



Indigenous Community Volunteers Limited

ABN 90 093 123 418

Financial Report

for the year ended 30 June 2016

Reduced Disclosure Requirements



Indigenous Community Volunteers Limited Financial Report for the year ended 30 June 2016

Directors' Report

Your Directors present their report for the year ended 30 June 2016.

Directors

The names and details of each person who has been a director during the year and to the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Bill Armstrong AO

Co-Chair, Member Governance Committee, Member Audit and Risk Management Committee (from 9 September 2014), Member Stakeholder Engagement Working Group

Chair - Friends of Suai (City of Port Phillip Bay), Director - YCW (Holdings),

Chair - CHART (Clearing House for Archival Records on Timor),

Council Member - BASP (Brigidine Asylum Seeker Program)

Karen Milward MBA

Co-Chair, Member Governance Committee

Owner and Operator - Karen Milward Consulting Services, Chair - Mullum Mullum Indigenous

Gathering Place, Chair - Kinaway Aboriginal Chamber of Commerce Vic Ltd, Director - First Nations

Foundation, Chair - Indigenous Leadership Network Victoria, Chair - Boorndawan Willam

Aboriginal Healing Service, Director - Aboriginal Housing Victoria

Stan Kalinko BCom LLB

Company Secretary, Chair Audit and Risk Management Committee (from 17 October 2014)

Director - FSA Group Ltd, Director - Seisia Enterprises Pty Ltd,

Director - Central Synagogue

John Jeffrey

Member Stakeholder Engagement Working Group

Director - Indigenous Success Australia Pty Ltd, Director - Indigenous Training and Careers

Australia Pty Ltd, Managing Director - Indigenous Projects Group Australia Pty Ltd,

Managing Director - Waddi Spring Water, Director - Yarra Custom Wear

Dr Kerry Arabena PhD

Member Governance Committee

Director and Chair - Indigenous Health, Onemda Vic Health Koori Health Unit, University of Melbourne

Director - Ozchild

Directors' Report

Directors' meetings

The number of meetings directors (including meetings of the committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' meetings		Audit and Risk Management Committee		Governance Committee	
	A	B	A	B	A	B
Number of meetings attended by:						
Bill Armstrong	5	5	5	5	-	-
Stan Kalinko	5	5	5	5	-	-
Karen Milward	5	5	-	-	1	1
John Jeffrey	4	5	-	-	-	-
Dr Kerry Arabena	5	5	-	-	1	1

A - Number of meetings attended

B - Number of meetings held to which the director was eligible to attend

Objectives

ICV has continued to focus on the long term objective to make a real and sustainable contribution to increasing advantage and opportunity for Aboriginal and Torres Strait Islander people and communities.

As detailed in ICV's Constitution the objects, summarised here, are to:

- (i) undertake community development activities in partnership with Aboriginal and Torres Strait Islander people
- (ii) link Aboriginal and Torres Strait Islander people with volunteers who have expertise to share
- (iii) provide opportunities for Australians to make contributions to Aboriginal and Torres Strait Islander communities by working in partnership with these communities, and
- (iv) undertake fundraising activities in order to support the work of ICV.

Strategy for achieving objectives

ICV has six strategic priorities. These were developed during a strategic planning exercise in March 2013, when the company developed the Strategic Plan 2013-2018.

The strategic priorities, listed below, focus on ensuring ICV's own sustainability as a best practice community development organisation:

1. Have a clear and differentiated profile and reputation
2. Demonstrate total stakeholder engagement
3. Deliver global best practice development with Aboriginal and Torres Strait Islander communities
4. Have a demonstrable positive impact in Aboriginal and Torres Strait Islander communities
5. Influence social policy
6. Build a robust and sustainable organisation



Directors' Report

Principal activities during the year and key performance indicators

ICV's principal activities during the year were to:

- engage with 160 Aboriginal and Torres Strait Islander communities on 239 community development activities.
- conduct regional cultural awareness and training workshops for new volunteers as part of the volunteer screening process
- fundraised financial support from over 26,000 supporters who made financial contributions to ICV.
- finalised development of a Monitoring, Evaluation and Learning model to enable ICV to evaluate the impact of the company's community development work.
- developed a Community Development framework to more clearly describe the activities of the company.

