

**COUNCIL OF SOCIAL SERVICE OF  
NEW SOUTH WALES**

**ACN 001 797 137**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2016**

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES  
ACN 001 797 137**

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**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
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**OPERATING AS NCOSS**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

Your directors present this report on the Council of Social Service of New South Wales ("the Company") for the financial year ended 30 June 2016.

**Directors**

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

Bevan, Karen	
Prabhu, Vivek	Resigned 19 April 2016
Crozier, Denele	
Fogg, Sarah	Resigned 16 November 2015
Davies, Tony	Resigned 16 November 2015
Perusco, Michael	Resigned 16 November 2015
Farrar, Adam	
Bevan, Ngila	
Waterford, Eamon	
Michaels, Cecily	
Gallen, Benedict	Appointed 16 November 2015
Brungs, Marianna	Appointed 16 November 2015
Cohen, Gillian	Appointed 16 November 2015
Checkley, Kellie	Appointed 16 November 2015
Truong, Christine	Appointed 20 June 2016

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

**Company Secretary**

Farrar, Adam

**Objectives (Short-Term and Long-Term)**

The Company advocates with and for people experiencing poverty and disadvantage and the community sector, and provides an independent voice on social and economic policy issues and reforms and is the major co-ordinator for nongovernment social and community services in NSW. The Company acts as a channel for consultation with government and between parts of the nongovernment sector with common interests and diverse functions.

The Company also provides and facilitates organisational development services and products designed to improve the effectiveness and viability of not-for-profit human services organisations.

**Principal Activities**

The Company acted during the course of the financial year, as the major coordinator of non-government welfare and various community sector organisations in New South Wales.

**Key Performance Measures**

The Company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short-term and long-term objectives are being achieved.

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**Information on Directors**

<b>Karen Bevan:</b>	President
Qualifications:	BA Communications (CSU) (1990), Master - Legal Studies (UNSW)
Experience:	Board member since 2009
Special Responsibilities:	Chair of Human Resources and Board Nominations Subcommittees, Member of Management & Finance Subcommittee
<b>Vivek Prabhu:</b>	Treasurer - Resigned 19 April 2016
Qualifications:	B. Bus (Acc & Fin), F. Fin, FCA, MBA, GAICD
Experience:	Board member since September 2013, Resigned 19 April 2016
Special Responsibilities:	Former Chair of Management and Finance Committee
<b>Denele Crozier:</b>	Director, elected as Vice President on 16 November 2015
Qualifications:	Diploma of Accounting, Diploma of Business, RPN, 30 years working in community sector
Experience:	Board member since 2003
Special Responsibilities:	Member of Human Resources Subcommittee
<b>Sarah Fogg:</b>	Director (resigned 16 November 2015)
Qualifications:	BSc (Hons), MA (Public and Social Administration)
Experience:	Board member since 2009, Resigned 16 November 2015
Special Responsibilities:	Former Member of Risk and Compliance Subcommittee
<b>Tony Davies:</b>	Director (resigned 16 November 2015)
Qualifications:	B.A, LLB (Hons 1), Graduate Diploma (Legal Practice)
Experience:	Board member since November 2010, Resigned 16 November 2015
Special Responsibilities:	Former Vice President and Former Member of Management and Finance Subcommittee
<b>Michael Perusco:</b>	Director (resigned 16 November 2015)
Qualifications:	B Business (Acc)
Experience:	Board member since November 2013, Resigned 16 November 2015
Special Responsibilities:	Former Member of Human Resources Subcommittee
<b>Adam Farrar</b>	Vice President
Qualifications:	BA (hons); MA (qual), Drama, Philosophy, MA (hons), Philosophy
Experience:	Board member since November 2014
Special Responsibilities:	Company Secretary and Chair of Risk and Compliance Subcommittee
<b>Ngila Bevan</b>	Director
Qualifications:	BscEcon, MscEcon, International relations and security studies, LLB & BVC, Barrister
Experience:	Board member since November 2014
Special Responsibilities:	Member of Risk and Compliance Subcommittee
<b>Eamon Waterford</b>	Director
Qualifications:	Bachelor, International Studies (Globalisation Studies); Masters of Political Economy
Experience:	Board member since November 2014
Special Responsibilities:	Member of Management and Finance Subcommittee

