

Annual Report 2015-2016

Local Community Services Association Inc. (LCSA)



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LCSA's Vision

Strong Communities Through Strong Community Organisations

LCSA's Purpose

The Local Community Services Association is a state-wide, representative body whose purpose is to prevent social exclusion and promote social inclusion and community strengthening through supporting, developing and promoting neighbourhood centres and other community based and community managed organisations which focus on community development, social inclusion and community-focused services.

LCSA's Aims

To actively maintain, develop and promote locally managed, integrated/generalist community services.

To advocate and represent the interests of members.

To identify issues affecting members and develop strategies to deal with them.

To link members and encourage mutual support and action.

To support and resource members to meet the needs of their communities.

To effectively and efficiently manage LCSA.

PRESIDENT'S REPORT

It has been a very successful year for LCSA. With the commitment and dedication from my fellow board members, the Regional Representatives and the LCSA staff team we navigated our work in a changing environment. There are growing demands on local community organisations that we represent and there are also many new opportunities opening up for neighbourhood centres to showcase their capacity to be effective community development organisations delivering quality services to their communities.

I firstly want to thank and congratulate the LCSA Board for their collegiate spirit and professionalism in overseeing the governance responsibilities of our organisation. At our last AGM a new Constitution was passed by our members to acknowledge a more robust and contemporary governance structure that has set us up well for the future.

The new Constitution introduced the establishment of the LCSA Regional Representative Council which meets three times a year to give insights from all parts of NSW about issues affecting the community services sector and our members. I acknowledge the contribution made by each of the Regional Representatives and I thank you for your dedication and for representing the values of LCSA in your regions.

To all the staff, a big Thank You for continuously remaining open to hear what our members' interests and priorities are. It is through your approach of being truly turned outward towards our members that makes LCSA a members-driven organisation.

Our EO, Can Yasmut, continues to lead our organisation with vision, integrity and sector knowledge. Can has forged and reinforced relationships within the sector and with Government that have achieved great outcomes for our members.

In June this year we decided to move our offices and co-locate with our fellow peak organisations Youth Action and FaMS - already referred to as the "Peaks Hub". I am confident that we have only started to see the synergies and opportunities this move creates for the future.

Finally, I wish to acknowledge our funding body, the Department of Family and Community Service, for their ongoing support and our partnership with the Harwood Institute for Public Innovation, for their commitment to see LCSA members thrive.

I am looking forward to an exciting year ahead and to working with all of you.

Gretchen Young, LCSA President



EXECUTIVE OFFICER'S REPORT

Neighbourhood Centres and locally-based, locally-managed community organisations play a vital role in our democracy and civic society. We are driven by social justice principles and by providing services and activities with a community development approach. We have a responsibility to ensure that policies and programs are shaped by those who are affected by them. Herein lies the great opportunity for the neighbourhood centre movement for the future, by engaging authentically with the community and with the aim that community has the ultimate say in informing social policy and in developing local activities.

We are delighted with the way this year has evolved. Amongst many changes both within and outside of our organisation, we took an adaptive leadership approach in dealing with the challenges and opportunities at hand. This year:

- we focused on representing our members' interests in the current funding reform process,
- we changed the format of our conference,
- we changed our Constitution,
- we established the Regional Representative Council
- we progressed our work in bringing the Public Innovation approach to our members
- we moved offices, co-locating with our fellow peak organisations Youth Action and FaMS; and
- we embarked on a strategic planning process for LCSA

I wish to thank the LCSA staff team Asha, Lyn and Brian, for working with diligence and commitment towards our goal of being a member-driven organisation. I also thank John Ferguson and Anna Kim for providing astute financial services in a very efficient and effective manner.

We endeavour to visit as many LCSA regional meetings and member organisations as possible. Our Regional Representatives are making sure we are connected to our members across the state, understand the regional differences and are able to respond to requests and needs that arise over time. I acknowledge the time and effort put in by all Regional Representatives to support LCSA, thank you.



Finally, I would like to thank the LCSA Board for their professionalism, their guidance and most importantly for allowing the space to explore new opportunities for LCSA to be a learning organisation in an ever-changing environment.

Please take the time to read about our projects and achievements in the past year.

Can Yaşmut, LCSA Executive Officer

PROJECTS

Sector Development and Capacity Building

LCSA is funded by FACS as a sector development peak organisation to provide member support in representation, policy collaboration and involvement in program planning and reform. FACS' expectation is that social policy is well informed through the input of diverse views and independent advice; that the sector is well-informed and able to effectively engage with the human service agencies and that the service sector is driven by results.

Respectively, LCSA's work aims to achieve three outcomes:

1. Sector understands FACS intentions concerning future service and program design and the role of neighbourhood and community centres and locally based
2. Sector contributes to FACS understanding of the capacity and potential of neighbourhood and community centres, locally based services in its service and program design
3. LCSA member organisations are prepared and developed to be able to identify and provide required services within FACS reform framework.

We continued circulating a quarterly survey to our members in the financial year 2015-16. The purpose is two-fold: 1) we want to ensure that LCSA performs well in delivering towards these outcomes. 2) we use the data for our compliance reports to our funding body FACS.

