

# Relationships Australia (Victoria) Inc

## Financial Statements

For the year ended 30 June 2015

ABN 51 263 215 677

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Relationships Australia (Victoria) Inc  
ABN 51 263 215 677

# Relationships Australia (Victoria) Inc

ABN 51 263 215 677

**Board Report**  
as at 30 June 2015

Your Board presents their financial report of Relationships Australia (Victoria) Inc. (RAV) for the financial year ended 30 June 2015.

## **Directors**

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

Judi Anderson (President) to 26 October 2014  
Lyn Littlefield (President) from 27 October 2014  
Peter Gome (Vice President)  
Michael Shaw  
John Lovell  
Kimberly Hunter  
Debra Goldfinch  
Janine Bush from 9 May 2015  
Rosemary Kelada from 9 May 2015

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

## **Principal Activities**

The principal activities of Relationships Australia (Victoria) Inc. during the financial year were to provide specialist family services including counselling, education, mediation and professional development to families, children, parents, couples and individuals.

There were no significant changes in the nature of these activities that occurred during the year.

## **Operating Results**

The surplus for the financial year amounted to \$186,107 (2014: \$270,256).

## **Review of Operations**

During the year under review RAV has continued to provide specialist family services and relationship support services predominantly under ongoing and renewed government contracts. Federal funding was provided by the Attorney General's Department and by the Department of Social Services (DSS). State funding was provided through the Department of Human Services and the Department of Justice. The major funding agreement has been renewed for a further period of 5 years from July 2014 to June 2019.

## **Significant Changes in State of Affairs**

No significant changes in RAV's state of affairs occurred during the financial year.

## **Events Subsequent to Balance Date**

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

## **Environmental Issues**

RAV operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

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# Relationships Australia (Victoria) Inc

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## Board Report

### Information on Board Members

#### Professor Lyn Littlefield - President

Lyn is the Executive Director of the Australian Psychological Society, the peak professional body for psychologists in Australia. Lyn was formerly Head of the School of Psychological Science, La Trobe University and Inaugural Director of the Victorian Parenting Centre. She is a clinical psychologist and specialist in couple, child, family and group therapy, as well as conflict resolution. Lyn sits on a number of Federal Government expert advisory and reference groups to do with mental health policy and service delivery. She is a Fellow of the Australian Institute of Company Directors and the Australian Institute of Management. Lyn has been a Board Member since 1993, chairs the Practice Quality Committee and has been President since October 2014.

#### Mr. Peter Gome - Vice President

Peter is an experienced CFO with an international career spanning over 30 years. He spent the majority of his career at BP with roles in Australia and internationally including the UK. His last roles at BP were as CFO for various business units including exploration and production and marketing. Subsequently he has held a number of Australian CFO and COO roles with mid-tier companies in the oil, transport and printing and construction project management industries. He is currently the CEO of Football Federation Victoria, the governing body for soccer in the state. Peter blends his strong leadership and finance background with strategic marketing skills and experience and has lectured in the Master of Marketing and MBA programs at Monash University. Peter holds Fellow membership of both the AICD and CPA. He joined the RAV Board in 2009 and chairs the Audit, Finance and Investment Committee. Peter has been Vice- President since October 2014.

#### Ms. Kimberly Hunter

A director of Clancy & Triado, Kimberly completed her Bachelor of Laws at Auckland University. She was admitted to practice in 1989 and decided early on to specialise in family law. During a six-month attachment to the Human Rights Commission, Kimberly researched and prepared a submission on Marital Status Discrimination. After living and working in London for five years, she moved to Australia in 1996 and joined Clancy & Triado. She became an accredited specialist in family law in 1999. An active member of the Law Institute of Victoria, she has served on numerous committees, including the Executive of the Law Institute of Victoria's Family Law Section, the Children and Youth Issues Committee and the Courts Practice Committee. She is a member of the Family Law Section of the Law Council of Australia. Kimberly is also a member of the lawyers' panel at Relationships Australia. She joined the Board in 2011.

