



Annual Report 2014-2015



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MHA Care Limited
ABN 90 463 327 686

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www.mhacare.org.au

Directors

Mr Bruce Pigdon | Chair

Qualifications: Company Director of family owned business
Experience: Appointed Chair in 2011. Board member since 2005, Board Member Yarrawonga Health
Special Responsibilities: Member of the Audit & Risk Committee and Quality & Safety Committee

Mr Jock McPherson | Director

Qualifications: 50 years experience in local government administration
Experience: Board member since 2004, Chair of Numurkah District Health Board
Special Responsibilities: Member of the Audit & Risk Committee

Cr Alex Monk | Director

Qualifications: Diploma Institute of Company Directors
Experience: Appointed Company Secretary 2013, Board member since 2013, Councillor - Moira Shire Council. Board Member Cobram District Health
Special Responsibilities: Member of the Audit & Risk Committee

Mr Dale Brooks | Director

Qualifications: Bachelor of Law/Arts (Hons), Senior Solicitor
Experience: Board member since 2013, Vice President of Cobram District Health Board
Special Responsibilities: Chair of the Audit & Risk Committee

Ms Bernadette Brooks | Director

(Resigned: 01/07/2014)

Mr David McKenzie | Director

(Appointed: 01/07/2014)
Qualifications: Diploma Institute of Company Directors.
Experience: Board member since July 2014, Deputy Chairperson of Nathalia District Hospital Board

Mr Paul Quinane | Director

(Appointed: 27/10/2014)
Qualifications: Diploma of Project Management, Diploma of Business Leadership, Diploma Training and Assessment. Learning and Development Advisor
Experience: Appointed as Board Member October 2014
Special Responsibilities: Member of the Quality & Safety Committee

Mrs Margi Cameron | Director

(Resigned: 25/05/2015)

Chairperson's & CEO's Report

On behalf of the Board of Management of MHA Care Limited we are pleased to present this report outlining the successes and challenges faced by the company in the period from July 2014 to June 2015. The ongoing and enthusiastic support of our volunteer Board of Management and dedicated staff and volunteers has been instrumental in ensuring the delivery of a wide variety of services and supports throughout the community.

MHA Care's Home and Community Care (HACC) and Private in Home Support programs provide a variety of support services to elderly people, people with disabilities and their carers, which allow our clients to continue living independently within their own homes.

Our range of services include domestic assistance and personal care, respite care, social support, meal preparation, gardening and home maintenance, transportation services, and a range of day centre programs.

Last year, we assisted more than 1,200 clients and provided more than 26,000 hours of home help and domestic assistance, in addition to more than 13,000 hours of personal care. Our staff also provided more than 4,000 hours of respite care.

MHA Care has an extremely dedicated volunteer workforce of over 500 volunteers. The majority of these support the four Delivered Meals programs operating throughout the local area, with many volunteers also supporting Foodshare, the Opportunity Shop and Planned Activity Groups.

In addition 200,000 meal equivalents were distributed through Moira Foodshare and innumerable people were able to purchase affordable clothing, furniture and other goods through the Yarrowonga Community Opportunity Shop.

MHA Care is a community owned not-for-profit company. We are a registered charity and any capital reserves are reinvested back into the company to support existing services and the development of new services.

We are what we are today due to the communities we serve, and we continue to focus on community engagement, development and participation. MHA Care benefits from the generosity of the community through volunteers and financial support.

Under the leadership of our executive team MHA Care has during the past twelve months undergone a significant period of positive redevelopment and renewal, with changes to our organisational structure, human resource systems, payroll system, financial management system and client satisfaction and feedback mechanisms.

MHA Care posted a net deficit of \$181,515 (2014: net profit \$190,990) for the financial year on a total operating revenue of \$4.867m (2014: \$5.130m).

A number of factors contributed to this net deficit position including some over delivery of contracted hours, an upward trend in direct expenses including increases in community support worker wages well above funding increases for the same period and general administration overheads.

