It's about you. Always!

Communities@Work

creating better futures

Financial Statements 2013-14

WHERE THE MONEY COMES FROM

71% FEES & LEVIES 25% GRANTS 4% OTHER

70% CHILDREN'S SERVICES
17% SPECIAL PROGRAM AREAS
8% SENIORS
3% DISABILITY & MENTAL HEALTH
2% SOCIAL PROGRAMS

Contents

Communities@Work
ABN 19 125 799 859

Directors' Report

For the Year ended 30 June 2014

Your directors present their report on the company for the financial year ended 30 June 2014.

Directors

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

Names	Position
Archie Tsirimokos	Director, Chairman
John Nicholl	Director, Vice Chair
Gail Kinsella	Director, Treasurer
Lynne Harwood	Director, Company Secretary/CEO
John Runko	Director
Clifton White	Director
Michael Sullivan	Director
Caron Egle	Director
Annette Ellis	Director (Resigned 27/11/2013)
Ayesha Razzaq	Director (appointed 26/02/2014)
Eoghan O'Byrne	Director (appointed 26/03/2014)

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

Principal activities

Communities@Work provides a broad suite of quality community programs of social value and practical benefit.

Established and developed in Canberra, we are a local organisation that understands local needs. Our innovative and progressive culture seeks to respond to changing community needs in a thoughtful and constructive manner.

Delivering over 100 programs from 40 locations, we provide families with a range of reliable child care options and offer specialised programs to help people in need. Each year, we deliver services to more than 20,000 people from birth to senior years.

Our vision is for a resilient and socially inclusive community that cares for the well-being of all. We contribute positively to the health and vitality of our community by:

- providing a safe, stimulating environment for the nurture and education of young people
- helping vulnerable and at-risk youth overcome challenges and realise their full potential
- providing support to families and individuals experiencing difficulties or hardship
- assisting the frail aged and people with disabilities to lead independent and fruitful lives
- enhancing the social inclusion of people disconnected from the community
- managing community facilities and providing a range of recreational and social activities
- offering nationally accredited training and professional learning for children's services staff
- providing a diverse range of rewarding employment and volunteering opportunities.

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Directors'

For the Year ended 30 June

There were no significant changes in the nature of these activities which occurred during the year; however in line with our strategic direction in terms of viability and sustainability Communities@Work ceased to provide Out of Home Care services including the associated Transport and Supervision Services in December 2013.

In 2013-14 Communities@Work took the strategic decision to invest significantly in its internal processes, systems and staff.

During the year there was

- significant work undertaken to integrate the operations and service delivery of Gungahlin Regional Community Services (GRCS) and Communities@Work following a merger in July 2013, and subsequent restructuring;
- work to restructure the internal operations of the Organisation, consolidating skills and activities that crossed over various departments, which resulted in reducing staff numbers; and
- preparation for the implementation of the National Disability Insurance Scheme(NDIS) and consumer directed care.

During 2014-15 Communities@Work will continue its preparations and implementation of NDIS and consumer directed care.

Apart from this, there are no other matters or circumstances that have arisen since the end of the financial year which significantly affect, or may significantly affect the operation of the company in the future financial years.

Strategic themes

The company's objectives, strategies and indicators of success are:

Quality Improvement

We will continually improve our practices, systems, processes and infrastructure to enable our people to deliver services of the highest calibre.

Strategies:

- Ensure that our vision, mission and values underpin everything we do.
- Develop a quality assurance framework to drive improvements in service delivery.
- Undertake benchmarking activities to identify best practice procedures.
- Utilise information and communications technology to maximise the efficiency and effectiveness of our services.

Indicators of success:

- All Communities@Work staff and volunteers align with and understand our vision, mission and values and they are ingrained within our culture.
- Implementation of a robust, accredited quality assurance framework, which documents lessons learned and defines how these will be adapted to improve outcomes.

- Benchmarking information is available for all our programs.
- Annual analysis of technologies and systems lead to implementation of agreed improvements.

Relationships

Our relationships with all clients and stakeholders will be respectful, proactive and mutually beneficial, characterised by effective and regular communication.

Strategies:

- Always deliver on commitments and undertakings, having the best interests of our clients and stakeholders in mind.
- Ensure that conditions of employment are conducive to attracting high quality staff – to be an "Employer of Choice".
- Actively seek collaborations and linkages with complementary community partners.
- Actively seek alliances with corporate partners who share our values and aspirations.