ICV had an operating deficit for the year ended 30 June 2016 of \$1,161,079 (2015: \$2,617,718).

Operational highlights

ICV completed the development of a new Community Development Framework. This incorporates the learnings and ideals of the earlier model, and builds on the key development focus areas. The Framework reflects the commitment to continual improvement in community development practice in Australia.

In conjunction with the development of the Community Development Framework was the articulation of ICV's Story of Change. The Story of Change outlines the theory behind ICV's community development approach. The Story of Change is aligned with ICV's purpose, vision, core values and strategic plan.

ICV completed a two year Monitoring, Evaluation and Learning (ME&L) review. New and improved monitoring approaches were developed and tested to determine which tools and methods would enhance ICV's community development practice as well as build a strong evidence base on ICV's impact. A range of techniques in community level participatory monitoring were trialled. The tools and methods chosen were found to generate participation, promote transparency and collect information to determine progress, both against the communities' targeted outcomes and ICV's Story of Change.

The final step in the development of an improved community development practice was the design and building of a new database to better capture the impact of ICV's work. Work commenced during the year and is expected to be introduced for us in the second half of 2016.

In March 2016 ICV launched a new online social media campaign to raise awareness of the work ICV does. Thanks to the work of ICV, Tom Hearn and Bush TV, thousands of people heard ICV's story of partnership and the power of working alongside Aboriginal and Torres Strait Islander people.

ICV continued to facilitated activities to promote the Ambassador program, introduced in the prior year. This program is designed to increase ICV's public profile and gain knowledge and support from the wide and extensive experience of the Ambassadors. The ambassadors are: Dion Devow, Brain Gleeson, Lauren Ganley, Terry Grose, Richard Alston AO, Karyn Freeman and John Sanderson AC.

Directors' Report

Benefits and interests in contracts with Board Members

Members of the Board declare that they have no interest in contracts, transactions, arrangements or agreements with ICV, other than contracts entered into, in the ordinary course of the company's business. During the year some Board members, or companies in which they have an interest, donated to ICV.

Indigenous Community Volunteers (ICV) is covered by Director's Liability Insurance.

Member contribution if ICV is wound up

ICV has only one class of member. Each member is liable to contribute an amount not exceeding \$20 if the company is wound up. The total amount that members of ICV are liable to contribute if the company is wound up is an amount not exceeding \$100.

Auditor independence

The Board has received a declaration of independence by the auditor. A copy is included in the following financial report.

Events subsequent to year end

There were no significant events occurring after 30 June 2016.

Signed in accordance with a resolution of the directors made pursuant to Section 298(2) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read "Karen Milward".

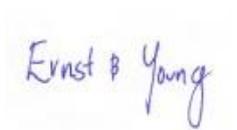
Karen Milward, Co-chair
23 September 2016

A handwritten signature in black ink, appearing to read "Bill Armstrong".

Bill Armstrong AO, Co-Chair
23 September 2016

Auditor's Independence Declaration to the Directors of Indigenous Community Volunteers Limited

In relation to our audit of the financial report of Indigenous Community Volunteers Limited for the financial year ended 30 June 2016, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* or any applicable code of professional conduct.



Ernst & Young



Anthony Ewan
Partner
23 September 2016

Directors' Declaration

In accordance with the resolution of the Directors of Indigenous Community Volunteers Limited (the company), we state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the company are in accordance with the *Corporations Act 2001* and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on the date; and
 - (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and *Corporations Regulations 2001* and the *Australian Charities and Not-for-Profits Commission Regulation 2013*;
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, (we draw your attention to Note 3);
- (c) the provisions of the *Charitable Fundraising Act 1991 (New South Wales)* and the regulations under the Act and the conditions attached to the authority have been complied with;
- (d) the provisions of the *Charitable Fundraising Act 1946 (Western Australia)* and the regulations under the Act and the conditions attached to the authority have been complied with; and
- (e) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.

Signed on behalf of the Board this 23 day of September 2016.



