



Indigenous Community Volunteers Limited

ABN 90 093 123 418

Financial Report

for the year ended 30 June 2017

Reduced Disclosure Requirements



Indigenous Community Volunteers Limited Financial Report for the year ended 30 June 2017

Directors' Report

Your Directors present their report for the year ended 30 June 2017.

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 Audit and Risk Management Committee

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 Chamber of Commerce Victoria Ltd

Chair - Boorndawan Willam Aboriginal Healing Service

Director - Aboriginal Housing Victoria

Director - Ganbina Ltd

Co-Chair - Victorian Aboriginal Economic Board

Stan Kalinko BCom LLB Higher Diploma in Tax FAICD

Company Secretary, Chair Audit and Risk Management Committee

Director - FSA Group Ltd

Director - Seisia Enterprises Pty Ltd

Director - Central Synagogue

John Jeffrey

Director - Indigenous Success Australia Pty Ltd

Managing Director - Indigenous Projects Group Australia Pty Ltd

Managing Director - Waddi Spring Water

Director - Yarra Custom Wear

Dr Kerry Arabena PhD

Chair Governance Committee

Director - Kinaway Chamber of Commerce Victoria Ltd

Director - Victorian Aboriginal Economic Board

Director - Ozchild

President - International Association of Ecology and Health



Directors' Report

Objectives

Indigenous Community Volunteers (ICV) is an Aboriginal and Torres Strait Islander organisation working with Indigenous people to improve quality of life, equity and inclusion, health and wellbeing, and economic participation to support self-determination.

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 three strategic priorities. These were developed during a strategic planning meeting in March 2017 when the company developed the Strategic Plan 2017-2020.

The strategic priorities are:

1. To enable our communities to be ecologically sustainable and economically and socially empowered;
2. To develop, demonstrate and promote our people and ICV's story of positive change; and
3. Build a robust and sustainable organisation.

Principal activities during the year

During the year ICV:

- engaged with 160 Aboriginal and Torres Strait Islander communities on 133 community development activities;
- conducted cultural awareness and training workshops for new volunteers as part of the volunteer screening process;
- fundraised financial support from our supporters who made financial contributions to ICV totalling almost \$3.8million;
- embedded ICV's Monitoring, Evaluation and Learning model into ICV's new data management system to enable ICV to collect evidence on the impact of the company's community development work; and
- implemented and provided staff training on ICV's Community Development framework.

ICV had an operating surplus for the year ended 30 June 2017 of \$397,195 (2016: deficit \$1,161,079).

Auditor independence

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

Member contribution if ICV is wound up

ICV has 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.



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	-	-
Karen Milward	5	5	-	-	1	1
Stan Kalinko	5	3	5	5	-	-
John Jeffrey	5	5	-	-	-	-
Dr Kerry Arabena	5	4	-	-	1	1

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

B - Number of meetings attended

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. In addition, a company in which a Board member has an interest, entered into a contract in the ordinary course of the company's business. ICV is covered by Directors and Officers Liability Insurance.

Events subsequent to year end

In July 2017 ICV implemented organisational change. The change includes the recruitment of additional staff, as well as some positions becoming redundant. Staff in redundant positions were offered redeployment, however three staff chose to take a redundancy. The redundancy costs associated with this are estimated to be approximately \$36,000.

In August 2017 ICV received a bequest for a total sum of \$950,000.

There were no other significant events occurring after 30 June 2017.



Directors' Declaration

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

In the opinion of the Directors of ICV:

- (a) The financial statements and notes of ICV are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - (i) Giving a true and fair view of ICV's financial position as at 30 June 2017 and of its performance for the year ended on the date; and
 - (ii) Complying with Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-Profits Commission Reaulation 2013* :
- (b) There are reasonable grounds to believe that ICV will be able to pay its debts as and when they become due and payable;
- (c) 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;
- (d) 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;
- (e) The statement of profit and loss and the statement of financial position give a true and fair view of the state of affairs of the organisation with respect to fundraising appeals; and
- (f) 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 20th day of September 2017.

Handwritten signature of Bill Armstrong in black ink.

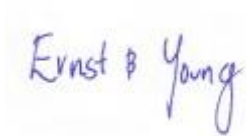
Bill Armstrong AO
Co-Chair

Handwritten signature of Karen Milward in black ink.

Karen Milward
Co-Chair

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 2017, 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 any applicable code of professional conduct.



