

YWCA VICTORIA
Consolidated Entity

ABN 39 004 068 106

Annual Financial Report
For the year ended 30 June 2011

Annual General Meeting
10 November 2011
At 489 Elizabeth Street
Melbourne

YWCA Victoria – Consolidated entity

Directors' Report

Your directors present their report together with the financial report of YWCA Victoria consolidated entity ('the Group') for the financial year ended 30 June 2011, and the auditor's report thereon.

Directors

The names of each person who have been a director during the 2010-2011 financial year, unless otherwise stated are:

Sandy Bell
Rose Bryant-Smith
Helen Campbell
Ivana Gillard
Laura Hutchison
Trudy-Ann King (appointed 26/10/2010)
Bernadette McDonald
Suyin Ng
Helga Svendsen
Jessica To

Resigned:

Mary Maddock (resigned 24/08/2010)

Principal activities

The principal activities of the group consist of providing services to women in the community. No significant change in the nature of these activities occurred during the year.

Results

The surplus from ordinary activities of the consolidated group for the year, including donations was \$5,949,723 (2010: surplus \$1,131,781). Included in this result was \$6,323,618 of government capital grants for housing development projects. (2010: 1,510,000) The consolidated group is not-for-profit, and exempt from Commonwealth company income tax legislation.

Review of operations

The group received capital funding from the state government for the refurbishment of the Richmond House property and redevelopment of the Geelong site into social housing units. The Geelong site was completed in December 2010, and Richmond House was completed in July 2011. YWCA Victoria (parent company) has leased the above named properties to Social Housing Victoria for the period of 99 years.

Short term objectives

The short term objectives of the group are to develop a funding strategy to support the provision of services and advocacy, ensuring long term financial sustainability and independence.

YWCA Victoria – Consolidated entity Directors’ Report

Medium Term Objectives

The medium term objectives of the group are to continue to provide a targeted portfolio of exceptional services that empower women to participate fully in society, create opportunities for marginalised and disadvantaged women and target the symptoms and root cause of inequality, as well as further develop community and stakeholder engagement strategies.

Long term objectives

The long term objectives of the group are to deliver exceptional services focused on creating opportunities for women facing disadvantage and be a powerful voice for women’s equality

To achieve these objectives, the group has adopted the following strategies:

- Consolidate and grow Jasper Hotel brand and profitability
- Develop and implement a funding and investment strategy that will position and support the organisation
- Develop an asset utilisation strategy aligned with the mission to consider best use and further development of assets
- Continue to develop a service portfolio that focuses on achieving real impact and change
- Address significant external public policy changes that impact on program sustainability
- Ensure credibility as an advocate on issues relating to women’s inequality
- Develop new models of participation for women through membership and campaign initiatives
- Develop external positioning of YWCA Victoria
- Continue to develop the organisations capability and structures to deliver the long term vision

Information on Directors

Rose Bryant-Smith	President
Age Group	30+ years
Qualifications	B.Arts/LLB (Hons) - University of Melbourne
Experience	Board member of YWCA Victoria since June 2007 Board member of Social Housing Victoria since September 2008
Occupation	Small Business Owner (Risk Management)
Laura Hutchison	Vice-President
Age Group	18-30 years
Qualifications	BA (Public Relations)
Experience	Board Member of YWCA Victoria since September 2008
Occupation	Public Relations Officer
Suyin Ng	Vice-President
Age Group	18-30 years
Qualifications	Bachelor of Arts / Bachelor of Laws (Hons)
Experience	Board Director since February 2009
Occupation	Director of Strategy and Legal Affairs