This net deficit position is in contrast to prior year's surplus which had primarily been contributed to by the recognition of previous years funding to support Culturally and Linguistically Diverse Communities and revaluation of property held for sale.

In order to remain financially viable and relevant in the future under the introduction of consumer directed services under community aged care, MHA Care will be focusing on reducing indirect expenses and administration overheads over the coming eighteen months.

Throughout the year we have continued to take an active role in working with other organisations both locally, regionally and state-wide. Regular meetings with local Health Services (District Nursing and Community Health), membership on the Hume Region Aged Care Collaborative, Hume Health Services Partnership and the Goulburn Valley Primary Care Partnership were productive and

helpful in keeping our company informed.

Thank you to the following member organisations for their support throughout the year;

- Victorian Department of Health and Human Services
- Commonwealth Department of Social Services
- Moira Shire Council
- Yarrowonga Health
- Cobram District Health
- Numurkah District Health Service
- Nathalia District Hospital

The Board and the Executive Team continues to monitor the external environment and the funding landscape as we transition from Victorian Department of Health control to the Commonwealth Department of Social Services.

Our specific emphasis will be focused on commercial sustainability, provider of choice, employer of choice and creating a skill based governance structure in line with our Strategic Plan. This will put MHA Care in an excellent position to meet and embrace the challenges of the future.

It's the contribution that every person makes to MHA Care which makes our company such a success and ensures that we continue providing an outstanding level of service to our clients.



Bruce Pigdon | MHA Chairperson



John Dean | Chief Executive Officer

End of Financial Year Board Report

The Board
of Directors
submit this report
on the company
for the financial
year ended
30 June 2015.

Principal Activities

The principal activities of the company during the year were the provision of Home and Community Services and Aged Care Services across the Moira Shire. These services include home help, delivered meals, home and garden maintenance, personal care, respite care and planned activity groups.

Operating Result

The net loss from operations amounted to \$181,515 (2014: net profit \$190,990)

Objectives

The company's objectives are to:

- Support people who are frail aged or have a disability to remain in their own home;
- Support family or other primary care givers in their role; and
- Operate the company in an effective, efficient and accountable manner.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Building commercial sustainability and positioning the company for future shifts in Government funding;
- Positioning the company as the preferred provider for home care clients; and
- Being recognised as an employer of choice for flexible, dynamic and professional staff.

Key Result Areas

The company has identified a range of key result areas to ensure our objectives are achieved. Key result areas include; ensuring continuous improvement, funding and other accountability requirements are met, and a skilled and efficient workforce is maintained.



Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director were as follows:

	Eligible Meetings	Meetings attended
Mr Bruce Pigdon	10	10
Mr Jock McPherson	10	8
Cr Alex Monk	10	8
Mr Dale Brooks	10	8
Ms Bernadette Brooks	-	-
Mr David McKenzie	10	9
Mr Paul Quinane	6	5
Mrs Margi Cameron	8	8

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations of the entity. At 30 June 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$300.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30th June 2015 has been received (right).

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

Mr Bruce Pigdon | Chairperson
Dated | 28th September 2015

Auditor's Independence Declaration Under Div 60-40 of Australian Charities and Non-For-Profits Commission Act 2012 to the Directors of MHA Care Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Australian Charities and Non-For-Profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Partner | Peter Thomas Mogg
Name of the Firm | Mogg Osborne Audit Pty Ltd
Date | 8/09/15
Address | 40-44 High Street, Cobram, VIC 3644

Statement of Comprehensive Income

for the year ended 30 June 2015

	Notes	2015	2014
Revenue from Ordinary Activities	2	\$4,867,955	\$5,130,189
Expenses			
Employee Benefits	3	\$3,543,944	\$3,360,342
Consultants and Contractors	3	\$434,914	\$468,488
Project Expenses	3	\$95,026	\$136,662
Community Care Packages	3	\$109,671	\$106,151
Property Expenses	3	\$167,274	\$140,445
Depreciation and Amortisation	3	\$138,963	\$151,127
Other Expenses from Ordinary Activities	3	\$559,680	\$575,984
Total		\$5,049,470	\$4,939,199
Net Result for the Year		(\$181,515)	\$190,990

