

**A.Q.A. Victoria Ltd****ABN 90 006 691 185**

Financial report
For the year ended 30 June 2016



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DIRECTORS' REPORT

The directors present their report together with the financial report of A.Q.A. Victoria Ltd for the year ended 30 June 2016 and auditor's report thereon. This financial report has been prepared in accordance with Australian Accounting Standards.

Directors names

The names of the directors in office at any time during or since the end of the year are:

Colin Daws

Shane Brand

Steve Mollison

Greg Schinck

Joshua Fisher - Appointed 7 July 2015

Michelle O'Sullivan - Appointed 7 December 2015

David Schreuder

Penny Callaghan - resigned 7 December 2015

Amy Cato - resigned 8 September 2015

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

Interest in contracts or proposed contracts with the company

No directors have received or have become entitled to receive, during or since the financial year, a benefit because of a contract made by the company with the director, a firm in which the director is a member, or an entity in which the director has a substantial interest.

This statement excludes a benefit included in the aggregate amount of emoluments received, or due and receivable, by directors as shown in the company's financial accounts for the financial year or the fixed salary of a full-time employee of the company.

Results

The profit of the company for the year amounted to \$418,776 (2015: \$211,229).

No deduction for income tax has been made, as the company has been granted exemption from taxation as a charitable institution by virtue of Subdivision 50-A of Part 2-15 of the Income Tax Assessment Act.

DIRECTORS' REPORT

Review of operations

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

Short-term and long-term objectives and strategies

The company's focus on life after spinal cord injury informs everything they do. What drives the company is a vision that people affected by spinal cord injury have the opportunity to enjoy life. The services and programs informed by this focus are then available to support all people who experience similar issues in their lives.

The company's short and long-term objectives are to:

- Provide support and services to people who sustain spinal cord injuries (quadriplegia and paraplegia) and similar physical disabilities;
- Raise awareness and educate the community about the issues of life with spinal cord injury;
- Motivate and assist those with SCI during their initial rehabilitation, their subsequent re-integration to the community and through the issues of life after SCI;
- Facilitate a sense of community among people with SCI by networking, sharing information and experiences in order to leverage the value of that lived experience to resource others.

Principal activities

To carry out the company's strategies and to achieve its short-term and long-term objectives, the company engaged in the following principal activities during the year.

- The provision of Personal Care and Community Access services delivered to clients living with physical disabilities including spinal cord injury;
- The provision of peer-facilitated supports and resources for people living with SCI and those who support them; and
- Community development activities to connect individuals, organisations and communities to better understand and respond to issues of life with SCI.

DIRECTORS' REPORT

Priorities

- Transition existing core services & programs to the emerging market environment;
- Prepare & position signature projects and programs to the emerging market environment;
- Engage our workforce in the value of their work and how they continue to contribute to people's opportunity to enjoy life; and
- Build the capacity of our systems and processes to support our transition to a market environment.

Objectives

Community

- Connect individuals, organisations and communities to respond to the issues that impact on people with SCI;
- Increase positive awareness of spinal cord injury through education and training.

Services

- Develop & deliver flexible and individualised services in partnership with the service user;
- Services will be grounded in best practice evidence and represent innovative models of support; and
- Service excellence will be central to the way we design, deliver and measure our services.

Leadership

- Deliver information and training that builds the capacity of generalist providers in key sectors to understand and respond to the needs of people with SCI;
- Establish a network of likeminded individuals and organisations to influence policy and research in the interests of people with SCI; and
- Apply AQA's expertise in living with a SCI to the development of services, policy and funding models.

People

- Engage our workforce and volunteers in the value of their work and how it contributes to opportunity to enjoy life.

Sustainability

- Diversify revenue base through fundraising, grant partnerships and business development; and
- Maximise our effectiveness and accountability through excellence in management and governance.

DIRECTORS' REPORT

Key performance indicators

To help evaluate whether the activities the company established during the year have achieved its short-term and long-term objectives the company measures, monitors and analyses performance by activity, efficiency and outcomes, including:

Personal care:

Delivered hours of support;
Identification and analysis of key cost drivers;
Service reliability and customer satisfaction.

Peer Facilitated Services & Supports:

Peer Mentoring;
Peer contacts;
Completion of planned activities and events.