YWCA Victoria – Consolidated entity Directors' Report

<p>Ivana Gillard Age Group Qualifications Experience Occupation</p>	<p>Treasurer 30+ years BSc – Monash University, MBA, Member of Institute of Chartered Accountants Board member since February 2008 Management Consultant</p>
<p>Sandy Bell Age Group Qualifications Experience Occupation</p>	<p>Director 30+ years Registered Nurse, B.Arts (Hons) Latrobe University, Masters of Public Policy and Management – Monash University Life Member, Board Director of YWCA Australia from 2004 -2007. Board Director 1997-2002 and since February 2009 Manager Surgical Services and Critical Care Program Department of Health</p>
<p>Helen Campbell Age Group Qualifications Experience Occupation</p>	<p>Director 30+ years B.Ec (Hons), Monash University, Grad Dip in Foreign Affairs and Trade, ANU Board Director since February 2009 Senior Policy Advisor</p>
<p>Trudy-Ann King Age Group Qualifications Experience Occupation</p>	<p>Director 30+ years Bachelor of Arts, Interior Design, University of South Australia Board Director since October 2010 Industry Engagement – National, Green Building Council of Australia</p>
<p>Mary Maddock Age Group Qualifications Experience Occupation</p>	<p>Director 30+ years MBA – Hospitality and Tourism; Grad Dip Hospitality and Tourism Management; B.Bus. Catering and Hotel Management Board Director 1994 - 2003 and May 2005 to August 2010 Director of a Hospitality and Tourism consulting practice</p>
<p>Helga Svendsen Age Group Qualifications Experience Occupation</p>	<p>Director 30+ years Bachelor of Arts, LLB (Monash University) Board Director since February 2009 Facilitator</p>
<p>Bernadette McDonald Age Group Qualification Experience Occupation</p>	<p>Director 30+ years RN, MA - Health Administration Board Director since May 2010 Director Health Service Reform & Innovation, Department of Health</p>
<p>Jessica To Age Group Qualification Experience Occupation</p>	<p>Director 18-30 years BCOM/Information Systems Board Director since June 2010 Banking - Treasury</p>

**YWCA Victoria – Consolidated entity
Directors' Report**

Rosemary Hehir

Qualification

Experience

Occupation

Company Secretary

BA

Company Secretary since February 1999. Board Member of Social Housing Victoria September 2008 to February 2011
Chief Executive Officer

Liz Billings

Qualification

Experience

Occupation

Company Secretary

Bachelor of Applied Science (Health Science)

Company Secretary and Board Member of Social Housing Victoria February 2011 to August 2011

Acting Chief Executive Officer

Joanne Watson

Qualification

Experience

Occupation

Company Secretary

Associate Diploma of Business

Company Secretary and Board Member of Social Housing Victoria since August 2011

Chief Executive Officer

YWCA Victoria – Consolidated entity Directors' Report

Meetings of Directors

During the financial year, 28 meetings of directors (including committees) were held. Attendances were:

Director	Directors' Meetings		Executive Committee		Finance, Risk and Audit Committee	
	A	B	A	B	A	B
BELL, Sandy	8	8	n/a	n/a	n/a	n/a
BRYANT-SMITH, Rose	8	7	10	9	10	6
CAMPBELL, Helen	8	5	n/a	n/a	1	1
GILLARD, Ivana	8	7	10	8	10	8
HUTCHISON, Laura	8	7	10	8	10	5
King, Trudy-Ann	5	3	n/a	n/a	n/a	n/a
*MADDOCK, Mary	1	1	n/a	n/a	2	1
NG, Suyin	8	7	10	9	10	7
SVENDSEN, Helga	8	7	n/a	n/a	n/a	n/a
MCDONALD, Bernadette	8	7	n/a	n/a	1	1
TO, Jessica	8	6	n/a	n/a	10	9

A - Reflects the number of meetings held during the time the director held office during the year

B - Number of meetings attended

* Director resigned during the period of July 2010 - June 2011

There were two special purpose committees operating during the period, e.g. Asset and Funding Strategy Working Group and Membership and Advocacy Committee.

Indemnification and Insurance of Officers

The company has an agreement indemnifying all the directors and officers of the company against all liabilities to another person (other than the company) that may arise from their position as directors and officers of the company, except where the liability arises out of conduct involving lack of good faith. The agreement stipulates that the company will meet the full amount of any such liabilities, including costs and expenses.