Ernst & Young



Anthony Ewan
Partner
20 September 2017



Indigenous Community Volunteers Limited
Financial Report for the year ended 30 June 2017

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue			
Donations from the public	4	3,789,603	3,428,605
Government funding		1,000,000	500,000
Corporate funding		24,188	36,000
Service revenue		30,455	-
Investment income	4	16,639	69,282
Other income		66,633	57,809
Net gain on disposal of non-current assets		500	10,896
Total revenue		4,928,018	4,102,592
Expenses			
Community development activities		(1,920,116)	(2,348,931)
Direct costs of fundraising appeals	4	(1,080,808)	(1,307,720)
Compliance and governance		(202,645)	(143,789)
Enabling services		(730,336)	(798,418)
Supporter engagement		(296,796)	(296,125)
Awareness and education program		(279,909)	(349,223)
Business development and innovation		(20,213)	-
Realised loss on sale of investments		-	(19,465)
Total expenses		(4,530,823)	(5,263,671)
Net operating surplus/(deficit)		397,195	(1,161,079)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		397,195	(1,161,079)

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



Statement of Financial Position

As at 30 June 2017

	Notes	2017 \$	2016 \$
ASSETS			
Current assets			
Cash		2,289,635	1,630,564
Receivables	5	32,020	300,038
Prepayments		34,949	28,604
Total current assets		2,356,604	1,959,206
Non-current assets			
Plant and equipment	6	14,533	9,856
Intangible asset	7	89,942	40,488
Total non-current assets		104,475	50,344
Total assets		2,461,079	2,009,550
LIABILITIES			
Current liabilities			
Trade and other payables	8	250,065	212,888
Employee benefits	9	289,608	246,938
Total current liabilities		539,673	459,826
Non-current liabilities			
Employee benefits	9	88,848	114,361
Total non-current liabilities		88,848	114,361
Total liabilities		628,521	574,187
Net assets		1,832,558	1,435,363
FUNDS			
Accumulated funds		1,832,558	1,435,363
Total funds		1,832,558	1,435,363

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 2017

Statement of Changes in Equity

For the year ended 30 June 2017

	Total Accumulated Funds \$
Opening balance at 1 July 2015	2,596,442
Operating (deficit)	(1,161,079)
Other comprehensive income	-
Balance at 30 June 2016	1,435,363
Opening balance at 1 July 2016	1,435,363
Operating surplus	397,195
Other comprehensive income	-
Balance at 30 June 2017	1,832,558

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 2017

Statement of Cash Flows

For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Operating activities			
Receipts from donations and supporters		3,789,603	3,428,605
Government and corporate funding		1,429,107	275,000
Fee for service		33,500	-
Dividend income		3,925	25,979
Interest income		16,639	43,303
Net GST refunded		75,613	261,655
Other revenue		55,726	113,356
Payments to employees		(2,547,225)	(2,798,319)
Payments to suppliers		(2,118,331)	(2,780,810)
Net cash (used in) operating activities	10	738,557	(1,431,231)
Investing Activities			
Payments for property, plant & equipment		(79,986)	(40,488)
Proceeds from sale of plant and equipment		500	18,905
Proceeds from sale of investments		-	2,363,339
Net cash provided by investing activities		(79,486)	2,341,756
Net Increase/(Decrease) in Cash Held		659,071	910,525
Cash at the Beginning of the Financial Year		1,630,564	720,039
Cash at the End of the Financial Year		2,289,635	1,630,564

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 2017

1. CORPORATE INFORMATION

The financial statements of the not-for-profit company, Indigenous Community Volunteers Limited, (the company) for the year ended 30 June 2017 were authorised for issue in accordance with a resolution of the directors on 20th September 2017.

Indigenous Community Volunteers Limited is a company limited by guarantee incorporated in Australia. The company is an Aboriginal and Torres Strait Islander organisation.

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 and Statement of Compliance

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

The financial report has also been prepared on a historical cost basis and is presented in Australian dollars. The accounts have been rounded to the nearest dollar.

(b) Comparative figures

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

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

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

(d) 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



Notes to the Financial Statements

For the year ended 30 June 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Current versus non-current classification (continued)

- 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.

(e) Revenue Recognition

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

Revenue is measured at the fair value of consideration received or receivable taking into account contractually defined terms of payment and excluding taxes and duties. Revenue is recognised to the extent that it is probable the economic benefits will flow to the company and the revenue can be reliably measured.

Donations

Donations collected are recognised as revenue when the company gains control of the cash.

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.

