

**HEIDELBERG TRAINING AND RESOURCE
CENTRE INC
A.B.N. 93 430 504 658**

FINANCIAL REPORT

FOR THE YEAR ENDED 30th JUNE 2016

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

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HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

COMMITTEE'S REPORT

Your committee members present this report of Heidelberg Training & Resource Centre Inc. trading as E-focus for the financial year ended 30th June 2016

COMMITTEE MEMBERS

The names of committee members throughout the year were:

Monika Engelhard	Chairperson
Louise Johnson	Member /Appointed Vice Chairperson 23 rd May 2016
Annette Meller	Secretary /Appointed Treasurer 23 rd May 2016
Penny Lovett	Member Resigned 27 th April 2016
Leonie Farrell	Member
Peter Haberman	Vice Chairperson & Treasurer Resigned 8 th May 2016
Trent Curtin	Member Appointed 24 th August 2015

Each committee member has been in office since the start of the financial year to the date of this report unless otherwise stated.

OBJECTIVES

Our immediate objective is to support individuals and communities who experience disadvantage to access employment and participate economically and socially in the Northern Melbourne region and Victoria wide.

STRATEGY

Build peoples capability and capacity for employment by delivering funded employment and training programs.

Build local communities by supporting community development projects.

Develop and deliver client centred services with comprehensive stakeholder engagement.

PRINCIAL ACTIVITIES

Deliver both by ourselves and in collaboration/partnership with others best practice employment, training and apprenticeship services and community programs which are informed by experience, expertise and evidence.

PERFORMANCE MEASURES

Employment outcomes, Training completions, Apprenticeship sign-up and Service user-feedback.

Compliance Audits, Quality compliance & audits for services, Financial viability (profit/loss, balance sheet, financial audits), Staff retention and Staff surveys

OPERATING RESULT

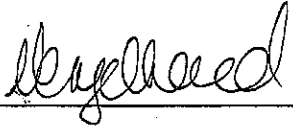
The year under review held some significant challenges to parts of the organisation: but equally, other parts of the organisation specifically Apprenticeships Matter, achieved significant levels of growth as well as public recognition of their endeavours.

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

The Committee believes that the organisation is well placed to make the most of the opportunities that will become available to it over the next few years.

The surplus for the year amounted to \$192,177 Last year surplus of \$304,387

Signed in accordance with a resolution of the members of the Committee.



Monika Engelhard
Chairperson



Annette Meller
Treasurer/Secretary

Heidelberg 24th / September / 2016

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

STATEMENT OF COMPREHENSIVE INCOME
FOR YEAR ENDED 30th JUNE 2016

REVENUE		2016	2015
	Notes	\$	\$
Operating Program Revenue	2	7,572,469	6,855,474
Interest Received		60,124	55,752
Other Income		39,763	75,072
Profit on Sale of Assets		0	21,071
E-focus Income		<u>7,672,356</u>	<u>7,007,369</u>
Consortium Income of External Parties	10	2,197,074	1,485,174
TOTAL REVENUE		<u>9,869,430</u>	<u>8,492,543</u>
 EXPENDITURE			
Employee Benefit Expenses		4,919,211	4,575,087
Depreciation and Amortization		110,509	158,893
Operating lease expense		705,833	653,977
Accommodation		232,352	230,157
Administration expenses		808,884	436,202
Motor Vehicle		127,811	112,423
Materials, equipment and computer		177,633	151,962
Other staff cost		285,814	297,185
Bad Debts	3	3,657	988
Donations		25,497	19,761
Loss on Sale Assets		11,235	0
Other Expenses	3	<u>71,743</u>	<u>66,347</u>
E-focus Expenses		<u>7,480,179</u>	<u>6,702,982</u>
Consortium Distribution	10	2,197,074	1,485,174
TOTAL EXPENDITURE		<u>9,677,253</u>	<u>8,188,156</u>
 Surplus (Deficit) Before Income Tax		 192,177	 304,387
Attributable To Members of the Entity			
Income Tax		0	0
Surplus (Deficit) After Income Tax		 192,177	 304,387
Attributable To Members of the Entity			
Other Comprehensive Income		0	0
TOTAL COMPREHENSIVE INCOME FOR		 <u>192,177</u>	 <u>304,387</u>
THE YEAR			

