

Community Connections Inc



"To support people with disabilities to promote and develop their role as participating and contributing members of society"

Annual Report 2011-2012

Community Connections Inc
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ANNUAL REPORT: 2011-2012

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Community Connections Inc.

Purpose:

Community Connections supports people with disabilities to promote and develop their role as valued, participating and contributing members of society.

Principals:

- People with disabilities are important members of the Community
- Each person has unique needs and aspirations
- Family and friends are critical in the life of each person with a disability
- Planning with each person helps them meet their goals
- Timeliness, flexibility and responding to cultural needs and values are important
- People with disabilities, their families and friends are a valued resource for ideas, leadership, planning and evaluation.



Chairperson's Report 2011 – 2012

Welcome to our new Executive Director, Ian Ross, who arrived at the agency in August 2011, two weeks after our last ED, Robyn Culver, left. The agency is lucky to have Ian for many reasons, but in particular because of his background – he understands the disability sector, has worked with many agencies on the government side, and knows the bureaucracy: what is important to them and how they work. His personal values, too, are a good fit for this agency, both for the people we support and the Board.

Since commencing in the job, Ian has made progress with a matter dear to the heart of the Board, something the Board always needs to know: how well are we doing as an agency? Ian has introduced Personal Outcome Measures that allow comparison with other agencies that use these measures, in Australia and throughout the world. As well as being an international barometer for the agency, the measures will give the agency a chance to identify areas of work where more effort needs to be given. I am very grateful for that.

We were also fortunate in the past financial year to obtain the services of Interaction Consulting who specialise in management and human resource assistance, including workshops. Firstly, they developed for us an Exit Interview arrangement so we could learn from departing staff how the agency was performing on a number of levels. Then their principal, Lesley Richards, facilitated our Planning Day on 1 March 2012 – many, many thanks. It was attended by Board members and staff representatives, and identified six priorities for the year which our ED built into the Business Plan. They were:

1. Implement HACC recommendations including improving the integrity of our administration, establishing administrative consistency;
2. Spend the contracted money;
3. Measure our outcomes and identify the gaps in our performance for the people we support;
4. Train the staff thoroughly, including in coordination;
5. Promote the organisation, including making contact with at least three culturally diverse groups;
6. Board to continue to provide leadership and put emphasis on maintaining or improving relationships with staff.

CCI is continuously working on these priorities and has built them into the Business Plan for the next year.

From Planning Day, we seconded a new member for the Board, Diana Nasr, a mother of a person with a disability and a person who demonstrates her wider interest in the disability sector.

Meeting the HACC recommendations for the Board involved returning to a revision of the Constitution, stalled by other events, including the departure of a Board member on whose legal expertise we relied heavily, Kellie Johnston of MeyerVandenberg. Thank you, Kellie. Kellie was replaced fairly quickly by another lawyer from MeyerVandenberg, Anver Barhen, so our review has again picked up momentum.

The Business Plan was reviewed to specify timeframes for each action as requested by HACC, Board members profiles are now recorded in office files, and all reports referenced in Board minutes are accessible.

The Board now also has a written procedure for inducting new Board members.

Although the agency seems to be travelling well, there is always room for improvement and the challenges that gives to the ED and staff continues to make life interesting. Thank you to their continuing efforts to improve the services to the people the agency supports.

Many thanks to the Board members too who give their time freely to monitoring the smooth and successful running of Community Connections. Without their wisdom, experience, and knowledge of corporate matters, the agency would not be as strong as it is.