#### Ms. Debra Goldfinch

Deborah Goldfinch has had an extensive career in the Not-for-Profit and Health and Community Sectors with a focus on Change Management and working with People at Risk. In Deb's 18 years as a CEO she has implemented business restructures and developed corporate strategies to take organisations to their next level. She places emphasis on the people within organisations and develops improved culture within organisations and is able to develop strong teams around her. Deb has participated as a member of a number of Federal and State Committees and Boards relevant to the health, community and non profit sectors. In addition to her current role as CEO of Irabina Childhood Autism Services, Deb is also on the Board of Early Childhood Intervention Australia, Victoria. Deb joined the RAV Board in 2013, and serves as chair of the Governance Committee.



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## Board Report

### Mr. John Lovell

John Lovell has more than 25 years' experience in the IT industry both within Australia and internationally. His experience covers IT projects for the introduction of ATMs and EFT/POS within Australia, pay TV systems, introduction of broadband services and other significant IT related projects. Prior to returning to Australia, John was based in Hong Kong where he was responsible for the IT infrastructure for the Walt Disney Company across Asia Pacific. He joined the RAV Board in 2008. John is currently working within the education sector, assisting with the integration of IC&T and innovation to effect positive learning outcomes.

### Mr. Michael Shaw

Michael is an investment banker with the private investment-banking firm, Bristow Shaw & Co. Michael also serves as a principal advisor to Kennedy Needham Pty Ltd and Lavelle & Co., Chartered Accountants and is a member of the Finance, Investment and Audit Committee of the Australian Psychological Society Ltd. Michael previously served as President of RA National (1994 and from 1998 to 2001); chaired RAV's Audit Committee for 11 years and was RAV's Vice President from 1990 until 2007. He joined the Board in 1990 and currently chairs RAV's Future Development Committee.

### Dr. Janine Bush

Janine's diverse career spans across the Parliament of Victoria, the health and community sector and academia. As Director of Committee Inquiries, she has led inquiries into matters concerned with welfare of the community, including the welfare of the family. These include the Betrayal of Trust inquiry on criminal child abuse in organisations and inquiries relating to mental health, disability, public housing and senior Victorians. In previous executive roles, Janine has worked with the Office of the Public Advocate and as CEO for peak organisations in the community sector, including Domestic Violence Victoria and the Victorian Alcohol and Drug Association. Janine has served on management committees of community organisations and has been involved with several Australian Research council linkage projects. Janine joined the Board in 2015.

### Ms. Rosemary Kelada

Rosemary has over 15 years' experience in senior management roles in the not for profit sector, and holds a Master of Business (Accounting) and a Strategic Management of Non-Profit Organisations qualification from the Harvard Business School. As a CEO of Spectrum Migrant Resource Centre from 2008 to 2014, she was responsible for all aspects of leadership and organisational operation. Rosemary combines financial expertise and commercial acumen with a strong understanding and knowledge of the not for profit, government and community sectors. She has experience advocating on behalf of organisations and the community, particularly in the multicultural sector. Rosemary is a member of the AICD. She joined the Board in 2015.

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## Board Report

### Meetings of the Board

During the financial year, attendances by each Board member were as follows:

	Board meetings eligible to attend	Meetings attended
Judi Anderson	3	3
Lyn Littlefield	8	8
Michael Shaw	8	8
Peter Gome	8	8
John Lovell	8	8
Kimberly Hunter	8	7
Deborah Goldfinch	8	8
Janine Bush	2	2
Rosemary Kelada	2	2

### Indemnifying Officers or Auditors

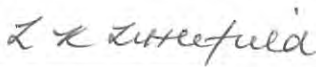
RAV has paid premiums (via Relationships Australia Inc. "RA National") to insure the Board Members and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity as a director or officer of the Association, other than conduct involving a wilful breach of duty in relation to RAV. Under the terms of the policy, the premium may not be disclosed.

### Proceedings on Behalf of RAV

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

RAV was not a party to any such proceedings during the financial year.