During the financial year the consolidated entity has paid an insurance premium of \$3,161 for the following:

- Current members of the Board and any official sub-committee thereof;
- Chief Executive Officer and Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the company, other than conduct involving a wilful breach of duty in relation to the company.

**YWCA Victoria – Consolidated entity
Directors' Report**

Members' guarantee

YWCA Victoria is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. At 30 June 2011 the number of members was 537 (2010: 604).

Auditor's Independent Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

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

Director 

Director 

Dated this 25th day of August 2011

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**Auditor's Independence Declaration
To the Directors of YWCA - Consolidated Entity**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of YWCA - Consolidated Entity for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M. A. Cunningham
Director - Audit & Assurance

Melbourne, 25 August 2011

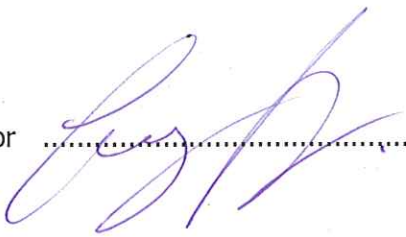
Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 10 to 28 are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of consolidated entity.
2. in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 

Director 

Dated this 25th day of August 2011

YWCA Victoria – Consolidated entity
ABN 39 004 068 106

Statement of Comprehensive Income
For the year ended 30 June 2011

	Note	2011	2010
		\$	\$
Revenue from operating activities	2	18,452,201	13,638,158
Goods purchased		(297,627)	(271,334)
Employee benefits expenses		(2,457,554)	(2,674,165)
Affiliation & subscription expenses		(120,836)	(124,203)
Childcare providers expenses		(6,206,916)	(6,388,453)
Commission expenses		(78,716)	(90,982)
Facility & equipment hire expenses		(868,127)	(631,335)
Insurance expenses		(90,682)	(112,427)
Publicity & marketing expenses		(117,860)	(75,942)
Postage, printing & stationery expenses		(63,926)	(76,229)
Repairs & maintenance expenses		(227,265)	(176,778)
Telephone & IT expenses		(137,908)	(146,333)
Training & development expenses		(22,744)	(22,832)
Travelling expenses		(47,994)	(62,254)
Utility expenses		(296,122)	(272,996)
Volunteer expenses		-	(11,171)
Depreciation and amortisation expenses	3	(409,733)	(385,875)
Finance costs	3	(560,263)	(518,109)
Net loss on disposal of property, plant & equipment		(45,181)	-
Other expenses		(453,024)	(464,959)
Total expenses		(12,502,478)	(12,506,377)
Profit/(loss) before income tax		5,949,723	1,131,781
Income tax		-	-
Total comprehensive income/(loss) for the year		5,949,723	1,131,781

The accompanying notes form part of the financial statements.

YWCA Victoria – Consolidated entity
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Statement of Financial Position
As at 30 June 2011

	Note	2011	2010
		\$	\$
Current assets			
Cash and cash equivalents	17	981,697	904,135
Trade and other receivables	5	305,889	1,150,310
Inventories		13,549	13,362
Other financial assets	6	26,936	26,372
Other current assets	7	167,844	178,576
Total current assets		1,495,915	2,272,755
Non current assets			
Property, plant & equipment	8	16,171,457	9,647,975
Intangible assets	9	18,593	28,400
Total non current assets		16,190,050	9,676,375
Total assets		17,685,965	11,949,130
Current liabilities			
Trade and other payables	10	327,242	613,670
Interest bearing liabilities	11	48,000	11,033
Provisions	12	160,288	173,401
Other current liabilities	13	400,143	270,518
Total current liabilities		935,673	1,069,198
Non current liabilities			
Interest bearing liabilities	11	6,690,873	6,778,425
Provisions	12	28,990	20,801
Total non current liabilities		6,719,863	6,799,226
Total liabilities		7,655,536	7,868,424
Net assets		10,030,429	4,080,706
Equity			
Reserves	14	1,107,255	1,289,244
Retained profits	15	8,923,174	72,791,462
Total equity		10,030,429	4,080,706

The accompanying notes form part of the financial statements.