The summary data from the four surveys and a total of 145 responses show that

90% of member agencies/consumers reported they are well informed by peak about broader social policies, and of changes and developments within the sector. (2015: 76%)

77% of members reporting their views were sought by peak on social policy issues affecting the child and family services sector. (2015: 65%)

80% evidence based approaches (aimed at improving outcomes for members, the sector and clients) being applied either: directly by the peak &/or by members agencies as a result of peak activity/project (For peaks with member agencies). (2015: 85%)

We analyse our members' feedback and we plan our activities in consideration of what our members told us.

Partnership with the Harwood Institute for Public Innovation

The Story of Public Innovation in NSW

Public Innovation is a term coined by Richard Harwood for an organic community change process which has, at its heart, the common aspirations of the local community and their participation in acting on those common goals. The role of public innovators and community organisations is to ensure that diverse community voices are heard, social capital factors are in place and there are clear pathways through the community service and social policy systems to meet these aspirations.

LCSA had been searching for a simple and straight forward community development practice that would have the values, theory of change and the tools which fitted with the Neighbourhood Centre Policy and the philosophy of “working with” community rather than “doing to” community. While all community development practices have this principle at their centre, the Harwood practice asks workers and organisations to take a position of “turning outward to the community” and acting personally and professionally with authority, authenticity and accountability.

LCSA has since undertaken a number of activities to forward this approach across the community sector in NSW. This has included the 1st Public Innovator’s Lab in October 2014, Neighbourhood Centre Week in May 2015 with the theme “Hear the Voice of the Community” (reported on 2014-15 Annual Report), the 2015 LCSA Conference also with the theme of “Hear the Voice of the Community” (see details below) and the 2nd Public Innovator’s Lab in April 2016 (see details below). With each of these events, as well as a growing track record of community initiatives springing from community conversations, there is momentum to engage with local community members and work closely with them around their main concerns and aspirations.

The 2nd Public Innovation Lab - April 2016

The 2nd Public Innovator’s Lab was held from 26-28 April at Jones Bay Wharf Pyrmont. Over 100 people attended the Lab with more than half coming from Neighbourhood Centres or other non-government agencies. 45 participants were from FACS and Health in NSW and a number from Victorian Government agencies.

In an evaluation of the Lab program 88.71% of attendees rated their satisfaction > 7/10

This Lab was quite different from the first Public Innovators Lab 2014 in Sydney. The emphasis was on the Harwood practice as a change process rather than just a range of tools for community engagement. Delegates were called to put the community at the centre at all decision making rather than the organisation they worked for. This was a major challenge for everyone and the implications of this into the future has far reaching effects if we choose to do this honestly and well.

The Value Proposition for LCSA Members

The value proposition put forward by the Harwood Institute is “If you Turn Outward and make more intentional judgments and choices in creating change, you will produce greater impact and relevance in your community.”

Essentially the Harwood practice is about facilitating community change and how we intentionally make choices that will bring the change that community wants and will participate in. Harwood’s theory of change is organic, created by leveraging pockets of energy in the community to create change. The published report “Ripple Effect: How Change Spreads in Communities” describes how the outcomes from small wins intersect, creating more energy and opportunities, accelerating the move towards realising the identified community aspirations.

Harwood sees the role of community organisations as laying down the social capital factors that enable communities to become more connected and resilient and move to the next stage of development. These social capital factors may include an abundance of social gatherings that builds mutual trust, organized spaces for interaction where community resources can be identified and tapped to address community concerns, organisations that facilitate community participation and inclusion, informal networks and links, strong diverse leadership and safe spaces for leaders to make decisions.

So what is the value proposition for neighbourhood centres in using the Harwood approach?

Neighbourhood Centres play a role locally for democratic participation in community life. They already have close contact with local residents and can gather knowledge about common community aspirations through community conversations. They already create referral pathways, breakdown silos between organisations and organise activities to build community trust and leadership. What the Harwood framework enables Neighbourhood Centres to do is choose the most direct pathway to community change using proven engagement tools and apply them at the right time of community growth to create effective and sustainable change which is driven by community rather than a government agenda.

In relation shaping social policy and creating spaces for community participation, the current TEI reform provides an opportunity for Neighbourhood Centres to play their legitimate role in ensuring the community voice is heard and becomes an essential part of the co-design process as FACS Districts embark on placed based planning processes to shape the service system in their area. Neighbourhood Centres traditional advocacy role is backed up by evidence-based strategies and tools of gathering public knowledge, using it to create and shape social policy and service systems that meet the needs of the community in which they work.

This approach also provides Neighbourhood Centres with a way to enter into Collective Impact initiatives as community participation, service collaboration and coordination around a common agenda are the essential elements for Collective Impact to succeed. The Harwood methodology provides a consistent way of assessing the stage of community life, enabling the right programs to be rolled out at the right time to be successful and sustainable over the long term.