Signed in accordance with a resolution of the Members of the Board.



Lyn Littlefield  
President



Peter Gome  
Vice President

Signed in Camberwell this 21 day of September 2015

# Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2015

	Note	2015 \$	2014 \$
Revenue	2	19,225,326	18,720,517
Employee benefits expenses		(13,186,299)	(13,239,859)
Depreciation and amortisation expenses		(150,108)	(127,216)
Occupancy expenses		(1,871,212)	(1,605,532)
Bad debts expenses		(60,101)	(27,378)
Other expenses		(3,771,499)	(3,450,275)
<b>Total Expenses</b>		<b>(19,039,219)</b>	<b>(18,450,261)</b>
<b>Surplus before income tax</b>		<b>186,107</b>	<b>270,256</b>
Income tax expense		-	-
<b>Surplus</b>		<b>186,107</b>	<b>270,256</b>
<b>Other Comprehensive Income:</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of land		1,164,000	-
<b>Other Comprehensive Income:</b>		<b>1,164,000</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>1,350,107</b>	<b>270,256</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

as at 30 June 2015

	Note	2015 \$	2014 \$
<b>Current assets</b>			
Cash and cash equivalents	4a	498,587	3,201,143
Other financial assets	4b	9,732,179	5,571,528
Trade and other receivables	5	395,896	439,398
<b>Total Current assets</b>		<b>10,626,662</b>	<b>9,212,069</b>
<b>Non-Current assets</b>			
Property, plant and equipment	6	3,116,230	2,200,605
<b>Total Non-Current assets</b>		<b>3,116,230</b>	<b>2,200,605</b>
<b>Total Assets</b>		<b>13,742,892</b>	<b>11,412,674</b>
<b>Current Liabilities</b>			
Trade and other payables	7	1,464,042	1,065,538
Provisions	8	2,638,432	2,160,409
Other current liabilities	9	636,917	616,276
<b>Total Current liabilities</b>		<b>4,739,391</b>	<b>3,842,223</b>
<b>Non-current liabilities</b>			
Provisions	8	450,572	367,629
<b>Total Non-Current liabilities</b>		<b>450,572</b>	<b>367,629</b>
<b>Total Liabilities</b>		<b>5,189,963</b>	<b>4,209,852</b>
<b>Net Assets</b>		<b>8,552,929</b>	<b>7,202,822</b>
<b>Equity</b>			
Reserves	1(j)	3,385,146	2,221,146
Accumulated Surplus		5,167,783	4,981,676
<b>Total Equity</b>		<b>8,552,929</b>	<b>7,202,822</b>

The accompanying notes form part of these financial statements.



# Statement of Changes in Equity

## for the year ended 30 June 2015

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Total Equity \$
<b>Balance at 1 July 2013</b>	4,711,420	2,221,146	6,932,566
Profit for the year	270,256	-	270,256
Other comprehensive income	-	-	-
Total comprehensive income	270,256	-	270,256
<b>Balance at 30 June 2014</b>	<b>4,981,676</b>	<b>2,221,146</b>	<b>7,202,822</b>
<b>Balance at 1 July 2014</b>	<b>4,981,676</b>	<b>2,221,146</b>	<b>7,202,822</b>
Profit for the year	1,350,107	-	1,350,107
Other comprehensive income	-	1,164,000	1,164,000
Total comprehensive income	1,350,107	1,164,000	2,514,107
<b>Balance at 30 June 2015</b>	<b>6,331,783</b>	<b>3,385,146</b>	<b>9,716,929</b>