Statement of Financial Position

as at 30 June 2015



Current Assests	Notes	2015	2014
Cash and Cash Equivalents	5	\$2,050,858	\$2,126,763
Trade and Other Receivables	6	\$496,199	\$265,986
Inventory	7	\$97,384	\$93,258
Property Held for Sale	8	-	-
Total Current Assets		\$2,644,441	\$2,486,007
Non-Current Assets			
Trade and Other Receivables	6	-	\$233,838
Property, Plant & Equipment	9	\$495,503	\$533,650
Intangibles	10	\$29,624	\$21,793
Total Non-Current Assets		\$525,127	\$789,281
Total Assets		\$3,169,568	\$3,275,288
Current Liabilities			
Trade and Other Payables	11	\$592,523	\$569,448
Provisions	12	\$389,512	\$410,826
Total Current Liabilities		\$982,035	\$980,274
Non-Current Liabilities			
Provisions	12	\$97,913	\$83,646
Total Non-Current Liabilities		\$97,913	\$83,646
Total Liabilities		\$1,079,948	\$1,063,920
Net Assests		\$2,089,620	\$2,211,368
Equity			
Reserves	13a	-	\$86,428
Retained Earnings	13b	\$2,089,620	\$2,124,940
Total Equity		\$2,089,620	\$2,211,368

This statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2015

	Notes	Opportunity Shop Funding Reserve	Retained Earnings	Total
Balance at 01 July 2013	13	\$80,142	\$1,940,236	\$2,020,378
Comprehensive Result for the year		-	\$190,990	\$190,990
Transfers to/(from) from Retained Earnings		\$6,286	(\$6,286)	-
Balance at 30 June 2014	13	\$86,428	\$2,124,940	\$2,211,368
Comprehensive Result for the year		-	(\$181,515)	(\$181,515)
Asset Revaluation Reserve			\$59,769	
Transfers to/(from) from Retained Earnings		(\$86,428)	\$86,428	-
Balance at 30 June 2015	13	-	\$2,089,620	\$2,089,620

Statement of Cash Flows

for the year ended 30 June 2015



Cash Flows from Operating Activities

Receipts

Government Grants
Interest & Dividends
Other

Payments

Employee Benefits
Other

Net Cash Flows from Operating Activities

Notes	2015	2014
	\$3,097,230	\$3,118,552
	\$51,925	\$68,058
	\$2,116,233	\$1,581,662
	(\$3,539,111)	(\$3,241,294)
	(\$1,729,796)	(\$1,370,864)
14a	(\$3,518)	\$156,114

Cash Flows from Investing Activities

Purchase of Property, Plant & Equipment

Proceeds from Sale of Property, Plant and Equipment

Purchase of Intangibles

Net Cash Flows from Investing Activities

	(\$127,029)	(\$140,618)
	\$74,547	\$51,363
	(\$19,905)	(\$22,323)
	(\$72,387)	(\$111,578)

Net Increase/Decrease in Cash Held

(\$75,905)	\$44,536
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Cash at Beginning of Financial Year

Cash at End of Financial Year

	\$2,126,763	\$2,082,227
14b	\$2,050,858	\$2,126,763

Notes to the Financial Statements

Note 1: Statement of Accounting Policies

THE financial statements cover MHA Care Limited as an individual entity, incorporated and domiciled in Australia.

MHA Care Limited is a company limited by guarantee.

The financial statements were authorised for issue on 28 September 2015 by the directors of the company.