Information sharing;

Production, distribution and evaluation of peer-resourced information;
Online engagement.

Community Engagement:

Facilitation and evaluation of peer support networks;
Completion and evaluation of planned events;
Customer satisfaction feedback.

People:

Recruitment;
Retention;
Employee opinion.

A detailed report as to the company's progress against each of these priority areas is contained in the 2016 Annual Report.

After balance date events

No matters or circumstances have arisen since the end of the financial year 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.

Likely developments

The company expects to maintain the present status and level of operations.

Environmental regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

DIRECTORS' REPORT

Dividends paid, recommended and declared

The constitution of A.Q.A. Victoria Ltd does not allow for the payment of dividends to shareholders.

Information on directors

Colin Daws

B.Bus (Acc), FCPA, GIA (Cert)

Joined the board in July 2012. Colin is COO/Company Secretary of a major research centre. He brings over 20 years business management experience and is an FCPA. Colin has extensive management experience within service based industries including communications, marketing, accounting and investment banking.

Shane Brand

Joined the board in July 2014

Shane's career spans roles in software testing, disability consultant to one of the big 4 banks and now Managed Environments and Testing Services. Interests include cloud computing, wheelchair rugby and real world experience as a person living and working with SCI. Shane is a member of AQA's Development and Funding Committee having sat on that committee for six months prior to joining the Board.

Steve Mollison

B.Bus (Marketing), MBA

Joined the board in 2009. Steve's career spans roles in Marketing, Funds Administration, Web Design and Development, various IT management positions with the last role been a Senior Global IT Development Manager within the corporate sector and most recently has established his own business in the online space. Interests in strategy and development, particularly in the online area, management expertise, technical talent and real world experience as a person living and working with SCI.

Greg Schinck

B.Ec (Monash), MBA (AGSM)

Joined the board in March 2014. Greg has a background in Investment Banking, Economics and Business and is currently the Chief Procurement Officer at Cenltex. He has served as Chair on the Ombudsman Victoria Audit & Risk Committee and joined the AQA Audit and Finance Committee in 2012, providing advice and guidance on finance reporting and audit programs. Greg also contributes to the Onemda Association where he is a Board Director. Onemda is an organisation that provides support options to adults with an Intellectual Disability.

DIRECTORS' REPORT

Information on directors (Continued)

Joshua Fisher

BA/LLB (Monash), BA(Hons) (Melb), GradDipLegalPrac

Joined the board in July 2015. Josh is a lawyer who specialises in mergers and acquisitions, corporate fundraising and corporate governance. During the last 10 years, he has had extensive experience volunteering with not-for-profit organisations and community legal centres. He also sits on AQA's Risk and Compliance Committee.

Michelle O'Sullivan

Social Work – BSW; Grad Dip Rehab Counselling – Grad Dip Rehab; Master App Science Innovation and Services Management – Mast App.Sc, ISM.

Joined the board in April 2013. Michelle has extensive Government experience with roles in HR and Corporate Services. She has held a number of roles within the TAC in Victoria over her career ranging from claims management to project management and then diversifying into organisational development. She played an instrumental role in their relocation to Geelong. Michelle has worked in community health and has an interest in the role community has to play in terms of health management and engagement. Michelle also has a sound background in industrial relations from both the management and union perspectives. Michelle has previously sat on the Board of Impact Support Services and is experienced in not-for-profit governance, employee management and State Government compliance. Currently Michelle is Principal Organisational Development Consultant at CFA.

David Schreuder

B.Sc, LLB

Joined the board in March 2014. David has ten years legal and compliance experience across the private and public sectors both in Australia and overseas. David is a Principal Solicitor for the Department of Treasury and Finance and has extensive government and commercial experience. David is Convenor of AQA's Risk and Compliance Committee and sat on the committee for six months prior to joining the Board.

Penny Callaghan

Resigned 7 December 2015

Penny has over 10 years of clinical experience in neurological physiotherapy, both in Australia and overseas. Penny's passion for this area of physiotherapy saw her open her own practice in 2009, Steps Neurological Physiotherapy, which specialises in physiotherapy and exercise therapy for people with spinal cord injury and acquired brain injury. Penny enjoys the challenge of clinical work as well as running and managing a small business.