Indicators of success:

- Client satisfaction as measured by client satisfaction survey.
- Capacity to attract partners and achieve improved outcomes through constructive collaboration.
- Ability to attract and retain quality staff and volunteers, as measured by staff/volunteer turnover rates and satisfaction surveys as well as performance development outcomes.
- Growth in value of donations, in-kind support, sponsorships and number of volunteers.

Growth and innovation

We will embrace innovative practices to pursue new opportunities that complement and enhance all our services.

Strategies:

- Adopt innovative and best-practice approaches to growth and development that respond to unmet community needs.
- Employ a systematic approach to research and development, ensuring relevance and sustainability.
- Diversify service delivery models, including the application of social venture, partnership, sponsorship and fee-for-service models as appropriate.
- Explore and develop the potential of our geographic reach within the ACT, regional NSW and beyond.

Indicators of success:

- Objectives of new initiatives are realised.
- Growth in demand for existing services.
- Growth of programs using diversified service models.
- Growth in the geographic reach of our programs.

Sustainability

We will ensure that Communities@Work places a strong emphasis on viability and sustainability

Strategies:

- Our viability and sustainability will be based on detailed planning, including business case assessments and project management disciplines.
- 'Triple bottom line' reporting will be adopted to ensure that the economic, environmental and social impacts of programs are assessed.
- Risk management concepts and practices will be used to aid decision making and address management challenges.
- We will develop and implement a comprehensive environmental enhancement program to optimise sustainability outcomes.

Indicators of success:

- New initiatives and projects are viable and sustainable.
- All projects and initiatives are based on a positive 'triple bottom line' outcome.
- All identified risks are mitigated to acceptable levels.
- A whole-of-organisation approach to environmental issues.

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Directors'

For the Year ended 30 June

Information on directors

Archie Tsirimokos

Archie Tsirimokos has been on the Board of Communities@Work since 2007 and was elected Chair of Communities@Work on 28 September 2010. He is the managing partner of Meyer Vandenberg Lawyers, which is the largest independent law firm in the Australian Capital Territory.

Archie graduated from the Australian National University with Bachelors of Economics and Laws (with honours) and was admitted to legal practice in 1986. He is an experienced commercial lawyer and has wide experience in the negotiation and delivery of complex commercial projects, the negotiation of financing and security arrangements and in large property developments.

John Nicholl

John Nicholl joined the Communities@Work Board in 2010 as part of the amalgamation with Galilee. John trained initially as an accountant before switching to law in 1992. In 1997 he founded Nicholl & Co a general law practice in the city. He practices mainly in areas of Commercial and Negligence litigation and Family Law.

Gail Kinsella

Gail Kinsella joined the Communities@Work Board of Directors in 2010 as part of the amalgamation with Galilee, and in June 2011 was elected as Treasurer. Gail is the principal of Kinsella Chartered Accountants, a Fellow of the Institute of Chartered Accountants (ICAA), a Fellow of the Taxation Institute of Australia and a member of Financial Services Institute of Australia. Gail is a Commissioner on the Legal Aid ACT Board, a member of the ICAA's Public Practice Advisory Committee and a member of Rotary Club of Brindabella.

Lynne Harwood

Lynne Harwood is Chief Executive Officer of Communities@Work, one of the largest community service organisations in the ACT. With extensive experience in the not-for-profit sector, Lynne was previously CEO of Galilee Inc, an organisation supporting disadvantaged children and youth, and CEO of Home Help Services ACT Inc, which provided in-home support to 3,500 elderly and disabled clients.

Lynne has a Bachelor of Commerce Degree and is a Certified Practising Accountant. In her early career, she worked as a taxation and business services accountant for several accounting firms - in three different states - over a fourteen year period.

Lynne has strong skills in strategic leadership, organisational capability and business acumen. In particular, she understands the importance of striking a balance between business fundamentals and empathy in ensuring the success of not-for-profit endeavours.

John Runko

John Runko joined the Communities@Work Board in 2010 as part of the amalgamation with Galilee. John is CEO of Independent Property Group and has been involved in most facets of the property industry in Canberra over the last 25 years. John brings a wealth of business experience to the Board, he is a strong advocate for the community sector and is keen to contribute back to the Canberra community that he is so proud to be a part of.