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.

Service revenue

Service revenue is generated from the provision of services, under a fee for service arrangement. Service revenue is recognised in the accounting period when the service has been completed. For agreements on a fixed price, revenue is recognised by reference to the stage of completion, typically attainment of a milestone or deliverable, and when the stage of completion of the transaction at the reporting date can be measured reliably.

Other income

Other income is revenue generated by means not identified above. It includes receipts from insurance claims and is recognised when the company takes control of the cash.

(f) 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.

Notes to the Financial Statements

For the year ended 30 June 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Receivables

Receivables are initially recorded at fair value and subsequently carried at amortised cost 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.

(h) Plant and equipment

Plant and equipment are recognised 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.

(i) Intangible asset

The intangible asset is internally developed software. This is valued at the historic cost less accumulated amortisation and impairment. 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, or more frequently when an indication of impairment arises during the reporting period.

(j) 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, and annually for intangible assets, 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.

(k) 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.

(l) 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 the 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.

Notes to the Financial Statements

For the year ended 30 June 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Employee Benefits (continued)

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.

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.

(m) Leases

Operating 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.

Finance leases

The company has no finance lease arrangements.

(n) 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 flows 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 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) 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 11. 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.

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. EVENTS SUBSEQUENT TO YEAR END

In July 2017 ICV implemented organisational change. The change includes the recruitment of additional staff, as well as some positions becoming redundant. Staff in redundant positions were offered redeployment, however three staff chose to take a redundancy. The redundancy costs associated with this are estimated to be approximately \$36,000.

In August 2017 ICV received a bequest for a total sum of \$950,000.

There were no other significant events occurring after 30 June 2017.



Notes to the Financial Statements

For the year ended 30 June 2017

	2017	2016
	\$	\$
4. 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	1,938,691	2,169,603
- Regular giving	1,077,624	1,114,993
- Bequests	573,542	34,109
- Trusts and foundations	-	20,000
- Other donations	199,746	89,900
Total Donations from the public	3,789,603	3,428,605
Particulars of all expenses incurred as a direct cost of fundraising appeals		
- Appeals	(916,723)	(1,136,341)
- Regular giving	(163,637)	(159,881)
- Bequests	(356)	(11,493)
- Trusts and foundations	-	-
- Other donations	(92)	(5)
Total Direct costs of fundraising appeals	(1,080,808)	(1,307,720)
Other revenue		
Investment income		
- Dividend income	-	25,979
- Interest income	16,639	43,303
Total investment income	16,639	69,282
5. OTHER RECEIVABLES		
Government funding receivable	-	275,000
Corporate funding receivable	10,907	-
Rental bonds	21,113	21,113
Franking credits receivable	-	3,925
Total Receivables - Current	32,020	300,038



Notes to the Financial Statements

For the year ended 30 June 2017

	2017	2016	
	\$	\$	
6. PROPERTY, PLANT AND EQUIPMENT			
Office equipment			
At cost	351,548	394,756	
Less: Accumulated depreciation	(337,015)	(384,900)	
Total Office Equipment	14,533	9,856	
Motor vehicles			
At cost	44,171	44,171	
Less: Accumulated depreciation	(44,171)	(44,171)	
Total Motor vehicles	-	-	
Net carrying amount plant and equipment	14,533	9,856	
Depreciation expense			
Office equipment	8,855	6,201	
Motor vehicles	-	1,536	
Total depreciation expense	8,855	7,737	
Reconciliation of plant and equipment and their carrying amount are as follows:			
	Office equipment	Motor vehicles	Total
Carrying amount at 30 June 2016	9,856	-	9,856
Additions	13,532	-	13,532
Disposals (carrying amount)	-	-	-
Depreciation expense	(8,855)	-	(8,855)
Carrying amount at 30 June 2017	14,533	-	14,533
Disposals of office equipment included; at cost \$56,740, accumulated depreciation \$56,740. Carrying amount nil.			
7. INTANGIBLE ASSET			
Internally developed software			
At cost	106,942	115,863	
Less: Accumulated amortisation	(17,000)	(75,375)	
Net carrying amount of intangible asset	89,942	40,488	
Total amortisation expense	17,000	-	



Notes to the Financial Statements

For the year ended 30 June 2017

	2017	2016
	\$	\$

7. INTANGIBLE ASSET (continued)

Reconciliation of intangible asset and the carrying amount is as follows:

	Internally developed software	Total
Carrying amount at 30 June 2016	40,488	40,488
Additions	66,454	66,454
Disposals (carrying amount nil)	-	-
Amortisation expense	(17,000)	(17,000)
Carrying amount at 30 June 2017	89,942	89,942

Disposals of internally developed software included; at cost \$75,375, accumulated amortisation \$75,375.