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2016**

**Information on Directors (Continued)**

<b>Cecily Michaels</b>	Director
Qualifications:	Bachelor of Music in Education, Masters of Arts (Development and Community Organisation), Masters of Public Health
Experience:	Board member since November 2014
Special Responsibilities:	Member of Human Resources Subcommittee
<b>Marianna Brungs</b>	Director (Appointed 16 November 2015)
Qualifications:	Bachelor of Science/Law (USYD), MPhil, Development Studies University of Cambridge
Experience:	Board member since November 2015
Special Responsibilities:	Member of Management and Finance Subcommittee
<b>Ben Gallen</b>	Director (Appointed 16 November 2015)
Qualifications:	Bachelor of Arts, Griffith University Master of Arts, Monash University
Experience:	Board member since 2015
Special Responsibilities:	Member of Risk and Compliance Subcommittee
<b>Gillian Cohen</b>	Director (Appointed 16 November 2015)
Qualifications:	Bachelor of Applied Science, University of Technology Sydney Master of Public Health, Sydney University
Experience:	Board member since 2015
Special Responsibilities:	Member of Risk and Compliance Subcommittee
<b>Kellie Checkley</b>	Director (Appointed 16 November 2015)
Qualifications:	Bachelor of Social Science, Charles Sturt University
Experience:	Board member since 2015
Special Responsibilities:	Member of Human Resources Subcommittee
<b>Christine Truong</b>	Director (Appointed 20 June 2016)
Qualifications:	Bachelor of Business (Accounting), University of Western Sydney
Experience:	Board member since June 2016
Special Responsibilities:	Treasurer, Chair of Management and Finance Subcommittee

**Meetings of Directors**

During the financial year, 7 meetings of directors were held. Attendances by each director were as follows :

	<b>No. Eligible to attend</b>	<b>No. Attended</b>
Cecily Michaels	7	6
Michael Perusco	3	1
Ngila Bevan	7	3
Denele Crozier	7	6
Adam Farrar	7	6

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**Meetings of Directors (Continued)**

	<b>No. Eligible to attend</b>	<b>No. Attended</b>
Sarah Fogg	3	3
Vivek Prabhu	6	6
Eamon Waterford	7	4
Karen Bevan	7	7
Tony Davies	3	3
Marianna Brungs	4	4
Ben Gallen	4	4
Gillian Cohen	4	3
Kellie Checkley	4	3
Christine Truong	1	1

**Member Contributions**

The Company is incorporated under the *Corporations Act 2001* and is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company.

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 5 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



**Karen Bevan**

President

Dated in Sydney, this 26th day of September 2016

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE RESPONSIBLE ENTITIES' OF COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES  
ABN 85 001 797 137**

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

- i. the auditor's independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Council of Social Service of New South Wales during the year.



M A ALEXANDER  
Partner

PITCHER PARTNERS  
Sydney

26 September 2016

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
**ACN 001 797 137**  
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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
Revenue	2	2,292,773	2,437,525
Other income	2	53,414	68,473
<b>Expenses:</b>			
Administration expenses		(106,739)	(90,379)
Conference		(73,962)	(45,418)
Consultants		(160,473)	(245,064)
Depreciation and amortisation expense		(161,025)	(101,980)
Employee benefits expenses		(1,431,175)	(1,541,754)
Insurance		(24,253)	(22,628)
Office overheads		(17,942)	(15,829)
Premises		(61,144)	(82,602)
Rental expenses	3	(163,901)	(163,650)
Travel		(62,525)	(37,556)
Unrealised loss on financial assets held at fair value through profit or loss		(28,058)	(24,775)
Other expenses		(120,640)	(45,458)
		<hr/>	<hr/>
<b>(Deficit)/Surplus for the year</b>		<b>(65,650)</b>	<b>88,905</b>
<b>Other comprehensive income</b>		<hr/> <b>-</b> <hr/>	<hr/> <b>-</b> <hr/>
<b>Total comprehensive (loss)/income for the year</b>		<hr/> <b>(65,650)</b> <hr/>	<hr/> <b>88,905</b> <hr/>