Creating a Learning Environment for Public Innovation in NSW

An essential part of the Harwood practice is building a learning community through Innovation Spaces and coaching. Innovation Spaces are where practitioners can come together to reflect on their practice and grow their understanding with their peers and sometimes with assistance from a coach. In these learning spaces time is set aside to ask “What have we learnt?” and “What are the implications of this for our future practice?” While webinars, coaching calls and Innovation Spaces were built into the fee structure of the October 2014 Lab, this was not the case for the April 2016 cohort. Nevertheless, in some areas of NSW Innovation Spaces have emerged which bring together practitioners from both groups and have been successful in building the practice. Examples are in the Blue Mountains, on the Far North Coast and in the Illawarra and a group is now forming on the Mid North Coast. Currently practitioners are being encouraged to collect the stories of community change that are emerging from community conversations to build an evidence base for the work and inspire others to be involved.



Targeted Early Intervention Program Reform

In October 2015, LCSA made a submission towards the Targeted Early Intervention – Sector Consultation Paper. In respect of what we've heard from our members at the conference, in our interactions at regional sessions and our Annual Planning Day, this submission argues the importance and role of locally-based, locally-managed services and community development under FACS funding into the future.

Foundation Principles of the Role for Community Development in TEIP

- Community Builders is a funding program that contributes to building stronger communities that are connected, participatory, resourceful, trusting, respectful and safe for children.
- The role of community development in the community sector is broader than the role of Community Builders in the prevention and early intervention of child protection issues but it makes an indispensable contribution to the TEI program system.
- The effectiveness of early intervention and prevention services is dependent on strong communities and strong community based organisations.
- Community Builders demonstrates the value of universal services and community strengthening in preventing child protection issues from arising and also in providing a client-centred, flexible and local service delivery platform for other universal (primary) and secondary services.
- The reform process from CSGP to Community Builders was a good step in the right direction. Community development work funded through Community Builders creates stronger communities and soft entry points for vulnerable and disadvantaged people to the service system.
- There are improvement opportunities for the Program however we believe that the core elements are in place.
- The outcomes framework can be improved and so can the processes of data collection and reporting.
- Neighbourhood centres and locally based, locally managed community organisations play a vital role in strengthening the service system and local networks as well as in increasing the social capital within communities.
- Local services must be determined and supported by the local community.
- It is important that authentic community engagement is part of the role of our members to ensure local communities determine the services they need and how they are delivered and implemented on the ground.
- We propose an overarching outcomes framework based on the vision to build communities that are child friendly and therefore involve everybody. An improved outcomes framework could build on the existing Community Builders RBA framework and apply to all TEI Programs in the future. The following outcomes provide an evidence-based example:
 1. Children are safe.
 2. Children are ready for school.
 3. Young people reach their full potential.
 4. Families are resilient and resourceful.
 5. Communities are connected and participatory.

Community Strengthening Outcomes Framework

Learning from the transition from the Community Grants Program to Community Builders, we have done this work in the context of identifying the strengths and improvement opportunities within the Community Builders funding program.

We have identified a suite of population indicators relating to the results of strong communities being those who are respectful, connected, trusting, resourceful and participatory. Our research has led us to include 'healthy' as well. Identifying accessible and accepted population indicators from various sources, we related these indicators to NSW 2021 State Goals.

We have surveyed our membership and used data from the LCSA Lasso database to identify best practice activities funded under Community Builders. We then connected the activity (and activity measure) to the relevant population indicator and how this contributes to the NSW 2021 State Goals.

The Community Strengthening Outcomes Framework is available on the LCSA website. We are confident that this work will be instrumental in shaping the future of the Community Builders Funding Program.

CommunitybuildersNSW Website

LCSA receives funding from FACS for the administration of the CommunitybuildersNSW Website.

The CommunitybuildersNSW Website is an online meeting place for practitioners and community leaders who are interested in community building and community change, where they find resources on best practice and evidence base and where they can connect and interact with likeminded people.

After moving to a new online platform and giving the website a new appearance, this year we put our emphasis on populating the website

- with resources about building skills and knowledge base,
- with a repository of the evidence base
- with information relating to community building activities across NSW

In 2015-16 the website was visited overall 29,138 times with a total of 122,569 page visits. 21,549 of these were new visitors. The average time spent on the site was just under 3 minutes per visit. In average visitors viewed 4.21 pages per visit.

We continued working with a reference group to ensure the website remains an online resource that brings together the government, non-government, academic, business and philanthropic sector in a contemporary and effective manner. We wish to thank Bronwyn Hutchings and Geraldine Andrews from FACS for their professional support and insights.

Your LCSA Team Lyn, Asha, Brian and Can

LCSA CONFERENCE 2015

“Hear the Voice of the Community”

This conference was held in September 2015 at the Sydney Masonic Centre with Rich Harwood, Michelle Lucas, Maree Walk and Elizabeth Farrelly as Keynote Speakers. Over 300 people attended, with 13 trade tables and up to 12 other peak organisations providing information to members about their role in the community sector.

This conference experimented with a different conference format to previous years, only some of which were successful in meeting delegate’s expectations. Overall, 80% of delegates had their expectations met. In breaking this down, 87% of delegates felt they learnt useful information from the plenary sessions and could use it in their work, while only 70% feeling that the panel discussions were useful. The networking and collegial atmosphere was lacking with 23% of delegates feeling that their networking hadn’t improved.