Patsy Cocking
Board Chair

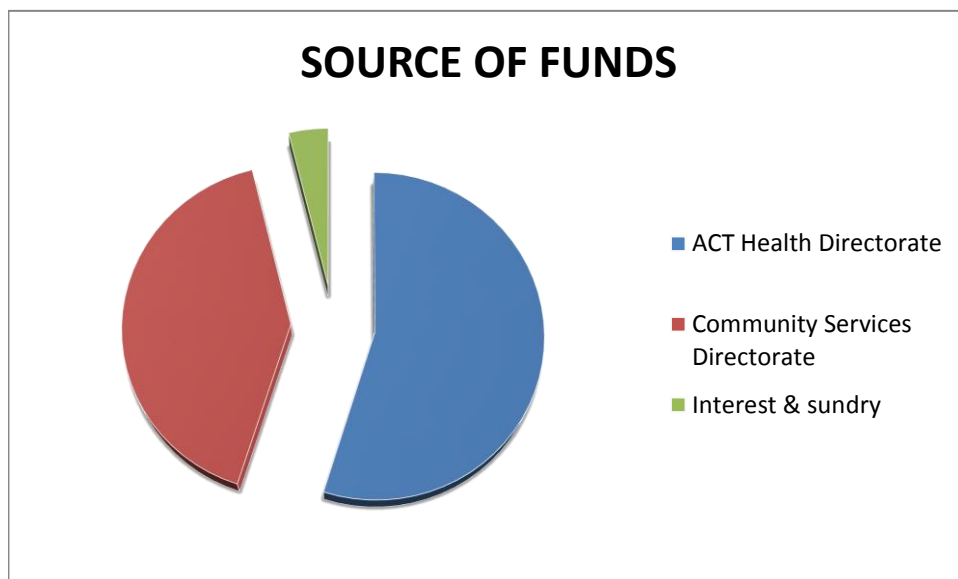
Treasurer's Report for the year ended 30 June 2012

Our Financial Statements for the year ended 30 June 2012 provide a summary of the year's transactions. The Statement of Comprehensive Income shows total revenue for 2012 of \$2,538,283, an increase of \$113,826 on 2011 revenue. The surplus for 2012 was \$163,167.

Our Balance Sheet shows a strong financial position with net equity of \$908,755. This balance provides assurance that the Association has the capacity to deal with unexpected changes or events in the future giving clients confidence of continuity of service.

The Auditor, Mr Geoff Robertson, has provided his attached report in which he advises that the Financial Statements "give a true and fair view of the state of affairs of the Organisation as at 30 June 2012".

I would like to thank the staff of Community Connections for their ongoing dedication during the year and, in particular the finance staff, Gerald & Nicole, who help ensure the Association's financial viability.



Haydn Daw - Treasurer

Executive Directors Report 2011- 2012

I am pleased to provide Community Connections Annual Report for 2011/12, the fourteenth Annual Report for this organisation.

And what a year it has been! 2011/12 will be remembered for the unprecedented level of activity and excitement that occurred in our community when in August 2011 Prime Minister Gillard released the productivity commission report recommending a National Disability Insurance Scheme, and the subsequent agreement by Australian governments to establish it. Community Connections like many organisations has actively participated in the community consultations as the scheme has developed, and we were thrilled when the ACT was announced as a launch site for the first stage of implementation.

Personally, 2011 was quite a learning curve for me as I came to grips with Community Connections' processes, procedures, and governance arrangements; to get to know the team and board, and to meet many of the people we support. I want to thank everyone for the very warm welcome I received.

In October and November 2011 Community Connections participated in the Common Care Standards audit conducted by the Home and Community Care program, and subsequently we have worked to update and set into place a number of processes where gaps were identified.

In 2012 Community Connections moved into a more active development phase. In February our Board developed a strategic plan which set out our goals for the next 12 months. I am pleased to advise that the majority of these goals are now either well underway or complete. Some of the highlights of this period include:

- In March, CCI completed a comprehensive review of our policies. This was the work of several months undertaken by both the team and the Board. The subsequent document has updated substantially improved definition of our roles and processes.
- Also in March, CCI presented Disability ACT with a proposal to establish a new Homeshare service. This proposal has now been funded as a pilot project for 2 years, and is currently under active development. CCI anticipate opening the service in January 2013.
- In June CCI completed the first steps in undertaking Personal Outcomes Assessment (POMs) of our organisation when two of our coordinators (Jenni Mitchell and Lee Harrison) completed training in Personal Outcomes Measures (POMs). POMs is a tool that enables organisations such as ours to assess the quality of their services by gathering peoples own satisfaction with elements of their lives and the services they receive. Community Connections undertook our first POMs assessment in August & September 2012. The outcomes of this process will inform both our work in support of these individuals and the Boards future strategic plans.