*The accompanying notes form part of these financial statements.*



**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	2,747,086	933,376
Trade and other receivables	5	120,559	252,789
Financial assets	7	707,009	666,046
Other current assets	6	33,616	65,384
<b>TOTAL CURRENT ASSETS</b>		<b><u>3,608,270</u></b>	<b><u>1,917,595</u></b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	7	20,000	20,000
Plant and equipment	8	518,841	656,474
Other assets	6	45,122	43,241
<b>TOTAL NON-CURRENT ASSETS</b>		<b><u>583,963</u></b>	<b><u>719,715</u></b>
<b>TOTAL ASSETS</b>		<b><u>4,192,233</u></b>	<b><u>2,637,310</u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	2,601,659	980,730
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>2,601,659</u></b>	<b><u>980,730</u></b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	136,084	136,440
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b><u>136,084</u></b>	<b><u>136,440</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>2,737,743</u></b>	<b><u>1,117,170</u></b>
<b>NET ASSETS</b>		<b><u>1,454,490</u></b>	<b><u>1,520,140</u></b>
<b>EQUITY</b>			
Accumulated surplus		1,454,490	1,520,140
<b>TOTAL EQUITY</b>		<b><u>1,454,490</u></b>	<b><u>1,520,140</u></b>

*The accompanying notes form part of these financial statements.*

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>Accumulated Surplus \$</b>	<b>Total \$</b>
Balance at 1 July 2015	1,431,235	1,431,235
Comprehensive income:		
Surplus for the year	88,905	88,905
Other comprehensive income	-	-
	<u>88,905</u>	<u>88,905</u>
Balance at 30 June 2015	1,520,140	1,520,140
Comprehensive income:		
Deficit for the year	(65,650)	(65,650)
Other comprehensive income	-	-
	<u>(65,650)</u>	<u>(65,650)</u>
<b>Balance at 30 June 2016</b>	<b><u>1,454,490</u></b>	<b><u>1,454,490</u></b>

*The accompanying notes form part of these financial statements.*

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES  
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from grants		3,253,818	1,654,283
Other receipts		884,514	556,519
Payments to suppliers and employees		(2,283,572)	(2,539,051)
Interest received		9,363	65,888
Dividends received		43,881	2,585
<b>Net cash provided by/(used in) operating activities</b>		<b><u>1,908,004</u></b>	<b><u>(259,776)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of financial assets		(82,186)	(1,170,821)
Proceeds from withdrawals of term deposits		13,166	480,000
Payment for plant and equipment		(23,393)	(645,578)
Increase in other non-current assets		(1,881)	(43,241)
<b>Net cash (used in) investing activities</b>		<b><u>(94,294)</u></b>	<b><u>(1,379,640)</u></b>
Net increase/(decrease) in cash held		1,813,710	(1,639,416)
Cash and cash equivalents at the beginning of the year		<u>933,376</u>	<u>2,572,792</u>
<b>Cash and cash equivalents at the end of the year</b>	4	<b><u><u>2,747,086</u></u></b>	<b><u><u>933,376</u></u></b>

*The accompanying notes form part of these financial statements.*

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements cover the Council of Social Service of New South Wales ("the Company") as an individual entity incorporated and domiciled in Australia. The Company is limited by guarantee.

**Basis of Preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), other authoritative pronouncements of the AASB and the *Australian Charities and Not-for-profits Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, 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 amounts presented in the financial statements have been rounded to nearest dollar.

The financial statements were authorised for issue on 26 September 2016 by the directors of the Company.

**Accounting Policies**

**(a) Revenue**

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity 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 (grants in advance).

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability (unearned grants) until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

When grant revenue is received and all obligations to which it relates have been completed and a surplus exists which under the term of the grant is refundable pending approval for other use the surplus revenue is recognised in the statement of financial position as a liability (grant in trust).

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.

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(b) Plant and Equipment**

Each class of plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

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

**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<b>Class of Asset</b>	<b>Useful Life</b>
Computers	11.25%-50%
Administration equipment	11.25%-50%
Office furniture	7.5%-15%
Lease improvements	20%

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 as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Leases**

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(d) Financial Instruments**

Financial assets and financial liabilities are recognised when the entity 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 purchase or sell the asset (i.e. 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 recognised as expenses in profit or loss immediately.