The most successful part of the conference were the table conversations around the TEI Reform agenda with 91 % of delegates considering that it provided a platform to demonstrate the capacity and potential of neighbourhood and community centres and other locally based services in service and program design.

The table conversations based on the Harwood community conversation practice produced 8 major themes which LCSA was able to use in their discussions with FACS to shape discussion about the reform. The major themes that emerged were:

1) LCSA Members' aspirations for their community

- The whole of community is strong.
- The social capital in communities increases and improves.
- Community members have a voice and participate in decision making.
- Services are determined by the local community.

2) LCSA Members' Aspirations for the service system

- Adequate funding, funding certainty and capacity building of service providers
- Collaboration and partnerships within sector and across silos
- Flexibility towards community need and local context
- Improved outcomes framework and reporting system

Delegates also really liked the fact that Conference delegates came from the broader community sector and included FACS staff a feature LCSA will try to include in future conferences.

Lyn Lormer, Senior Project Officer

NEIGHBOURHOOD CENTRE WEEK 2016

The theme for this year's Neighbourhood Centre Week (9-15 May 2016) was "Grow Together Eat Together". Why did we choose this theme, why is it important as a community to *grow together and eat together*?

As part of the Neighbourhood Centre Week activities LCSA members had the opportunity to highlight their activities – *Growing Together* - where people can

- learn new skills, to increase health and well-being especially for children,
- build a community garden,
- enable people on low incomes to join a food coop and
- start a food bank.

Also – *Eating Together* – inspired our members to

- organise information sessions/fact sheet on nutrition's eating and budget recipes,
- organise a community picnic,
- start a community kitchen,
- organise a multicultural meal night and
- get in touch with hunger relief charities such as OZ Harvest, Second Bite or Foodbank.

LCSA sent out over 200 packages with a letter, a poster and a packet of seeds to all our members. Six LCSA members contributed by sending us photos and stories about what they did in the community. We then used these to publish them on the LCSA website.

This year's theme gave our members the opportunity to showcase their great work with individuals and groups and how they can reach those in the community who may not be aware of their local centre and how together we can make a difference locally.

LCSA would like to thank all our members across NSW for their contribution towards Neighbourhood Centre week 2016.

Asha Hewafonsekage, Administration Officer



PARTNERS AND SUPPORTERS

LCSA acknowledges our partners and supporters:

NSW Department of Family and Community Services, for providing funding and support for LCSA initiatives

FaMS, Youth Action, ACWA, AbSec and NCOSS, for being collegial fellow peak bodies

Forum of Non-Government Agencies (FONGA), for ensuring that the NSW government hears the voice of the NGO sector

International Federation of Settlements Services and Neighbourhood Centres (IFS), for representing and inspiring the neighbourhood centre movement globally

Australian Neighbourhood House and Centre Association (ANHCA), for further developing the DGR Public Fund and raising the profile of neighbourhood centres nationally

Australian Research Alliance for Children and Youth (ARACY), for being a leader in best practice and outcomes measurement

Fiscal Policy Studies Institute, for the ongoing support of LCSA's RBA work

Internet Vision Technologies (IVT), for working with the community sector to explore technological innovation in our field

People Advantage, for bringing the Role Requirement Frameworks to LCSA members

Tamarack – An Institute for Community Engagement, for sharing their deep insight and knowledge

The Harwood Institute for Public Innovation, for their friendship and commitment to see Public Innovation flourish through neighbourhood centres in NSW

University of New England, for their ongoing support for our members and our conference

Collaboration for Impact, for partnering around events, workshops and campaigns that promote collaboration

Health Consumers NSW, for their openness to explore the synergies between the community and public health sectors

Collective Purpose Hub, for making our temporary office arrangements a smooth and welcoming experience

LCSA BOARD 2015-2016

Position	Name	LCSA Member Organisation
President	Gretchen Young	Mid Richmond Neighbourhood Centre
Vice President	Sharon Parker	North Kiama Neighbourhood Centre
Secretary	Naomi Rees	Maitland Neighbourhood Centre
Treasurer	Tairyn Vergara	The Parks Community Network
Ordinary Board Member	Skye Sear	The New School of Arts Neighbourhood House
Ordinary Board Member	Margaret Tipper	Community Resource Network
Ordinary Board Member	Paul Sekfy	Lifetime Connect

REGIONAL REPRESENTATIVE COUNCIL

LCSA Region	Representative	LCSA Member Organisation
Blacktown, Cumberland, Prospect	Ben Jackson	Hills Community Aid and Information Service Inc.
Central Coast	Jillian Hogan	San Remo Neighbourhood Centre
Far North Coast	Skye Sear	The New School of Arts Neighbourhood House
Hunter	Sheena Harvey	Belmont Neighbourhood Centre
Illawarra	Sharon Parker	North Kiama Neighbourhood Centre
Inner Sydney /Inner West	Charmaine Jones	Regional Council for Social Development
Macarthur		<i>Merged with SW Sydney</i>
Marrickville, Canterbury, St George	Shelley Ross	Kogarah Community Services
Mid North Coast	Paul Sekfy	Lifetime Connect
Nepean – Blue Mountains	Kris Newton	Mountains Community Resource Network
Nepean – Penrith, Hawkesbury	Joy Impiombato	Nepean Community & Neighbourhood Services
New England	Julie Green	Tamworth Family Support Services Inc
North East Sydney	Rossy Champion	Manly Community Centre
Riverina/Murray	Amy Murphy	Junee Community Centre
South East NSW	Gabrielle Powell	Southern Women’s Group Inc., Bega
South West Sydney/Macarthur	Tairyn Vergara	The Parks Community Network Inc.
Sutherland	Elizabeth O’Neill	Shire Community Services
Western NSW	Pam Symonds	Parkes Neighbourhood Central