Carrying amount nil.

8. TRADE AND OTHER PAYABLES

Trade creditors	109,098	80,096
Accrued expenses	87,634	79,678
GST payable	32,309	22,029
Superannuation payable	21,024	31,085
Total trade and other payables	250,065	212,888

9. EMPLOYEE BENEFITS

Annual Leave provision	204,574	206,273
Long Service Leave provision - current	85,034	40,665
Total employee benefits - Current	289,608	246,938

Long Service Leave provision - non-current	88,848	114,361
Total employee benefits - Non-current	88,848	114,361

Number of employees at year end	26	31
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Employee benefits expense

Salaries and wages	2,307,107	2,465,163
Superannuation expense	237,741	249,389
Annual and long service leave provision expense	17,156	80,371
Total employee benefits expense	2,562,004	2,794,923



Notes to the Financial Statements

For the year ended 30 June 2017

	2017	2016
	\$	\$
10. CASH FLOW RECONCILIATION		
Reconciliation of net operating result to net cash flows from operations:		
Net surplus/(deficit) for the period	397,195	(1,161,079)
Non-cash flows in operating (deficit)		
Depreciation and amortisation	25,855	7,737
Net (profit)/loss on investments	-	-
Net (profit)/loss on disposal of plant and equipment	(500)	(10,896)
Changes in assets and liabilities		
(Increase)/Decrease in receivables	268,018	(156,089)
(Increase)/Decrease in prepayments	(6,345)	8,319
(Decrease)/Increase in creditors	37,177	(163,594)
(Decrease)Increase in employee benefits - current	42,670	53,962
(Decrease)Increase in deferred income	-	(36,000)
(Decrease)/Increase in employee benefits - non-current	(25,513)	26,409
Net Cash Inflows from Operating Activities	738,557	(1,431,231)

11. COMMITMENT AND CONTINGENCIES

(a) Operating lease commitments

Non-cancellable operating lease commitments are payable as follows:

– Within 1 year	26,197	87,756
– 1-5 years	-	-
– After 5 years	-	-
Total Operating Lease Commitments	26,197	87,756

The company has entered into commercial property leases, of which two agreements have cash commitments outstanding (2016: four). Lease expense during the period amounted to \$119,183 (2016: \$179,580) representing the minimum lease payments. The lease expense amount varies from the commitment amount due to the renewal of leases during the period.

(b) Contingent Asset

As at 30 June 2017 the company was notified that ICV was a beneficiary to a last Will and Testament. No indication of the value was given.



Notes to the Financial Statements

For the year ended 30 June 2017

	2017	2016
	\$	\$

12. RELATED PARTY TRANSACTIONS

The company's related parties include its key management personnel. Key management personnel include the Directors of the company and Executive Management as described below:

Directors (all non-executive)

Bill Armstrong AO	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 Business Development and Innovation (appointed November 2012)
Louis Warren	General Manager Operations (appointed June 2014)

Related party transactions

The company has Memorandum of Understandings with both Waddi Spring Water and Yara Custom Wear to donate a portion of their sales to ICV. John Jeffrey is a Director of both entities. During the year both entities made donations to ICV.

During the year the company entered into an agreement with Indigenous Success Australia (ISA) to provide Consultancy services to the company. John Jeffrey is a Director of ISA. The total value of the agreement was \$17,600, for which \$11,733 had been completed, as at 30 June 2017.

There were no other related party transactions between Directors or entities Directors hold office in and ICV during the year ended 30 June 2017 (2016: nil).

Key management personnel compensation

Short-term employee benefits	629,471	635,235
Post-employment benefits (superannuation)	57,805	58,352
Total compensation	687,276	693,587

13. AUDITORS' REMUNERATION

Amounts received or due and receivable by the auditor for:

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

Independent Auditor's Report to the Members of Indigenous Community Volunteers Limited

Report on the Financial Report

Opinion

We have audited the financial report of Indigenous Community Volunteers Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company 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 2017 and of its financial 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*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors 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.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Acts 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 2017, 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 2017 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.



A handwritten signature in blue ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in blue ink that reads 'Anthony Ewan'.

Anthony Ewan
Partner
Canberra
20 September 2017