Information on directors continued

Clinton White	Clinton White has served on the Communities@Work Board since 2007. Clinton has a background in business, accounting, administration and management in both the public and private sectors and has an active involvement in the arts and community sectors. Clinton has a Bachelor of Arts (Accounting) and is a Certified Practising Accountant. In 2003, Clinton was awarded the Centenary Medal for his work with Australian Business Limited and his volunteer work with ArtSound FM community radio.
Michael Sullivan	Mike Sullivan joined the Communities@Work Board in 2009. Mike has had a thirty year career in the Commonwealth, ACT Government, NSW Local Government and the private sector. Most positions have involved engineering and building construction and facilities management. Mike has a Bachelor of Civil Engineering from the University of Sydney.
Caron Egle	Caron Egle joined the Communities@Work board in 2011. Caron brings to her role nearly 30 years' experience across the public, private, not-for-profit and tertiary sectors as an educator, coach, facilitator and consultant. Caron is the Managing Director of SAGE Thinking, a leadership development company. Caron specialises vertical leadership development, the neuroscience of learning, thinking and optimising performance, and facilitating change and innovation across small and medium organisations. Caron is also a published author and is currently undertaking her Doctor of Education through Queensland University of Technology.
Ayesha Razzaq	Ayesha Razzaq joined the Communities@Work board in 2014. Ayesha brings a wealth of commercial knowledge and expertise obtained through her career in the retail energy industry, leading a dynamic business through a time of significant industry change. Ayesha holds a Bachelor of Engineering degree (honours) and has a passion for the community sector, also sitting on the Board of Lifeline Canberra.
Eoghan O'Byrne	Eoghan O'Byrne joined the Communities@Work board in 2014. Eoghan has worked in the broadcasting industry for the past 20 years and has served as the General Manager of Canberra FM Radio for the past 10 years. Eoghan is involved with a number of charities within the ACT and has assisted with raising funds for Camp Quality. He also served as a board member of Camp Quality. Currently Eoghan is board member for Snowy Hydro Southcare and assists the committee for Ronald McDonald House Charity Canberra.

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Directors'

For the Year ended 30 June

Meetings of directors

During the financial year, 12 meetings of directors were held including 2 electronic meetings. Attendances by each director during the year were as follows:

	Directors' meetings	
	Number eligible to attend	Number attended
Archie Tsirimokos	12	12
John Nicholl	12	7
Gail Kinsella	12	11
Lynne Harwood	12	11
John Runko	12	10
Clinton White	12	9
Mike Sullivan	12	10
Caron Egle	12	11
Ayesha Razzaq	5	4
Eoghan O'Byrne	4	4
Annette Ellis	5	5

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on the following page of this financial report.

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

Gail Kinsella

Gail Kinsella
Director

Dated 8th October 2014

RSM Bird Cameron Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Communities@Work, for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM Bird Cameron Partners

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 15 October 2014

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Statement Of Comprehensive Income

For The Year Ended 30 June 2014

	NOTE	2014 $	2013 $
Revenue	11	33,888,262	28,108,037
Depreciation, amortisation and impairment		(617,209)	(317,145)
Employee benefits expense		(25,525,139)	(21,287,837)
Administrative and other expenses		(6,433,182)	(6,113,647)
Surplus before income tax		1,312,732	389,408
Deficit (Surplus) for the year		1,312,732	389,408
Other Comprehensive Income		-	-
Total comprehensive loss (income) for the year		**1,312,732**	**389,408**

The accompanying notes form part of these financial statements.
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Communities@Work
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Statement Of Financial Position

As at 30 June 2014

	NOTE	2014 $	2013 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	3,396,864	2,698,703
Trade and other receivables	3	1,012,532	1,102,982
Other financial assets	4	2,999,992	3,000,000
Other assets	5	21,196	44,930
TOTAL CURRENT ASSETS		7,430,584	6,846,615
NON-CURRENT ASSETS			
Other financial assets	4	1,000	1,000
Property, plant and equipment	6	1,995,151	1,915,474
Intangible assets	7	50,515	59,321
TOTAL NON-CURRENT ASSETS		2,046,666	1,975,795
TOTAL ASSETS		9,477,250	8,822,410
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	3,579,877	4,237,769
TOTAL CURRENT LIABILITIES		3,579,877	4,237,769
NON-CURRENT LIABILITIES			
Provisions	9	50,012	50,012
TOTAL NON-CURRENT LIABILITIES		50,012	50,012
TOTAL LIABILITIES		3,629,889	4,287,781
NET ASSETS		5,847,361	4,534,629
EQUITY			
Retained surpluses		5,847,361	4,534,629
TOTAL EQUITY		5,847,361	4,534,629

The accompanying notes form part of these financial statements.