TREASURER'S REPORT

The Local Community Services Association Inc. (LCSA) receives funding from the NSW Department of Family and Community Services under the Sector Development Program and for the administration of the Communitybuilders NSW website. The total funding income from these two sources for the financial year 2015-2016 was \$382,917. LCSA generated further income through Membership Fees totaling \$49,875; LCSA's Annual Conference \$105,391; Harwood Public Innovators Lab \$194,187; Fees received for Professional Services \$40,761; Interest Received \$5,420 and Other Income \$10,805. The total income for the year was \$789,356. Our total expenses of \$867,281 included employee costs of \$383,614 and Harwood Institute expenses of \$222,056.

The Local Community Services Association recorded an operating deficit of \$77,925 for the financial year ended 30 June 2016. There are three main reasons for this: 1) We have backed our initial investment into training LCSA members in the Harwood approach in Public Innovation, with a second Public Innovator Lab, where we provided subsidies for LCSA members. 2) We subsidised the LCSA Conference registration fee for LCSA members. 3) We invested in creating a suite of professional services which we will be providing for fees for service in the future.

LCSA's Balance Sheet as at 30 June 2016 shows a sound financial position with a cash balance of \$455,430 and just over \$150,000 in equity.

In accordance with the requirement of the Office of Fair trading and our funding bodies, the financial statements in this year's annual report have been prepared in accordance with the Australian Accounting Standards in line with the requirements of funding bodies. The complete audited financial statements are included in the report, and provide a more detailed account of the overall financial position and performance of the LCSA during the financial year ended 30 June 2016.



I would like to thank all LCSA staff for their commitment and responsible approach to handling finances which have allowed, the organisation to end the financial year in line with our strategic directions.

Tairyn Vergara, LCSA Treasurer

AUDITED FINANCIAL REPORT 2015-2016

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2016

Meagher Howard & Wright
Certified Practising Accountants
Suite 505
55 Grafton Street
BONDI JUNCTION NSW 2022

**LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245**

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**LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245**

EXECUTIVE COMMITTEE REPORT

Your executive committee members submit the financial report of the Local Community Services Association for the financial year ended 30 June 2016.

Executive Committee Members

The names of committee members throughout the year and at the date of this report are:

Gretchen Young
Tairyn Vergara
Naomi Rees
Sharon Parker
Skye Sear
Margaret Tipper
Paul Sefky

Principal Activities

The principal activities of the association during the financial year were:

LCSA is a not for profit association whose purpose is to prevent social exclusion and promote social inclusion and community strengthening through supporting, developing promoting neighbourhood centres and other community based and community managed organisations which focus on community development, social inclusion and community focussed services.

Significant Changes

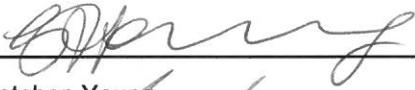
No significant change in the nature of these activities occurred during the year.

Operating Result

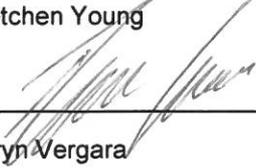
The loss after providing for income tax amounted to \$(77,925.00).

Signed in accordance with a resolution of the Members of the Executive Committee.

**Executive
Committee Member:** _____


Gretchen Young

**Executive
Committee Member:** _____


Tairyn Vergara

Dated this day of September 2016

18th September, 2016

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
INCOME			
Grant Income			
FACS - Sector Development Program		301,054	293,711
FACS - communitybuilders.nsw Website		69,912	72,649
FACS-Sector Development (ERO)		11,951	7,165
FACS-communitybuilders W-setup		-	15,165
		382,917	388,690
Membership		49,875	53,231
Policy Income		-	4,250
Training		-	2,290
Conference Income		105,391	107,847
Harwood		194,187	303,796
ICIE		40,761	29,751
Interest Received		5,420	8,032
		778,551	897,887
OTHER INCOME			
Consulting Fees		2,500	-
Sydney Water Focus Groups		-	10,000
Sponsorship		6,364	1,500
Sundry Income		1,941	1,473
		10,805	12,973
		789,356	910,860

The accompanying notes form part of these financial statements.

