

CONTACT INCORPORATED
ABN: 64 340 947 099

Financial Report For The Year Ended
30 June 2015

CONTACT INCORPORATED
ABN: 64 340 947 099

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CONTACT INCORPORATED

ABN: 64 340 947 099

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

| | Note | 2015 \$ | 2014 \$ |
|--|------|----------------|----------------|
| Revenue | | | |
| Income - Children's Services Central projects | 2 | 180,500 | 260,320 |
| Income - other projects | 2 | 462,358 | 246,338 |
| Project reimbursement income | | 94,189 | 79,552 |
| Donations | | 1,545 | 22,147 |
| Interest | | 14,113 | 15,433 |
| Other income | | 315 | 4,078 |
| Total Revenue | | 753,020 | 627,867 |
| Expenses | | | |
| Employee benefits expense | | 424,995 | 336,315 |
| Administration expenses | | 177,943 | 184,575 |
| Special project expenses | | 1,507 | 1,322 |
| Office rent and maintenance | | 34,687 | 34,373 |
| Communication expenses | | 19,440 | 15,040 |
| Training, development and research | | 17,963 | 5,882 |
| Travel and accommodation | | 64,720 | 37,755 |
| Depreciation expenses | | 7,282 | 6,865 |
| Total Expenditure | | 748,536 | 622,127 |
| Net surplus for the year | | 4,484 | 5,740 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 4,484 | 5,740 |
| Retained surplus at the beginning of the financial year | | 548,727 | 542,987 |
| Transfer from reserves | | 74,628 | - |
| Retained surplus at the end of the financial year | | 627,840 | 548,727 |

The accompanying notes form part of these financial statements.

CONTACT INCORPORATED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

| | Note | 2015 \$ | 2014 \$ |
|--------------------------------------|------|----------------|----------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 3 | 866,766 | 952,101 |
| Trade receivables and other debtors | 4 | 9,643 | 4,409 |
| Other current assets | 5 | 23,059 | 7,127 |
| Total Current Assets | | 899,468 | 963,637 |
| Non-current Assets | | | |
| Property, plant and equipment | 6 | 29,408 | 24,818 |
| Total Non-current Assets | | 29,408 | 24,818 |
| Total Assets | | 928,876 | 988,455 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | 7 | 35,616 | 33,914 |
| Grants in advance | 8 | 162,441 | 233,867 |
| Employee provisions | 9 | 96,986 | 54,555 |
| Total Current Liabilities | | 295,043 | 322,336 |
| Non-current Liabilities | | | |
| Employee provisions | 9 | 5,994 | 42,761 |
| Total Non-current Liabilities | | 5,994 | 42,761 |
| Total Liabilities | | 301,037 | 365,097 |
| Net Assets | | 627,840 | 623,355 |
| Equity | | | |
| Reserves | 11 | - | 74,628 |
| Retained Earnings | | 627,840 | 548,727 |
| Total Equity | | 627,840 | 623,355 |

The accompanying notes form part of these financial statements.

CONTACT INCORPORATED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

| | Note | 2015 \$ | 2014 \$ |
|--|------|-------------|-------------|
| Retained Earnings | | | |
| Retained earnings at the beginning of the year | | 548,727 | 542,987 |
| Net surplus from ordinary activities | | 4,484 | 5,740 |
| Transfer from reserve | 11 | 74,628 | - |
| Retained earnings at the end of the year | | 627,840 | 548,727 |
| Reserves at the beginning of the year | | | |
| Reserves at the beginning of the year | | - | 74,628 |
| Balances at the end of the year | 11 | - | 74,628 |
| Total Equity | | 627,840 | 623,355 |

The accompanying notes form part of these financial statements.

CONTACT INCORPORATED

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

| | Note | 2015 \$ | 2014 \$ |
|---|------|------------------|------------------|
| Cash flow from operating activities | | | |
| Receipts from: | | | |
| Government grants | | 571,432 | 435,760 |
| Interest income | | 14,435 | 16,853 |
| Other cash receipts | | (3,695) | 25,225 |
| Payments to suppliers and employees | | <u>(655,537)</u> | <u>(525,824)</u> |
| <i>Net cash outflow from operating activities</i> | 10 | <u>(73,365)</u> | <u>(47,986)</u> |
| Cash flow from investing activities | | | |
| Purchase of property, plant and equipment | | <u>(11,969)</u> | <u>(1,935)</u> |
| <i>Net cash outflow from investing activities</i> | | <u>(11,969)</u> | <u>(1,935)</u> |
| <i>Net decrease for the period</i> | | (85,335) | (49,921) |
| Cash at beginning of period | | 952,101 | 1,002,022 |
| Cash and cash equivalents at end of year | 3 | <u>866,766</u> | <u>952,101</u> |

The accompanying notes form part of these financial statements.

CONTACT INCORPORATED

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015

Note 1 - Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of NSW 2009 and Associations Incorporation Regulations of NSW 2010, and in accordance with the requirements of section 60.40 of the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation).