During 2011/12 we sadly farewelled three of our team: our manager of support services Fred Mitchell, and two coordinators Erin White and Uwem (Wem) Etuknwa. We miss their experience, commitment and positive energy! Thankfully, have been able to recruit some excellent coordinators to step into these roles: We welcomed back Celia Johnston who returned to CCI after almost two years hiatus, and two new coordinators Faye Jackson, and Jennifer De Rooy. All three have hit the ground

running and are already making had made great contributions to our team and to the lives of the people we support. In February Jenni Mitchell stepped into the role of Manager Support Services, initially in an acting capacity. Jenni quickly proved indispensable in this role, and I am happy to advise has recently been appointed to the position.

Throughout the year Community Connections have supported more than two hundred people and delivered many thousands of hours of services. We have striven to provide quality services and to strategically use our financial and staff resources to assist people with disabilities to participate as valued and contributing members of our community. We hope that this commitment has been reflected in our day to day practice and in our strategic projects.

program	funder	People supported	output
Coordination and Case Management	Health Directorate	82	8852 hours
Information Services	Health Directorate	-	684
Personal Care	Health Directorate	28	1520 hours
Social Support	Health Directorate	68	4435 hours
Goods and Equipment	Health Directorate	111	\$165,550 purchased
Flexible Family Support	Health Directorate	32	\$211969 purchased
Mature Carers	Community Services Directorate	28	2301 hours
Individual Support Packages	Community Services Directorate	27	27 people
Individual/special needs	Health Directorate	3	3 people

The next 12 months are already proving to be exciting and busy. We are establishing the Homeshare service in January and are confident that this will be many people interested in taking up this option, we are continuing to implement Personal Outcomes Measures, we are redeveloping our intake information packages, and we are actively preparing for the launch of the National Disability Insurance Scheme.

I would like to thank the Board for your confidence in this organisation, and your commitment to sustain it which you demonstrate through many hours of volunteer work throughout the year. I would like to thank the extraordinary team at community connections; our role is not always an easy one but it is made easier by your enthusiasm, dedication, sense of fun and humour.

I would particularly like to thank CCI's Business team: Cherry Matthews, Jenni Mitchell, and Gerald Tippet who have always been positive and willing to respond to every challenge the year has thrown at us.

Finally I would like to thank the individuals and families whom we serve. Thank you for choosing our service and for placing your trust in us.

Ian Ross
Executive Director

Manager of Support Services Report 2011 -2012

2012 has been an extremely busy time for us all, full of hard work, lots of changes and new goals. Early in the year we conducted our own internal training day to refresh our skills, revisit the philosophies of Social Role Valorisation that underpin our work and collaboratively update some of the documents and processes that we use.

Supervision

We have redeveloped our formal supervision process so that each coordinator has a regular opportunity to discuss the work they are doing in depth. Ian and I meet with one coordinator every Tuesday morning for a supervision session, so each coordinator is on a six-weekly cycle. We have found that having these formal sessions enables us to have more detailed discussions about how everybody is faring and where energy is being focused. These sessions also give coordinators the opportunity to celebrate people's achievements and talk about any concerns that have come up as part of the work. I have had a wonderful time in this role, getting to know the stories of all the people we support, learning the managerial aspect of Community Connections and trying my best to keep up with Ian's unwavering energy for exciting new projects!

Community Connections Handbook

One such project that Community Connections has started this year is the development of a new information resource. Currently, we offer a Community Connections pack, which contains some brochures about our organisation and what can be expected from our service. Whilst this form of information provision is effective as a general overview, we have realised that there are still a lot of gaps when it comes to describing exactly what we do in a practical sense. After researching some different types of resources that are used in the community sector, it was decided that Community Connections would produce an information handbook. The purpose of the handbook will be to provide one comprehensive resource in which people will be able to find particulars about who we are, exactly what we do, how people can access our services, the details of our processes, new projects and other useful information. The handbook is currently in development and the draft will be released by the end of this year to be viewed and discussed by the people we support, their families, friends and allies. We would like to invite everybody to provide us with their feedback, comments and suggestions about the handbook so that we can include your ideas. The plan is for the Community Connections handbook to replace the current pack so that all of our written information is easily accessible and relevant to the people who use it.