**Statement of Changes in Equity
 For the year ended 30 June 2011**

	Reserves							Total
	Retained Earnings	Ann Drummond Pastoral Care Fund	Reserve for Government Grants	Reserve for Geelong Investment	General Reserves	Asset Revaluation Reserve		
Consolidated								
Balance at 1 July 20	1,662,910	14,750	161,105	47,234	248,580	814,346	2,948,925	
Movement in Reserves	(3,229)	-	3,229	-	-	-	-	
Total comprehensive income for the year	1,131,781	-	-	-	-	-	1,131,781	
Balance at 30 June 2010	2,791,462	14,750	164,334	47,234	248,580	814,346	4,080,706	
Movement in Reserves	181,989	2,742	(164,334)	(20,397)	-	-	-	
Total comprehensive income for the year	5,949,723	-	-	-	-	-	5,949,723	
Balance at 30 June 2011	8,923,174	17,492	-	26,837	248,580	814,346	10,030,429	

**YWCA Victoria – Consolidated entity
ABN 39 004 068 106**

**Statement of Cash Flows
For the year ended 30 June 2011**

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Receipts from customers, operating grants and programs		12,360,472	12,750,564
Receipts from Capital funding		6,873,618	860,000
Payments to suppliers and employees		(11,638,109)	(12,213,659)
Interest received		62,533	9,070
Borrowing costs paid		(560,263)	(573,210)
Net cash flows provided by operating activities	17(b)	7,098,251	832,765
Cash flows from investing activities			
Payments for property, plant and equipment		(6,943,995)	(345,453)
Payments for intangibles		(20,500)	-
Payments for investments		-	-
Withdrawal of investments		-	7,044
Net cash flows used in investing activities		(6,964,495)	(338,409)
Cash flows from financing activities			
Repayment of borrowings		(50,585)	(21,073)
Net cash flows used in financing activities		(50,585)	(21,073)
Net increase in cash held		83,171	473,283
Cash at beginning of financial year		898,526	425,243
Cash at end of financial year	17(a)	981,697	898,526

The accompanying notes form part of the financial statements.

Notes to the consolidated financial statements for the year ended 30 June 2011

1. Summary of significant accounting policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers YWCA Victoria and its controlled entity as a consolidated entity ("the Group"). YWCA Victoria is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report of YWCA Victoria was authorised for issue by the directors on 25 August 2011.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

(a) Principles of consolidation

A controlled entity is any entity that YWCA Victoria has the power to control the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered the consolidated group during the year, their operating results have been included from the date control was obtained.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Notes to the consolidated financial statements for the year ended 30 June 2011

(b) Income tax

Both YWCA Victoria and its subsidiary company, Social Housing Victoria, are endorsed as an income tax exempt charitable entity under Subdivision 50-B of the Income Tax Assessment Act 1997.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value.

(d) Property, Plant and Equipment

Property

Freehold land and buildings are measured on cost basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Land is not depreciated.

Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, are depreciated on a straight line basis over their estimated useful lives to the company commencing from the time the asset is held ready for use.

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

<i>Class of fixed asset</i>	<i>Depreciation Rate</i>
Buildings	2.5%
Plant and equipment	5-50%

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These gains or losses are included in the income statement. When

Notes to the consolidated financial statements for the year ended 30 June 2011

Property, Plant and Equipment (cont'd)

revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(f) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries and annual leave that will be settled after one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

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. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Probabilities have been applied in the calculation of Long Service Leave entitlements in order to estimate the likelihood of an employee remaining with the group until they are entitled to Long Service Leave. These probabilities are based on historical trends and patterns.

