

Profit & Loss Statement

July 2015 To June 2016

ABN: 51 051 778 440

Email: opportunities@workconnection.com.au

Income		
Case Based Funding	\$813,268.17	
Rent Income	\$570.66	
Miscellaneous Income	\$11,875.92	
Total Income		\$825,714.75
Gross Profit		\$825,714.75
Expenses		
Accounting & Audit Fees	\$2,951.27	
Advertising	\$731.23	
Bank Charges	\$776.00	
Cleaning	\$236.36	
Client Support Service	\$16,219.74	
Clothing etc Support	\$638.65	
Computer Hardware	\$1,666.52	
Computer Software	\$668.65	
Computer Repairs	\$2,694.54	
Conference and Training	\$4,163.01	
Depreciation	\$18,392.58	
Donations	\$60.00	
Directors Costs	\$391.78	
Discounts		
Electricity	\$5,921.37	
Freight Charges	\$897.73	
General Office Expenses	\$3,169.99	
GST & PAYG Rounding	-\$1.33	
Total Discounts		-\$1.33
Insurance	\$2,661.82	
Jobstart Subsidy	\$34,049.13	
Legal Fees	\$953.77	
Motor Vehicle Rep & Mntnce	\$7,292.43	
Motor Vehicle Registration	\$3,341.94	
Motor Vehicle Insurance	\$8,020.93	
Motor Vehicle Fuel	\$12,613.33	
Office Supplies	\$272.73	
Postage Charges	\$985.73	
Rent	\$58,161.04	
Stationery	\$3,352.35	
Subscriptions	\$1,945.45	
Telephone	\$16,549.66	
Training Subsidy	\$220.00	
Travel & Entertainment	\$11,086.99	
Employment Expenses		
Staff Amenities	\$908.36	
Superannuation	\$49,600.44	
Wages & Salaries	\$538,055.66	
Workers' Compensation	\$3,530.63	
Other Employer Expenses	\$4,486.30	
Total Expenses		\$817,666.78
Operating Profit		\$8,047.97
Other Income		

This report includes Year-End Adjustments.

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Work Connection Limited

PO Box 160
Cannonvale
Queensland 4802

Profit & Loss Statement

July 2015 To June 2016

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Interest Income	\$4,518.84	
Total Other Income		\$4,518.84
Other Expenses		
Retrospective Adjustment	\$20,548.32	
Total Other Expenses		\$20,548.32
Net Profit/(Loss)		-\$7,981.51

This report includes Year-End Adjustments.

Balance Sheet

As of June 2016

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Assets**Current Assets****Cash On Hand**

Access Account \$15,390.23

Suncorp Cheque Account \$10,384.10

Suncorp Saver Account \$230,591.08

Petty Cash \$440.00

Total Cash On Hand \$256,805.41**Total Current Assets** \$256,805.41**Other Assets**

Deposits Paid \$25,286.91

Total Other Assets \$25,286.91**Fixed Assets****Plant & Equipment**

Plant & Equipment at Cost \$21,277.93

Total Plant & Equipment \$21,277.93**Motor Vehicles**

Vehicles at Cost \$14,973.95

Total Motor Vehicles \$14,973.95

Vehicles at Cost 2012 and 2013 \$51,092.33

Total Fixed Assets \$87,344.21**Total Assets** \$369,436.53**Liabilities****Current Liabilities**

Trade Creditors \$8,362.33

GST Liabilities

GST Collected \$19,410.18

GST Paid -\$4,785.55

Total GST Liabilities \$14,624.63**Payroll Liabilities**

PAYG Withholding \$9,295.60

Superannuation -\$0.01

Provision for Long Service Lea \$29,180.93

Total Payroll Liabilities \$38,476.52**Total Current Liabilities** \$61,463.48**Total Liabilities** \$61,463.48**Net Assets** \$307,973.05**Equity**

Retained Earnings \$173,220.48

Current Year Earnings -\$7,981.51

Historical Balancing \$142,734.08

Total Equity \$307,973.05

This report includes Year-End Adjustments.