Communities@Work
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Statement Of Changes in Equity

For The Year Ended 30 June 2014

	Retained surpluses $	Total $
2014		
Balance at 1 July 2013	**4,534,629**	**4,534,629**
Surplus attributable to members	1,312,732	1,312,732
Sub-total	5,847,361	5,847,361
Balance at 30 June 2014	**5,847,361**	**5,847,361**
2013		
Balance at 1 July 2012	4,145,221	4,145,221
Surplus attributable to members	389,408	389,408
Sub-total	389,408	389,408
Balance at 30 June 2013	**4,534,629**	**4,534,629**

The accompanying notes form part of these financial statements.

Communities@Work

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Statement Of Cash Flows

For The Year Ended 30 June 2014

	NOTE	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Fees for services rendered		23,135,086	21,681,270
Gain on merger with GRCS		1,896,045	-
Grants receipts		7,857,031	7,493,465
Other receipts		891,420	1,583,671
Payments to suppliers and employees		(32,557,978)	(30,034,949)
Interest received		206,867	222,767
Net cash provided by operating activities	13(b)	1,428,471	946,224
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(838,533)	(420,130)
Purchase of intangibles		(21,596)	(30,855)
Proceeds from sale of property, plant and equipment		129,821	32,499
Net cash provided by (used in) investing activities		(730,308)	(418,486)
Net increase (decrease) in cash held		698,161	527,738
Cash and cash equivalents at beginning of financial year		2,698,703	2,170,965
Cash and cash equivalents at end of financial year	13(a)	3,396,864	2,698,703

The accompanying notes form part of these financial statements.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information

The financial statements are for Communities@Work as an individual entity, incorporated and domiciled in Australia. Communities@Work is a company limited by guarantee. It is a company that has otherwise been authorised by ASIC to omit the word 'Limited' from its name under Section 150 of the *Corporations Act 2001*.

On 1 July 2013, Gungahlin Regional Community Services Incorporated (GRCS) merged with Communities@Work. Details of the merger are disclosed in Note 20.

(b) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board, the *Australian Charities and Not-for-Profits Commission Act 2012* and the *NSW Charitable Fundraising Act and Regulations*. The company 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 otherwise stated.

The financial statements have been prepared on an accruals 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 financial statements were authorised for issue on 8th October 2014 by the directors of the company.

(c) 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 short-term borrowings in current liabilities on the statement of financial position.

(d) Revenue and other income

Revenue from the rendering of a service is recognised upon the delivery of the service. Revenue from the sale of goods is recognised upon the delivery of goods.

Grant revenue is recognised in the statement of comprehensive income when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Donations and bequests are recognised as revenue when received. Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

(e) Unexpended grants

The company receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the company to treat grant monies as unexpended grants in the statement of financial position where the company is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(f) 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

In the periods when the buildings are not subject to an independent valuation, the directors conduct directors valuations to ensure the buildings carrying amount is not materially different to the fair value. Increases in the carrying amount arising on revaluation of buildings are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Revaluation decreases are charged to the other comprehensive income to the extent that they offset previous increases. All other decreases are charged to the statement of comprehensive income.

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.

Buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

Class of fixed assets	Depreciation rate
Furniture and equipment	20 - 33%
Motor vehicles	13 - 15%
Buildings	40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 statement of comprehensive income.

(g) Impairment of assets

At the end of each reporting period, the company 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 an 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 statement of comprehensive income.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(g) Impairment of assets continued

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(h) Intangibles

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. It has an estimated useful life of five years. It is assessed annually for impairment.

(i) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and leave entitlements which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Contributions are made by the company to employee superannuation funds and are charged as expenses when incurred.

(j) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) 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 company 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.

(l) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the company, 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 their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

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

(m) Income tax

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(n) 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 statement of financial position are shown inclusive of GST.

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

(o) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions 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

Finance instruments are subsequently measured at 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 prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method.*

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that 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 item in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are 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.

(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.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(o) Financial instruments continued

***(iii)** 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 company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

***(iv)** Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be 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 changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). 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.