The directors have prepared the financial statements on the basis that the company is a non reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Non-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to registered charities reporting under the Australian Charities and Non-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial report has been prepared on an accruals basis and is based on historic costs with the exception of selected assets and liabilities for which the fair value basis of accounting has been applied.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated,

have been adopted in the preparation of this financial report.

(a) Revenue

Grant revenue is recognised in profit or loss 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 revenue will be deferred until those conditions are satisfied.

Donations are recognised as revenue when received.

Interest revenue is recognised as it accrues.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

(b) Property, Plant and Equipment

Each class of property, plant & equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these 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 depreciable amount of all fixed assets are depreciated on a straight line basis over their useful lives to the company 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.

(c) Receivables

Trade debtors are carried at nominal amounts due and are due for settlement within 30 days from the date of recognition.

Collectability of debts is reviewed on an ongoing basis. A provision for doubtful debts is raised where doubt as to collection exists.

(d) Inventories

Inventories are measured at 70 percent of the ticketed price of Opportunity Shop inventory on hand at the end of the year. The movement in inventory is treated as a donation to the company.

(e) Provision for Employee Leave Entitlements

i. Wages, Salaries and Annual Leave

The provision for employee entitlements to wages, salaries and annual leave represents the amount which the company has a present obligation to pay resulting from employees' services provided up to the balance date. The provision has been calculated at nominal amounts based on current wage and salary rates and includes related on-costs.

ii. Long Service Leave

The liability for employee's entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

Liabilities for employee entitlements which are not expected to be settled within twelve months are discounted using the rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities. In determining the liability for employee entitlements, consideration has been given



to future increases in wage and salary rates, and the company's experience with staff departures. Related on-costs have also been included in the liability.

(f) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(g) Non-Current Assets

The carrying amounts of all non-current assets are reviewed at least annually to determine whether they are in excess of their recoverable amount. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower value. In assessing recoverable amounts the relevant cash flows have not been discounted to their present value.

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of GST except for receivables and payables which are stated with the amount of GST included and except where the amount of GST incurred is not recoverable, in which case GST is recognised as part of the cost of acquisition of an asset or part of an item of expense or revenue. GST receivable from and payable to the Australian Taxation Office (ATO) is included in the statement of financial position. The GST component of a receipt or payment is recognised on a gross basis in the statement of cash flows.

(i) Cash and Cash Equivalents

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

current liabilities on the balance sheet.

(j) Property held for Sale

Property is regarded as being held for sale upon determination of the Board and when it is highly probable that the asset's sale is likely to be completed within 12 months from the date of the determination.

Property classified as held for sale is treated as a current asset and is measured at the lower of the carrying amount and the fair value less costs to sell. Property held for sale is not subject to depreciation.

(k) Intangibles

Software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

(l) Comparative Information

Where necessary the previous year's figures have been reclassified to facilitate comparisons.

(m) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line-basis over the term of the lease.

(n) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that the asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amounts

is immediately recognised in profit and loss.

(o) Economic Dependency

MHA Care Ltd is dependent on various government departments for the majority of its revenue used for its operations. At the date of this report, the Board of Directors have no reason to believe that these government bodies will not continue to support MHA Care Ltd.

(p) Accounting Standards issued but not yet effective and not been adopted early by the Company

There are a number of new accounting standards for application in future accounting periods. The only one which is likely to have any effect, if at all, is AASB 15 Revenue from Contracts with Customers which replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations and it establishes a new revenue recognition model. AASB has issued ED 260 Income of Not-for-Profit Entities, proposing to replace the income recognition requirements of AASB 1004 Contributions and provide guidance to assist not-for-profit entities to apply the principles of AASB 15.

The entity is yet to undertake a detailed assessment of the impact of AASB 15. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2018.