Contributions are made by the company to complying superannuation funds and are charged as expenses when incurred.

(g) Cash and cash equivalents

For the purpose of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions. The balance of any bank overdrafts is shown as interest-bearing liabilities.

(h) Revenue recognition

Sales revenue

Sales revenue comprises revenue earned (net of returns, discounts and allowances) from the provision of products or services to entities outside the company. Sales revenue is recognised when the goods or services are provided.

Hotel and Housing Services revenue

Hotel and housing services revenue is recognised upon delivery of service to the customer.

Notes to the consolidated financial statements for the year ended 30 June 2011

Revenue recognition (cont'd)

Interest revenue

Interest revenue from bank accounts, cash on deposit and investments is recognised on a cash basis, when the interest is received or reinvested.

Grant income

Grant income is recognised as income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as income will be deferred until those conditions are satisfied. Upon completion of the conditions under the grant, any unspent grant funds are recorded as a "current liability" on the statement of financial position.

Capital funding income

Monies received for capital funding are recognised as income in the year when the company has the right to receive the income in accordance with the terms and timing of the funding agreement.

Fundraising revenue

Fundraising revenue comprises of donations, trust distribution, membership subscription and proceeds from special events and is recognised in the year in which it is received.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Receipts from customers and payments to suppliers are shown on the cash flow statement inclusive of GST.

(j) Borrowing costs

Borrowing costs are interest relating to borrowings incurred in connection with arrangement of borrowings. Borrowing costs are expensed as incurred.

(k) Comparative figures

When required by accounting standards comparative figures have been adjusted to conform with changes in accounting standards for the current financial year. Additionally, certain expense accounts were reclassified for the prior year to conform with current year presentation.

Notes to the consolidated financial statements for the year ended 30 June 2011

(l) Intangibles

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated life of five years and is therefore being amortised at 20% per annum. It is assessed annually for impairment.

Branding

Branding is recorded at cost. Branding has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated life of three years and is therefore being amortised at 33% per annum. It is assessed annually for impairment.

(m) Financial Instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the group becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instrument classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Effective interest rate method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

Classification and subsequent measurement

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. Trade and other receivables of the group fall into this category.

Notes to the consolidated financial statements for the year ended 30 June 2011

Financial Instruments (cont'd)

Held-to-maturity investments

These investments have fixed maturities, and it is the Group's intention to hold these investments to maturity. Held-to-maturity investments held by the Group are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Trade and other payables of the group fall into this category.

Impairment of financial assets

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

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

2. Revenue from operating activities	2011	2010
	\$	\$
Revenue from operating activities		
- Hotel accommodation	2,185,368	2,060,342
- Other hotel revenue	1,430,878	1,436,638
- Housing services	1,186,152	1,164,072
- Government funding	6,831,091	7,159,448
- Capital funding	6,323,618	1,510,000
- Other program revenue	311,928	235,906
- Fundraising revenue	55,026	26,023
- Other revenue	65,607	36,659
	18,389,668	13,629,088
Finance income		
Interest Income:		
- Bank deposits	61,438	6,921
- Held to maturity investments	1,095	2,149
	62,533	9,070
Total revenues	18,452,201	13,638,158

Notes to the consolidated financial statements for the year ended 30 June 2011

3. Profit before income tax	2011	2010
(a) Profit before income tax has been determined after expenses:	\$	\$
Bad and doubtful debts - other receivables	10,229	(231)
Operating lease expense	170,221	186,711
Depreciation and amortisation expense		
- Buildings	284,494	264,403
- Plant and Equipment	105,227	109,972
- Intangible assets	20,012	11,500
	<u>409,733</u>	<u>385,875</u>
Finance costs		
Financial liabilities measured at amortised cost:		
- Interest on bank overdrafts and loans	560,263	518,109
4 Related party transactions - Key management personnel	2011	2010
	\$	\$
Short term benefits	575,837	502,839
Post employment benefits	38,640	45,256
	<u>614,477</u>	<u>548,095</u>
5. Trade and other receivables		
Current		
Trade receivables	204,970	699,222
Provision for impairment of receivables	(1,515)	(1,515)
Other receivables	102,434	452,603
	<u>305,889</u>	<u>1,150,310</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Impaired receivables

All of YWCA Victoria's trade and other receivables have been reviewed for indicators of impairment. The impaired trade receivables of \$1,515 (2010: \$1,515) are mostly due from YWCA's Victoria's smaller clients that are experiencing financial difficulties.