Bill Armstrong
Co-Chair



Karen Milward
Co-Chair

Independent auditor's report to the members of Indigenous Community Volunteers Limited

Report on the financial report

We have audited the accompanying financial report of Indigenous Community Volunteers Limited (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, 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 controls as the directors determine are necessary to enable the preparation 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. 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Opinion

In our opinion the financial report of Indigenous Community Volunteers Limited is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the financial position of Indigenous Community Volunteers Limited 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*.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 3 in the financial report which describes the principal conditions that raise doubt about the entity's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

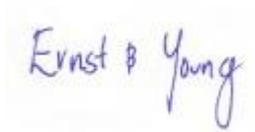
Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non compliance may occur and not be detected. An audit is not designed to detect all instances of non compliance with the requirements described in the above-mentioned Act(s) and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

- a) the financial report of Indigenous Community Volunteers Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2016, in all material respects, in accordance with:
 - i sections 20(1), 22(1-2), 24(1-3) of the *NSW Charitable Fundraising Act 1991*;
 - ii sections 10(6) and 11 of the *NSW Charitable Fundraising Regulations 2015*;
 - iii the *WA Charitable Collections Act (1946)*; and
 - iv the *WA Charitable Collections Regulations (1947)*.

- b) the money received as a result of fundraising appeals conducted by the company during the financial year ended 30 June 2016 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Act(s) and Regulations.



Ernst & Young



Anthony Ewan
Partner
Canberra
23 September 2016



Indigenous Community Volunteers Limited
Financial Report for the year ended 30 June 2016

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Revenue			
Donations from the public	5	3,428,605	3,393,673
Government funding		500,000	-
Corporate funding		36,000	164,000
Investment income	5	69,282	246,597
Realised gain on sale of investments		-	58,410
Other income		57,809	62,336
Net gain on disposal of non-current assets		10,896	-
Total revenue		4,102,592	3,925,016
Expenses			
Community development activities		(2,348,931)	(3,249,364)
Direct costs of fundraising appeals	5	(1,307,720)	(1,418,114)
Compliance and governance		(143,789)	(172,259)
Enabling services		(798,418)	(816,258)
Supporter engagement		(296,125)	(400,849)
Awareness and education program		(349,223)	(459,812)
Realised loss on sale of investments		(19,465)	-
Total expenses		(5,263,671)	(6,516,656)
Net operating (deficit)		(1,161,079)	(2,591,640)
Other comprehensive income			
Unrealised loss on investments		-	(26,078)
Total comprehensive income/(loss) for the year		(1,161,079)	(2,617,718)

This statement is to be read in conjunction with the attached notes to the financial statements.



Statement of Financial Position

As at 30 June 2016

	Notes	2016 \$	2015 \$
ASSETS			
Current assets			
Cash		1,630,564	720,039
Receivables	6	300,038	143,949
Available for sale Investments	7	-	2,363,339
Prepayments		28,604	36,923
Total current assets		1,959,206	3,264,250
Non-current assets			
Plant and equipment	8	9,856	25,602
Intangible asset	9	40,488	-
Total non-current assets		50,344	25,602
Total assets		2,009,550	3,289,852
LIABILITIES			
Current liabilities			
Trade and other payables	10	212,888	376,482
Employee benefits	11	246,938	192,976
Deferred income	12	-	36,000
Total current liabilities		459,826	605,458
Non-current liabilities			
Employee benefits	11	114,361	87,952
Total non-current liabilities		114,361	87,952
Total liabilities		574,187	693,410
Net assets		1,435,363	2,596,442
FUNDS			
Accumulated funds		1,435,363	2,596,442
Total funds		1,435,363	2,596,442

This statement is to be read in conjunction with the attached notes to the financial statements.



Indigenous Community Volunteers Limited
Financial Report for the year ended 30 June 2016

Statement of Changes in Equity

For the year ended 30 June 2016

	Total Accumulated Funds \$
Opening balance at 1 July 2014	5,214,160
Operating (deficit)	(2,591,640)
Other comprehensive income	(26,078)
Balance at 30 June 2015	<u>2,596,442</u>
Opening balance at 1 July 2015	2,596,442
Operating (deficit)	(1,161,079)
Other comprehensive income	-
Balance at 30 June 2016	<u>1,435,363</u>

This statement is to be read in conjunction with the attached notes to the financial statements.