Note 2: Revenue

	2015	2014
Government Grants		
State Government		
Operating	\$2,416,977	\$2,685,520
Capital	\$35,000	\$34,794
Local Government	\$232,060	\$329,008
Commonwealth Government	\$345,378	\$303,755
Total Government Grants	\$3,029,415	\$3,353,077
Client Fees	\$531,699	\$538,987
External Agency Purchases	\$829,761	\$855,184
Donations	\$34,348	\$31,651
Opportunity Shop	\$336,205	\$248,789
Movement in Stock Value Opportunity Shop	\$4,126	\$20,920
Interest and Dividends	\$73,097	\$61,653
Profit/(Loss) on Disposal of Assets - refer Note 4	(\$15,255)	\$13,652
Other Income	\$44,559	\$6,276
Total Revenue from Ordinary Activities	\$4,867,955	\$5,130,189

Note 3: Expenditure

	2015	2014
Employee Benefits		
Salaries and Wages inc		
Employee Provisions	\$3,163,398	\$2,949,262
Superannuation	\$273,961	\$270,848
Workcover	\$63,590	\$58,588
Other Employee Benefits	\$42,995	\$81,644
Consultancies & Contractors		
Delivered Meals	\$286,274	\$301,468
Other Contractors	\$148,640	\$167,020
Project Expenses	\$95,026	\$136,662
Community Care Packages	\$109,671	\$106,151
Property Expenses	\$167,274	\$140,445
Depreciation & Amortisation		
Buildings	\$1,429	\$1,026
Plant & Equipment	\$51,617	\$57,139
Motor Vehicles	\$75,653	\$92,432
Software	\$10,264	\$530
Other Expenses		
Travel	\$250,085	\$222,162
Motor Vehicles	\$78,300	\$78,940
Telephone	\$29,316	\$34,730
Advertising	\$4,166	\$3,001
Postage & Freight	\$12,297	\$12,576
Computer Costs	\$24,614	\$30,281
Opportunity Shop Expenses	\$18,201	\$17,381
Bad & Doubtful Debts	\$619	-
Auditors Remuneration	\$31,075	\$10,468
Other Expenses	\$111,006	\$166,445
Total Expenses	\$5,049,470	\$4,939,199

Note 4: Profit/(Loss) on Disposal of Assets

	2015	2014
Property Plant & Equipment		
Proceeds from Disposal of Assets	\$67,806	\$51,364
Less: Written-Down value of Assets Sold	(\$83,061)	(\$71,550)
Net Profit/(Loss) on Disposal	(\$15,255)	(\$20,186)
Property Held for Sale		
Proceeds from Disposal of Assets	-	\$233,838
Less: Written-Down value of Assets Sold	-	(\$200,000)
Net Profit/(Loss) on Disposal	-	\$33,838
Total	(\$15,255)	\$13,652

Note 5: Cash and Cash Equivalents

	2015	2014
Cash at Bank	\$2,049,678	\$2,125,895
Cash on Hand	\$1,180	\$868
Total	\$2,050,858	\$2,126,763

Note 6: Trade and Other Receivables

Current	2015	2014
Client Fees	\$184,356	\$240,142
Prepayments	\$29,178	\$300
Accrued Investment Income	\$48,716	\$27,544
Sundry Receivables (a)	\$233,838	-
Other Receivables	\$2,111	-
Total	\$498,199	\$267,986
Less: Provision for Doubtful Debts	\$2,000	\$2,000
Total Current	\$496,199	\$265,986
Non-Current		
Sundry Receivables (a)	-	\$233,838
Total Non-Current	-	\$233,838
Total Receivables	\$496,199	\$499,824

(a) Sundry Receivables relates to amount receivable under a contract of sale of property with settlement due to take place in January 2016.

Note 7: Inventory

	2015	2014
Opportunity Shop (a)	\$97,384	\$93,258

(a) Please refer to note 1(d) inventories.