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2016

ASSETS		2016	2015
CURRENT ASSETS		\$	\$
Cash and Cash Equivalents	4	2,695,484	2,024,123
Trade and Other Receivables	5	1,223,179	1,263,082
Inventories		5,000	5,000
Other Current Assets – Prepayments		102,539	109,726
TOTAL CURRENT ASSETS		4,026,202	3,401,931
NON-CURRENT ASSETS			
Financial Assets	6	48,000	45,000
Security Deposit		92,215	90,360
Property, Plant & Equipment	7	287,571	339,781
Prepayments – Training Resources		56,031	49,497
TOTAL NON-CURRENT ASSETS		483,817	524,638
TOTAL ASSETS		4,510,019	3,926,569
CURRENT LIABILITIES			
Trade and Other Payables	8	1,077,702	857,584
Grants unspent carried forward		119,848	19,886
Income in Advance		9,740	21,509
Short-term Provisions	9	860,174	825,957
TOTAL CURRENT LIABILITIES		2,067,464	1,724,936
NON-CURRENT LIABILITIES			
Financial Liabilities-Capital Grant		0	0
Long-term Provisions payable	9	78,142	29,397
TOTAL NON-CURRENT LIABILITIES		78,142	29,397
TOTAL LIABILITIES		2,145,606	1,754,333
NET ASSETS		2,364,413	2,172,236
EQUITY			
Retained Earnings		2,364,413	2,172,236
TOTAL EQUITY		2,364,413	2,172,236

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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**STATEMENT OF CHANGES IN EQUITY
 FOR YEAR ENDED 30th JUNE 2016**

	Retained Earnings \$	Total Reserves and Retained Earnings \$
2013		
Balance at end of financial year	2,117,974	2,117,974
2014		
Profit(Loss) attributable to members	(250,125)	(250,125)
Balance at end of financial year	1,867,849	1,867,849
2015		
Profit(Loss) attributable to members	304,387	304,387
Balance at end of financial year	2,172,236	2,172,236
2016		
Profit(Loss) attributable to members	192,177	192,177
Balance at end of financial year	2,364,413	2,364,413

The above Statement of Changes to Equity should be read in conjunction with the accompanying notes

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30th JUNE 2016

	2016	2015
	\$	\$
Cash Flows from Operating Activities		
Operating Program & Consortium Receipt	8,285,823	9,006,188
Other Income	43,739	96,143
Interest Received	60,124	55,752
Payments to Suppliers & Employees	(7,648,790)	(8,947,295)
Net Cash Generated (USED) by Operating Activities	740,896	210,788
Note12		
Cash Flows From Investing Activities		
Proceeds from Sale of Assets	0	7,205
Purchases of Property, Plant & Equipment	(69,535)	(91,127)
Net Cash Generated (USED) by Investing Activities	(69,535)	(83,922)
Net increase (decrease) in cash held	671,361	126,866
Cash and Cash equivalents at the beginning of the year	2,024,123	1,897,257
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	2,695,484	2,024,123

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016

The financial statements cover Heidelberg Training & Resource Centre Inc Trading as E-focus as Not-for-profit entity. It is an association incorporated under the Associations Incorporation Reform Act 2012 and registered under the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act). It is a Not-for-profit public benevolent institution; as such it is exempt from income tax.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation) as appropriate for Not-for-profit orientated entities.

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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Reporting basis and conventions

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.

Accounting Policies

Revenue recognition

Interest revenue is recognized on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue is recognized when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Other revenue is recognized when it is received or when the right to receive payment is established.

All revenue is stated net of the amount of Goods and Services Tax (GST)

Goods and Services Tax (GST)

Revenues, expenses and assets are recognized 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 recognized 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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

Comparative Figures

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

Critical Accounting Estimates and Judgments

The committee evaluate estimates and judgments incorporated into the financial report 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 entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number a key estimates.