Indigenous Community Volunteers Limited
Financial Report for the year ended 30 June 2016

Statement of Cash Flows

For the year ended 30 June 2016

	Notes	2016 \$	2015 \$
Operating activities			
Receipts from donations and supporters		3,428,605	3,394,075
Government and corporate funding		275,000	215,000
Dividend income		25,979	251,915
Interest income		43,303	33,978
Net GST refunded		261,655	147,939
Other revenue		113,356	62,336
Payments to employees		(2,798,319)	(3,395,539)
Payments to suppliers		(2,780,810)	(3,259,963)
Net cash (used in) operating activities	13	(1,431,231)	(2,550,259)
Investing Activities			
Payments for property, plant & equipment		(40,488)	(18,605)
Proceeds from sale of plant and equipment		18,905	-
Proceeds from sale of investments		2,363,339	1,724,156
Net cash provided by investing activities		2,341,756	1,705,551
Net Increase/(Decrease) in Cash Held		910,525	(844,708)
Cash at the Beginning of the Financial Year		720,039	1,564,747
Cash at the End of the Financial Year		1,630,564	720,039

This statement is to be read in conjunction with the attached notes to the financial statements.



Notes to the Financial Statements

For the year ended 30 June 2016

1. CORPORATE INFORMATION

The financial statements of the not-for-profit company, Indigenous Community Volunteers Limited, (the company) for the year ended 30 June 2016 were authorised for issue in accordance with a resolution of the directors on 23 September 2016.

Indigenous Community Volunteers Limited is a company limited by guarantee incorporated in Australia.

The registered office of the company and its principal place of business is:
1/67 Townshend Street, Phillip ACT 2606.

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

The nature of operations and principal activities of the company are described in the directors' report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards-Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The company is a not-for-profit private sector entity, therefore the financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB - RDR). The financial report has also been prepared on a historical cost basis, except for investment held at fair value, which have been measured at fair value.

The financial report is presented in Australian dollars. The accounts have been rounded to the nearest dollar.

(b) Statement of Compliance

The company has adopted AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* for the financial year beginning on 1 July 2014.

(c) Comparative Figures

Where necessary, the prior year comparatives have been reclassified to ensure consistency with current year presentation of financial information.

(d) Changes in accounting policies, disclosures, standards and interpretations

The accounting policies adopted are consistent with those of the previous financial reporting period.

The following new accounting standards and interpretation are not yet effective but may have an impact on the company in financial years commencing from 1 July 2016 or later.

- AASB 9 Financial Instruments modifies the classification and measurement of certain classes of financial assets and liabilities. The most significant change is to rationalise from four to two primary categories of financial assets.

Notes to the Financial Statements

For the year ended 30 June 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Changes in accounting policies, disclosures, standards and interpretations (continued)

- AASB 15 Revenue from Contracts with Customers which modifies the determination of when to recognise revenue and how much revenue to recognise. The core principle is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- AASB 16 Leases requires lessees to recognise assets and liabilities for leases with a term of more than 12 months.

The company is currently in the process of determining the potential impact of adopting the above standards and interpretations.

The above standards and interpretations are available for early adoption in the 1 July 2016 financial year as permitted by the Corporations Act 2001 but have not been applied in the preparation of these financial statements.

(e) Current versus non-current classification

The company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after year end, or
- Cash or cash equivalent

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

(f) Revenue Recognition

Revenue comprises revenue from fundraising activities, government funding, corporate grants and return on investments.

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

Donations

Donations collected are recognised as revenue when the company gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Commonwealth and corporate funding

When grant revenue is received whereby the company 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 until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Notes to the Financial Statements

For the year ended 30 June 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Revenue Recognition (continued)

Investment income

Investment income comprises interest and dividends. Interest income is recognised as it accrues using the effective interest rate. Dividends from investments in equity instruments are recognised when the right to receive the dividend has been established.

Asset sales

The gain or loss on disposal of all non-current assets and available for sale financial investments is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

(g) Cash and cash equivalents

Cash and cash equivalent in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. For the purposes of the statement of cash flows, cash and cash equivalent consists of cash and cash equivalents as defined above.

(h) Receivables

Receivables are carried at amortised cost due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable. Bad debts are written off when identified.

(i) Plant and equipment

Plant and equipment are valued at historic cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight line basis over the estimated useful life of the specific assets as follows:

Office equipment	3 to 10 years
Motor vehicles	4 years

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate at each financial year end. An item is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are recorded in the profit or loss. Items costing less than \$3,000 are expensed at the time of purchase.