Note 8: Property Held for Sale

	2015	2014
Land & Buildings	-	-
Movement during the Year		
Opening Balance		\$200,000
Transfer from Property, Plant & Equipment		-
Impairment to Fair Value less costs to sell		-
Disposal of Property		(\$200,000)
Closing Balance	-	-

Note 9: Property, Plant & Equipment

At Valuation	2015	2014
Land (a)	\$50,000	\$45,000*
Buildings (a)	\$90,000	\$41,055
Less Accumulated Depreciation	(\$746)	(\$5,141)
Total	\$89,254	\$35,914*

(a) Land and Buildings were independently valued at \$140,000 by Goulburn Valley Property Services in February 2015. The valuation resulted in a revaluation increment of \$59,769 being recognised in revaluation surplus for the year ended 30th June 2015.

At Cost	2015	2014
Furniture & Equipment	\$255,088	\$484,556
Less Accumulated Depreciation	(\$154,738)	(\$356,307)
Total	\$100,350	\$128,249*
Motor Vehicles	\$561,930	\$611,389
Less Accumulated Depreciation	(\$306,031)	(\$286,902)
Total	\$255,899	\$324,487*
Total Property, Plant & Equipment	\$495,503	\$533,650

* Figures included in the total

Reconciliations of the carrying amounts of each class of plant & equipment at the beginning and end of the current financial year is set out below.

	Land	Buildings	Furniture & Equipment	Motor Vehicles	Total
Balance at 1 July 2013	\$45,000	\$36,940	\$156,115	\$377,123	\$615,178
Additions	-	-	\$29,273	\$111,346	\$140,619
Disposals at WDV	-	-	-	(\$71,550)	(\$71,550)
Depreciation and Amortisation expense	-	(\$1,026)	(\$57,139)	(\$92,432)	(\$150,597)
Balance at 30 June 2014	\$45,000	\$35,914	\$128,249	\$324,487	\$533,650
Additions	-	-	\$45,447	\$68,397	\$113,844
Revaluations	\$5,000	\$54,769	-	-	-
Disposals at WDV	-	-	(\$21,729)	(\$61,332)	(\$83,061)
Depreciation and Amortisation expense	-	(\$1,429)	(\$51,617)	(\$75,653)	(\$128,699)
Balance at 30 June 2015	\$50,000	\$89,254	\$100,350	\$255,899	\$495,503

Note 10: Intangibles

	2015	2014
Software	\$40,418	\$22,323
Less Accumulated Amortisation	(\$10,794)	(\$530)
Total	\$29,624	\$21,793

Note 11: Trade & Other Payables

Current	2015	2014
Trade Creditors	\$152,095	\$143,846
Accrued Expenses	\$13,380	-
Accrued Wages	\$161,330	\$92,074
GST Payable	\$25,056	\$24,933
PAYG Payable	\$37,919	\$27,436
Other Payables	\$2,594	\$2,277
Monies Held in Trust	\$2,864	\$3,969
Total	\$395,237	\$294,535
Grants in Advance	\$197,285	\$274,913
Total	\$592,523	\$569,448

Note 12: Provisions

Current	2015	2014
Annual Leave	\$177,631	\$224,122
Long Service Leave	\$211,881	\$186,704
Total	\$389,512	\$410,826
Non-Current		
Long Service Leave	\$97,913	\$83,646
Total Provisions	\$487,426	\$494,472

Note 13: Equity & Reserves

(a) Opportunity Shop Funding Reserve	2015	2014
Balance at beginning of Reporting Period	\$86,428	\$80,142
Profits Allocated from Retained Earnings	-	\$49,286
Profits distributed to other Community Organisations	-	(\$43,000)
Transfer to Retained Earnings	(\$86,428)	
Balance at the end of the reporting period	-	\$86,428
(b) Retained Earnings		
Retained Earnings at the beginning of the reporting period	\$2,124,940	\$1,940,236
Asset Revaluation Reserve (a)	\$59,769	-
Net Result for the year	(\$181,515)	\$190,990
Transfer from Opportunity Shop Funding Reserve	\$86,428	(\$6,286)
Retained Earnings at the end of the reporting period	\$2,089,620	\$2,124,940

(a) Asset Revaluation Reserve relates to land and buildings at 50 Knox Street Numurkah, VIC 3636.