The committee has determined that the Association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial statements:

(a) Revenue

Grant revenue is recognised in the statement of profit and loss and other comprehensive income when it is controlled. Where there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the statement of financial position as a liability until such conditions are met or services provided.

Donations are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the statement of financial position.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) Property, Plant and Equipment

Property, plant and equipment generally costing \$2,000 and above are capitalised. Items of Property, Plant and Equipment are recorded within asset classes.

Depreciation is provided on fixed assets so as to write off the assets progressively over their estimated economic lives.

Fixed assets are depreciated from the time of acquisition using either the prime cost or the diminishing value method.

(c) Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been 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 in the statement of profit and loss and other comprehensive income.

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015

(d) Provisions

Employee Entitlements

(i) Short-term employee benefits

Liabilities for wages and salaries include annual leave balances that are expected to be settled within 12 months of reporting date are recognised in respect of employee service up to reporting date. They are measured using the wage and salary rates the entity expects, as at the reporting date, to pay on settlement, including related on-costs, such as workers' compensation insurance and superannuation.

(ii) Long service leave

Liability for long service leave is recognised based on employee service up to the reporting date. It is measured at the present value of expected future payments relating to that past service. Consideration is given to expected future remuneration rates, past experience of employee turnover and past service. Amounts expected to be settled more than twelve months after reporting date are discounted to present value using rates reflecting yields at reporting date on Australian government bonds which most closely match the terms of maturity of the related liabilities.

(e) Income tax

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

(f) Cash and Cash Equivalents

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

(g) Trade Receivables and Other Debtors

Trade receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

(i) Trade and Other Payables

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

(j) Comparative Information

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

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015

2015

2014

Note 2 - Revenue and Other Income

| | | |
|---|----------------|----------------|
| Revenue and Other Income | | |
| — Donations received | 1,545 | 22,147 |
| — Community Child Care- PSP | 180,500 | 260,320 |
| — Other projects income - Nyngan | 28,656 | 25,456 |
| — Other projects income - Mobile NT | 400,000 | 197,819 |
| — Services provided (professional development training) | 33,702 | 23,063 |
| — Project reimbursement income | 94,189 | 79,552 |
| — Interest income | 14,113 | 15,433 |
| — Other revenue from non-operating activities | 315 | 4,078 |
| Total revenue | 753,020 | 627,867 |

Note 3 - Cash and Cash Equivalents

| | | |
|--|----------------|----------------|
| Commonwealth Bank - General Account | 38,447 | 13,213 |
| Bankers Trust No 1 | 552,090 | 185,936 |
| Bankers Trust No 2 | 122,781 | 602,170 |
| Bankers Trust No 3 | 153,398 | 150,732 |
| Petty cash and undeposited funds | 50 | 50 |
| Total Cash and Cash Equivalents | 866,766 | 952,101 |

Note 4 - Trade Receivable and Other Debtors

| | | |
|---|--------------|--------------|
| Current | | |
| Trade debtors | 6,556 | 1,000 |
| Accrued interest - Bankers Trust accounts | 3,087 | 3,409 |
| Total Current Trade Receivable and Other Debtors | 9,643 | 4,409 |

Note 5 - Other Current Assets

| | | |
|-----------------------------------|---------------|--------------|
| Current | | |
| Prepayments | 14,393 | 7,127 |
| Deposits | 8,667 | - |
| Total Other Current Assets | 23,059 | 7,127 |

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015

| | 2015 | 2014 |
|---|----------------|----------------|
| Note 6 - Property, Plant and Equipment | | |
| Office furniture & equipment at cost | 116,263 | 104,487 |
| Accumulated depreciation | (104,814) | (101,611) |
| | 11,449 | 2,877 |
| Motor vehicles at cost | 31,859 | 31,859 |
| Accumulated depreciation | (13,900) | (9,918) |
| | 17,959 | 21,941 |
| Total Property, Plant and Equipment | 29,408 | 24,818 |
| Note 7 - Trade and Other Payables | | |
| Current | | |
| Accounts Payable | 19,975 | 22,924 |
| Employee benefits | 15,641 | 10,990 |
| Total Trade and Other Payables | 35,616 | 33,914 |
| Note 8 - Grants in Advance | | |
| Grants in Advance - Child Care Projects | | |
| <i>Rural Connect</i> | 45,000 | - |
| Total Grants in Advance - Child Care Projects | 45,000 | - |
| Grants in Advance - Other Projects | | |
| <i>Nyngan</i> | - | 2,981 |
| <i>Contact Children Mobile</i> | 56,517 | 226,517 |
| <i>Skilling Lachlan Shire</i> | - | 4,368 |
| <i>ICAP</i> | 20,924 | - |
| <i>CAGES</i> | 25,000 | - |
| <i>Outback Mobile</i> | 15,000 | - |
| Total Grants in Advance - Other Projects | 117,441 | 233,867 |
| Total Grants in Advance | 162,441 | 233,867 |