Personal Outcome Measures

Another project that we've embraced this year is Personal Outcome Measures, which is a process that we have started using to increase our understanding of what's happening in the lives of the people we support. The benefit of this is that we gain insight into what a person's life involves, what it all means to them and the kind of life that the person aspires to live. Furthermore, we also get a snapshot of how we as an organisation are supporting people on the whole. This allows us to identify any trends in the areas that people are achieving their desired outcomes and the areas in which we need to focus more or different kinds of support. The process involves having comprehensive conversations with people and asking a series of questions to gain information about every aspect of the person's life. The areas that are explored range from social roles, employment, living situations, health, relationships as well as personal achievements, goals and dreams. With this information, Community Connections is able to reflect on the manner in which we are supporting people and to make sure that we are delivering services in ways that are relevant to the individuals we work with.

In March this year, Lee Harrison (our Senior Coordinator) and I completed the Personal Outcome Measures training program, which introduced us to the concepts of this process. Subsequently, throughout August and September, we conducted a round of Personal Outcome Measures with twelve of the people who are supported by Community Connections. We recruited Julia Wolfson from The Council on Quality and Leadership to teach us and guide us through the process, before we were both assessed and qualified as reliable interviewers. This means that Lee and I will be able to continue conducting Personal Outcome Measures with the people we support, so that this process is an ongoing tool for organisational assessment and reflection. Our plan is for more coordinators to train in Personal Outcome Measures and our goal is to conduct the process with every person we support who would like to participate. Lee and I found that everybody we spoke to this year was extremely willing and happy to share their stories with us. We would like to offer a huge thank you to the people who welcomed us into their homes and into their lives and we look forward to many more of these conversations with the people we support.

Jenni Mitchell
Manager of Support Services

The Board of Community Connections

Patsy Cocking
Chairperson

Patsy Cocking has a background in corporate planning and human resource management, program evaluation, research, teaching, coaching and mentoring, and has worked for both the Australian and ACT Governments, as well as for private enterprise. She is also an accredited mediator registered for over 10 years. She has an adult son with an intellectual disability and autism and has published a book about her experiences with him. She has been active in the disability sector for 20 years, contributing to non-government agency boards and committees, a local government comprehensive review of the disability sector and, early on, was involved at the schools attended by her son.

Haydn Daw
Treasurer

Haydn Daw is an accountant and has served on the Community Connections Board as Treasurer for the past 6 years. Haydn is employed by the Commonwealth Treasury where he works on a range of policies relating to the Australian Economy. Haydn has a strong interest in the community sector and enjoys the opportunity and challenge of working with Community Connections to help support people with disabilities.

Athol Dale
Public Officer

Athol Dale has had a 38 year career in the radio broadcasting industry. He has been actively involved in a volunteer capacity in the area of disability support. From 2003 to 2008, he served as Chairman of Special Olympics in the ACT and has been a member of the Community Connections Board of Management since 2005. He has an adult son who is supported by Community Connections.

Elsie McDonnell
Board Member

Elsie spent her working life in a wide variety of roles in the education sector, including early childhood education, the TAFE sector and special education. During the last twenty-five years she worked with students with a wide range of disabilities. She has a Masters Degree in educational administration. She was the principal of The Woden School for a period of nine years. In 2003 she was the recipient of the Centenary Medal for the contribution to the education of students with disabilities. Now, as a grandmother, her community service focuses on family assistance for her grandchildren.

Lindy Butcher
Board Member

Lindy is currently a high school maths and science teacher. Since moving to Canberra 16 years ago she has worked for Koomarri, assisting people with disabilities to secure meaningful employment and to participate in community activities after retiring from the paid workforce. Following that, as a small business owner for four years, Lindy employed people with disabilities in her private business in positions of value and responsibility, resulting in being awarded a Telstra Business Award for Social Responsibility in 2008.

Diana Nasr
Board Member

Diana is a single mother of two children; her eldest (son) has an intellectual disability with Autism, ADHD and mild hearing loss. Diana has been an advocate for her son and children with a disability in the education and disability sector for the past eight years. In the past Diana has volunteered as a parent representative on a number of government and non-government committees. Diana is a PATH (Planning Alternative Tomorrow with Hope) Facilitator/Grapher. Diana is currently studying towards her Diploma in Business and Diploma in Disability.

