

**SOUTHWEST
ADVOCACY
ASSOCIATION INC.**

Incorporation Registration A0025914Y



S . W . A . A .

ANNUAL REPORT 2015/2016



SOUTHWEST ADVOCACY ASSOCIATION INC

MISSION STATEMENT

Southwest Advocacy Association Incorporated aims to provide an advocacy and information service that empowers and gives a voice to people with disabilities; that strives to ensure that the rights of people with disabilities are respected; and that fosters the positive and full participation of people with disabilities in the community.

ADVOCACY

Action on behalf of the sincerely perceived interests of a person or group, without conflict of interest, in order to promote and protect their welfare, rights & interests.



**COMMITTEE OF MANAGEMENT
2015-2016**

PRESIDENT:	Lisa Vale
VICE PRESIDENT:	Cheryl Gould
SECRETARY:	Colin Vale
TREASURER:	Andrew Harman
MEMBERS:	Mark Powell Peter McMahon Mark Barling Roy Reekie Rose Egerton Diana Young
STAFF MEMBERS:	Adele Markwell (Executive Officer/Advocate) Roz Rantall (Advocate) Kylie Thulborn (All Abilities Advocacy/Facilitator) Margaret Gottlewski (Administration Officer)
AUDITOR:	Michael Lucas Accounting



PRESIDENT'S REPORT

2015 - 2016

It is with great pleasure that I present the Southwest Advocacy Association (SWAA) annual report for 2016. As with last year, we have overcome challenges thrown at us regarding funding, service delivery and relocation. Despite these issues, SWAA has continued to provide consistent provision of advocacy services throughout the Southwest of Victoria since 1993.

Disability advocacy recognise the rights of all people with disability to live in the community, with choices equal to all others. At SWAA, we are dedicated to promoting the human rights, fundamental needs and value of people with disabilities living in our Warrnambool and the Southwest. I have the utmost confidence that SWAA will continue to provide a first class response to disability advocacy to Southwest consumers and ensure consumers receive the appropriate support and care to ensure their wishes and opinions are valued and their needs are being appropriately met.

We have experienced some changes this year, in particular relocating to our most recent and hopefully long term premises at 45 Hider Street Warrnambool. The new building offers much needed office space, ample parking and access for both our staff and consumers. An official launch is planned for the near future.

The NDIS is scheduled to be launched in the Southwest region on 1st October 2017 and holds a wealth of unknown factors as to how this new scheme will adequately support the needs of eligible consumers. Informed choice and greater control for consumers is vital in receiving the program as this provides people with the right to determine their own future.

SWAA continues to provide an optimum service promoting the role and value of independent and systemic advocacy to people who live with disability and this could not be achieved without the dedication of our wonderful staff. On behalf of the Committee of Management, I would like to thank Executive

Officer Adele Markwell, advocacy worker Roz Rantall and administrative officer Margaret Gottlewski for their continued passion, hard work and commitment to SWAA and its consumers. Adele's ongoing pursuit for funding and lobbying to both state and federal governments for additional financial support, demonstrates her commitment to SWAA. Roz and Marg are also invaluable members of our team and their hard work, expertise and individual skills are very much appreciated by the Committee.

Finally, I would like to express my gratitude to our wonderful Committee of Management: Mark Barling, Mark Powell, Rose Edgerton, Cheryl Gould, Colin Vale, Peter McMahon and Andrew Harmon. Their collective expertise, experience and commitment to SWAA is very much appreciated and I thank them for their continued support of SWAA.

Lisa Vale
Southwest Advocacy Association
Presidents Report



EXECUTIVE OFFICER'S REPORT

2015 - 2016

The last 12 months has seen Southwest Advocacy Association Inc. coming up against all the same challenges as we have for the past 23 years. Inadequate funding is an ongoing battle for us and takes up more of my time than should be necessary. I will continue to put adequate funding on our wish list for things that would make our job so much easier by freeing up time to spend doing the thing that we are funded to do, advocating for the people in the southwest region with disability.