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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015

| | 2015 | 2014 |
|--|-----------------------|----------------------|
| Note 9 - Employee Provisions | | |
| Current | | |
| Employee Provisions - Annual Leave Entitlement | 52,201 | 54,555 |
| Employee Provisions - Long Service Leave Entitlement | 44,786 | - |
| Total Current Employee Provisions | <u>96,986</u> | <u>54,555</u> |
| Non-current | | |
| Employee Provisions - Long Service Leave Entitlement | 5,994 | 42,761 |
| Total Non-current Employee Provisions | <u>5,994</u> | <u>42,761</u> |
| Total Employee Provisions | <u>102,981</u> | <u>97,316</u> |

Note 10 - Cash Flow Information

Reconciliation of cash flow from operating activities with net current year surplus

| | | |
|---|------------------------|------------------------|
| Current year surplus after income tax | 4,484 | 5,740 |
| Non-cash flows in current year surplus: | | |
| — Depreciation expense | 7,376 | 6,865 |
| Changes in assets and liabilities | | |
| — (Increase)/decrease in trade receivable and other debtors | (5,233) | 421 |
| — (Increase)/decrease in other current assets | (15,932) | 2,876 |
| — (Increase)/decrease in Grants in advance | (71,426) | (70,897) |
| — Increase/(decrease) in trade and other payables | 1,702 | (839) |
| — Increase/(decrease) in employee provisions | 5,664 | 7848 |
| Cash flows from operations | <u>(73,365)</u> | <u>(47,986)</u> |

Note 11 - Reserves

| | | |
|---------------------------|----------|----------------------|
| Vehicle Replacement | - | 19,000 |
| Office Relocation Reserve | - | 15,000 |
| Redundancy Reserve | - | 40,628 |
| Total Reserve | <u>-</u> | <u>74,628</u> |

Reserves were transferred to retained earnings in the financial year.

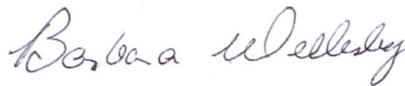
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Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.



Responsible person: _____

Dated this 18th day of November 2015

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF:

CONTACT INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Contact Incorporated, which comprises the Statement of Financial Position as at 30 June 2015, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

The Responsibility of the Committee for the Financial Report

The Committee of the entity are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Incorporated Associations Act (NSW) 2009 which are appropriate to meet the needs of the members. The committee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 association'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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Contact Incorporated as of 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Incorporated Associations Act (NSW) 2009.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Contact Incorporated to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Incorporated Associations Act (NSW) 2009. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Countplus National Audit Pty Ltd
Authorised Audit Company



Name of Director: _____
Steven J Watson CA

Dated this 18th day of November 2015

CONTACT INCORPORATED
ABN: 64 340 947 099

DISCLAIMER

The additional financial information included with the financial report, being the detailed profit and loss statement, do not form part of the audited Special Purpose Financial Report.

Our statutory audit covers the amounts and disclosures included in the Special Purpose Financial Report and is not expected or required to cover the details of the descriptive classification of income and expenditure amounts shown in the following statement. While the books and records from which the following statement has been prepared have been subjected to the audit procedures applied in our statutory audit of the Contact Incorporated for the year ended 30 June 2015, we do not express an opinion on the following statement and no warranty of accuracy or reliability is given in respect of the additional financial information contained in that statement.

In accordance with our firm's policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the Association) in respect of such additional financial information, including any errors or omissions therein, arising through negligence or otherwise however caused.

COUNTPLUS NATIONAL AUDITS PTY LTD

Authorised Audit Company



Steven J Watson
Director

18 November 2015

CONTACT INCORPORATED
ABN 64 340 947 099

DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

| | 2015 | 2014 |
|---|----------------|----------------|
| | \$ | \$ |
| REVENUE | | |
| Donations | 1,545 | 22,147 |
| Community Child Care- PSP | 180,500 | 260,320 |
| Other projects income - Nyngan | 28,656 | 25,456 |
| Other projects income - Mobile NT | 400,000 | 197,819 |
| Services provided (Professional development training) | 33,702 | 23,063 |
| Project reimbursement income | 94,189 | 79,552 |
| Interest | 14,113 | 15,433 |
| Other revenue from non-operating activities | 315 | 4,078 |
| | 753,020 | 627,867 |
| EXPENDITURE | | |
| Office equipment | 7,282 | 6,865 |
| Wages & superannuation | 424,995 | 336,315 |
| Administration expenses | 177,943 | 184,575 |
| Special project expenses | 1,507 | 1,322 |
| Office rent and maintenance | 34,687 | 34,373 |
| Communication expenses | 19,440 | 15,040 |
| Training, development and research | 17,963 | 5,882 |
| Travel and accomodation | 64,720 | 37,755 |
| | 748,536 | 622,127 |
| Current year surplus | 4,484 | 5,740 |