Avner Barhen
Board Member

Avner is a commercial lawyer who specialises in Dispute Resolution and focuses on a variety of aspects of litigation and insolvency law both advisory and contentious. For four years, until September 2007, he served on a diplomatic posting to the Embassy of Israel in Canberra. On completion of his contract, he decided to take up permanent residence with his family in Canberra and is now an Australian Citizen. Avner has high level analytical and advisory skills that have been demonstrated in a career that includes leading security roles at the Israeli Prime Minister's office and the Israeli Foreign Ministry.

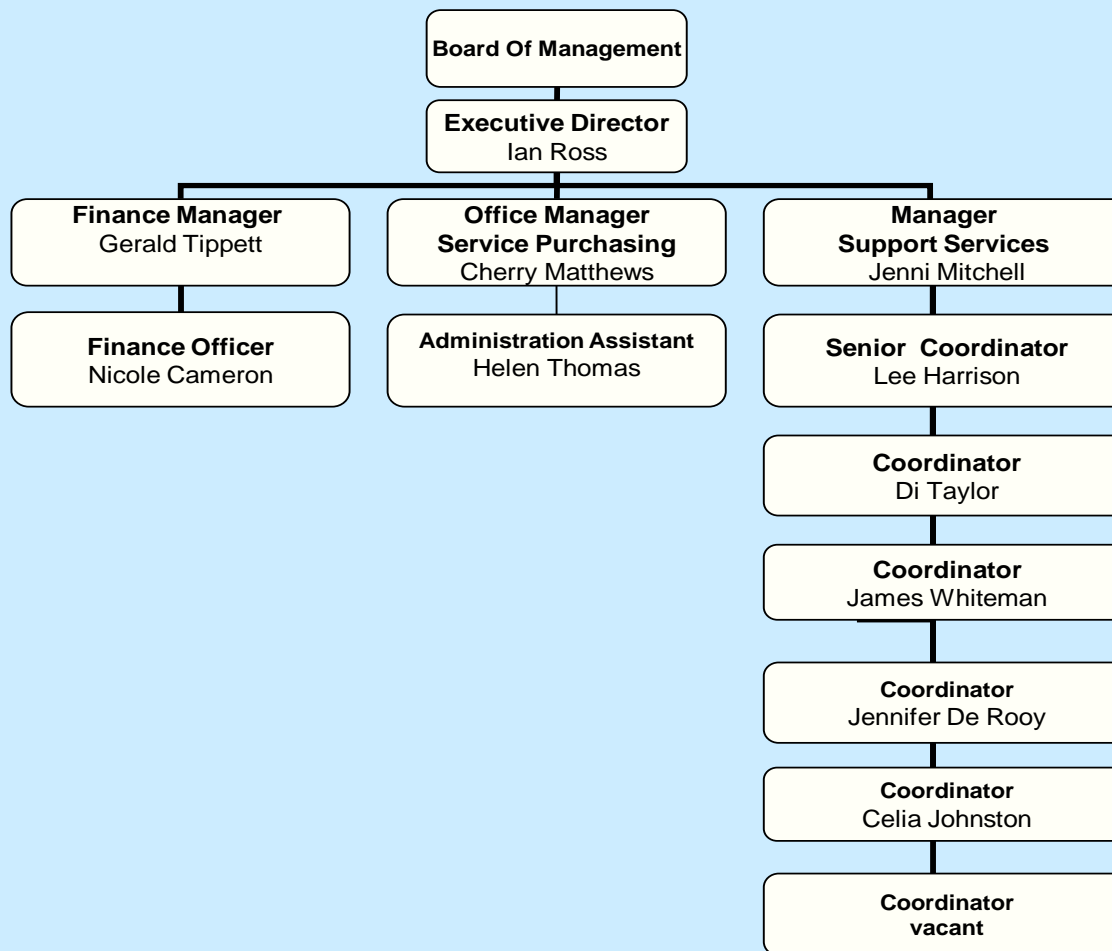
COMMUNITY SUPPORTERS

The Burns Club – Kambah
Calwell Quality Meats
Harvey Norman - Fyshwick
Impact Records and Comics
The Good Guys – Tuggeranong
The Vikings Club – Tuggeranong
The Baptist Church – Kambah
Bunnings – Belconnen
Bunnings - Tuggeranong
Silver Hills Nursery – Piallago
Jordo's Chop Shop, Wanniasa
Rotary Club – East
West Queanbeyan Veterinarian Hospital
DonorTec
Microsoft
Learning Options





CCI Organisational Chart as at June 2012



GEOFF ROBERTSON

Accountant & Tax Agent,
Registered Company Auditor
Institute of Public Accountants

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WATSON, ACT, 2602

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COMMUNITY CONNECTIONS INC.