Statement of Cash Flow

July 2015 To June 2016

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Cash Flow from Operating Activities**Net Income** **-\$7,981.51**

Plant & Equipment at Cost	-\$3,254.48
Vehicles at Cost	-\$13,155.77
Vehicles at Cost 2012 and 2013	\$32,338.85
Trade Creditors	-\$851.72
GST Collected	-\$1,321.05
GST Paid	\$462.54
PAYG Withholding	\$3,534.28
Superannuation	-\$3,602.14
Provision for Long Service Lea	\$4,486.30

Net Cash Flow from Operating Activities **\$10,655.30****Cash Flow from Investing Activities****Net Cash Flow from Investing Activities** **\$0.00****Cash Flow from Financing Activities****Net Cash Flow from Financing Activities** **\$0.00****Net Increase/Decrease for the period** **\$10,655.30****Cash at the Beginning of the period** **\$246,150.11****Cash at the End of the period** **\$256,805.41**

WORK CONNECTION LIMITED
NOTES TO AND FORMING PART OF THE ACCOUNTS
For the Year Ended 30 June 2016

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act. The committee has determined that the association is not a reporting entity.

The Committee has determined that the association is not a reporting entity as defined in Statement of Accounting Concepts 1: Definition of the Reporting Entity, and therefore there is no requirement to apply accounting standards in the preparation of these financial statements.

No regard has been paid to the application of Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board except where specifically stated.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values, or except where specially stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Basis of Accounting

The accounts have been prepared on the basis of historical costs, and except where stated, do not take into account current valuations of Non-Current Assets.

(b) Income Tax

The Association, as a community service organisation is exempt from income tax under section 23(g)(v) of the Income Tax Assessment Act.

(c) Depreciation of Fixed Assets

Fixed Assets are depreciated over their estimated useful life.

(d) Cash-Flows

A Cash-flow statement has been included with the Financial Statements of the Association.

(e) Financial Instruments

Disclosures have not been made in regards to financial instruments other than their appearance in the balance sheet at their carrying values.

NOTE 2 - MORTGAGES, CHARGES AND SECURITIES

There were no Mortgages, Charges or Securities in existence at 30 June 2016.

These notes must be read in conjunction with the Auditor's Report.

WORK CONNECTION LIMITED

ABN: 51 051 778 440

DIRECTOR'S REPORT

The directors present their report and audited financial statements for the year ended 30 June 2016.

Activities and business overview

Work Connections Limited principal activities during 2016 were job placement, job search and on-the-job support, specifically for people with disabilities.

Significant changes and events affecting the Organisation during 2016 have been:

- The Department of Social Services (DSS), have limited the types of resources our organisation can reimburse or purchase for our clients. Overall this has resulted in less spending in 'Client Support Services' by our organisation.
- The Organisation during the year has incurred higher 'Staff Training and Development' costs. This was required due to new changes implemented in the DSS system.

Auditors

The auditors of Work Connections Limited, Accountancy Plus Whitsundays, have indicated their willingness to continue with their position as auditors of Work Connections Limited.

The Directors' report is made in accordance with a resolution of the board.

.....

Director

Date:

WORK CONNECTION LIMITED
ABN: 51 051 778 440

DIRECTOR'S DECLARATION

The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlines in Note 1 to the financial statements.

The directors of the company hereby declare that:

The accompanying financial statements and notes of the company as at 30 June 2016;

- a) Present a true and fair view of the company's financial position as at 30 June 2016 and its performance for the year ended on that date in accordance with the accounting policies as described in Note 1 of the financial statements.
- b) Comply with Australian Accounting Standards as detailed in Note 1 of the financial statements and the Corporation Act.
- c) There is reasonable grounds to believe that the company will be able to meet its debt as and when they become payable.

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

.....
Director

25 July 2016

Christene Devery
Accountancy Plus Whitsunday
Po Box 589
Airlie Beach QLD 4802

Dear Christene Devery,

This representation letter is provided in connection with your audit of the financial report of Work Connections Limited for the year ended 30 June 2016, for the purpose of expressing an opinion as to whether the financial report is presented fairly, in all material respects, in accordance with the relevant Australian accounting standards and ASIC.