No impairment has been recognized in respect of this financial year.

Income Taxation

The entity is endorsed by the Taxation Office as a Public Benevolent Institution. Therefore no income tax is payable by the entity and the association is now registered as a charity with the Australian Charities and Not-for-profit Commission.

Property, Plant and Equipment

Motor Vehicles, Office Furniture and Equipment and Plant and Equipment

Motor Vehicles, Office Furniture and Equipment and Plant and Equipment are carried at cost as the entity has adopted the Cost Model as its accounting policy under the Property, Plant and Equipment Accounting Standard, AASB 116 paragraph 30. Less where applicable, any accumulated depreciation and impairment losses. All assets are depreciated over the estimated useful lives of the assets to the entity.

Depreciation

The depreciable amount of Motor Vehicles, Office Furniture and Equipment and Plant and Equipment are depreciated on a written down value (WDV) or a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Depreciation Rate	Method
Fixtures and fittings	11.25%	WDV:PC
Computer equipment and software	37.5%- 50%	WDV:PC
Office furniture and equipment	11.25%	WDV:PC
Leasehold improvement	11.25%	WDV:PC
Motor Vehicle	22.49%	WDV:PC

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

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 the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to profit and loss..

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, that are transferred to the entity, are classified as finance leases.

Finance leases are capitalized by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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.

Lease incentives under operating leases are recognized as a liability and amortized on a straight-line basis over the life of the lease term.

Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An assets is classified as current when: it is either expected to be realized or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purposes of trading; it is expected to be realized within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current .

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purposes of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement or the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value.

Financial liabilities

Non-derivative financial liabilities are recognized at amortized cost, comprising original debt less principal payments and amortization.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

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

As a not-for-profit entity the value in use of an asset may be equivalent to the depreciated replacement cost of that asset when the future economic benefits of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits

Provisions

Provisions are recognized when the entity 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.

The organisation contracts for certain income streams. In the event that a major contract is not continued some staff redundancies would be inevitable. A general business risk provision has been maintained for several years.

Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date. 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, 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.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of twelve months or less, are shown with Cash and cash equivalent in current assets on the Balance Sheet. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

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Trading as E-focus

FOR THE YEAR ENDED 30TH JUNE 2016

Unspent Grant Funds

Unspent Grant Funds available as revenue or liable to be returned to the grant provider in the following year are recognised as a current liability in the balance sheet. They are not treated as an operating surplus or profit.

New, revised or amending Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are material for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016

NOTE 2: PROGRAM REVENUE	2016	2015
	\$	\$
OPERATING REVENUE		
Aust Apprentice Access Program	0	60,400
ACFE Preaccredited Training	28,698	39,062
Training	430,554	416,186
Apprenticeship Matter	4,746,790	4,464,073
DES Income	1,897,652	1,306,933
Neighbourhood Renewal	152,270	117,532
Copies R Us	255,378	248,690
Apps Connect	61,127	194,598
Youth Programs	0	8,000
Total Operating program revenue	7,572,469	6,855,474
OTHER INCOME		
Profit on Sale of Assets	0	21,071
Capital Grant Realized	0	0
Other Income	39,763	75,072
Interest Received	60,124	55,752
E-focus Income	7,672,356	7,007,369
Consortium Income of external parties	2,197,074	1,485,174
TOTAL REVENUE	9,869,430	8,492,543

NOTE 3: REVENUE AND EXPENSE

ITEMS	2016	2015
	\$	\$
Remuneration of Auditor		
Audit Services: E Townsend & Co		
Audit of the financial statements	9,500	9,500
Other Services	3,500	3,500
TOTAL	13,000	13,000
Bad and Doubtful Debts		
Trade Receivables	3,657	988
Total bad and doubtful Debts	3,657	988
Rental expense on operating leases		
Operating Lease Minimum Lease Payment	705,833	653,977

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

NOTE 4: CASH AND CASH EQUIVALENTS

2016

2015

\$

\$

Reconciliation of cash

Cash at the end of the financial period as shown in the cash flow statement is reconciled to the related items in the statement of Financial position as follows :

