177,228
AHPACC		23,472	14,715
Best Start Project		-	23,345
Special Projects - Other		39,094	53,304
	9(a)	<b>1,062,498</b>	<b>812,414</b>

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 9 TRADE AND OTHER PAYABLES (continued)

#### 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
DOJ	Department of Justice
ER	Emergency Relief
FaHCSIA	Department of Family and Community Services and Indigenous Affairs
HACC	Home and Community Care
ICACC	Inter Council Aboriginal Consultative Committee
NNC	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
VALS	Victorian Aboriginal Legal Service
IRHD	Indigenous & Rural Health Division
DET	Department of Education & Training
ACJP	Aboriginal Community Justice Panel

### NOTE 10 PROVISIONS

	2018	2017
	\$	\$
<b>Current</b>		
Annual leave provision	179,740	144,902
Long service leave provision	90,909	83,884
	270,649	228,786
<b>Non-Current</b>		
Long service leave provision	79,530	67,464
	79,530	67,464
	350,179	296,250

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11 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 12 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:

	2018	2017
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents	3,925,733	3,239,468
Receivables	72,237	115,942
<b>Total financial assets</b>	<b>3,997,970</b>	<b>3,355,410</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost		
Trade and other payables	469,224	246,217
<b>Total financial liabilities</b>	<b>469,224</b>	<b>246,217</b>

### NOTE 13 KEY MANAGEMENT PERSONNEL COMPENSATION

The aggregate compensation paid to key management personnel of the company is set out below.

	2018	2017
	\$	\$
Short-term employee benefits <sup>1</sup>	375,576	424,493
Post-employment benefits <sup>2</sup>	32,093	48,773
	<b>407,669</b>	<b>473,266</b>

<sup>1</sup> Includes payments to directors for their services.

<sup>2</sup> Comprises payments to contributory superannuation funds.

The directors do not receive any remuneration for attendance at meetings.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 14 CASH FLOW INFORMATION

Reconciliation of cash flow from operations with surplus after income tax

	2018	2017
	\$	\$
Surplus after income tax	68,665	41,039
Non-cash flows in profit		
Depreciation	122,526	119,176
Changes in assets and liabilities		
(Increase)/decrease in accounts receivable and other debtors	43,705	(52,440)
Increase/(decrease) in trade creditors	223,007	129,039
Increase/(decrease) in unexpended grants	250,084	68,972
Increase/(decrease) in provisions	53,929	(83,284)
Net cash provided by operating activities	761,916	222,502

### NOTE 15 OPERATING LEASE COMMITMENTS

The company has operating leases relating to office facilities, office equipment and motor vehicles.

The office facilities lease for Factory 22, 87-89 Hallam South Road, Hallam, Victoria, 3803, is for an initial term of three years which expires on 1 February 2020. Thereafter there is an option for the company to extend the lease for a further period of three years. The current rent is \$65,175 per annum with an agreed rental increase of 3.75% on each anniversary of commencement.

The office equipment lease is for a fixed term of three years with no options to extend or to purchase the leased asset at the expiry of the lease period.

The motor vehicle leases range for a periods of one to five years with monthly payments made.

#### Non-Cancellable Operating Lease Commitments

	2018	2017
	\$	\$
Not longer than 1 year	184,912	147,928
Longer than 1 year and not longer than 5 years	167,955	233,172
Greater than 5 years	-	-
	352,867	381,100

### NOTE 16 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.

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 17 EVENTS AFTER THE REPORTING 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 18 AUDITOR'S REMUNERATION

	2018	2017
	\$	\$
Audit of the financial statements	11,800	24,000
Other assurance services	-	-
Consulting services	600	900
	12,400	24,900

### NOTE 19 CO-OPERATIVE DETAILS

The registered office and principal place of business of the Co-operative is 62 Stud Road, Dandenong , Victoria, 3175.



## DIRECTORS' DECLARATION

In the opinion of the Directors of Dandenong & District Aborigines Co-operative Limited:


a. The financial statements and notes of Dandenong & District Aborigines Co-operative Limited are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of its financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and

Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and

b. There are reasonable grounds to believe that Dandenong & District Aborigines Co-operative Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



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Director (Stewart Taylor)

Dated the 23rd of October 2018

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF THE DANDENONG & DISTRICT ABORIGINES CO-OPERATIVE  
LIMITED**

**Opinion**

We have audited the financial report of The Dandenong & District Aborigines Co-operative Limited ("the Co-operative") which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Co-operative 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 registered entity's financial position as at 30 June 2018 and of its financial performance and cash flows for the year ended on that date; and
- ii. complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Co-operative in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to those charged with governance, would be in the same terms if given as at the time of this auditor's report.

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

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the Co-operative's financial report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors 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 and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Co-operative to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the Co-operative or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report

A further description of our responsibilities for the audit of the financial report is included in Appendix A of this auditor's report. This description, which is located directly after the audit report, forms part of our auditor's report.

**RYECROFTS PTY LTD**



Terry Vail  
Director  
Registered Company Auditor - 305706  
Dated this 23<sup>rd</sup> day of October 2018

## **Appendix A: Auditor's Responsibilities for the Audit of the Financial Report**

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.