***Classification and Subsequent Measurement***

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

Financial assets are classified at 'fair value through profit or loss' when they are either 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) 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. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Financial Instruments (continued)**

*(iii) Available-for-sale investments*

Available-for-sale investments are non-derivative financial assets that are either not capable of being 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 any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. 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.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

**Impairment**

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') has occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(e) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying values of its tangible 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Impairment of Assets (continued)**

Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

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 entity 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 asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised 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 class of asset.

**(f) Employee Provisions**

***Short-term employee provisions***

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be wholly settled within 12 months after the end of the annual reporting period are measured at the (undiscounted) amounts expected to be paid when the liabilities are settled. The Company's provision for annual leave is recognised as part of trade and other payables in the statement of financial position.

***Other long-term employee provisions***

The liabilities for annual leave and long service leave not expected to be settled wholly within 12 months after the end of the annual reporting period date in which the employees render the related service are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality Australian corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period of the remeasurement. The Company's provision for long service leave is recognised as provisions in the statement of financial position.

**(g) 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.

**(h) Trade and Other Receivables**

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Trade and other 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.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Trade and Other Receivables (continued)**

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

**(i) 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.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(j) Income Tax**

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

**(k) Provisions**

Provisions are recognised when the entity 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 reporting period.

**(l) 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.

**(m) Comparative Figures**

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

**(n) 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**

Directors have concluded that assumptions remain materially unchanged, and are satisfied that carrying value of the fixed assets does not exceed the economic benefit at 30 June 2016.

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
**ACN 001 797 137**  
**OPERATING AS NCOSS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) New, Revised or Amending Accounting Standards and Interpretations Adopted**

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting year.

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
<b>(a) Revenue from (non-reciprocal) government grants and other grants</b>		
State/Federal government grants	1,591,252	1,945,402
Membership	290,043	227,666
Service (including web jobs conference and commission)	411,478	264,457
<b>Total revenue</b>	<b><u>2,292,773</u></b>	<b><u>2,437,525</u></b>
<b>(b) Other Income</b>		
Interest	9,363	65,888
Dividends	38,114	2,585
Other income	5,937	-
<b>Total other income</b>	<b><u>53,414</u></b>	<b><u>68,473</u></b>
<b>Total revenue and other income</b>	<b><u><u>2,346,187</u></u></b>	<b><u><u>2,505,998</u></u></b>

**NOTE 3: EXPENSES**

**(a) Expenses**

**Rental expense on operating leases:**

- Minimum lease payments 163,901 163,650

**Employee Benefits Expense:**

- Total employee benefits expense 1,431,175 1,541,754

**Superannuation:**

- Defined contribution superannuation expense 119,598 114,161

**NOTE 4: CASH AND CASH EQUIVALENTS**

Cash at bank - unrestricted	2,745,910	932,999
Cash float	1,176	377
<b>Total cash and cash equivalents as stated in the statement of financial position</b>	<b><u><u>2,747,086</u></u></b>	<b><u><u>933,376</u></u></b>
<b>Total cash and cash equivalents as stated in the statement of cash flows</b>	<b><u><u>2,747,086</u></u></b>	<b><u><u>933,376</u></u></b>

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**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Trade receivables	113,340	220,838
Other receivables	7,219	31,951
	<b>120,559</b>	<b>252,789</b>
<b>Total trade and other receivables</b>	<b>120,559</b>	<b>252,789</b>

**(a) Credit Risk : Trade receivables**

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for above. The main source of credit risk to the Company is considered to relate to the class of assets described as “trade and other receivables”.

The following table details the Company’s trade receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as ‘past due’ when the debt has not been settled within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Trade and other receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company.