Current Assets

Cash at bank and in hand	1,095,484	424,123
Short term bank deposit	1,600,000	1,600,000
TOTAL	2,695,484	2,024,123

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

NOTE 5: TRADE AND OTHER DEBTORS	2016	2015
	\$	\$
Current		
Trade Debtors	1,163,369	1,215,037
Less provision for impairment	<u>(3,000)</u>	<u>(3,000)</u>
Net Trade debtors	1,160,369	1,212,037
Grants receivable	62,810	51,045
Other receivables	0	0
Total Trade and Other Debtors	1,223,179	1,263,082

Credit risk – Trade and Other Receivables

The entity does not have any material credit risk to any single receivable or group of receivables.

The following table details the entity's trade and other receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the entity and the debtor party. A provision or impairment is assessed as mentioned above.

An assessment has been made that both debts within trading terms and debts that have not been impaired will be received.

There are no financial assets that would have been impaired or past due had they not been renegotiated.

2016	Gross Amount	Less Doubtful Debts	Within Trading Terms	Past due but not impaired 31-60 days	Past due but not impaired 61-90 days	Past due but not impaired 90 days
Trade and term receivables	1,163,369	(3,000)	1,128,724	2,397	31,808	440
Grants Receivable	62,810		62,810	0	0	0
Other Receivables						
Total	1,226,179	(3,000)	1,191,534	2,397	31,808	440
2015						
Trade and term receivables	1,215,037	(3,000)	1,207,739	152	66	7,080
Grants receivable	51,045	0	51,045	0	0	0
Other receivable	0	0	0	0	0	0
Total	1,266,082	(3,000)	1,258,784	152	66	7,080

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

NOTE 6: FINANCIAL ASSETS	2016	2015
	\$	\$
Non-current		
Shares in unlisted company – Community Bank	5,000	5,000
Unsecured Loan- Training Organisation	43,000	40,000
Total Non-Current Financial Assets	48,000	45,000
NOTE 7: PROPERTY AND PLANT EQUIPMENT	2016	2015
	\$	\$
Plant & Equipment - at cost	118,440	126,237
Less Accumulated depreciation	(100,190)	(86,114)
Total Plant & Equipment	18,250	40,123
Fixtures and Fittings – at cost	49,031	45,266
Less Accumulated depreciation	(23,930)	(20,712)
Total Fixtures and Fittings	25,101	24,554
Computer Equipment and Software – at cost	92,342	127,455
Less Accumulated depreciation	(55,847)	(64,021)
Total Computer Equipment and Software	36,495	63,434
Office Furniture and Equipment – at cost	239,011	274,642
Less Accumulated depreciation	(152,907)	(164,458)
Total Office Furniture and Equipment	86,104	110,184
Leasehold Improvements – at cost	227,261	238,471
Less Accumulated depreciation	(210,095)	(206,331)
Total Leasehold Improvements	17,166	32,140
Motor Vehicles	143,029	91,127
Less Accumulated depreciation	(38,574)	(21,781)
Total Motor Vehicles	104,455	69,346
TOTAL PROPERTY, PLANT AND EQUIPMENT	287,571	339,781

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016

NOTE 8: TRADE AND OTHER PAYABLES	2016	2015
	\$	\$
Trade Payables	914,402	702,662
Other Payables	163,300	154,922
	1,077,702	857,584

NOTE 9: PROVISIONS	2016	2015
	\$	\$
Current Provisions		
Employee Leave	776,567	778,255
Business Risk	83,607	47,702
	860,174	825,957
Non-current Provisions		
Long Service Leave	78,142	29,397
TOTAL PROVISIONS	938,316	855,354

NOTE 10: CONSORTIUM INCOME AND DISTRIBUTION		
----------------------------------------------------	--	--

The nature of E-focus business is such that in certain situations a consortium of similar organisations tenders for a contract to provide a range of services. By nature usually one of the consortium organisations becomes the lead provider. In this situation this lead organisation receives all of the income, retains its entitlement and distributes the appropriate entitlement to the other consortium members. The Consortium Income of \$2,197,074 shown is the external parties share of the Consortium Income.