Just over three years ago we were forced to relocate due to our premises being sold. This was disappointing for us after ten years in the Princess St location and it is always difficult to find premises that meet our needs for a price that we can afford. Unfortunately we fairly quickly realised that the premises we took, although perfectly located, was not really suited to our needs but we were locked into a three year lease. I started looking for an alternative location when our lease was coming up for renewal and was very fortunate to find our current location at 45 Hider Street. We moved in in May and this location is perfect for our needs. It meets all the requirements of a service such as ours and I am very hopeful that we will be here for a long time to come. If our service needs to grow a bit with the introduction of the National Disability Insurance Scheme in our region, we have space to do so. Although no-one ever really complained about the cramped conditions in the old premises, I think our little staff are much happier in our new home and most importantly the people who use our service have the privacy that is integral to the success of our service. I am no longer located in the kitchen so Marg and Roz don't have to plan their coffees or lunch around whether I have someone in my office/kitchen.

I have written about the impending arrival of the National Disability Insurance Scheme in this report for a number of years now and now we are under 12 months away from the roll out here in South Western Victoria. There will be much work in preparation for those big changes for people with disability and

their families and carers and I am hopeful that by the time it gets to us the problems being experienced in the areas where the roll out has already happened will have been rectified. My understanding is that the problems have occurred due to new technology. The NDIS is something that we have been waiting for for many years so we are all hoping it will give people with disability and their families and carers the care that their life requires. It will be interesting in a couple of years' time when the roll out is complete to see how we all feel about whether or not it is a success. I am thinking that there will be many people who have great experience and others who do not.

We have had another full audit this year and I am very pleased and proud once again that we have come through with flying colours. I know that as an organisation we have great management from a very dedicated Board and I always know that we are operating according to the rules but it is always a relief when our audit is complete.

Speaking of our Board, I thank them for the support that they give me throughout the year. I know that it is difficult at times to be able to get to the meetings and attend to issues outside of our meetings but they are always there to assist and support me and I thank them very much for that. They are a very dedicated group of people and Southwest Advocacy would not be the successful service that it is without them. I am very grateful to them all.

All Abilities Advocacy continues to run very smoothly and is consistently having great attendance at the meetings. Kylie continues to do a fantastic job of making the meetings interesting and informative and has this year concentrated a lot of attention on the NDIS.

Marg continues to run our office with great skill and efficiency and I know our service users appreciate her friendly and helpful voice over the telephone. I certainly appreciate her ability to always have any information I need at her finger tips.

Roz continues to manage the difficult job of only working one day per week and I appreciate her ability to manage her work load within these restrictions.

We all appreciate very much Judy's care for our premises. She always has the place looking great.

As we draw towards the end of 2016 I wish all our Staff, Board, service users and members a very merry Christmas and a happy new year and we will see them all back in 2017.

Adele Markwell
Executive Officer



TREASURER'S REPORT

2015-2016

The financial statements for the 2015-2016 year have been drawn up on an accruals basis as per the requirement of our funding body.

Mr Michael Lucas from Michael Lucas Accounting has audited the books and records of the Association and the report has been included in the annual report.

Because of very careful management, the Association finished the year with an operating loss of \$9,455.00 and net Assets of \$61,714.00.

Overall our financial position remains healthy with provision made for depreciation on equipment, accrued expenses and creditors.

The Association must again remain conscious of operating within our funding limits in the year to come.

I take this opportunity to thank the staff, committee, clients and friends of the Association for their interest and involvement during the year. I would particularly like to thank Margaret Gottlewski for her diligent work throughout the year, and her accessibility and patience regarding the organisation's financial matters.

Andrew Harman
Treasurer

Southwest Advocacy Association Inc

Financial Statements & Audit Report for the year ending 30 June 2016



MICHAEL LUCAS ACCOUNTING

Taxation Accountants and Business Advisors
47 Hider Street, Warrnambool VIC 3280



MICHAEL LUCAS ACCOUNTING

Taxation Accountants and Business Advisors

ABN 19 791 440 845

25th October 2016

Audit Report

To the Members of Southwest Advocacy Association,

Scope

We have audited the attached financial reports of *Southwest Advocacy Association* for the year ending 30th June 2016. The association is responsible for the preparation and presentation of the financial reports and the information contained therein, and has determined that the basis of accounting used is appropriate to the needs of the members.

We have conducted an independent audit of the financial report in order to express an opinion on it to the members. No opinion is expressed as to whether the basis of accounting used is appropriate to the needs of the members.

The financial reports have been prepared for the distribution to the members for the purpose of fulfilling the association's accountability requirements. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the members, or of any purpose other than that for which it was prepared.

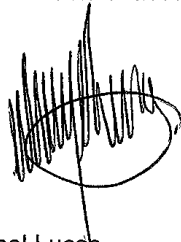
Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether in all material respects, the financial report is presented fairly in accordance with the requirements of the Corporations Act.