(j) Intangible asset

The intangible asset includes the internally developed software. This is valued at the historic cost less accumulated amortisation. Amortisation is calculated over the estimated useful life of the asset which has been deemed to be 5 years.

The carrying value is tested for impairment annually when the asset is not yet available for use, or more frequently when an indication of impairment arises during the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of non-financial assets

The company assesses whether there is an indication that an asset may be impaired at each reporting date. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

(l) Available-for-sale financial assets

Available-for-sale assets are those financial assets that are designated as available-for-sale. When available-for-sale financial investment are recognised initially, they are measured at fair value. Any available-for-sale financial investments donated to the company are recognised at fair value at the date the company obtains control of the asset.

After initial recognition available-for-sale financial investments are measured at fair value with gains or losses being recognised in other comprehensive income until the investment is derecognised or until the investment is determined to be impaired, being either a significant or prolonged decline in value below cost, at which time the cumulative gain or loss previously recognised in other comprehensive income is reclassified to the statement of profit or loss and other comprehensive income.

All investments are actively traded on the Australian Stock Exchange. As such, the fair value of investments is determined by reference to quoted market bid prices at the close of business on the reporting date.

(m) Trade creditors and other payables

Trade creditors and other payables represent liabilities or goods and services provided to the company before the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(n) Employee Benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve months after the end of the period in which they employees render the related services. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The company's liabilities for annual and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, 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. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.



Notes to the Financial Statements

For the year ended 30 June 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Employee Benefits (continued)

The employee benefit obligations is presented as current liabilities in the Statement of Financial Position if the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, irrespective of when the actual settlement is expected to take place.

Post-employment benefits plans

The company provides post-employment benefits through defined contribution plans.

Defined contribution plans

The company pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The company has no legal or constructive obligation to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

(o) Deferred income

The liability for deferred income is the unutilised amount of corporate funding received on the condition that specific services have not been delivered nor conditions fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the funding.

(p) Leases

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

(q) Taxation

Income tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office (ATO). The company holds deductible gift recipient status.

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 ATO, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from the ATO is included as part of receivables or payables, as applicable.

Cash flow is included in the statement of cash flow on a gross basis. The GST component of cash flow arising from investing and financing activities that are recoverable from or payable to the ATO is classified as operating cash flow.

Notes to the Financial Statements

For the year ended 30 June 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Significant accounting judgement, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgements

Leases

The company has entered into leases of premises and office equipment as disclosed in Note 14 . Management has determined that all of the risks and rewards of ownership of these premises and equipment remain with the lessor and has therefore classified the leases as operating leases.

Funding received

The company received corporate funding during the prior year. Once notified of the successful outcome of a funding application, the terms and conditions are reviewed to determine whether the funds relate to reciprocal funding (ie payment for services rendered) in which case it is accounted for under AASB 118 *Revenue* or non-reciprocal funding in which case it is accounted for under AASB 1004 *Contributions* . Management will determined the portion of the funding that relate to the current period, based on the completion of the terms and conditions and record this in the current year revenue.

Provision for employee benefits

Provision for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of services, as discussed above. The amount of these provisions would change should any of these factors change in the next 12 months.

3. GOING CONCERN BASIS OF ACCOUNTING

The financial report has been prepared on the going concern basis. The company has made a loss for the year of \$1,161,079 (2015: loss \$2,617,718).

The balance of cash and cash equivalent and liquid investments at 30 June 2016 is \$1,630,564 (2015: \$3,083,378).

The ability of the company to continue as a going concern is dependent on the company's ability to meet its debts as and when they fall due.

The company receives donations from more than 26,000 Australian Individual supporters. These donations contribute the majority of the company's income. The company is continuing to maintain and develop relationships with other potential corporate partners to secure and increase Corporate funding income. The company is in continued discussions with the Department of Prime Minister and Cabinet regarding further funding for the company's outcomes.



Notes to the Financial Statements

For the year ended 30 June 2016

3. GOING CONCERN BASIS OF ACCOUNTING (CONTINUED)

The company prepares cash flow forecasts in order to assess the company's ability to pay its debts as and when they fall due. The forecast operating deficit to 30 June 2017 is estimated to be less than the cash and cash equivalent held at 30 June 2016. The above mentioned cash flow forecasts are based on a number of assumptions. The most significant is the company's ability to secure projected donation income. The company utilises historic results of donations received in order to forecast the expected income from donations. This method has been found to be successful, since the company commenced fundraising in 2011.