NOTE 11: CONTINGENT LIABILITIES & CONTINGENT ASSETS	2016	2015
	\$	\$
Estimates of the potential financial effect of contingent liabilities that may become payable are	0	0
No contingent Liabilities or Assets exist.	0	0

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016

NOTE 12: CASH FLOW INFORMATION	2016	2015
	\$	\$
Reconciliation of cash flow from operations to surplus (deficit) for the year		
Surplus (deficit) for the year	192,177	304,387
Add back Loss on Sale Assets (deduct profit)	11,235	0
Add back non-cash items		
Realization of capital grant	0	0
Depreciation	110,510	158,893
Increase (decrease) in Provisions	82,962	(28,198)
Changes in Assets and Liabilities		
(Increase) Decrease in Prepayments	653	(25,892)
(Increase) Decrease in Trade & Other Receivables	39,903	(153,204)
Increase (Decrease) in Payables and Accruals	220,118	(47,290)
Increase (Decrease) in Grants carried forward	99,962	(3,191)
Increase (Decrease) in Income Advance	(11,769)	10,576
(Increase) Decrease in Financial Assets	(3,000)	0
(Increase) Decrease in Security Deposit	(1,855)	(5,293)
NET CASH GENERATED (USED) BY OPERATING ACTIVITIES	740,896	210,788

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

NOTE 13: CAPITAL AND LEASING COMMITMENTS	2016	2015
	\$	\$
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalized in the financial statements:		
Payable – minimum lease payments		
- no longer than 1 year	660,410	562,784
- longer than 1 year but not longer than 5 years	744,954	769,340
- greater than 5 years	0	0
TOTAL LEASE COMMITMENTS	1,405,364	1,332,124

NOTE 14: ECONOMIC DEPENDENCE

The entity is economically dependent on Commonwealth and State Government departments for Grant Funding. If funds are not spent in accordance with Grant Conditions the departments can suspend future grants or reclaim all or part of the grant(s).

NOTE 15: FINANCIAL RISK MANAGEMENT

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 139 are as follows:-

	2016	2015
	\$	\$
Financial assets		
Cash and cash equivalents	2,695,484	2,024,123
Loans and Receivables	1,223,179	1,263,082
Total financial assets	3,918,663	3,287,205
Financial liabilities		
Financial liabilities at amortized cost		
- Trade and other payables	1,077,702	857,584
- Income in advance	9,740	21,506
- Grant unspent carried forward	119,848	19,886
Total financial liabilities	1,207,290	898,979

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016

Financial risk management policies

The Committee's overall risk management strategy is to assist the entity in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Committee on a regular basis. These include credit risk policies and future cash flow requirements

The entity does not have any derivative instruments at the end of the reporting period.

Specific Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

(a) Credit risk

Credit risk is the risk that parties that owe money do not pay it.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The entity does not have any significant concentration of credit risk exposure to any single, or group, of counter-parties under financial instruments entered into by the entity. A profile of credit risk appears under the Note on 'Trade and Other Receivables'

(b) Liquidity risk

Liquidity risk arises due to the possibility that the entity might encounter difficulty in settling its own debts or other liabilities. The entity manages this risk by managing credit risk on amounts owed to it, monitoring forecast cash flows and ensuring that adequate unutilized borrowing facilities are maintained.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

Financial liability and financial asset maturity analysis

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Financial liabilities due for payment								
Trade and other payables (excluding employee benefit provisions and deferred income)	1,077,702	857,584	0	0	0	0	1,077,702	857,584
Grant unspent	119,848	19,886	0	0	0	0	119,848	19,886
Income in Advance	9,740	21,509	0	0	0	0	9,740	21,509
Total expected outflows	1,207,290	898,979					1,207,290	898,979
Financial assets – cash flows realizable								
Cash and cash equivalents	2,695,484	2,024,123	0	0	0	0	2,695,484	2,024,123
Trade and other receivables	1,223,179	1,263,082	0	0	0	0	1,223,179	1,263,082
Total anticipated inflows	3,918,663	3,287,205	0	0	0	0	3,918,663	3,287,205
Net inflow (outflow) on Financial instruments	2,711,373	2,388,226	0	0	0	0	2,711,373	2,388,226

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

(c) Market Risk**Interest rate risk**

Exposure to interest rate risk arises whereby future changes in interest rates will affect future cash flows or the fair value of financial assets and liabilities.