Notes to the consolidated financial statements for the year ended 30 June 2011

Trade and Other Receivables (cont'd)

Movement in the allowance for impairment of receivables is as follows:

	2011	2010
	\$	\$
At 1 July	1,515	7,668
Provision for impairment recognised in the year	10,229	-
Bad debts written off	(10,229)	(6,153)
Balance at 30 June	<u>1,515</u>	<u>1,515</u>

6. Other financial assets

	2011	2010
	\$	\$
Current		
Investments in managed funds	<u>26,936</u>	<u>26,372</u>

None of these other financial assets are impaired or past due but not impaired. The consolidated entity does not hold any collateral as security over any other financial asset balance.

YWCA Victoria holds two investments in managed funds, which are unlisted and the fair value of these investments cannot be reliably measured. These investments have therefore been stated at cost. The consolidated entity does not intend to dispose of these investments in the foreseeable future.

7. Other assets

	2011	2010
	\$	\$
Current		
Prepayments	167,844	178,576

8. Property, Plant and Equipment

	2011	2010
	\$	\$
Land – at cost	<u>1,455,274</u>	<u>327,932</u>
Buildings – at cost	16,148,002	10,848,376
Less: Accumulated depreciation	(1,858,972)	(1,907,533)
	<u>14,289,030</u>	<u>8,940,843</u>
Leasehold Improvements – at cost	12,973	12,973
Less: Accumulated depreciation	(956)	(34)
	<u>12,017</u>	<u>12,939</u>
Total Land and Buildings	<u>15,756,321</u>	<u>9,281,714</u>

Notes to the consolidated financial statements for the year ended 30 June 2011

Property, Plant and Equipment (cont'd)

	1,312,122	1,318,494
Plant & Equipment – at cost		
Accumulated depreciation	(896,986)	(952,233)
	415,136	366,261
Total Property, Plant and Equipment	16,171,457	9,647,975

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

Consolidated	Freehold Land \$	Buildings \$	Plant and Equipment \$	Leasehold Improvements \$	Total \$
Balance at the beginning of the year	327,932	8,940,843	366,261	12,939	9,647,975
Additions	-	6,755,927	192,162	-	6,948,089
Disposals	-	3,174	(38,060)	-	(34,886)
Transfers	1,127,342	(1,127,342)	-	-	-
Depreciation expense	-	(283,572)	(105,227)	(922)	(389,721)
Carrying amount at the end of the year	1,455,274	14,289,030	415,136	12,017	16,171,457

The carrying amount for the Geelong and Richmond house building of \$1,127,342 has been transferred to land to recognise the value of the land and building separately.

The group obtained an independent valuation of its main property at 489 Elizabeth Street, Melbourne, in September 2009, which was valued at \$11,000,000. The property at 353A Church Street Richmond was valued in February 2008 at \$4,600,000. This property is currently being redeveloped and its valuation will be reassessed at its completion.

9. Intangible Assets

	2011	2010
Current	\$	\$
Computer software	42,857	45,477
Branding	20,500	24,050
Less Accumulated Amortisation	(44,764)	(41,127)
	18,593	28,400

Notes to the consolidated financial statements for the year ended 30 June 2011

Intangible Assets (cont'd)

Movements in carrying amounts

Movement in the carrying amount of intangible assets between the beginning and the end of the current financial year.