We confirm, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves, the following representations made to you during your audit:

Financial report

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 4 August 2015, for the preparation of the financial report in accordance with Australian Accounting Standards as per note 1; in particular the financial report is fairly presented in accordance therewith.
- We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- Any related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Australian Accounting Standards.
- All events subsequent to the date of the financial report and for which Australian Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. A list of the uncorrected misstatements is attached to the representation letter.

Information provided

- We have provided you with:
 - a) access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters.
 - b) all requested information, explanations and assistance for the purposes of the audit.
 - c) unrestricted access to persons within the Association from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.
- We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report; and accounted for and disclosed them in

accordance with the applicable financial reporting framework.

General

- We have no plans or intentions that may materially affect the carrying values or classification of assets and liabilities.
- The association has satisfactory title to all assets, and there are no liens or encumbrances on such assets nor have any assets been pledged as collateral that have not been disclosed in the financial report.
- There have been no known instances of non-compliance or suspected non-compliance with laws and regulations or contractual agreements whose effects should be considered in preparing the financial report.

Fraud

- We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and confirm we have disclosed to you:
 - a) the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud
 - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - i. management
 - ii. employees who have significant roles in internal controls or
 - iii. others where the fraud could have a material effect in the financial report and
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated to us by employees, former employees, analysts, regulators or others.

Commitments

- There were no material commitments for goods or services at year end, other than those disclosed in the financial report.

Impairment of assets

- We have considered the requirements of AASB 136 *Impairment of assets* when assessing the carrying values of assets and in ensuring that no assets within the scope of AASB 136 are stated in excess of their recoverable amount.

Liabilities

- There are no financial guarantee contracts in place to third parties which could be called upon in the event of a default, other than those disclosed in the financial report.

Property, plant and equipment

- Rates of depreciation, applied to reduce book values of individual assets to their estimated residual values, reflect the probable useful lives of those assets to the association.
- Allowances for depreciation have been adjusted for all significant items of property, plant and equipment that have been abandoned or are otherwise unusable.
- The association has no 'make good' obligations in respect of its property, plant and equipment for

which it would be required to make a restorative provision under AASB 137 *Provisions, contingent liabilities and contingent assets* which have not been included in the financial report.

Taxation

- Adequate amounts have been accrued for all local taxes on income including amounts applicable to prior years not finally settled and paid.

Electronic presentation of financial report

- With respect to presentation of the financial report on our website, we acknowledge that:
 - a) we are responsible for the electronic presentation of the financial report
 - b) we will ensure that the electronic version of the audited financial report and the auditor's report on the website will be identical to the final signed hard copy version
 - c) we will clearly differentiate between audited and unaudited information in the construction of the entity's website as we understand the risk of potential misrepresentation
 - d) we have assessed the controls over the security and integrity of the data on the website and confirmed that adequate procedures are in place to ensure the integrity of the information presented and
 - e) we will not present the auditor's report on the full financial report with extracts only of the full financial report.

Yours sincerely,

Philip Ross
Director

Independent Audit Report

To the members of Work Connections Limited,

We have audited the accompanying financial report of Work Connections Limited, which comprises the statement of financial position as at 30 June 2016, and the statement of comprehensive income for the year then ended, 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 Committee assertion statement.

The Committee's responsibility for the financial report

The Committee of Work Connections Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and ASIC and for such internal control as the Committee determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report whether due to fraud or error. In making those assessment, the auditor considers internal control relevant to the Associations preparation and fair presentation of the financial statements 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 the 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.

Independence

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

Qualifications

Part of the income derived by the organisation is of a nature, that full control of receipts cannot be maintained until amounts are physically recorded through the organisation's accounting system. As there are no practical audit procedures to quantify the effect of this we are unable to express an opinion on receipts prior to those transaction being recorded.

Opinion

In our opinion, the financial report of Work Connections Limited presents fairly, in all material respects the Work Connections Limited financial position as at 30 June 2016, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and ASIC.

A handwritten signature in black ink, appearing to read 'Clive Henley', with a long horizontal stroke extending to the left.

Clive Henley

Registered Company Auditor

Date: 31 August 2016