Price Risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in their market price.

Sensitivity analysis

The following table illustrates sensitivities to the entity's exposure in interest rates and equity prices (if equities held). The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in any particular variable is independent of other variables

		Profit		Equity
		\$		\$
Year ended 30 th June 2015				
+ or - 2% in interest rates	+/-	40,000	+/-	40,000
+ or - 2% in listed investments	+/-	-	+/-	-
Year ended 30 th June 2016				
+ or - 2% in interest rates	+/-	42,000	+/-	42,000
+ or - 2% in listed investments	+/-		+/-	

(d) Foreign currency risk

The entity is not exposed to fluctuations in foreign currency.

Net Fair Values

The differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market to those instruments since their initial recognition by the entity. Most of these instruments which are carried at amortized cost (e.g. trade receivables, loan liabilities) are to be held until maturity and therefore their current net fair values bear little relevance to the entity.

As appropriate the net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2016**

**NOTE 16: KEY MANAGEMENT PERSONNEL
COMPENSATION**

2016 **2015**
\$ \$

The total of remuneration paid to key management personnel (KMP) of the entity during the year is as follows:

Short-term employee benefits	763,774	751,309
Post-employment benefits	72,559	71,374
Other long-term benefits	0	0
Termination benefits	0	0
	836,333	822,683

NOTE 17: RELATED PARTY TRANSACTIONS

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current or previous reporting date.

NOTE 18 EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

NOTE 19: ASSOCIATION DETAILS

The registered office of the association is:

73 Burgundy Street,
Heidelberg Vic 3084

The principal place of business is: at the registered office

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
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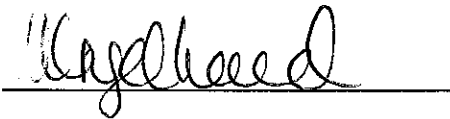
STATEMENT BY MEMBERS OF THE COMMITTEE

**Per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013
And the Associations Incorporation Reform Act 2012**

The committee declare that in the committee's opinion:

- (a) The financial statements and notes satisfy the requirements of the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act).
- (b) At the date of this statement there are reasonable grounds to believe that Heidelberg Training & Resource Centre Inc. trading as E-focus is able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and the Associations Incorporation Reform Act 2012.



Monika Engelhard
Chairperson



Annette Meller
Treasurer/Secretary

Heidelberg
Dated this

24th day of September 2016

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
HEIDELBERG TRAINING & RESOURCE CENTRE INC.**
Trading as E-focus

Report on the financial report

I have audited the accompanying financial report of Heidelberg Training & Resource Centre Incorporated (the association) which comprises the Statement of Financial Position as at 30th June 2016, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the committee's declaration.

Committees' Responsibility for the Financial Report

The committee of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards the Associations Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and for such internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I 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 entities preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimate made by the committee, as well as evaluating the overall presentation of the financial report

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit I have complied with the independence requirements of Australian professional ethical pronouncement.

HEIDELBERG TRAINING & RESOURCE CENTRE INC.
Trading as E-focus

Opinion

In my opinion the financial report of Heidelberg Training & Resource Centre Inc. has been prepared in accordance with the Associations Incorporation Reform Act 2012 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 including:

- (a) giving a true and fair view of the association's financial position as at 30 June 2016 and its performance and its cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards the Associations Incorporation Reform Act 2012 and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Name of firm E Townsend & Co



Name of Auditor Eric Townsend

Address 15 Taylor Street
P.O. Box 625
ASHBURTON Vic 3147

Dated this 24th day of September 2016