INDEPENDANT AUDIT REPORT

SCOPE

I have audited the financial reports of Community Connections Inc. for the year ended 30 June, 2012, as set out in the attached pages. The Organisation is responsible for the preparation and presentation of the financial reports and the information contained therein. I have conducted an independent audit of the financial reports in order to express an opinion on it to the Members of Community Connections Inc.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial reports are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial reports, and the examination of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial reports are presented fairly in accordance with Australian Accounting Concepts and Standards so as to present a view of the Organisation which is consistent with my understanding of its financial position and the result of its operations.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In my opinion, the accompanying Financial Reports for the year ended 30 June, 2012, are properly drawn up:

- (a) So as to give a true and fair view of the state of affairs of the Organisation as at 30 June, 2012 and the results of the Organisation for the year ended 30 June, 2012;*
- (b) In accordance with the provisions of the Associations Incorporation Act 1991; and*
- (c) In accordance with Statements of Accounting Concepts and applicable Accounting Standards.*



Geoffrey Alfred Robertson
Registered under the Australian
Securities Investment Commission No. 369

4 October 2012

GEOFF ROBERTSON

Accountant & Tax Agent,
Registered Company Auditor
Institute of Public
Accountants

31 Dickinson Street,
(P.O. Box 7042),
WATSON, ACT, 2602

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ABN: 53 979 503 245

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE BOARD OF COMMUNITY CONNECTIONS INC.**

As Auditor of Community Connections Inc, I declare that,
to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements
of applicable legislation in relation to the Audit; and
- (b) no contraventions of any applicable code of professional
conduct in relation to the Audit.



GEOFF ROBERTSON
Registered Company Auditor No. 369

4 October, 2012

Community Connections Incorporation
(ABN 75 463 767 930)
Statement of Comprehensive Income
For the Year ended 30 June 2012

	Note	2012 \$	2011 \$
Revenue			
Government Grants		2,443,834	2,337,500
Interest Received		94,449	95,911
Other Revenue		-	(8,954)
Total Revenue		<u>2,538,283</u>	<u>2,424,457</u>
Expenses			
Support Expenditure		1,317,210	1,398,274
Staff Expense		823,919	727,823
Depreciation and Amortisation		35,556	24,617
Building Expenses		72,923	70,217
Other Expenses		109,064	138,152
Auditor's Remuneration		5,180	4,523
Total Operating Expenses		<u>2,363,852</u>	<u>2,363,606</u>
Non-operating Expenses			
Webb page development		510	3,642
Conference Sponsorship		-	14,000
Project Sponsorship		6,418	11,724
Training PWS		4,268	1,236
Home Share		68	-
Total Non-operating Expenses		<u>11,264</u>	<u>30,602</u>
Surplus before Income Tax	4	<u>163,167</u>	<u>30,249</u>
Comprehensive income attributable to members of the entity		<u><u>163,167</u></u>	<u><u>30,249</u></u>

The accompanying notes form part of these financial statements.

Community Connections Incorporation
(ABN 75 463 767 930)
Statement of Financial Position
As at 30 June 2012

	Note	2012 \$	2011 \$
Assets			
Cash and Cash Equivalents	5	2,060,979	2,286,852
Short Term Trade and Other Receivables	6	35,402	-
Other Current Assets	7	36,461	20,734
Property, Plant and Equipment	8	133,171	159,209
Total Assets		<u>2,266,013</u>	<u>2,466,795</u>
Liabilities			
Trade and Other Payables	9	418,336	258,742
Short Term Financial Liabilities	10	888,612	1,409,650
Short Term Provisions		40,824	36,976
Long Term Provisions	11	9,486	15,836
Total Liabilities		<u>1,357,258</u>	<u>1,721,204</u>
Net Assets		<u><u>908,755</u></u>	<u><u>745,591</u></u>
Members Equity			
Surplus attributable to members	12	908,755	745,591
Total Equity		<u><u>908,755</u></u>	<u><u>745,591</u></u>