# Statement of Cash Flows

for the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Cash flows from operating activities</b>			
Grants received		17,934,295	15,341,647
Fees & other receipts		2,881,438	3,179,213
Payments to suppliers and employees		(19,862,981)	(19,451,339)
Net cash provided by (used in) operating activities		<u>952,752</u>	<u>(930,479)</u>
<b>Cash flows from investing activities</b>			
Interest received		395,692	429,867
Purchase of property, plant and equipment		(48,658)	(17,829)
Proceeds from sale of property, plant and equipment		158,308	-
Purchase (redemption) of term deposits		(4,160,651)	1,000,000
Net cash (used in) provided by investing activities		<u>(3,655,309)</u>	<u>1,412,038</u>
Net decrease (increase) in cash held		(2,702,556)	481,559
Cash and cash equivalents at beginning of financial year		3,201,143	2,719,584
Cash and cash equivalents at end of financial year	4a	<u>498,586</u>	<u>3,201,143</u>

The accompanying notes form part of these financial statements.

# Notes to the financial statements

## for the year ended 30 June 2015

### 1. Statement of significant accounting policies

#### Statement of accounting policies

Relationships Australia (Victoria) Inc. ("RAV") applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and other applicable Australian Accounting Standards - Reduced Disclosure Requirements.

#### Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Associations Incorporations Reform Act 2012. RAV is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

#### Basis of preparation

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 financial statements were authorised for issue on 21 September 2015 by the Board.

#### Revenue & Other Income

##### Government Grants

Revenue from government grants is recognised when received, unless there are conditions attaching to particular grants in which case the uncompleted portion of the funding may be recognised as unexpended program and project monies.

Grants for capital expenditures from government are recognised as revenue when the funds are spent or committed on capital expenditures. Amounts not spent or committed are recognised as unexpended program and project monies.

##### Client Fees

Revenue from all services is recognised when delivered.

##### Interest Revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate method, which, for floating rate financial assets is the rate inherent in the instrument.

#### Income Tax

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

# Notes to the financial statements

## for the year ended 30 June 2015

### 1. Statement of significant accounting policies (cont'd)

#### 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 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 components of investing and financing activities, which are disclosed as operating cash flows.

#### Cash and Cash Equivalents

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

#### Property, Plant & Equipment

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

##### Land and building

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any revaluation surplus arising upon appraisal of land is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss.

Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

##### Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

New plant and equipment with a cost of \$3,000 or less is expensed in the year acquired.

##### Depreciation

The depreciable amount of all items of plant and equipment and leasehold improvement is depreciated over the term of the grant funding.



# Notes to the financial statements

## for the year ended 30 June 2015

### 1. Statement of significant accounting policies (cont'd)

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

#### Restoration costs

RAV has provided for restoration costs in relation to leased premises. The present value of this amount has been reflected as a liability. Refer to Note 8 for recognition of the liability.

#### Provisions

Provisions are recognised when RAV 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. Contributions are made by RAV to an employee superannuation fund and are charged as expenses when incurred.

#### Provision for Employee Benefits

Provision is made for RAV's liability for employee benefits arising from services rendered by employees to balance date.

#### Measurement of short-term and long-term employee benefits

##### Short-term employee benefits

Employee benefits expected to be settled wholly within one year have been measured at the undiscounted amount expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by RAV to an employee superannuation fund and are charged as expenses when incurred.

##### Long-term employee benefits

Long service leave is provided from the commencement of employment on a pro-rata basis and is accrued at the rate of 13 weeks paid leave for 10 years of continuous service under the management Certified Agreement 2013 - 2017 and Staff Certified Agreement 2013 - 2017. An employee is entitled to pro-rata long service leave if they leave the employment of the RAV after the completion of seven years continuous service, otherwise leave may be taken in the normal course of employment following completion of ten years of continuous service. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data 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 timing of the estimated future cash outflows.

#### Unexpended Program and Project Monies

Unexpended monies represent funding from government bodies and other organisations for programs and projects including capital expenditure not yet expended or committed at the end of the financial year.



# Notes to the financial statements

## for the year ended 30 June 2015

### 1. Statement of significant accounting policies (cont'd)

#### Unexpended Program and Project Monies (cont'd)

Unexpended monies represent:

- (i) a future sacrifice of economic benefit that RAV is presently obliged to make as a result of a past transaction or other past events; and
- (ii) amounts that may be refunded if not expended within the terms of the respective funding agreements. Terms of the funding agreements range from 1 to 5 years.

