

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2016

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

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UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
INCOME			
Government Grants			
Government Grants - Old System		-	111,615.70
Government Grants - New System		880,286.57	740,807.84
Government Grants - Unexpended	3	200,000.00	-
		<u>1,080,286.57</u>	<u>852,423.54</u>
Interest Received		4,055.30	6,519.71
Rent from Residents		28,468.62	20,682.20
Sundry Income		969.80	3,920.39
Unexpended Non Government Grants Brought Forward		57,298.15	121,422.78
Donations & Other Grants		32,211.25	3,058.65
Profit on Sale of Non-Current Assets		-	28,256.98
		<u>1,203,289.69</u>	<u>1,036,284.25</u>
EXPENDITURE			
Auditor's Remuneration		10,660.00	9,910.00
Bank Charges		565.19	405.31
Board & Staff Amenities & Welfare		1,373.06	4,213.05
Child Care & Follow Up Expenses		-	798.10
Client Brokerage		84,058.73	20,730.27
Computer Running Expenses		18,332.16	17,548.93
Consultancy Fees		863.64	8,250.00
Depreciation		51,016.00	27,158.54
Donations		665.00	10,000.00
Education & Promotion		1,589.32	8,261.65
Electricity		8,219.08	8,702.88
Fire Monitoring		6,223.54	1,183.91
Fines & Penalties		3,240.00	-
Insurance & Security		22,487.17	17,630.97
Interest Paid		1,368.64	-
Linen, Crockery & Cutlery		1,138.14	447.27
Photocopier Rent		2,967.52	2,362.76
Motor Vehicle Expenses		16,905.32	18,916.63
Non-Government Grant Expenses		3,913.98	10,474.18
Outreach Resources		1,775.54	794.18
Provision for Holiday and Long Service Leave		7,086.00	6,930.59
Provision for Sick Leave		10,436.00	2,985.02
Provision for Study Leave		258.77	11.02
Rent		36,392.61	20,972.40
Repairs & Maintenance		11,243.23	9,814.55
Resident Expenses		19,478.96	12,619.94
Stationery, Printing and Advertising		11,728.59	18,829.50
Sundry Expenses		441.81	3,590.71
Superannuation Contributions		60,939.69	48,095.09
Support Groups		28,820.53	18,753.49

The accompanying notes form part of these financial statements.

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Telephone		24,533.38	14,345.21
Travelling, Training and Conferences		2,982.61	9,510.19
Wages & Salaries		626,665.92	552,445.79
Unexpended Government Funds Carried Forward	3	200,000.00	-
Unexpended Non-Government Funds Carried Forward		47,200.80	57,298.15
		<u>1,325,570.93</u>	<u>943,990.28</u>
TOTAL PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME		<u>(122,281.24)</u>	<u>92,293.97</u>

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

	Retained Earnings 2016 \$
Balance at 30 June 2014	362,780.96
Profit/(Loss) Attributable to the Entity	<u>92,293.97</u>
Balance at 30 June 2015	462,004.80
Profit/(Loss) Attributable to the Entity	<u>(122,281.24)</u>
BALANCE AT 30 JUNE 2016	<u><u>339,723.56</u></u>