Qualification

Our audit of the *Southwest Advocacy Association* was limited in that opening balances and income and expense accounts were taken from an externally produced report. This resulted in varied treatment of some transactions. In addition the use of back-dating cheques to recognise expenses in prior periods is not appropriate policy.

Qualified audit opinion

In our opinion, subject to the effects of such adjustments, if any, as might have been determined to be necessary had the limitation discussed in the qualification paragraph not existed, the financial report of *Southwest Advocacy Association* presents fairly the income and expenditure of the Association for the year ended 30th June 2016 in accordance with the accruals basis of accounting.

A handwritten signature in black ink, consisting of a series of vertical, slightly wavy lines that form a dense, scribbled shape. A horizontal line is drawn across the middle of the scribble, and a vertical line extends downwards from the center of the scribble.

Michael Lucas
Michael Lucas Accounting
Warrnambool, Vic 3280



MICHAEL LUCAS ACCOUNTING

Taxation Accountants and Business Advisors

ABN 19 791 440 845

25th October 2016

Management Letter

To the Members of the Southwest Advocacy Association,

Please find enclosed the financial statements for the period 1st July 2015 to 30th June 2016. The accounts have been prepared on an account-by-account basis, where the opening bank balance, receipts, payments and closing bank balance are recorded.

1. Opening Balances. Southwest Advocacy Association's 2014/2015 Annual Report was used for this purpose. The Commonwealth Bank account ***3442 balance was not adjusted in this report to allow for unrepresented cheques for the financial year ending 2015. To reconcile this the following cheques have been accounted for in the 2016 financial year despite being entered in the association's Quicken for the 2015 financial year.

- #7675	\$110.00	VicRAN
- #7766	\$78.00	Smart ITC
- #7788	\$434.87	Roz Rantall
- #7789	\$155.73	Kylie Thulborn
- #7790	\$481.94	Origin Energy
- #7791	\$71.87	BSI Group ANZ Pty Ltd

2. Several cheques remained unrepresented at the end of the 2016 financial year. These cheques as follows have been allowed for in the 2016 financial year.

- #8129	\$1786.65	Warrnambool Telephone Co
- #8130	\$385.06	Energy Australia
- #8132	\$118.89	Gunners Office Equipment

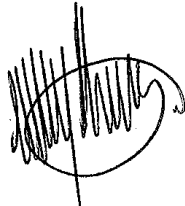
3. One payment to note was made to the ATO for the amount of \$8,274.00 was entered into Quicken at the end of the 2016 financial year however was not paid until September 2016. This recognition of expenses not yet paid and back-dating of cheques is not ideal practice.

This should be read in conjunction with the audit report

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4. The Southwest Advocacy Association 2014/2015 Annual Report shows both ATO Creditors for PAYG and GST amounting to \$2353.00 and Trade Creditors of \$4332.00. Included in the amount of \$4332.00 is the \$2353.00 owed to the ATO and therefore has been incorrectly shown twice. This amount has been taken to an equity account to correct the balance sheet.
5. We inquire as to why Southwest Advocacy Association pays the net wage of a Warrnambool and District Food Share employee. We have no basis for reconciliation from the ATO of said wages and we feel it would be prudent that these wages be paid directly by Warrnambool and District Food Share.
6. Account Reconstruction. We have reconstructed the accounts from the balance sheet and profit and loss statements.

A handwritten signature in black ink, consisting of a series of vertical lines and a circular flourish on the right side.

Michael Lucas
Michael Lucas Accounting

This should be read in conjunction with the audit report

Southwest Advocacy Association Inc
Income and Expenditure Statement
For the year ended 30 June 2016

	2016	2015
	\$	\$
Income		
Disability Rights Victoria		14,385.00
Dept Social Services	134,412.44	136,967.00
Dept Human Services	13,484.98	
AAA	1,274.45	
Interest received	719.09	858.00
Other income		6,192.00
Donations	8,500.00	
Profit on sale of property, plant, equip		(1,345.00)
Expense Reimbursement - WDFS	41,553.00	48,657.00
Expense Reimbursement - SWAA	2,173.47	
Rebates & Refunds	253.55	
Total income	202,370.98	205,714.00
Expenses		
Audit fees	3,384.24	5,937.00
Bank Fees And Charges	2.88	7.00
Catering	635.09	420.00
Casual labour	200.00	
Cleaning/rubbish removal	39.06	
Depreciation - plant	1,476.00	642.00
Donations	100.00	
Electricity	1,973.08	1,651.00
Freight & Cartage	933.95	
Insurance	396.87	348.00
Long service leave		201.00
M/V car - Depreciation	3,823.00	5,210.00
M/V car - Fuel & oil	958.55	1,299.00
M/V car - Rego/Insurance	1,058.25	2,162.00
Postage	596.24	
Printing & stationery	985.32	2,947.00
Rent on land & buildings	21,721.58	18,590.00
Repairs & maintenance	150.18	1,635.00
Replacements (tools, etc)	578.34	1,111.00

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's
Compilation Report and Notes which form part of these financial statements.