#### Leases

Operating leases

Where RAV is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance are expensed as incurred.

#### Impairment of Assets

At each reporting date, Board Members review the carrying values of RAV's 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. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

#### Reserves

Asset Revaluation Reserve

The asset revaluation reserve records revaluations of property at 46 Princess Street, Kew.

#### Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when RAV becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are initially measured at fair value.

Classification and subsequent measurement

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. RAV's trade and most other receivables fall into this category of financial instruments.

Financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

# Notes to the financial statements

## for the year ended 30 June 2015

### 1. Statement of significant accounting policies (cont'd)

#### Financial Instruments (cont'd)

##### Impairment

At each reporting date, RAV assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in profit or loss.

##### Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### Economic Dependence

RAV is dependent on the Commonwealth Government's Attorney-General's Department and the Department of Social Services for a substantial portion of its revenue used for its operations. At the date of this report the Board has no reason to believe the Commonwealth Government through these departments will not continue to fund RAV for delivery of specialist family services and relationships support services.

#### Comparative figures

Where required by accounting standards, comparative figures have been adjusted to conform with changes in presentation for the current year.

#### New accounting standards and interpretations

In the current year, RAV has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. There was no impact on RAV's financial performance or position.

#### Standards and interpretations not yet effective which have been early adopted

There are a number of standards and interpretations which have been issued but are not yet effective. The impact of these pronouncements on the reported financial position and performance have yet been determined. RAV anticipates that all pronouncements will be adopted in the financial statements for the first period beginning after the effective date of the pronouncement.

## Notes to the financial statements

for the year ended 30 June 2015

### 2. Revenue and other income

	Note	2015 \$	2014 \$
<b>Operating activities:</b>			
Commonwealth Government Grants		14,805,205	14,358,921
State Government Grants		983,541	990,105
Other grants		363,788	20,500
Client fees		2,014,002	2,100,856
Professional training and consulting fees		358,216	370,373
<b>Total revenue from operating activities</b>		<b>18,524,752</b>	<b>17,840,755</b>
<b>Non operating activities:</b>			
Interest income		395,692	429,867
Miscellaneous income		304,882	449,895
<b>Total revenue from non operating activities</b>		<b>700,574</b>	<b>879,762</b>
<b>Total revenue</b>		<b>19,225,326</b>	<b>18,720,517</b>

### 3. Key management Personnel Compensation

Total Compensation	555,812	529,804
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### 4. (a) Cash and cash equivalents

Cash on Hand	10,735	10,485
Cash at bank and bank deposits	487,852	3,190,658
<b>Total cash and cash equivalents</b>	<b>498,587</b>	<b>3,201,143</b>

The weighted average interest rate on cash at bank was 0.1% (2014: 0.75%) per annum

### (b) Other financial assets

Bank term deposits greater than 90 days term	9,732,179	5,571,528
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The weighted average interest rate on term deposits was 3.04% (2014: 3.82%) per annum.

### 5. Trade and other receivables

<b>Current</b>			
Outstanding client fees		116,640	105,354
Provision for doubtful debts	5(a)	(65,842)	(40,683)
GST receivable		57,186	36,047
Other receivable		287,912	338,680
<b>Total trade and other receivables</b>		<b>395,896</b>	<b>439,398</b>

## Notes to the financial statements

### for the year ended 30 June 2015

#### 5. Trade and other receivables (cont'd)

##### (a) Provision for impairment of receivables

Current trade receivables are non-interest bearing receivables and generally are receivable within 60 days. A provision for impairment is recognised against outstanding client fees where is objective evidence that an individual trade receivable is impaired.