***(v)** Financial liabilities*

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

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

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 company 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 expired. 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.

(p) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(q) Critical accounting estimates and judgments

The directors evaluate estimates and judgments 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 company.

Key estimates – impairment

The company assesses impairment at the end of each reporting period by evaluating conditions specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Communities@Work
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Notes to the Financial Statements

For The Year Ended 30 June 2014

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(r) Critical accounting estimates and judgments continued

Key judgments - provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

(s) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the company:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2015 (Changed to 1 January 2017 by AASB 2013-9C)	Minimal impact expected
2009-11	*Amendments to Australian Accounting Standards arising from AASB 9*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2015	Minimal impact expected
2010-7	*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2015	Minimal impact expected
2014-1B	*Amendments to Australian Accounting Standards*	Part B of AASB 2014-1 makes amendments to AASB 119 *Employee Benefits* in relation to the requirements for contributions from employees or third parties that are linked to service.	1 July 2014	Minimal impact expected
AASB 1031	*Materiality*	Re-issuance of AASB 1031	1 January 2014	No expected impact

2. CASH AND CASH EQUIVALENTS

	NOTE	2014 $	2013 $
CURRENT			
Cash on hand		7,460	7,660
Cash at bank		3,389,404	2,691,043
	13, 15	**3,396,864**	**2,698,703**

3. TRADE AND OTHER RECEIVABLES

	NOTE	2014 $	2013 $
CURRENT			
Trade receivables		1,117,532	1,207,982
Provision for impairment		(105,000)	(105,000)
Total current trade and other receivables	15	**1,012,532**	**1,102,982**

a) **Provision for impairment of receivables**
Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items. Movement in the provision for impairment of receivables is as follows:

	$
Provision for impairment as at 30 June 2013	105,000
Charge for year	-
Provision for impairment as at 30 June 2014	**105,000**

4. OTHER FINANCIAL ASSETS

	NOTE	2014 $	2013 $
CURRENT			
Held-to-maturity financial assets	4(a)	2,999,992	3,000,000
Total current assets		**2,999,992**	**3,000,000**
NON-CURRENT			
Available-for-sale financial assets	4(b)	1,000	1,000
Total non-current assets		**1,000**	**1,000**

(a) **Held-to-maturity investments comprise:**

	NOTE	2014 $	2013 $
Fixed interest securities - current	15	2,999,992	3,000,000
		2,999,992	**3,000,000**

(b) **Non-current available-for-sale financial assets comprise:**

	NOTE	2014 $	2013 $
Unlisted investments, at cost			
shares in other corporations	15	1,000	1,000
Total available-for-sale financial assets		**1,000**	**1,000**

Available-for-sale financial assets comprise investments in the ordinary issued capital of an unlisted company. There are no fixed returns or fixed maturity date attached to these investments.

	2014 $	2013 $
5. OTHER ASSETS		
CURRENT		
Prepayments	21,197	44,930
	21,197	**44,930**

	2014 $	2013 $
6. PROPERTY, PLANT AND EQUIPMENT		
LAND AND BUILDINGS		
Buildings		
At cost	1,133,551	1,005,080
less: impairment of building	(141,221)	-
less: accumulated depreciation	(75,859)	(49,809)
Total land and buildings	916,471	955,271
PLANT AND EQUIPMENT		
Furniture and equipment		
At cost	1,299,408	935,392
less: accumulated depreciation	(847,817)	(587,604)
Total furniture and equipment	451,591	347,788
MOTOR VEHICLES		
At cost	973,102	1,010,995
less: Accumulated depreciation	(346,013)	(398,580)
Total motor vehicles	627,089	612,415
Total property, plant and equipment	**1,995,151**	**1,915,474**

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings $	**Furniture and equipment $**	**Motor vehicles $**	**Total $**
Balance at the beginning of year	955,271	347,788	612,415	**1,915,474**
Additions	128,471	364,016	346,046	**838,533**
Impairment of building	(141,221)	-	-	**(141,221)**
Disposals at written down value	-	-	(172,050)	**(172,050)**
Depreciation expense	(26,050)	(260,213)	(159,322)	**(445,586)**
Carrying amount at the end of 30 June 2014	**916,471**	**451,591**	**627,089**	**1,995,151**
Balance at the beginning of year	981,401	234,160	620,345	**1,835,906**
Additions	-	231,498	188,632	**420,130**
Disposals at written down value	-	-	(48,109)	**(48,109)**
Depreciation expense	(26,130)	(117,870)	(148,453)	**(292,453)**
Carrying amount at the end of 30 June 2013	**955,271**	**347,788**	**612,415**	**1,915,474**

Revaluation

The buildings were impaired by $141,221 as at 16 April 2014. The valuation was derived from applying the concept of fair value in accordance with Australian Accounting Standard AASB 116 (IAS 16) Revaluation of Property, Plant and Equipment. The independent valuation was carried out by MMJ Real Estate on 16 April 2014.