The accompanying notes form part of these financial statements

Community Connections Incorporation
(ABN 75 463 767 930)
Statement of Cash Flows
For the Year ended 30 June 2012

	Note	2012 \$	2011 \$
Cash Flows from Operating Activities			
Receipts from Operations		2,058,967	2,573,926
Payments to Suppliers and Employees		(2,354,976)	(2,338,338)
Interest Received		79,655	95,911
Net Cash Inflow from Operating Activities		<u>(442,224)</u>	<u>331,499</u>
Cash Flows from Investing Activities			
Proceeds from sale of property, plant and equipment		-	40,000
Purchase of property, plant and equipment		(9,519)	(146,398)
 Net Increase (decrease) in Cash Held		<u>(225,873)</u>	<u>225,101</u>
 Cash and Cash Equivalents as at 1 July 2011		2,286,852	2,061,751
 Cash and Cash Equivalents as at 30 June 2012		<u><u>2,060,979</u></u>	<u><u>2,286,852</u></u>

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements includes the consolidated financial statements and notes of Community Connections Incorporation (ABN 75 463 767 930). There are no controlled entities.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Associations Incorporation Act 1991.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements 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.

(a) **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(b) **Provisions**

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(c) **Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employees may not satisfy vesting requirements. These cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

(d) Property, Plant and Equipment

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

Plant and Equipment

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

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

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

Buildings	2 %
Plant and Equipment	5 - 33 %
Leased Plant and Equipment	10 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying value.

These gains or losses are recognised immediately in profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(e) **Financial Guarantees**

Where material, financial guarantees issued, which requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

(f) **Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(g) **Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the group that remain unpaid.

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(i) Comparative Figures

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

Where the group has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(j) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates - Impairment

The group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(k) Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

Key Estimates - Impairment

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(1) New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the group have decided not to early adopt. The group do not anticipate early adoption of any of the reporting requirements would have any material effect on the group's financial statements.

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

	2012	2011
	\$	\$
2. Revenue		
Revenue		
Government Grants	2,443,834	2,337,500
	<u>2,443,834</u>	<u>2,337,500</u>
Other Income		
Interest Received	94,449	95,911
Other Revenue	-	1,309
Profit on Sale of Non-current Assets	-	(10,263)
	<u>94,449</u>	<u>86,957</u>
	<u><u>2,538,283</u></u>	<u><u>2,424,457</u></u>
3. Expenses		
Raw Materials, Purchases and Consumables Used	1,317,211	1,398,274
Employee Benefits Expense	823,919	724,587
Depreciation and Amortisation	35,556	24,617
Building Expenses	72,923	70,217
Other Expenses	114,245	145,911
	<u>2,363,854</u>	<u>2,363,606</u>
4. Profit for the Year		
Profit before income tax expense from continuing operations includes the following specific expenses:		
Charging as Expense		
Cost of Goods Sold	1,317,211	1,398,274
Movements in Provisions		
Depreciation		
- Depreciation of Property, Plant and Equipment	<u>35,556</u>	<u>24,617</u>
	<u>35,556</u>	<u>24,617</u>
Net Expenses Resulting from Movement in Provisions	<u>35,556</u>	<u>24,617</u>
Remuneration of the Auditor:-		
- Audit & review of financial statements	<u>5,180</u>	<u>4,523</u>
	<u>5,180</u>	<u>4,523</u>

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

	2012	2011
	\$	\$
Crediting as Income:		
Interest from :		
- Other Corporations	94,449	95,911
Total Interest Revenue	<u>94,449</u>	<u>95,911</u>
 5. Cash and Cash Equivalents		
Deposits Kambah Office Lease	14,896	14,702
Deposits Commonwealth Bank	1,600,000	-
Petty Cash	180	180
Commonwealth Bank	226,044	1,331,446
Bendigo Bank	219,859	940,524
	<u>2,060,979</u>	<u>2,286,852</u>
 Cash Reconciliation		
Cash and Cash Equivalents	<u>2,060,979</u>	<u>2,286,852</u>
	<u>2,060,979</u>	<u>2,286,852</u>