Southwest Advocacy Association Inc
Income and Expenditure Statement
For the year ended 30 June 2016

	2016	2015
	\$	\$
Staff amenities	300.22	144.00
Subscriptions	793.48	79.00
Superannuation	8,917.58	14,559.00
Superannuation - WDFS	3,705.00	
Telephone	6,572.49	4,097.00
Travel, accom & conference	1,092.46	984.00
Wages - Net	100,276.89	144,947.00
Wages - PAYG	11,346.00	10,590.00
Wages - WDFS	37,848.00	
Workers Compensation	1,961.23	1,545.00
Total expenses	<u>211,825.98</u>	<u>219,105.00</u>
Profit (loss) from ordinary activities before income tax	(9,455.00)	(13,391.00)
Income tax revenue relating to ordinary activities		
Net profit (loss) attributable to the association	<u>(9,455.00)</u>	<u>(13,391.00)</u>
Total changes in equity of the association	<u>(9,455.00)</u>	<u>(13,391.00)</u>
Opening retained profits	13,619.00	27,010.00
Net profit (loss) attributable to the association	<u>(9,455.00)</u>	<u>(13,391.00)</u>
Closing retained profits	<u>4,164.00</u>	<u>13,619.00</u>

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Southwest Advocacy Association Inc
Detailed Balance Sheet as at 30 June 2016

	Note	2016	2015
		\$	\$
Current Assets			
Cash Assets			
Cash At Bank - CBA		14,237.33	19,998.51
Cash At Bank - SWC		12,490.47	10,228.50
CBA Visa Debit		302.29	531.97
Cash on hand		52.45	117.70
		27,082.54	30,876.68
Receivables			
Trade debtors		200.00	3,938.00
		200.00	3,938.00
Other			
Banksia - Depreciation Provision		9,113.21	8,919.53
Banksia - Employee Leave Provision		23,492.05	22,992.79
		32,605.26	31,912.32
Total Current Assets		59,887.80	66,727.00
Non-Current Assets			
Property, Plant and Equipment			
Plant & equipment - at cost		27,793.00	27,793.00
Less: Accumulated depreciation		(25,333.00)	(23,857.00)
Motor vehicles - at cost		20,145.00	20,145.00
Less: Accumulated depreciation		(8,675.00)	(4,852.00)
		13,930.00	19,229.00
Total Non-Current Assets		13,930.00	19,229.00
Total Assets		73,817.80	85,956.00

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Southwest Advocacy Association Inc
Detailed Balance Sheet as at 30 June 2016

	Note	2016	2015
		\$	\$
Current Liabilities			
Payables			
Unsecured:			
Trade creditors			4,332.00
ATO Creditor - GST		(1,046.00)	(439.00)
ATO Creditor - PAYG		3,094.00	2,792.00
		2,048.00	6,685.00
Current Tax Liabilities			
GST clearing		2.80	
		2.80	
Provisions			
Superannuation Payable			402.00
Provision For Annual Leave		4,489.00	4,489.00
Provision For Sick Leave		5,564.00	5,564.00
		10,053.00	10,455.00
Total Current Liabilities		12,103.80	17,140.00
Total Liabilities		12,103.80	17,140.00
Net Assets		61,714.00	68,816.00

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Southwest Advocacy Association Inc
Detailed Balance Sheet as at 30 June 2016

	Note	2016	2015
		\$	\$
<hr/>			
Members' Funds			
Issued Capital			
Issued & paid up capital		(10.00)	(10.00)
Reserves			
Capital profit reserve		47,560.00	45,207.00
Future Equipment Replacement Reserves		10,000.00	10,000.00
Accumulated surplus (deficit)		4,164.00	13,619.00
Total Members' Funds		<u><u>61,714.00</u></u>	<u><u>68,816.00</u></u>

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