7. INTANGIBLE ASSETS

	NOTE	2014 $	2013 $
Computer software at cost		163,211	141,615
less: accumulated amortisation and impairment		(112,696)	(82,294)
Net carrying value		**50,515**	**59,321**

	Computer software $	Total $
Year ended 30 June 2014		
Balance at the beginning of the year	59,321	59,321
Additions	21,596	21,596
Amortisation expense	(30,402)	(30,402)
Balance at 30 June 2014	**50,515**	**50,515**
Year ended 30 June 2013		
Balance at the beginning of the year	53,158	53,158
Additions	30,855	30,855
Amortisation expense	(24,692)	(24,692)
Balance at 30 June 2013	**59,321**	**59,321**

8. TRADE AND OTHER PAYABLES

	NOTE	2014 $	2013 $
CURRENT			
Unsecured liabilities			
Trade payables and accrued expenses		1,163,890	1,707,577
Amounts received in advance		676,936	806,221
Short-term employee benefits		1,739,051	1,723,971
		3,579,877	**4,237,769**

(a) Financial liabilities at amortised cost classified as trade and other payables

	NOTE	2014 $	2013 $
Trade and other payables			
- Total current		3,579,877	4,237,769
Less:			
Leave entitlements		(1,739,051)	(1,723,971)
Amounts received in advance		(676,936)	(806,221)
Financial liabilities as trade and other payables	15	1,163,890	1,707,577

9. PROVISIONS

	2014 $	2013 $
NON-CURRENT		
Long-term employee benefits	50,012	50,012
	50,012	**50,012**

Provision for long term employee benefits
A provision has been recognised for employee entitlements relating to long service leave. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to these financial statements.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

10. CAPITAL AND LEASING COMMITMENTS

Operating lease commitments

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

	2014 $	2013 $
Payable – minimum lease payments:		
- not later than 12 months	246,162	140,789
- between 12 months and 5 years	771,448	188,119
- greater than 5 years	122,135	108,534
	1,139,745	**437,442**

Operating leases comprise of non-cancellable leases over the franking machine and properties.

11. REVENUE AND OTHER INCOME

		2014 $	2013 $
Revenue			
- provision of services		23,036,898	19,710,245
- Gain on merger	20	1,896,045	-
- operating grants		7,857,031	6,622,668
- fundraising revenue	17	399,186	462,032
- capital grants		0	189,572
- other sources		492,235	900,753
Total revenue		33,681,395	27,885,270
Other revenue			
- interest received		206,867	222,767
Total other revenue		206,867	222,767
Total revenue and other income		**33,888,262**	**28,108,037**

12. SURPLUS FOR THE YEAR

Expenses

		2014 $	2013 $
Depreciation, amortisation and impairment			
Impairment of Building		141,221	-
Depreciation and amortisation expense		475,988	317,145
		617,209	**317,145**
Bad and doubtful debts		7,737	7,980
Fundraising expenses	17	25,571	25,017
Rental expense		572,688	459,753
Audit remuneration			
auditing or reviewing the financial report		26,700	26,250
other non-audit services		12,955	20,350
		39,655	**46,600**

13. CASH FLOW INFORMATION

		Note	2014 $	2013 $
(a)	**Reconciliation of cash**			
	Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
	Cash and cash equivalents	2	3,396,864	2,698,703
			3,396,864	2,698,703
(b)	Reconciliation of cash flow from operations with surplus after income tax			
	Surplus for the year		1,312,732	389,408
	Non-cash flows in surplus			
	Depreciation and amortisation		475,988	317,145
	Impairment of receivables		7,737	7,980
	Loss on disposal of property, plant and equipment		34,499	15,610
	Impairment of building		141,221	-
	Changes in assets and liabilities, net of the effects of the acquisition of entities			
	- (Increase)/decrease in receivables		90,450	5,748
	- (Increase)/decrease in prepayments		23,734	(36,675)
	- Increase/(decrease) in payables		(672,972)	301,160
	- Increase/(decrease) in provisions		15,082	(54,152)
	Cash flow from operations		1,428,471	946,224

(c) **Credit standby arrangements with banks**
The company has no credit stand-by or financing facilities in place.