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

	2012	2011
	\$	\$
6. Trade and Other Receivables		
Current		
Trade Debtors	35,402	-
Total Trade and Other Receivables	<u>35,402</u>	<u>-</u>
7. Other Assets		
Current		
Accrued Income	22,339	7,545
Prepayments	<u>14,122</u>	<u>13,189</u>
	<u>36,461</u>	<u>20,734</u>
8. Property, Plant and Equipment		
Land and Buildings		
Leasehold Land	2,500	2,500
Less Accumulated Amortisation & Impairment	2,500	2,500
Plant and Equipment		
Motor Vehicles	160,386	160,386
Less Accumulated Depreciation & Impairment	<u>43,104</u>	<u>18,980</u>
	117,282	141,406
Office Furniture & Equipment	138,784	129,265
Less Accumulated Depreciation & Impairment	<u>122,894</u>	<u>111,462</u>
	15,890	17,803
Total Plant and Equipment	<u>133,172</u>	<u>159,209</u>
Total Property, Plant and Equipment	<u>133,172</u>	<u>159,209</u>

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

Notes to the Financial Statements

For the Year ended 30 June 2012

	2012	2011
	\$	\$
9. Trade and Other Payables		
Current		
Accrued expenses	7,628	-
Payroll Liabilities -PAYGW	11,654	9,575
Trade Creditors	93,695	134,022
Committed Funds		
HACC Discretionary	161,233	116,567
Flexible Family Support	126,906	-
Payroll Liabilities	2,303	3,323
GST Payable	14,916	(4,745)
	<u>418,336</u>	<u>258,742</u>
Total Trade and Other Payables	<u><u>418,336</u></u>	<u><u>258,742</u></u>
10. Financial Liabilities		
Current		
Grant Funds on Hand		
Unexpended Grants	110,013	631,050
ISP Funds to be returned to Department	778,600	778,600
	<u>888,613</u>	<u>1,409,650</u>
Total Financial Liabilities	<u><u>888,613</u></u>	<u><u>1,409,650</u></u>
11. Provisions		
Current		
Provision for Holiday Pay	40,823	36,976
	<u>40,823</u>	<u>36,976</u>
Non-Current		
Provision for Long Service Leave	9,486	15,836
	<u>9,486</u>	<u>15,836</u>
Total Provisions	<u><u>50,309</u></u>	<u><u>52,812</u></u>

The accompanying notes form part of these financial statements.

Community Connections Incorporation

(ABN 75 463 767 930)

**Notes to the Financial Statements
For the Year ended 30 June 2012**

	2012 \$	2011 \$
12. Retained Earnings		
Retained Earnings at the Beginning of the Financial Year	745,591	715,342
Add		
Net profit attributable to members of the company	174,429	60,851
Less		
Non-operating expenses	11,264	30,602
Retained Earnings at the End of the Financial Year	<u>908,755</u>	<u>745,591</u>
13. Auditors Remuneration		
Geoff Robertson		
- Audit & review of financial statements	<u>5,180</u>	<u>4,523</u>
	<u>5,180</u>	<u>4,523</u>

14. Business Details

The registered office of the company is:
Community Connections Incorporation (ABN 75 463 767 930)
21 Jenke Circuit Kambah

The principal place of business is:
Community Connections Incorporation (ABN 75 463 767 930)
21 Jenke Circuit Kambah

The principal activities of the business include:
Community Connections supports people with disabilities to promote and develop their role
as valued, participating and contributing members of society.

The accompanying notes form part of these financial statements.

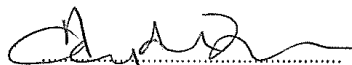
Community Connections Incorporation
(ABN 75 463 767 930)
Statement by Members of the Committee

In the opinion of the committee the accompanying financial report;

1. Presents a true and fair view of the financial position of Community Connections Incorporation as at 30 June 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Community Connections Incorporation will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:


President: Patsy Cocking


Treasurer: Haydn Daw

Dated this 12 day of October 2012