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
EXPENDITURE			
Staff Salaries & Oncosts			
Wages & Salaries		312,398	316,500
Bookkeeping		15,500	15,600
Superannuation		29,030	29,144
Workers Compensation		2,413	2,693
Prov for Annual Leave		9,149	16,357
Long Service Leave		2,738	6,530
Staff Development & Training		3,512	3,746
Staff Amenities		988	406
Staff Expenses - Other		164	96
Photography and Video		-	4,750
Time in Lieu Accrued		23,222	-
		399,114	395,822
AGM & Conference			
Accommodation/Dinner		73,026	94,880
Set Up		410	2,132
Speakers		22,381	446
Travel		575	92
Travel Rural Subsidy		109	1,610
VMS Expenses		10,418	13,819
Room Hire		2,861	-
AGM Expenses		1,497	-
Advertising		9,844	-
Entertainment		3,000	-
		124,121	112,979
Bad Debts		-	6,740
Harwood Expenses		222,056	626,020
Program Development & Consultants			
ANHCA		7,024	7,648
Neighbourhood Centre Week		284	-
Meetings - External		2,804	5,230
Travel - China P		8,429	2,851
		18,541	15,729

The accompanying notes form part of these financial statements.

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Office Expenses			
Audit Fee		2,600	2,000
Bank Charges		520	649
Cleaning		2,555	3,244
Computer Services & Expenses		1,221	3,548
Copier Expenses		6,087	7,170
Equipment Maintenance		63	250
Insurance		6,438	6,727
Lodgement Fee		100	53
Office Amenities		404	140
Phone/Fax/Internet		9,461	14,836
Postage & Courier		1,046	566
Printing		294	147
Property Expenses		7,959	(21,000)
Resources		1,256	1,428
Stationery		1,263	1,415
Subscriptions		2,714	1,853
Website		3,108	18,070
Workshop Access		-	400
Sundry		217	1,236
Members Training		339	-
Rent		1,920	-
Re-Location Expenses		159	-
		49,724	42,732
Sydney Water Focus Groups		-	6,839
Travelling Expenses			
Travel expenses		28,413	26,993
MC Catering		2,181	1,921
Staff Travel		23,131	34,242
		53,725	63,156
		867,281	1,270,017
Loss before income tax		(77,925)	(359,157)
Loss for the year		(77,925)	(359,157)
Retained earnings at the beginning of the financial year		183,167	542,325
Retained earnings at the end of the financial year		105,242	183,168

The accompanying notes form part of these financial statements.

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	445,430	388,199
Trade and other receivables	4	35,284	121,306
Prepayments		5,964	1,817
TOTAL CURRENT ASSETS		<u>486,678</u>	<u>511,322</u>
TOTAL ASSETS		<u>486,678</u>	<u>511,322</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables		198,647	178,231
Membership Fee		29,729	35,164
Prov. Time in Lieu		23,222	-
Employee benefits	5	42,170	33,021
PAYG Withholding		5,636	5,208
Prov. for Superannuation		2,764	-
TOTAL CURRENT LIABILITIES		<u>302,168</u>	<u>251,624</u>
NON-CURRENT LIABILITIES			
Employee benefits	5	34,268	31,530
TOTAL NON-CURRENT LIABILITIES		<u>34,268</u>	<u>31,530</u>
TOTAL LIABILITIES		<u>336,436</u>	<u>283,154</u>
NET ASSETS		<u>150,242</u>	<u>228,168</u>
MEMBERS' FUNDS			
Reserves	6	45,000	45,000
Retained earnings	7	105,242	183,168
TOTAL MEMBERS' FUNDS		<u>150,242</u>	<u>228,168</u>

The accompanying notes form part of these financial statements.

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	666,073	489,014
Payments to suppliers and employees	(666,218)	(601,963)
Harwood Institute Income	194,187	269,704
Interest received	5,418	8,032
Harwood Institute	(142,228)	(521,912)
Net cash provided by (used in) operating activities	<u>57,232</u>	<u>(357,125)</u>
Net increase (decrease) in cash held	57,232	(357,125)
Cash at beginning of financial year	388,198	745,322
Cash at end of financial year	<u>3</u> <u>445,430</u>	<u>388,197</u>

The accompanying notes form part of these financial statements.

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

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

The financial statements cover Local Community Services Association as an individual entity. Local Community Services Association is a not for profit Association incorporated in New South Wales under the Associations Incorporation Act (NSW) 2009 and reporting under the Australian Charities and Not-for-profits Commission Act 2012.

The functional and presentation currency of Local Community Services Association is Australian dollars.

1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Act.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

2 Summary of Significant Accounting Policies

Accounts Receivable and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income and expenditure statement.