(d) **Non-cash financing and investing activities**
There were no non-cash financing or investing activities during the year.

The assets and liabilities arising from the acquisition are recognised at fair value which is equal to its carrying value. For further details refer to note 20.

14. KEY MANAGEMENT PERSONNEL COMPENSATION

	Short-term benefits $	Post-employment benefits $	Other long-term benefits $	Total $
2014				
Total compensation	2,021,938	179,460	-	2,201,398
2013				
Total compensation	1,969,617	168,367	-	2,137,984

The increase in key management compensation is due to a change in the organisation structure which increased the number of key management positions within the organisation.

15. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-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:

	Note	2014 $	2013 $
Financial assets			
Cash and cash equivalents	2	3,396,864	2,698,703
Held-to-maturity investments			
- fixed interest securities	4	2,999,992	3,000,000
Loans and receivables	3	1,012,532	1,102,982
Available-for-sale financial assets			
- shares in other corporations	4	1,000	1,000
Total financial assets		**7,410,388**	**6,802,685**
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables	8	1,163,890	1,707,577
Net financial assets		**6,246,498**	**5,095,108**

Financial risk management policies

The directors' risk management strategy seeks to assist the company in meeting its financial targets whilst minimising potential adverse effects on financial performance. These include credit risk and future cash flow requirements.

Specific financial risk exposures and management

The main risks the company is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through the maintenance of procedures ensuring to the extent possible, that customers and counter parties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Credit terms are generally 30 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position. The company has no significant concentration of credit risk with any single counter party or group of counter parties. Details with respect to credit risk of Trade and other receivables are provided in Note 3.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 3.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved Board policy.

15. FINANCIAL RISK MANAGEMENT (continued)

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financial activities;
- maintaining a reputable credit risk profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

	Within 1 year		1 to 5 years		Total contractual cash flow	
	2014	2013	2014	2013	2014	2013
	$	$	$	$	$	$
Financial liabilities due for payment						
Trade and other payables (excluding estimated leave and amounts received in advance)	1,163,890	1,707,577	-	-	1,163,890	1,707,577
Total contractual outflows	**1,163,890**	**1,707,577**	-	-	**1,163,890**	**1,707,577**
Total expected outflows	**1,163,890**	**1,707,577**	-	-	**1,163,890**	**1,707,577**
Financial assets - cash flows realisable						
Cash and cash equivalents	3,396,864	2,698,703	-	-	3,396,864	2,698,703
Trade, term and other receivables	1,012,532	1,102,982	-	-	1,012,532	1,102,982
Available-for-sale investments			1,000	1,000	1,000	1,000
Held-to-maturity investments	2,999,992	3,000,000	-	-	2,999,992	3,000,000
Total anticipated inflows	**7,409,388**	**6,801,685**	**1,000**	**1,000**	**7,410,388**	**6,802,685**
Net (outflow)/inflow on financial instruments	**6,245,498**	**5,094,108**	**1,000**	**1,000**	**6,246,498**	**5,095,108**

(c) Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The company is also exposed to earnings volatility on floating rate instruments.

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates. The table indicates the impact on how surplus and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Surplus $	Equity $
Year ended 30 June 2014		
+/-1% in interest rates	75,144	75,144
Year ended 30 June 2013		
+/-1% in interest rates	68,027	68,027

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities approximate their carrying values as presented in the statement of financial position and notes to the financial statements. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

The fair values of financial assets and financial liabilities as disclosed in the statement of financial position and in the notes to the financial statements have been determined based on the following methodologies: Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for leave entitlements and amounts received in advance which are not considered to be financial instruments.

16. CAPITAL MANAGEMENT

Management controls the capital of the company to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised within tolerable risk parameters. The finance committee ensures that the overall risk management strategy is in line with this objective.

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements. The company's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the company's capital by assessing the company's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the company since the previous year. This strategy is to ensure that there is sufficient cash to meet trade and other payables.