DIRECTORS' REPORT

Information on directors (Continued)

Amy Cato

Resigned 8 September 2015

Amy has over ten years experience in Human Resources and Recruitment industries across Management and Company Director roles. She is the Public Officer and Secretary for a leading Women's NFP, Chair of the Corporate Social Responsibility Committee for a recruitment firm, as well as volunteering her time with numerous Melbourne and International not-for-profits. Amy currently works as a National Account Manager for IPA Personnel.

Meetings of directors

Directors	Directors' meetings		Audit & Finance Committee meetings		Risk & Compliance Committee meetings		Development & Fundraising Committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Colin Daws	6	6	5	5	-	-	-	-
Shane Brand	6	1	-	-	-	-	5	4
Steve Mollison	6	5	-	-	-	-	5	3
Greg Schinck	6	6	5	5	-	-	-	-
Joshua Fisher	6	6	-	-	4	3	-	-
Michelle O'Sullivan	4	4	-	-	-	-	5	5
David Schreuder	6	5	-	-	4	3	-	-
Penny Callaghan	3	3	-	-	-	-	-	-
Amy Cato	1	-	-	-	-	-	-	-

Options

No options over unissued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the end of the year.

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$100 each towards meeting any outstanding and obligations of the group. At 30 June 2016 the number of members was 146. The combined total amount that members of the company are liable to contribute if the company is wound up is \$14,600.

DIRECTORS' REPORT

Indemnification of officers

The company is classified as a State Government of Victoria funded Community Service Organisation. Due to this classification, A.Q.A Victoria Ltd are covered for Directors' and Officers' Liability and incorporating Entity Liability.

This coverage indemnifies Directors, Officers, and the Funded Organisation against loss arising out of any claim, by reason of any wrongful act committed, whilst acting in that capacity during the period of coverage.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the company.

Auditor's independence declaration

A copy of the auditor's independence declaration under division 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit for the financial year is provided with this report.

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Directors' Benefits


During or since the financial year, no director of the company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the accounts, by reason of a contract entered into by the company or a body corporate that was related to the company when the contract was made or when the directors received, or became entitled to receive, the benefit with:

- a director, or
- a firm of which a director is a member, or
- an entity in which a director has a substantial financial interest.

A.Q.A. VICTORIA LTD
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DIRECTORS' REPORT

Signed on behalf of the board of directors.

Director: 
Colin Daws

Director: 
Greg Schinck

Dated this *Third* day of *October* 2016

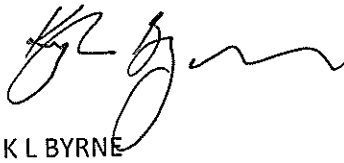


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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF A.Q.A. VICTORIA LTD

In relation to the independent audit for the year ended 30 June 2016, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (ii) no contraventions of any applicable code of professional conduct.



K L BYRNE

Partner



PITCHER PARTNERS

Melbourne

Date: 3 October

2016

A.Q.A. VICTORIA LTD
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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
Revenue and other income			
Service revenue	2	12,208,929	10,441,499
Other revenue	2	190,413	183,875
Profit on sale of non current assets	2	<u>627</u>	<u>-</u>
	2	<u>12,399,969</u>	<u>10,625,374</u>
Less: expenses			
Depreciation expense	3	(41,179)	(38,116)
Employee benefits expense	3	(11,228,786)	(9,636,825)
Rental expense on operating leases	3	(23,897)	(20,609)
Advertising expense		(11,034)	(7,104)
Consulting fees		(45,619)	(60,436)
Other expenses		<u>(630,678)</u>	<u>(651,055)</u>
		<u>(11,981,193)</u>	<u>(10,414,145)</u>
Surplus		<u>418,776</u>	<u>211,229</u>
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit and loss</i>			
Revaluation of land and buildings	11	<u>-</u>	<u>463,173</u>
Total comprehensive income		<u>418,776</u>	<u>674,402</u>

The accompanying notes form part of these financial statements.