The balances of trade receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

	<b>Gross Amount</b>	<b>Past due and impaired</b>	<b>Past due but not impaired (days overdue)</b>				<b>Within initial trade terms</b>
			<b>&lt;30</b>	<b>31 - 60</b>	<b>61 - 90</b>	<b>&gt;90</b>	
	\$	\$	\$	\$	\$	\$	\$
<b>2016</b>							
Trade receivables	113,340	-	39,512	35,706	29,572	8,550	39,512
<b>Total</b>	<b>113,340</b>	<b>-</b>	<b>39,512</b>	<b>35,706</b>	<b>29,572</b>	<b>8,550</b>	<b>39,512</b>
<b>2015</b>							
Trade receivables	220,838	-	13,930	21,085	1,505	184,318	13,930
<b>Total</b>	<b>220,838</b>	<b>-</b>	<b>13,930</b>	<b>21,085</b>	<b>1,505</b>	<b>184,318</b>	<b>13,930</b>

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6: OTHER ASSETS</b>		
CURRENT		
Prepayments	33,616	65,384
<b>Total Other Current Assets</b>	<b><u>33,616</u></b>	<b><u>65,384</u></b>
NON-CURRENT		
Lease guarantee deposit	45,122	43,241
<b>Total Other Non-Current Assets</b>	<b><u>45,122</u></b>	<b><u>43,241</u></b>
 <b>NOTE 7: FINANCIAL ASSETS</b>		
CURRENT		
Held at fair value through profit or loss		
- Listed hybrids	(a) 217,688	186,367
- Equity securities	(b) 489,321	479,679
	<b><u>707,009</u></b>	<b><u>666,046</u></b>
NON-CURRENT		
Available-for-sale financial assets		
- Unlisted equity securities	(c) 20,000	20,000
	<b><u>20,000</u></b>	<b><u>20,000</u></b>
<b>Total Financial Assets</b>	<b><u>727,009</u></b>	<b><u>686,046</u></b>

**(a) Listed hybrids**

These financial assets are represented by investments in fixed income instruments listed on the Australian Securities Exchange.

**(b) Equity securities**

These financial assets are represented by investments in Australian managed funds and international exchange traded funds.

**(c) Unlisted equity securities**

The financial asset is represented by Shares in Community 21 Limited which have been recorded at cost. Community 21 Limited was formed to fund the establishment of a community sector bank which would provide lower cost banking services and other financing opportunities to community based organisations. The investment represents an ultimate 2.5% share of Community Sector Banking. Bendigo Bank Ltd is a 50% shareholder in Community Sector Banking.

Based on a prospectus dated 14 August 2014, the investment in Community 21 Ltd was valued at \$100,000. Given the non liquid nature (non listed) and purpose of the original investment, the directors have elected to carry the investment at cost.

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 8: PLANT AND EQUIPMENT</b>		
<b>Leasehold Improvements</b>		
At cost	569,994	569,994
Accumulated depreciation	(199,264)	(85,265)
	<u>370,730</u>	<u>484,729</u>
<b>Plant and Equipment</b>		
At cost	264,913	241,523
Accumulated depreciation	(185,201)	(155,277)
	<u>79,712</u>	<u>86,246</u>
<b>Make Good Asset</b>		
At cost	85,499	85,499
Accumulated depreciation	(17,100)	-
	<u>68,399</u>	<u>85,499</u>
<b>Total Plant and Equipment</b>	<b>518,841</b>	<b>656,474</b>

**Movements in carrying amounts**

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial period.

	<b>Leasehold Improvements</b>	<b>Plant and Equipment</b>	<b>Make Good Asset</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2016</b>				
Balance at the beginning of the year	484,729	86,246	85,499	656,474
Additions at cost	-	23,392	-	23,392
Depreciation expense	(113,999)	(29,926)	(17,100)	(161,025)
<b>Carrying amount at end of year</b>	<b>370,730</b>	<b>79,712</b>	<b>68,399</b>	<b>518,841</b>

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Trade payables	305,479	180,293
Deferred rent liability	34,094	34,095
Employee entitlements	100,474	102,073
Grants in advance	1,927,144	339,953
Grants in trust	197,574	267,499
Unearned grants	36,894	56,817
<b>Total Trade and Other Payables</b>	<b>2,601,659</b>	<b>980,730</b>