Note 14: Reconciliation of Net Result for the Year to Net Cash Flows from Operating Activities

(a) Reconciliation of net cash used in operating result	2015	2014
Net Profit/(Loss)	(\$181,515)	\$190,990
Non-Cash Movements		
Depreciation and amortisation	\$138,963	\$151,127
Impairment of Property Held for Sale	-	-
(Profit)/Loss on disposal of Property, Plant & Equipment	\$15,255	(\$13,652)
Movements in assets and liabilities		
Increase/(Decrease) in Payables	\$23,075	(\$152,957)
Increase/(Decrease) in Provisions	(\$7,046)	\$94,346
Increase/(Decrease) in Inventory	\$4,126	(\$20,920)
Decrease/(Increase) in Receivables	\$3,625	(\$92,820)
Net Cash from Operating Activities	\$2,089,620	\$2,124,940
(b) Reconciliation of cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash on Hand	\$1,180	\$868
Cash at Bank	\$2,049,678	\$2,125,895
Total	\$2,050,858	\$2,126,763

Note 15: Leasing Commitments

Non Cancellable operating leases contracted for but not recognised in the financial statements.

	2015	2014
Payable		
No later than 1 year	\$138,640	\$99,650
Later than 1 year and not later than 5 years	\$339,479	\$394,539
Later than 5 years	\$146,722	\$207,422
Total	\$624,840	\$701,611

Note 16: Contingent Assets & Contingent Liabilities

The are no known contingent assets or contingent liabilities for the organisation.

Note 17: Events Occurring After Reporting Date

Since 30 June 2015 no matter or circumstance has arisen which has significantly affected, or which may significantly affect, the operations of the organisation.

Note 18: Members' Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the entity. At 30 June 2015, the number of members was 6.

Note 19: Entity Details

The registered office of the company is:
MHA Care Limited
 22 Orr Street, Yarrowonga VIC 3730

Responsible Entities' Declaration (The Board)

The Board of MHA Care Limited declare that:

1. The financial statements and notes of MHA Care Ltd are in accordance with Australian Charities and Not for Profits Commission Act 2012, including:

(a) giving a true and fair view of the organisation's financial position as at 30 June 2015 and its performance and cash flows for the year ended on that date in accordance with the accounting policies described in Note 1; and

2. In the Board's opinion there are reasonable grounds to believe that the organisation 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.



Mr Bruce Pigdon | **Chairperson**
 Dated | 28th September 2015

Independent Auditor's Report to the Members of MHA Care Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of MHA Care Limited, which comprises the statement of financial position as at 30th June 2015, the statement of comprehensive income for the year then ended, 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 Board of Directors assertion statement.

Directors' Responsibility for the Financial Report

Board of Directors are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Div 60 of Australian Charities and Non-for-profits Commission Act 2012 and the needs of the members. The Board's responsibility also includes such internal control as Board of Directors determine is necessary to enable the preparation and fair presentation of a financial report that is 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 have conducted our audit in accordance with Australian Auditing Standards. Those

standards require that we 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 Association's preparation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of 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 Australian Charities and Non-for-profits Commission Act 2012. We confirm that the independence declaration required by the Australian Charities and Non-for-profits Commission Act 2012, which has been given to the directors of MHA Care Ltd. would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of MHA Care Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30th June 2015 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and Div 60 of Australian Charities and Non-for-profits Commission Regulation 2013 to the extent described in Note 1.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board of Directors reporting responsibilities. As a result, the financial report may not be suitable for another purpose.



Name of Partner | Peter Thomas Mogg
Name of the Firm | Mogg Osborne Audit Pty Ltd
Date | 29th September 2015
Address | 40-44 High Street,
Cobram, VIC 3644



MHA Care Limited

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