A.Q.A. VICTORIA LTD
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
Current assets			
Cash and cash equivalents	4	4,014,668	3,781,378
Receivables	5	1,176,551	661,248
Other assets	6	<u>32,726</u>	<u>34,778</u>
Total current assets		<u>5,223,945</u>	<u>4,477,404</u>
Non-current assets			
Plant and equipment	7	<u>1,598,422</u>	<u>1,594,684</u>
Total non-current assets		<u>1,598,422</u>	<u>1,594,684</u>
Total assets		<u>6,822,367</u>	<u>6,072,088</u>
Current liabilities			
Payables	8	580,437	384,402
Provisions	9	1,354,647	1,140,703
Other liabilities	10	<u>585,960</u>	<u>613,608</u>
Total current liabilities		<u>2,521,044</u>	<u>2,138,713</u>
Non-current liabilities			
Provisions	9	229,269	273,897
Other liabilities	10	<u>6,200</u>	<u>12,400</u>
Total non-current liabilities		<u>235,469</u>	<u>286,297</u>
Total liabilities		<u>2,756,513</u>	<u>2,425,010</u>
Net assets		<u>4,065,854</u>	<u>3,647,078</u>
Equity			
Reserves	11	463,173	463,173
Retained earnings	12	<u>3,602,681</u>	<u>3,183,905</u>
Total equity		<u>4,065,854</u>	<u>3,647,078</u>

The accompanying notes form part of these financial statements.

A.Q.A. VICTORIA LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Reserves \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2014	-	2,972,676	2,972,676
Surplus for the year	-	211,229	211,229
Revaluation of land and buildings	<u>463,173</u>	-	<u>463,173</u>
Total comprehensive income for the year	<u>463,173</u>	<u>211,229</u>	<u>674,402</u>
Balance as at 30 June 2015	<u><u>463,173</u></u>	<u><u>3,183,905</u></u>	<u><u>3,647,078</u></u>
Balance as at 1 July 2015	463,173	3,183,905	3,647,078
Surplus for the year	<u>-</u>	<u>418,776</u>	<u>418,776</u>
Total comprehensive income for the year	<u>-</u>	<u>418,776</u>	<u>418,776</u>
Balance as at 30 June 2016	<u><u>463,173</u></u>	<u><u>3,602,681</u></u>	<u><u>4,065,854</u></u>

The accompanying notes form part of these financial statements.

A.Q.A. VICTORIA LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flow from operating activities			
Receipts from customers		11,328,910	11,024,292
Payments to suppliers and employees		(11,147,864)	(10,671,959)
Interest received		<u>96,534</u>	<u>106,124</u>
Net cash provided by operating activities		<u>277,580</u>	<u>458,457</u>
Cash flow from investing activities			
Proceeds from sale of plant and equipment		21,401	-
Payment for plant and equipment		<u>(65,691)</u>	<u>(19,588)</u>
Net cash used in investing activities		<u>(44,290)</u>	<u>(19,588)</u>
Cash flow from financing activities			
Net cash used in financing activities		<u>-</u>	<u>-</u>
Reconciliation of cash			
Cash at beginning of the financial year		3,781,378	3,342,509
Net increase in cash held		<u>233,290</u>	<u>438,869</u>
Cash at end of financial year	13(a)	<u>4,014,668</u>	<u>3,781,378</u>

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report was approved by the directors as at the date of the directors' report.

The financial report is for the entity A.Q.A. Victoria Ltd as an individual entity. A.Q.A. Victoria Ltd is a company limited by guarantee, incorporated and domiciled in Australia. A.Q.A. Victoria Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

(b) Revenue

Revenue from the rendering of services is recognised upon the actual provision of care to the customer.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

Government grant income is recognised upon the receipt of the funds.

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

(c) Grants and contributions

Grant revenue is recognised in the profit or loss 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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Income tax

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

(e) Property, plant and equipment

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

Property

Freehold land and buildings are measured at fair value. Every three years the carrying amount of each asset is reviewed to ensure that it does not differ materially from the asset's fair value at reporting date. Where necessary, the asset is revalued to reflect its fair value.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. To the extent that the increase reverses a decrease of the same class of asset previously recognised in profit or loss, the increase is recognised in profit or loss. Decreases that offset previous increases of the same class of asset are recognised in other comprehensive income under the heading of revaluation surplus; all other decreases are charged to profit and loss.

Plant and equipment

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held ready for use. Land and the land component of any class of property, plant and equipment is not depreciated.