LOCAL COMMUNITY SERVICES ASSOCIATION

66 025 175 245

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

Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the balance sheet if the association does not have an unconditional right to defer settlement of the liability for at least one year after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

Provisions

Provisions are recognised when the association 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.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue

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

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

Accounts Payable and Other Payables

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

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

**LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245**

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

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

	2016	2015
	\$	\$
3 Cash and Cash Equivalents		
Petty Cash	200	200
CBA - Cheque Account	28,774	76,004
CSB Investment A/c Bendigo	50,849	310,357
CBA Investment Account	55,001	206
CBA - On Line Saver Account	39,723	1,432
CBA Term Deposit	250,000	-
Bank Guarantee - 52 William St	20,883	-
	445,430	388,199
4 Trade and Other Receivables		
Current		
Trade Debtors	25,096	114,004
Income Accrued	1,157	1,627
GST on Acquisitions	9,031	5,675
	35,284	121,306
5 Employee Benefits		
Current		
Provision for Annual Leave	42,170	33,021
	42,170	33,021
Non-Current		
Prov'n for Long Service Leave	34,268	31,530
	34,268	31,530
6 Reserves		
General Reserve	45,000	45,000
	45,000	45,000
7 Retained Earnings		
Retained earnings at the beginning of the financial year	183,167	542,325
Net loss attributable to the association	(77,925)	(359,157)
Retained earnings at the end of the financial year	105,242	183,168

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

STATEMENT BY MEMBERS OF THE EXECUTIVE COMMITTEE

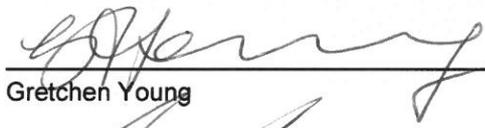
The executive committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the executive committee the financial statements as set out on pages 1 to 10:

1. Presents a true and fair view of the financial position of Local Community Services Association as at 30 June 2016 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Local Community Services Association will be able to pay its debts as and when they fall due.

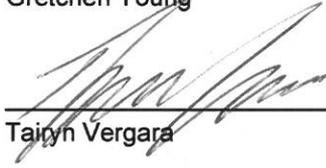
This statement is made in accordance with a resolution of the Executive Committee and is signed for and on behalf of the Executive Committee by:

President:



Gretchen Young

Treasurer:



Tairyn Vergara

Dated this day of September 2016

18th September, 2016



MEAGHER, HOWARD & WRIGHT
CERTIFIED PRACTISING ACCOUNTANTS
ABN 42 664 097 441

PARTNERS

K.J. WRIGHT J.P. M.COMM. F.C.P.A.
G. MIDDLETON B.COMM. ACA

FINANCIAL PLANNING

MARK MAYCOCK J.P.

ASSOCIATE

L.J. HOWARD O.A.M. J.P. B Ec. F.C.P.A.

Suite 505
Level 5 / 55 Grafton Street
BONDI JUNCTION NSW 2022
PO Box 653
BONDI JUNCTION NSW 1355

Phone: 02 9387 8988

Fax: 02 9387 8388

greg@mhw.net.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE LOCAL COMMUNITY SERVICES ASSOCIATION A.B.N. 66 025 175 245

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of the Local Community Services Association, which comprises the statement of financial position as at 30 June 2016, 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 responsible entities' declaration.

Responsible Entities' Responsibility for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the Associations Incorporation Act 2009. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I have 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 responsible 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 registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, 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.

Opinion

In my opinion the financial report of Counterpoint Community Services Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

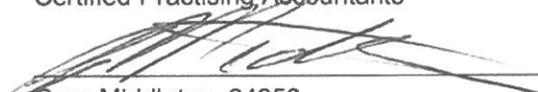
- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2016 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying my opinion, I 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 responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.

Name of Firm: Meagher Howard & Wright
Certified Practising Accountants

Name of Principal:


Greg Middleton 24953

Address: Suite 505, 55 Grafton Street BONDI JUNCTION NSW 2022

Dated this 20th day of September 2016

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
SECTOR DEVELOPMENT		
OTHER INCOME		
Grant Income		
FACS - Sector Development Program	301,054	293,711
FACS-Sector Development (ERO)	11,951	7,165
Interest Received	128	-
	313,133	300,876
EXPENSES		
Staff Salaries & Oncosts		
Wages & Salaries	208,248	203,783
Bookkeeping	7,750	7,800
Superannuation	19,011	18,497
Workers Compensation	1,163	1,450
Prov for Annual Leave	6,951	13,037
Long Service Leave	1,258	4,957
Staff Development & Training	2,793	3,746
Staff Amenities	854	228
Staff Expenses - Other	-	96
Time in Lieu Accrued	7,999	-
AGM & Conference		
Room Hire	2,861	-
AGM Expenses	884	-
Program Development & Consultants		
ANHCA	7,024	6,380
Neighbourhood Centre Week	284	-
Meetings - External	1,765	1,467
Office Expenses		
Audit Fee	828	1,000
Bank Charges	514	302
Cleaning	315	16
Computer Services & Expenses	1,146	3,283
Copier Expenses	2,506	3,585
Equipment Maintenance	63	250
Insurance	5,759	6,727
Lodgement Fee	100	53
Office Amenities	404	140
Phone/Fax/Internet	5,710	7,364
Postage & Courier	1,033	566
Printing	294	147

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Property Expenses	100	(10,500)
Resources	690	1,092
Stationery	235	869
Subscriptions	1,137	852
Website	135	-
Workshop Access	-	400
Sundry	-	156
Members Training	339	-
Rent	1,920	-
Travelling Expenses		
Travel expenses	19,365	15,380
MC Catering	2,167	1,449
Staff Travel	10,333	11,953
	<u>323,938</u>	<u>306,525</u>
NET LOSS	<u>(10,805)</u>	<u>(5,649)</u>

**LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
<hr/>		
COMMUNITYBUILDERS.NSW WEBSITE		
OTHER INCOME		
Grant Income		
FACS - communitybuilders.nsw Website	69,912	72,649
FACS-communitybuilders W-setup	-	15,165
	69,912	87,814
EXPENSES		
Staff Salaries & Oncosts		
Wages & Salaries	57,163	65,042
Superannuation	5,435	6,180
Workers Compensation	1,117	1,427
AGM & Conference		
AGM Expenses	272	-
Office Expenses		
Audit Fee	472	-
Insurance	679	-
Phone/Fax/Internet	1,132	-
Property Expenses	3,200	-
Website	443	15,165
	69,913	87,814
NET PROFIT (LOSS)	(1)	-

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
CONFERENCE		
OTHER INCOME		
Conference Income	105,391	107,847
Sponsorship	6,364	1,500
Sundry Income	1,941	1,473
	<u>113,696</u>	<u>110,820</u>
EXPENSES		
AGM & Conference		
Accommodation/Dinner	73,026	94,880
Set Up	410	2,132
Speakers	22,272	446
Travel	575	92
Travel Rural Subsidy	109	1,610
VMS Expenses	10,418	13,819
Advertising	9,698	-
Entertainment	3,000	-
Office Expenses		
Copier Expenses	1,076	-
Resources	104	-
Travelling Expenses		
Travel expenses	2,888	314
Staff Travel	2,969	-
	<u>126,545</u>	<u>113,293</u>
NET LOSS	<u>(12,849)</u>	<u>(2,473)</u>

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
MEMBERS		
OTHER INCOME		
Consulting Fees	2,500	-
Membership	49,875	53,231
Policy Income	-	4,250
Training	-	2,290
Interest Received	5,292	8,032
Sydney Water Focus Groups	-	10,000
	57,667	77,803
EXPENSES		
Staff Salaries & Oncosts		
Wages & Salaries	21,010	39,829
Bookkeeping	7,750	7,800
Superannuation	1,994	3,721
Workers Compensation	57	(313)
Prov for Annual Leave	2,198	2,586
Long Service Leave	1,480	1,573
Staff Development & Training	392	-
Staff Amenities	134	178
Staff Expenses - Other	164	-
AGM & Conference		
Speakers	109	-
AGM Expenses	341	-
Bad Debts	-	6,740
Program Development & Consultants		
ANHCA	-	1,268
Meetings - External	772	1,574
Travel - China P	287	2,851
Office Expenses		
Audit Fee	1,300	1,000
Bank Charges	6	-
Cleaning	2,240	3,228
Computer Services & Expenses	75	265
Copier Expenses	2,505	3,585
Phone/Fax/Internet	2,619	7,472
Postage & Courier	13	-
Property Expenses	4,659	(10,500)
Resources	462	336
Stationery	-	125

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Subscriptions	1,577	1,001
Website	1,960	2,905
Sundry	-	1,080
Re-Location Expenses	159	-
Sydney Water Focus Groups	-	6,839
Travelling Expenses		
Travel expenses	6,060	4,367
MC Catering	14	472
Staff Travel	9,391	13,117
	<u>69,728</u>	<u>103,099</u>
NET LOSS	<u>(12,061)</u>	<u>(25,296)</u>

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<hr/>		
HARWOOD		
OTHER INCOME		
Harwood	-	303,796
	<hr/>	<hr/>
EXPENSES		
Staff Salaries & Oncosts		
Staff Development & Training	327	-
Photography and Video	-	4,750
AGM & Conference		
Advertising	146	-
Harwood Expenses	(824)	626,020
Program Development & Consultants		
Meetings - External	-	1,617
Office Expenses		
Bank Charges	-	347
Stationery	753	421
Travelling Expenses		
Travel expenses	-	6,932
Staff Travel	176	7,779
	<hr/>	<hr/>
	578	647,866
NET LOSS	<hr/> (578) <hr/>	<hr/> (344,070) <hr/>

**LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245**

**DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	2016 \$	2015 \$
INST COMM INNOVATION & ENGAGEMENT		
OTHER INCOME		
ICIE	40,761	29,751
EXPENSES		
Staff Salaries & Oncosts		
Wages & Salaries	25,977	7,846
Superannuation	2,590	746
Workers Compensation	76	129
Prov for Annual Leave	-	734
Time in Lieu Accrued	15,223	-
Program Development & Consultants		
Meetings - External	58	572
Travel - China P	8,142	-
Office Expenses		
Website	570	-
Travelling Expenses		
Travel expenses	100	-
Staff Travel	262	1,393
	52,998	11,420
NET PROFIT (LOSS)	(12,237)	18,331

LOCAL COMMUNITY SERVICES ASSOCIATION
66 025 175 245

DEPARTMENTAL TRADING, PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
HARWOOD LAB		
OTHER INCOME		
Harwood	194,187	-
EXPENSES		
Harwood Expenses	222,880	-
Program Development & Consultants		
Meetings - External	209	-
Office Expenses		
Stationery	275	-
Sundry	217	-
	223,581	-
NET PROFIT (LOSS)	(29,394)	-