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>NOTE 10: PROVISIONS</b>			
NON-CURRENT			
<b>Long-Term Employee Benefits</b>			
Opening balance at 1 July		50,941	36,940
Additional provision raised during the year		16,073	24,444
Amount used		(16,429)	(10,443)
<b>Balance at 30 June 2015</b>	<b>(a)</b>	<b>50,585</b>	<b>50,941</b>
<b>Provision for Make Good</b>			
Opening balance at 1 July		85,499	85,499
Additional provision raised during the year		-	-
		<b>85,499</b>	<b>85,499</b>
<b>Total Provisions</b>		<b>136,084</b>	<b>136,440</b>

**(a) Long-Term Employee Benefits**

Provision for employee benefits represents amounts accrued for annual leave, long service leave and other leave.

The current portion of employee benefits includes the total amount accrued for annual leave entitlements and the amounts accrued for other leave entitlements that have vested due to employees having completed the required period of service (included in Note 9). Based on past experience the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have vested but are not expected to be settled in the next 12 months. It also includes provisions for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

	2016 \$	2015 \$
<b>NOTE 11: CAPITAL AND LEASING COMMITMENTS</b>		
<b>(a) Operating Lease Commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
<b>Payable – minimum lease payments</b>		
- not later than one year	176,408	171,104
- between two and five years	352,816	513,313
- over five years	-	-
	<b>529,224</b>	<b>684,417</b>
	<b>529,224</b>	<b>684,417</b>

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
**ACN 001 797 137**  
**OPERATING AS NCOSS**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2016**

**NOTE 12: EVENTS AFTER REPORTING PERIOD**

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

**NOTE 13: RELATED PARTY TRANSACTIONS**

**(a) Key Management Personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

**Key Management Personnel Compensation**

	<b>Short-term benefits \$</b>	<b>Post employ- ment benefits \$</b>	<b>Total \$</b>
<b>2016</b>			
Total compensation	<u>162,383</u>	<u>15,129</u>	<u>177,512</u>
<b>2015</b>			
Total compensation	<u>152,790</u>	<u>14,027</u>	<u>166,817</u>

**NOTE 14: CONTINGENT LIABILITIES**

The Company has no contingent liabilities as at 30 June 2016 (2015: nil).

**NOTE 15: MEMBER CONTRIBUTIONS**

The Company is incorporated under the *Corporations Act 2001* and is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the Company.

**NOTE 16: COMPANY DETAILS**

The registered office and principal place of business of the Company is:


Council of Social Service of New South Wales  
Level 3, 52-56 William Street  
Woolloomooloo NSW 2011

**COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES**  
**ACN 001 797 137**  
**OPERATING AS NCOSS**

**DIRECTORS' DECLARATION**  
**FOR THE YEAR ENDED 30 JUNE 2016**

- 1) The financial statements and notes, as set out on pages 6 to 21, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b) give a true and fair view of the financial position of the Company as at 30 June 2016 and of its performance for the year ended on that date.
  
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors, and is signed in accordance with subsection 60.15(2) of *Australian Charities and Not-for-profit Commission Regulation 2013*.



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**Karen Bevan**  
President

Dated in Sydney, this 26th day of September 2016.



**INDEPENDENT AUDITOR'S REPORT  
TO THE RESPONSIBLE ENTITIES OF COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES  
ABN 85 001 797 137**

**Report on the Financial Report**

We have audited the accompanying financial report of Council of Social Service of New South Wales ('the company'), which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory information and the responsible entities' declaration.

*Responsible Entities' Responsibility for the Financial Report*

The responsible entities are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The responsible entities' responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation 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 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 company'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 entities internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, 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.

**INDEPENDENT AUDITOR'S REPORT  
TO THE RESPONSIBLE ENTITIES OF COUNCIL OF SOCIAL SERVICE OF NEW SOUTH WALES  
ABN 85 001 797 137**

*Independence*

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

*Opinion*

In our opinion the financial report of Council of Social Service of New South Wales is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) 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
- b) complying with Australian Accounting Standards and the financial reporting requirements of the *Australian Charities and Not-for-profits Regulation 2013*.



M A ALEXANDER  
Partner



PITCHER PARTNERS  
Sydney

26 September 2016