Consolidated	2011	2010
Intangible Assets	\$	\$
Balance at the beginning of the year	28,400	39,900
Additions	20,500	-
Disposal	(10,295)	-
Amortisation expense	(20,012)	(11,500)
Carrying amount at the end of the year	<u>18,593</u>	<u>28,400</u>

10. Trade and other payables	2011	2010
Current	\$	\$
Trade payables	123,671	529,900
Sundry creditors and accruals	203,571	83,770
	<u>327,242</u>	<u>613,670</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

11. Interest bearing liabilities	2011	2010
Current	\$	\$
Loan – Bendigo Bank (secured)	-	6,000
Bank overdraft	-	5,609
Loan – National Bank	48,000	-
	<u>48,000</u>	<u>11,609</u>
Non-Current		
Commercial bills (secured)	6,661,000	6,751,000
Loan – Bendigo Bank (secured)	29,873	27,425
	<u>6,690,873</u>	<u>6,778,425</u>
Total current and non-current secured liabilities:		
Bank overdraft	-	5,609
Commercial bills	6,709,000	6,751,000
Loan – Bendigo Bank	29,873	33,425
	<u>6,738,873</u>	<u>6,790,034</u>

Interest bearing liabilities (cont'd)

The company refinanced its primary loan with National Australia Bank (NAB) in November 2009. Half of the \$6.768M was refinanced for 3 years and the other half for 6 years.

The Bendigo Bank Mortgage was obtained at the transfer of Bendigo Region. The terms of the funding allow for interest and charges to be paid as incurred. Principal repayments commenced in January 2002 with full repayment of the Mortgage by January 2022.

The NAB overdraft and business loans are secured by a first registered standard mortgage over property situated at 489-499 Elizabeth Street, Melbourne and a goods and property mortgage over fixtures and fittings, plant and equipment of building situated at 489-499 Elizabeth Street, Melbourne.

The Bendigo Bank loan is secured by a mortgage over the property situated at 20 Townsend Street, Bendigo.

12. Provisions	2011	2010
Current	\$	\$
Provision for Annual Leave	105,183	115,015
Provision for Long Service Leave	55,105	58,386
	160,288	173,401
Non-Current		
Provision for Long Service Leave	28,990	20,801

The current portion of these liabilities represents YWCA Victoria's obligations to which the employee has a current legal entitlement. These liabilities arise mainly from accrued annual leave entitlement at reporting date.

A provision has been recognised for employee entitlements relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits are included in Note 1.

13. Other liabilities	2011	2010
Current	\$	\$
Hotel deposits	53,320	23,076
Housing Deposits	25,428	10,148
SHP Fees in advance	790	2,906
Grants received in advance	49,451	23,536
Lease received in advance	26,047	50,582
Provision for long-term maintenance - housing	2,080	-
Auspice funds	243,027	160,000
	400,143	270,518

Notes to the consolidated financial statements for the year ended 30 June 2011

14. Reserves

General reserve	248,580	248,580
Asset revaluation reserve	814,346	814,346
Specific Reserves	44,329	226,318
	1,107,255	1,289,244

The asset revaluation reserve records revaluations of non-current assets. The general reserve records funds set aside for future expansion of the consolidated group. The specific reserves include the reserve for unspent grant funds and other specific reserves earmarked for certain purposes or uses.

15. Retained Profits

	2011	2010
	\$	\$
Retained profits at the beginning of the year	2,791,462	1,662,910
Profit/(loss) after income tax	5,949,723	1,131,781
Transferred from reserves	184,731	-
Transferred to reserves	(2,742)	(3,229)
Retained profits at the end of the financial year	8,923,174	2,791,462

16. Capital and Leasing Commitments

	2011	2010
	\$	\$
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable:		
- within 12 months	129,588	152,395
- between 12 months and 5 years	54,976	220,204
	184,564	372,599

The operating leases are for office equipment, motor vehicles and lease of properties. There are two property leases for sites at Leicester Street and Little Malop Street in Geelong. Both of these leases are non-cancellable leases with a term of three years, with rent payable monthly in advance. Contingent rental provisions within the leases require that the minimum lease payments shall be increased by the lower of CPI or 3% per annum for the Leicester Street lease, and by CPI for the Geelong lease. Both leases allow for subletting of all lease areas but only with the landlord's consent.