Class of fixed asset	Depreciation rates	Depreciation basis
Buildings at cost	2.5%	Straight line
Motor vehicles at cost	22.5-25%	Straight line
Office equipment at cost	20-36%	Straight line
Furniture, fixtures and fittings at cost	5-20%	Straight line

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) 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.

(g) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

(h) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the annual reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

(j) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

	2016 \$	2015 \$
NOTE 2: REVENUE AND OTHER INCOME		
Government grants	12,208,929	10,441,499
Other revenue		
Interest income	94,482	100,663
Fundraising	16,445	18,679
Other revenue	<u>79,486</u>	<u>64,533</u>
	<u>190,413</u>	<u>183,875</u>
Other income		
Profit on sale of non current assets	<u>627</u>	<u>-</u>
	<u>12,399,969</u>	<u>10,625,374</u>

NOTE 3: OPERATING PROFIT

Profit from continuing operations has been determined after:

Net gain on disposal of non-current assets:

- Profit on sale of property, plant and equipment	627	-
Depreciation	41,179	38,116
Rental expense on operating leases		
- minimum lease payments	23,897	20,609
Employee benefits:		
- Other employee benefits	11,228,786	9,636,825

A.Q.A. VICTORIA LTD
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash on hand	394	500
Cash at bank	1,190,463	1,194,745
Cash on deposit	<u>2,823,811</u>	<u>2,586,133</u>
	<u>4,014,668</u>	<u>3,781,378</u>
 NOTE 5: RECEIVABLES		
CURRENT		
Trade debtors	<u>1,176,551</u>	<u>661,248</u>
 NOTE 6: OTHER ASSETS		
CURRENT		
Accrued income	<u>32,726</u>	<u>34,778</u>
 NOTE 7: PROPERTY, PLANT AND EQUIPMENT		
Land		
At valuation	<u>1,100,000</u>	<u>1,100,000</u>
Total land	<u>1,100,000</u>	<u>1,100,000</u>
 Buildings		
At valuation	400,000	400,000
Accumulated depreciation	<u>(10,000)</u>	<u>-</u>
	<u>390,000</u>	<u>400,000</u>
Total land and buildings	<u>1,490,000</u>	<u>1,500,000</u>
 Plant and equipment		
Motor vehicles at cost	55,616	52,256
Accumulated depreciation	<u>(16,666)</u>	<u>(18,849)</u>
	38,950	33,407
Office equipment at cost	220,799	205,834
Accumulated depreciation	<u>(184,258)</u>	<u>(167,401)</u>
	36,541	38,433

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Furniture, fixtures and fittings at cost	78,173	65,061
Accumulated depreciation	<u>(45,242)</u>	<u>(42,217)</u>
	<u>32,931</u>	<u>22,844</u>
Total plant and equipment	<u><u>1,598,422</u></u>	<u><u>1,594,684</u></u>
(a) Reconciliations		
Reconciliation of the carrying amounts of plant and equipment at the beginning and end of the current financial year		
<i>Land</i>		
Opening carrying amount	1,100,000	705,000
Net amount of revaluation increments less decrements	<u>-</u>	<u>395,000</u>
Closing carrying amount	<u><u>1,100,000</u></u>	<u><u>1,100,000</u></u>
<i>Buildings</i>		
Opening carrying amount	400,000	340,004
Net amount of revaluation increments less decrements	-	68,173
Depreciation expense	<u>(10,000)</u>	<u>(8,177)</u>
Closing carrying amount	<u><u>390,000</u></u>	<u><u>400,000</u></u>
<i>Motor vehicles</i>		
Opening carrying amount	33,407	43,009
Additions	37,611	-
Disposals	(20,774)	-
Depreciation expense	<u>(11,294)</u>	<u>(9,602)</u>
Closing carrying amount	<u><u>38,950</u></u>	<u><u>33,407</u></u>
<i>Office equipment</i>		
Opening carrying amount	38,433	47,174
Additions	14,969	9,280
Depreciation expense	<u>(16,861)</u>	<u>(18,021)</u>
Closing carrying amount	<u><u>36,541</u></u>	<u><u>38,433</u></u>
<i>Furniture, fixtures and fittings</i>		
Opening carrying amount	22,844	14,852
Additions	13,111	10,308
Depreciation expense	<u>(3,024)</u>	<u>(2,316)</u>
Closing carrying amount	<u><u>32,931</u></u>	<u><u>22,844</u></u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
(a) Reconciliations (Continued)		
<i>Total property, plant and equipment</i>		
Carrying amount at 1 July	1,594,684	1,150,039
Additions	65,691	19,588
Disposals	(20,774)	-
Net amount of revaluation increments less decrements	-	463,173
Depreciation expense	<u>(41,179)</u>	<u>(38,116)</u>
Carrying amount at 30 June	<u>1,598,422</u>	<u>1,594,684</u>
 NOTE 8: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	125,461	25,862
Sundry creditors and accruals	<u>454,976</u>	<u>358,540</u>
	<u>580,437</u>	<u>384,402</u>
 NOTE 9: PROVISIONS		
CURRENT		
Employee benefits	(a) <u>1,354,647</u>	<u>1,140,703</u>
NON CURRENT		
Employee benefits	(a) <u>229,269</u>	<u>273,897</u>
(a) Aggregate employee benefits liability	1,583,916	1,414,600
 NOTE 10: OTHER LIABILITIES		
CURRENT		
Lease incentive	6,200	6,200
Accrued revenue - government grants	<u>579,760</u>	<u>607,408</u>
	<u>585,960</u>	<u>613,608</u>
NON CURRENT		
Lease incentive	<u>6,200</u>	<u>12,400</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
NOTE 11: RESERVES		
Asset revaluation reserve	<u>463,173</u>	<u>463,173</u>