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	2016 \$	2015 \$
SHARE CAPITAL AND RESERVES		
Retained Earnings	332,793.69	455,074.93
TOTAL SHARE CAPITAL AND RESERVES	332,793.69	455,074.93
ASSETS		
CURRENT ASSETS		
Cash on Hand	210.95	400.00
Visa Debit Card	683.71	625.59
CBA Online Saver	403,819.10	299,763.80
CBA No 1 Account	85,829.95	11,852.19
CBA No 2 Account	62,014.76	63,216.76
Sundry Debtors	518.52	13,562.90
Prepayments	12,454.00	9,743.00
TOTAL CURRENT ASSETS	565,530.99	399,164.24
NON CURRENT ASSETS		
Fixed Assets		
Leasehold Improvements	47,685.04	47,685.04
Less: Accumulated Depreciation	(28,847.04)	(27,259.04)
	18,838.00	20,426.00
Plant & Equipment - at Cost	59,030.45	56,603.63
Less: Accumulated Depreciation	(44,654.02)	(42,351.02)
	14,376.43	14,252.61
Motor Vehicles - at Cost	99,147.75	99,147.75
Less: Accumulated Depreciation	(47,315.00)	(30,187.00)
	51,832.75	68,960.75
Office Furniture & Equipment - at Cost	108,321.94	108,321.93
Less: Accumulated Depreciation	(68,681.83)	(42,185.83)
	39,640.11	66,136.10
Furniture & Fittings - at Cost	61,983.83	61,983.84
Less: Accumulated Depreciation	(46,259.25)	(42,816.25)
	15,724.58	19,167.59
4-6 Equipment	3,622.30	3,622.30
Less: Accumulated Depreciation	(3,301.00)	(3,243.00)
	321.30	379.30
Linen, Crockery & Cutlery	3,000.00	3,000.00
Total Fixed Assets	143,733.17	192,322.35
TOTAL NON CURRENT ASSETS	143,733.17	192,322.35
TOTAL ASSETS	709,264.16	591,486.59

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
LIABILITIES			
CURRENT LIABILITIES			
Trade Creditors		18,935.98	23,148.51
Other Creditors		6,439.64	-
Unexpended Government Grants	3	200,000.00	-
GST Payable		46,163.05	17,394.77
Provision for Holiday & Long Service Leave		26,647.00	19,561.00
Provision for Accumulated Sick Leave		19,514.00	9,078.00
Unexpended Non-Government Grants			
Glencore Outreach		36,071.00	38,597.44
BHP Billiton White Goods		-	4,983.73
BHP Billiton Scope and Planning		950.00	3,537.18
Early Intervention Homelessness		10,179.80	10,179.80
		<u>47,200.80</u>	<u>57,298.15</u>
Provision for Study Leave		2,290.00	2,031.23
Accrued Charges		9,280.00	7,900.00
TOTAL CURRENT LIABILITIES		<u>376,470.47</u>	<u>136,411.66</u>
TOTAL LIABILITIES		<u>376,470.47</u>	<u>136,411.66</u>
NET ASSETS		<u>332,793.69</u>	<u>455,074.93</u>

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
		INFLOWS (OUTFLOWS)	INFLOWS (OUTFLOWS)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		1,154,980.62	932,883.71
Payments to Suppliers and Employees		(979,908.97)	(917,435.71)
Interest Received		4,055.30	6,519.71
NET CASH GENERATED FROM OPERATING ACTIVITIES		<u>179,126.95</u>	<u>21,917.71</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment		-	42,545.44
Payments for Property, Plant and Equipment		(2,426.82)	(127,119.69)
NET CASH USED IN INVESTING ACTIVITIES		<u>(2,426.82)</u>	<u>(84,574.25)</u>
Net Increase in Cash Held		176,700.13	(62,656.59)
Cash at Beginning of Financial Year		<u>375,858.34</u>	<u>438,514.93</u>
Cash at End of Financial Year	2	<u>552,558.47</u>	<u>375,858.34</u>



Davies, Thompson & Wright

ABN 70 340 182 044

CHARTERED ACCOUNTANTS

PARTNERS

Timothy G. Looby	B.Ec. Dip.Fin.Man. C.A.
Tracey L. Lawler	B.Comm. C.A.
Scott P. Collins	B.Comm./B.Econ. C.A

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PO Box 128
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INDEPENDENT AUDITOR'S DECLARATION

**UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012**

**TO THE MEMBERS OF UPPER HUNTER HOMELESS
SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2016 there have been no contraventions of:

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

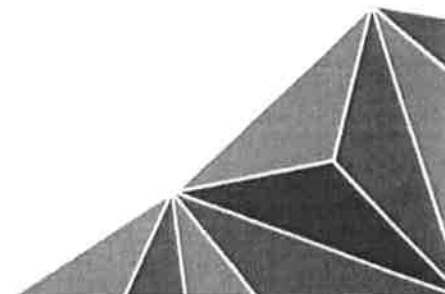
Davies, Thompson & Wright
Chartered Accountants

A handwritten signature in cursive script, appearing to read 'Tracey Lawler', is written over a horizontal line.