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Notes to the Financial Statements

For The Year Ended 30 June 2014

17. FUNDRAISING INCOME AND EXPENSES

Details of gross income and total expenses of fundraising appeals:

Campaign/Event	Total raised $
City to Surf 2013	7,528
Floriade 2013	4,713
Go Yellow Day 2013	7,575
GFC China Plate Dinner	4,850
Centenary Sleep-out 2013	21,492
Give Joy	33,831
Care & Share Best Dressed	15,081
Buoyed Up Gala Dinner	31,505
Buoyed Up Regatta	4,720
End of Financial Year	18,970
General ongoing donations & fundraising	387,580
TOTAL	**537,845**
Less:	
Fundraising expenses	25,571
Net surplus from fundraising	**512,274**

Application of funds for charitable purposes:
During the year Communities@Work achieved a net surplus of $512,724 from fundraising activities. This surplus was used to fund our charitable programs as follows:

Program	Net Fundraising Applied $
The Yellow Van	251,659
Care&Share	99,064
Buoyed Up	62,182
Galilee School	49,292
Auspiced programs	50,077
Total	**512,724**

Communities@Work does not engage traders to undertake fundraising.

18. EVENTS AFTER THE REPORTING PERIOD

There are no events after the balance sheet date which requires amendment of, or further disclosure in the financial report.

19. MEMBERS GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of $20 each towards meeting any outstanding obligations of the company. At 30 June 2014, the total amount that members of the company are liable to contribute if the company is wound up is $20 (2013: $20).

20. MERGER WITH GUNGALIN REGIONAL COMMUNITY SERVICES

On 1 July 2013, Gungahlin Regional Community Services Incorporated (GRCS) was merged into Communities@Work. The parties identified the financial assets, equipment, vehicles and other assets, staff, premises, licences, contractual arrangements with clients, suppliers, government agencies and departments and other third parties of GRCS were to be used in the merged operation. Communities@Work assumed all assets and liabilities of GRCS, on 1 July 2013. This was recognised as a gain in the statement of comprehensive income of $1,896,045.

21. COMPANY DETAILS

The registered office of the company is:

Communities@Work
245 Cowlishaw Street
Greenway ACT 2600

Communities@Work

ABN 19 125 799 859

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes are in accordance with both the *Australian Charities and Not-for-Profits Commission Act 2012* and the *Charitable Fundraising Act 1991 (NSW)* and:

    (a) comply with Australian Accounting Standards; and

    (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company.

2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. The financial statements give a true and fair view of all income and expenditure of the organisation with respect to fundraising appeals; and

4. The Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals; and

5. The provisions of *Charitable Fundraising Act 1991 (NSW)*, the regulations under the Act and the conditions attached to the authority have been complied with; and

6. The internal controls exercised by the organisation are appropriate and effective in accounting for all the income received and applied by the organisation from any of its fundraising appeals.

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

Gail Kinsella

Gail Kinsella
Director

Dated this 8th day of October 2014

RSM Bird Cameron Partners

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

COMMUNITIES@WORK

We have audited the accompanying financial report of Communities@Work ("the company"), which comprises the balance sheet as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and cash flow statement 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 company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profit 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. These Auditing 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 and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

RSM Bird Cameron Partners

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the financial report of Communities@Work is in accordance with the *Australian Charities and Not-for-profit Commission Act 2012*, including:

(i) giving a true and fair view of the company'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 and the *Australian Charities and Not-for-profit Commission Regulation 2013*.

RSM Bird Cameron Partners

RSM Bird Cameron Partners

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 15 October 2014

It's about you. Always!

Communities@Work

Our Vision

A resilient and socially inclusive community that cares for the well-being of all.

Our Mission

To deliver quality community services of social value and practical benefit.

Our Values

Trust, Integrity and Transparency:
We earn the confidence of the community by embedding these qualities throughout Communities@Work.

Respect for All:
We respect everyone we deal with, care about everyone in the community and value difference and diversity.

Flexibility and Responsiveness:
We are adaptive and agile in pursuing the vision of Communities@Work, with a proactive approach to change and progress.

Quality and Innovation:
We are committed to excellent service delivery, underpinned by continuous improvement and innovation.

Affordability and Sustainability:
We ensure our services are relevant and appropriate as we build our capacity for a sustainable future.

Central Office

Tuggeranong Campus

Tuggeranong Community Centre
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Greenway ACT 2900

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