	2015	2014
	\$	\$
Movement in the provision for doubtful debts is as follows:		
Balance at 1 July	40,683	50,100
Charge for the year	85,260	17,961
Written off	(60,101)	(27,378)
<b>Balance at 30 June</b>	<b>65,842</b>	<b>40,683</b>

#### 6. Property, plant and equipment

Freehold Land		
At Board valuation 2015	2,664,000	1,560,000
Freehold Building		
At Board valuation 2015	400,000	400,000
Accumulated depreciation	-	(36,000)
	400,000	364,000
Leasehold improvements		
At cost	-	2,271,926
Accumulated depreciation	-	(2,026,692)
	-	245,234
Restoration of leasehold improvements		
At cost	-	123,525
Accumulated depreciation	-	(116,015)
	-	7,510
Plant and equipment		
At cost	66,469	833,402
Accumulated depreciation	(14,239)	(809,541)
	52,230	23,861
<b>Total property, plant and equipment</b>	<b>3,116,230</b>	<b>2,200,605</b>

The Board valuation of freehold land and building was based on an independent valuation concluded by Mars Njoo AAPI Certified Practising Valuer of Fitzroy's Pty Ltd on June 2015. The Board adopted a conservative approach in valuing the land and building at 80% of the independent valuation and consistent with existing policy.



## Notes to the financial statements

### for the year ended 30 June 2015

#### 6. Property, plant and equipment (cont'd)

Movements in carrying amounts

Movements in carrying amount for each class of property, plant & equipment between the beginning and the end of the current financial year as follows:

	Land & building - Kew	Leasehold improvements	Restoration of leasehold improvements	Plant and equipment	TOTAL
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2014</b>	1,924,000	245,234	7,510	23,861	2,200,605
<b>Additions</b>	-	-	-	48,658	48,658
<b>Disposals/ Write-offs</b>	-	(145,578)	-	(1,346)	(146,924)
<b>Depreciation and amortisation</b>	(24,000)	(99,656)	(7,510)	(18,942)	(150,108)
<b>Revaluation increase</b>	1,164,000	-	-	-	1,164,000
<b>Balance at 30 June 2015</b>	<b>3,064,000</b>	<b>-</b>	<b>-</b>	<b>52,230</b>	<b>3,116,230</b>

#### 7. Trade and other payables

Trade payables and accruals	1,297,327	1,029,553
Training income received in advance	166,715	35,985
<b>Total trade and other payables</b>	<b>1,464,042</b>	<b>1,065,538</b>

#### 8. Provisions

	Note	2015	2014
		\$	\$
Provision for employee benefits			
Balance as at 1 July		2,134,488	1,939,829
Additional provisions		435,407	194,659
<b>Balance as at 30 June</b>		<b>2,569,895</b>	<b>2,134,488</b>
Provision for make good			
Balance as at 1 July		393,550	243,550
Additional provision		125,559	150,000
<b>Balance as at 30 June</b>		<b>519,109</b>	<b>393,550</b>
<b>Total Provisions</b>		<b>3,089,004</b>	<b>2,528,038</b>

#### Analysis of Total Provisions

Current	2,638,432	2,160,409
Non current	450,572	367,629
<b>Total Provisions</b>	<b>3,089,004</b>	<b>2,528,038</b>

#### 9. Other current liabilities

##### Current

Unexpended program and project monies	4(a)	636,917	616,276
<b>Total other Liabilities</b>		<b>636,917</b>	<b>616,276</b>

## Notes to the financial statements

### for the year ended 30 June 2015

#### 10. Capital and leasing commitments

	Note	2015	2014
		\$	\$
<b>a. Operating Lease Commitments</b>			
Non-cancellable operating leases contracted for but not capitalised in the financial statements			
Payable — minimum lease payments			
- not later than 12 months		-	678,281
- between 12 months and five years		613,333	622,836
- greater than five years		915,000	-
<b>Total operating lease liability</b>		<b>1,681,166</b>	<b>1,301,117</b>
Less GST		(152,833)	(118,283)
<b>Net operating lease liability</b>		<b>1,528,333</b>	<b>1,182,834</b>

RAV leases premises on various lease terms. These leases are non-cancellable leases for the term of the lease, between 6 and 15 years. Increase in lease commitments may occur in line with CPI or market rent reviews in accordance with the agreements.