Tracey L. Lawler
Partner
Muswellbrook
16th November 2016



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UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Depreciation

The depreciable amount of all fixed assets, including capitalised leased assets but excluding freehold land, is depreciated over the asset's useful life to the company commencing from the time the asset is available for use. Buildings are depreciated on a straight line basis. Buildings on properties held for investment purposes are not separately valued on purchase so no depreciation charge has been calculated.

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

Class of Fixed Asset	Depreciation Rate
Lease Hold Improvements	2.5% to 40%
Plant and Equipment	3.0% to 100%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial instruments are measured at cost.

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.

Impairment of Assets

At the end of each reporting period, the company 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 value over its recoverable amount is expensed in the profit or loss.

Where it is not possible to estimate the recoverable amount of an assets class, the company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Employee Benefits

Provision is made for the company's liability for employee benefits at balance date. Long service leave is accrued in respect of all employees with more than 5 years' service with the company. Employee benefits are measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

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.

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

2016
\$

2015
\$

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Economic Dependence

The company is dependent on the Department of Family and Community Services NSW for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Department of Family and Community Services NSW will not continue to support the company.

2 Cash and Cash Equivalents

Cash on Hand	210.95	400.00
Visa Debit Card	683.71	625.59
CBA Online Saver	403,819.10	299,763.80
CBA No 1 Account	85,829.95	11,852.19
CBA No 2 Account	62,014.76	63,216.76
	<u>552,558.47</u>	<u>375,858.34</u>

3 Grants Unexpended

The government grant of \$200,000 (exc GST) received on 22 June 2016 has been carried forward as unexpended and will be entirely expended in the financial year ended 30 June 2017.

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DIRECTORS' DECLARATION

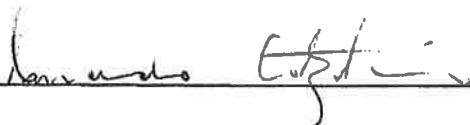
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and satisfy the requirements of the Australian Charities and Not for Profits Commissions Act 2012;
 - (a) comply with Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debt as and when they become due and payable.

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

Director:



Director:



Dated this 17th day of November 2016



Davies, Thompson & Wright

ABN 70 340 182 044

CHARTERED ACCOUNTANTS

PARTNERS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED

A.B.N. 90 002 966 869

Report on the Financial Report

We have audited the accompanying financial report of Upper Hunter Homeless Specialist And Outreach Service Limited which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Changes In Equity and the 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-Profits Commissions Act 2012 and for 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-Profits Commissions Act 2012. We confirm that the independence declaration required by the Australian Charities and Not-for-Profits Commissions Act 2012, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.



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ABN 70 340 182 044

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UPPER HUNTER HOMELESS
SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869**

Auditors' Opinion

In our opinion:

- (a) the financial report of Upper Hunter Homeless Specialist And Outreach Service Limited is in accordance with Div 60 of the Australian Charities and Not-for-Profits Commissions Act 2012, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Australian Charities and Not-for-Profits Commissions Act 2012, and the Australian Charities and Not-for-Profits Commissions Regulations 2013.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the Financial Report, which describes the basis of accounting. The Financial Report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Australian Charities and Not-for-Profits Commissions Act 2012.

As a result, the Financial Report may not be suitable for another purpose.

Name of Firm: Davies, Thompson & Wright
Chartered Accountants

Name of Partner: 
Tracey L. Lawler

Address: 60 Brook Street, Muswellbrook

Dated this 17th day of November 2016



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