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

NOTE 12: RETAINED EARNINGS

Retained earnings at beginning of year	3,183,905	2,972,676
Net profit	<u>418,776</u>	<u>211,229</u>
	<u>3,602,681</u>	<u>3,183,905</u>

Members' Guarantee

The company is limited by shares and guarantee. If the company is wound up the articles of association state that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the company. At 30 June 2016, the number of members was 146 (2015: 140).

NOTE 13: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:

Cash on hand	394	500
Cash at bank	1,190,463	1,194,745
At call deposits with financial institutions	<u>2,823,811</u>	<u>2,586,133</u>
	<u>4,014,668</u>	<u>3,781,378</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$

NOTE 14: CAPITAL AND LEASING COMMITMENTS

(a) Operating lease commitments

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

Payable

- not later than one year	22,679	22,679
- later than one year and not later than five years	<u>21,307</u>	<u>43,986</u>
	<u>43,986</u>	<u>66,665</u>

General description of leasing arrangement - Commitments comprise the hire of printers and photocopiers.

NOTE 15: KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation received by key management personnel of the company

- short-term employee benefits	577,685	540,062
- other long-term benefits	<u>53,943</u>	<u>50,569</u>
	<u>631,628</u>	<u>590,631</u>

The names of key management personnel during the year are:

Name	Position
Peter Trethewey	Chief Executive Officer
Nazim Erdem	Spire Team Leader
Carolyn Gallagher	Manager - A.Q.A. Qualcare
Carol Smith	Human Resources Advisor
Fiona Gologranc	Accounts/ Payroll Manager
Robyn Canning	Executive Assistant
Harindra Corea	Spire Development Coordinator

NOTE 16: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2016 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2016, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2016, of the company.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 17: RELATED PARTY TRANSACTIONS

(a) Transactions with key management personnel of the entity or its parent and their personally related entities


During the financial year, A.Q.A Victoria Ltd entered into an advertising agreement with Steps Neurologist Physiotherapy, a company in which Penny Callaghan is a director. Arms length payments totalling \$450 were received for a quarter page advertisement for 6 editions in News Link.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 - 24, 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 the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director: 

Colin Daws

Director: 

Greg Schinck

Dated this *Third* day of *October* 2016

A.Q.A. VICTORIA LTD
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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF A.Q.A. VICTORIA LTD**

We have audited the accompanying financial report of A.Q.A. Victoria Ltd, which comprises the statement of financial position as at 30 June 2016, 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 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 - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission 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.

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 risk assessments, the auditor considers internal control relevant to the company'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 company'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 Commission Act 2012*.


A.Q.A. VICTORIA LTD
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF A.Q.A. VICTORIA LTD

Opinion

In our opinion, the financial report of A.Q.A. Victoria Ltd 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 - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.



K L BYRNE

Partner



PITCHER PARTNERS

Melbourne

Date: *3 October* 2016