#### b. Capital Expenditure Commitments

There are no capital commitments at reporting date (2014:\$0).

#### 11. Contingent liabilities

The Board members are not aware of any contingent liabilities at 30 June 2015 (2014: \$0).

#### 12. Post reporting date events

There were no material events that occurred after the reporting date which significantly affected the financial statements of the RAV as at 30 June 2015 and its results for that year.

#### 13. Related parties

There were no transactions between RAV and any related party during the financial year (2014:\$0).

#### 14. Financial risk management

RAV's financial instruments consist mainly of deposits with banks, accounts receivable and payable. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets			
Cash and cash equivalents	4(a)	498,587	3,201,143
Other financial assets - bank term deposits	4(b)	9,732,179	5,571,528
Trade and other receivables	14(i)	246,349	193,606
<b>Total financial assets</b>		<b>10,477,115</b>	<b>8,966,277</b>
Financial Liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	14(ii)	408,514	230,476
<b>Total financial liabilities</b>		<b>408,514</b>	<b>230,476</b>

## Notes to the financial statements for the year ended 30 June 2015

### 14. Financial risk management (cont'd)

- (i) Financial assets include assets where there is a contractual right to receive cash and by definition excludes prepayments and GST receivable.
- (ii) Financial liabilities include liabilities where there is a contractual obligation to deliver cash and by definition excludes GST and PAYG payable and unexpended programs and project monies.

#### Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability except as disclosed below:

	Note	2015 \$	2014 \$
Pledged as security for leased premises:			
Bank guarantee included in cash and cash equivalents		186,604	171,528
Security bonds included in trade and other receivables		38,401	38,401
		<b>225,005</b>	<b>209,929</b>

There is no collateral held by RAV securing trade and other receivables.

### 15. Fair value measurements

RAV has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after initial recognition.

RAV does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

#### Fair value measurement of non-financial instruments

Freehold land	6,15 (i)	2,664,000	1,560,000
Freehold building	6,15 (i)	400,000	364,000
		<b>3,064,000</b>	<b>1,924,000</b>

- (i) For the freehold land and building, the fair values have been determined using a market approach using recent observable market data for similar properties, adjusted to 80% of the above valuation. Significant inputs are price per square metre.

### 16. Association details

Registered Office

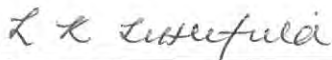
The registered office and principal place of business of RAV is:  
 1183 Toorak Road, Camberwell, Victoria 3124

## Directors' declaration

The Directors of the Association declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
  - (b) give a true and fair view of the Association's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
  - (a) comply with Accounting Standards - Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Regulation 2013; and
2. In the Directors' opinion, there are reasonable grounds to believe that the Association 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 for and on behalf of the Directors by:



Lyn Littlefield  
President



Peter Gome  
Director

Dated this 21 day of September 2015



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**Auditor's Independence Declaration**  
To the Directors of Relationships Australia (Victoria) Inc.

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Relationships Australia (Victoria) Inc. for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



B.A. Mackenzie  
Partner - Audit & Assurance

Melbourne, 21 September 2015

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## Independent Auditor's Report To the Members of Relationships Australia (Victoria) Inc.

We have audited the accompanying financial report of Relationships Australia (Victoria) Inc. (the "Association"), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

### Responsibility of the Directors for the financial report

The Directors of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, *Associations Incorporation Reform Act 2012 (Victoria)* and *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be 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 which require us to 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.

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In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 applicable independence requirements of the Accounting Professional and Ethical Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*.

#### Auditor's Opinion

In our opinion, the financial report of Relationships Australia (Victoria) Inc. is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- i giving a true and fair view of the Association's financial position as at 30 June 2015 and of its performance for the year then ended on that date; and
- ii complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



B.A. Mackenzie  
Partner - Audit & Assurance

Melbourne, 21 September 2015