The Directors review the results of the company on a monthly basis in order to ensure the company is on target to reach the forecast income as expected. In addition, if there is a significant variance then the directors take action to review and make changes as necessary.

The company has no loan commitments.

The company will continue operations as usual, and will until such time as it may be necessary to review and reconsider the company's current operations. Past history has found that there are a number of outcomes that are outside of the company's control. It is the opinion of the Directors that the company utilises conservative forecasting. This has enabled the company to plan effectively.

The company has a cash reserve policy. This policy provides that the company will hold funds which are estimated to be sufficient to pay all contractual agreements and wind up the company in a responsible and orderly manner. The policy requires that the funds held be deemed sufficient to cover all expenses, including employee redundancy payments, should it be found necessary to wind up the company.

As at the date of signing the financial statements the Directors believe that the company can continue operating with the ability to pay debts as and when they fall due. Taking into consideration the above details, the Directors believe the company is a going concern.

4. EVENTS SUBSEQUENT TO YEAR END

There were no significant events occurring after 30 June 2016.



Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$	\$
5. REVENUE, OTHER INCOME AND EXPENSES		
Revenue and expenses provided in accordance with the <i>Charitable Fundraising Act 1991 (New South Wales)</i> and the <i>Charitable Fundraising Act 1946 (Western Australia)</i>		
Particulars of all revenue from Donations from the public		
- Appeals	2,169,603	2,195,656
- Regular giving	1,114,993	1,028,110
- Bequests	34,109	103,055
- Trusts and foundations	20,000	-
- Other donations	89,900	66,852
Total Donations from the public	3,428,605	3,393,673
Particulars of all expenses incurred as a direct cost of fundraising appeals		
- Appeals	(1,136,341)	(1,044,559)
- Regular giving	(159,881)	(372,850)
- Bequests	(11,493)	(525)
- Trusts and foundations	-	(5)
- Other donations	(5)	(175)
Total Direct costs of fundraising appeals	(1,307,720)	(1,418,114)
Other revenue		
Investment income		
- Dividend income	25,979	212,619
- Interest income	43,303	33,978
Total investment income	69,282	246,597
6. OTHER RECEIVABLES		
Government funding receivable	275,000	-
Rental bonds	21,113	30,585
GST receivables	-	63,364
Franking credits receivable	3,925	50,000
Total Receivables - Current	300,038	143,949
7. AVAILABLE-FOR-SALE FINANCIAL INVESTMENTS		
The company carries the following assets at fair value:		
Available for sale Investments	-	2,363,339



Notes to the Financial Statements

For the year ended 30 June 2016

	2016 \$	2015 \$
8. PROPERTY, PLANT AND EQUIPMENT		
Office equipment		
At cost	394,756	540,533
Less: Accumulated depreciation	(384,900)	(524,476)
Total Office Equipment	9,856	16,057
Motor vehicles		
At cost	44,171	95,911
Less: Accumulated depreciation	(44,171)	(86,366)
Total Motor vehicles	-	9,545
Net carrying amount plant and equipment	9,856	25,602
Depreciation expense		
Office equipment	6,201	10,596
Motor vehicles	1,536	9,955
Total depreciation expense	7,737	20,551

Reconciliation of plant and equipment and their carrying amount are as follows:

	Office equipment	Motor vehicles	Total
Carrying amount at 30 June 2014	8,048	19,500	27,548
Additions	18,605	-	18,605
Disposals (net value)	-	-	-
Depreciation expense	(10,596)	(9,955)	(20,551)
Carrying amount at 30 June 2015	16,057	9,545	25,602
Carrying amount at 30 June 2015	16,057	9,545	25,602
Additions	-	-	-
Disposals (net value)	-	(8,009)	(8,009)
Depreciation expense	(6,201)	(1,536)	(7,737)
Carrying amount at 30 June 2016	9,856	-	9,856



Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$	\$
9. INTANGIBLE ASSET		
Internally developed software		
At cost	115,863	75,375
Less: Accumulated amortisation	(75,375)	(75,375)
Net carrying amount of intangible asset	40,488	-
Total amortisation expense	-	11,308
Reconciliation of intangible asset and the carrying amount is as follows:		
	Internally developed software	Total
Carrying amount at 30 June 2014	11,308	11,308
Additions	-	-
Disposals	-	-
Amortisation expense	(11,308)	(11,308)
Carrying amount at 30 June 2015	-	-
Carrying amount at 30 June 2015	-	-
Additions	40,488	40,488
Disposals	-	-
Amortisation expense	-	-
Carrying amount at 30 June 2016	40,488	40,488
10. TRADE AND OTHER PAYABLES		
Trade creditors	80,096	185,629
Accrued expenses	79,678	169,640
GST payable	22,029	-
Superannuation payable	31,085	21,213
Total trade and other payables	212,888	376,482



Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$	\$
11. EMPLOYEE BENEFITS		
Annual Leave provision	206,273	168,360
Long Service Leave provision - current	40,665	24,616
Total employee benefits - Current	246,938	192,976
Long Service Leave provision - non-current	114,361	87,952
Total employee benefits - Non-current	114,361	87,952
Number of employees at year end	31	38
Employee benefits expense		
Salaries and wages	2,465,163	3,100,296
Superannuation expense	249,389	295,242
Annual leave expense	37,913	14,960
Long service leave expense	42,458	18,156
Total employee benefits expense	2,794,923	3,428,654
12. DEFERRED INCOME		
Deferred revenue	-	36,000

Deferred income consisted of corporate funding received in advance for activities not yet rendered by the company. Deferred income is amortised over the life of the contract.



Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$	\$
13. CASH FLOW RECONCILIATION		
Reconciliation of net deficit to net cash flows from operations:		
Net (deficit) for the period	(1,161,079)	(2,591,640)
Non-cash flows in operating (deficit)		
Depreciation and amortisation	7,737	31,859
Net (profit)/loss on investments	-	(32,332)
Changes in assets and liabilities		
(Increase)/Decrease in receivables	(156,089)	(24,068)
(Increase)/Decrease in prepayments	8,319	(18,784)
(Decrease)/Increase in creditors	(163,594)	41,669
(Decrease)Increase in employee benefits - current	53,962	39,575
(Decrease)Increase in deferred income	(36,000)	36,000
(Decrease)/Increase in employee benefits - non-current	26,409	(6,460)
Net Cash Inflows from Operating Activities	(1,420,335)	(2,524,181)

14. COMMITMENT AND CONTINGENCIES

(a) Operating lease commitments

Non-cancellable operating lease commitments are payable as follows:

– Within 1 year	87,756	162,332
– 1-5 years	-	82,633
– After 5 years	-	-
Total Operating Lease Commitments	87,756	244,965

The company has entered into commercial property leases. These leases have an average life of less than 2 years.



Notes to the Financial Statements

For the year ended 30 June 2016

	2016	2015
	\$	\$

15. KEY MANAGEMENT PERSONNEL AND COMPENSATION

Details of key personnel during the financial year

Directors (all non-executive)

Bill Armstrong	Co-Chair
Karen Milward	Co-Chair
Stan Kalinko	Director and Company Secretary
John Jeffrey	Director
Dr Kerry Arabena	Director

Executive Management

Stephanie Harvey	Chief Executive Officer (appointed December 2010)
Ruth Hilton-Bell	Chief Financial Officer (appointed December 2014)
Tom Layton	General Manager Supporter Engagement and Business Development (appointed November 2012)
Louis Warren	General Manager Community Development (appointed June 2014)

Related party transactions

The company has a Memorandum of Understanding with Waddi Spring Water to donate a portion of its sales to ICV. John Jeffrey is a Director of Waddi Spring Water. During the year Waddi Spring Water made a donation to ICV.

There were no other related party transactions between Directors or entities Directors hold office in and ICV during the year ended 30 June 2016 (2015: nil).

Key management personnel compensation

Short-term employee benefits	635,235	736,248
Post-employment benefits (superannuation)	58,352	67,949
Total compensation	693,587	804,196

16. AUDITORS' REMUNERATION

Amounts received or due and receivable by the auditor for:

Audit of the financial statements	25,750	27,810
Total auditors' remuneration	25,750	27,810