17. Cash Flow Information

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to related items in the balance sheet as follows:

	2011	2010
	\$	\$
Cash at bank	981,697	904,135
Bank overdraft	-	(5,609)

Notes to the consolidated financial statements for the year ended 30 June 2011

981,697 898,526

Cash Flow Information (cont'd)

(b) Reconciliation of Cash Flow from Operations with Profit after income tax

	2011	2010
	\$	\$
Profit/(Loss) after income tax	5,949,723	1,131,781
Non-cash flows in comprehensive Income		
- Depreciation	389,721	374,375
- Amortisation	20,012	11,500
- Write-off of property, plant & equipment	45,181	-
Changes in assets and liabilities:		
Decrease / (Increase) in trade and sundry debtors	844,421	(887,425)
Decrease in inventories	187	5,236
Decrease / (Increase) in prepayments	10,732	(62,385)
Increase in other liabilities & provisions	124,702	96,782
(Decrease) / Increase in trade and sundry creditors	(286,428)	162,901
Cash flows from operations	<u>7,098,251</u>	<u>832,765</u>

(c) Credit Stand-by Arrangement and Loan Facilities

The entity has a bank overdraft and commercial bill facility amounting to \$150,000 (2010: \$150,000). This may be terminated at any time at the option of the bank.

18. Events After the Balance Sheet Date

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

19. Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. There is a Contract for Services between YWCA Victoria and subsidiary company, Social Housing Victoria.

YWCA Victoria collects the rental income received from the Government Housing program on behalf of Social Housing Victoria. The amounts payable from YWCA Victoria to Social Housing Victoria represents rents collected for the year and as at balance date had the following balance:

	2011	2010
	\$	\$
Amounts payable to wholly owned subsidiary	-	83,324

Notes to the consolidated financial statements for the year ended 30 June 2011

Related Party Transactions (cont'd)

All operational expenditure in subsidiary company Social Housing Victoria is managed by YWCA Victoria and on-charged to Social Housing Victoria at cost. The amounts payable from Social Housing Victoria to YWCA Victoria as at balance date represent operational expenditure for the year incurred by YWCA Victoria on behalf of Social Housing Victoria and as at balance date had the following balance:

	2011	2010
	\$	\$
Amounts receivable from wholly owned subsidiary	40,842	125,307

20. Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2011	2010
	\$	\$
Statement of Financial Position		
Current assets	646,949	1,043,859
Total assets	9,730,106	10,451,476
Current liabilities	807,074	1,104,624
Total liabilities	7,571,931	7,903,851
Reserves	1,104,026	1,286,015
Retained earnings	1,054,143	1,261,610
Total Equity	2,158,169	2,547,625
Loss for the year	(344,696)	(387,092)

21. Company Details

The registered office of the company is:

YWCA Victoria
 489 Elizabeth Street
 Melbourne, VIC 3000

The principle place of business of the company is:

YWCA Victoria
 141 Leicester Street
 Carlton, VIC 3053

22. Members guarantee

The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. At 30 June 2011 the number of members was 537 (2010: 604).

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Independent Auditor's Report To the Members of YWCA Victoria - Consolidated Entity

We have audited the accompany financial report of YWCA Victoria - Consolidated Entity (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2011, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Group and the entities it controlled at the year's end or from time to time during the financial year.

Directors responsibility for the financial report

The Directors of the Group are responsible for the preparation of the financial report that gives a true and fair view of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001. This responsibility includes such internal controls as the Directors determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion, the financial report of YWCA Victoria - Consolidated Entity is in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



M.A. Cunningham
Director - Audit & Assurance

Melbourne, 25 August 2011