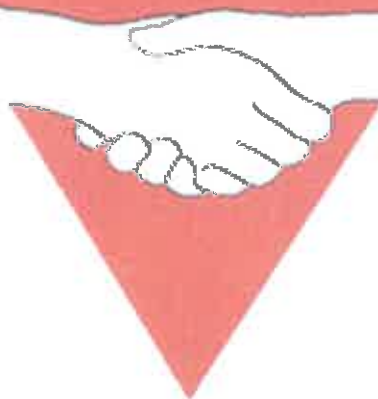


Prisoners Aid
N.S.W



Reduced Recidivism

Enhanced Rehabilitation

One Hundred and Sixteenth Annual Report of the
Prisoners Aid Association of NSW (Inc)
2016 - 2017

Our vision

Reduced Recidivism and Enhanced Rehabilitation

Our Purpose

Prisoners' Aid Association offers support to prisoners and their families during and after imprisonment. We advocate for and provide services which cater for their immediate practical needs.

We give opportunities for prisoners to improve and empower themselves so that they can maximize their individual potential and community participation

Our Values

Respect – seeing prisoners as people

Integrity – dealing honestly

Innovation – responsive to change

What we do

We provide advice and assistance to prisoners, ex prisoners and their dependents on:

- ✓ Collection, transfer and storage of property.
- ✓ Identification documents, work clothing and equipment.

BOARD:

President: Mr. Tim Laporte

Vice President: Ms Margaret Anderson

Hon. Secretary: Ms Lauren Osbich

Hon. Treasurer: Mr Shayne McKenzie (resigned 13/6/17)
Mr Frank Burke (commenced (13/6/17)

Nominees to Council: Mr Roger West
Ms Gemma Taylor (resigned 13/2/17)
Mr Ben Shields
Ms Tanya Bains (resigned 10/8/17)
Mr Frank Burke (commenced 24/1/17, Treasurer 13/6/17)
Mr Juan Gomez (commenced 19/7/17)
Mr Marty Bowen (commenced 19/9/17)

STAFF:

Manager: Mr. Craig Baird

Manager
Mates on the Move Mr Simon Emsley

Welfare Officer: Ms. Lois Dillon

PUBLIC OFFICER: Mr. Craig Baird

OFFICE: Shine For Kids Building
Silverwater Correctional Complex
Holker St
Silverwater

Telephone No: 0412430214
0434742792

MATES ON THE MOVE: Mr Simon Emsley 0431689300

POSTAL: P.O. Box 6112
Silverwater BC NSW 1811

Associations Incorporation Registration No : Y10797-21

Office of Charities Registration No : CFN15813

PRESIDENTS

1901 - 1905	The Hon. Judge Hughes, M.L.C.
1905 - 1906	The Hon. B. R. Wise, K.C., M.L.C.
1906 - 1912	Hugh Dixson Esq.
1912 - 1916	The Hon. William Robson, M.L.C.
1916 - 1924	B. H. Chapman Esq.
1924 - 1928	Orwell Phillips Esq.
1928 - 1934	The Hon. J. C. Farleigh, M.L.C.
1934 - 1936	L. M. Phillips Esq.
1936 - 1940	The Hon. Mr. Justice Boyce
1940 - 1945	D. C. Bathgate Esq.
1945 - 1963	His Hon. Judge A. E. Rainbow Q.C.
1963 - 1967	The Hon. Mr. Justice J. M. H. McClemens
1967 - 1973	K. C. Marsden. J.P., M.A.I.W.
1973 - 1978	The Rt. Rev. R. O. Hulme-Moir, A.O., C. St.J., E.D, Th.L.
1978 - 1981	His Hon. Phillip L. Head, M.B.E., Q.C.
1981 - 1997	His Hon. John F. Lincoln, A.M., Hon. L.L.D., F.A.I.W.
1997 - 2008	Ms. Joan Ellard O.A.M., B.A
2008 - 2012	Mr. John Davoren B.A, Dip Soc. Work, MS (Soc. Admin.)
2012 - 2014	Mr Roger West
2014 -	Mr Tim La Porte

LIFE MEMBERS

M. M. Pry

J. S. Burt J.P, M.A.I.W

AUDITOR

ESV

**ONE HUNDRED AND SIXTEENTH ANNUAL REPORT
OF THE PRISONERS' AID ASSOCIATION
OF NEW SOUTH WALES (INC.)
PRESENTED AT THE ANNUAL GENERAL MEETING,
LEVEL 6, 19-23 MARY STREET, SURRY HILLS,
21st NOVEMBER 2017 BY THE PRESIDENT**

Members and guests, welcome to the 117th Annual General Meeting of Prisoners' Aid.

2016-17 was the year we pushed forward on our change journey and this made for a good year for the Prisoners' Aid Association of NSW (PAA NSW) and its Social Enterprise 'Mates on the Move'.

It has been a positive year as we strengthened our relationship with core funder Corrective Services NSW (CS) with PAA NSW delivering quality services across 11 correction centres supporting 209 in remand. The investment we made in IT infrastructure has given PAA NSW staff flexibility and made us cost effective in delivering our services.

It has also been a good year for 'Mates on the Move' (MotM) our Social Enterprise which launched in November 2016. Since this date, we have finalised 3 cohorts.

Our goals in 2016/2017 were to: 1. further appoint talent to the board 2. focus on key strategic areas 3. deliver surplus on the CS contract 4. consolidate 'Mates on the Move' approach and 5. Strengthen our funding.

1. New talent has joined the board to best support PAA NSW and MotM and this has significantly increased the skills on the board and to my great delight there is strong collegial support between board members. As the President, I feel confident the board will be able to navigate through 2017/2018 to deliver viable and long-lasting strategies. I am delighted to announce the following people have joined the board:

- Frank Burke, chartered accountant and treasurer of the board
- Juan Gomez, an expert in IT
- Marty Bowen, an expert in Human Resources
- Unfortunately, Gemma Taylor, Tanya Bains have resigned from the board during the year due to work commitments as well as Shayne McKenzie due to an overseas relocation - we wish them well in their endeavours.

2. Key strategic focus for the board for 2015/2016:

- Strengthening board governance and transparency in how we operate - The board secretary Lauren Osbich has done impressive work and now all 'works and communications' from the board can be audited.
- Strengthen the relationship with CS - the quality of the conversation at the last contract meeting demonstrated the relationship with our key funder is strong.
- Safety management plan - MotM delivers a complex program and it is essential the risk assessment is continually updated for the wellbeing and safety of the staff and participants.
- Information Technology (IT) with the delivery of a new website for PAA NSW, MotM and the Social Enterprise currently being built.

3. Delivery of surplus on the CS contract:

- This has now been delivered due to a quality relationship with CS and the consistent work from Craig Baird - manager of PAA NSW.
- The next 1.5 years in the contract for PAA NSW is looking to remain in surplus and most importantly delivering quality services to a total of eleven Correctional Centres being on track.

4. Consolidation of 'Mates on the Move' approach:

- Solid relationships have been established and signed up to support MotM to deliver on the unique training program. We are confident this will continue to position MotM well within the post-release support networks to deliver on our mission of reducing recidivism.
- MotM has supported 35 participants across three cohorts, 22 have graduated, 9 have found jobs and only two participants returned to jail. The national average for the certificate three is at 22% and to date MotM average is 63%. These are very promising results.
- MotM now has a regular contract with Mirvac. One of the participant of the first cohort is now employed to deliver this contract which is 3 days a week removing recyclable waste. Other opportunities are currently being considered.

5. Funding:

- The second tranche of funding from the Ian Potter Foundation - \$50,000 - has been received as MotM has delivered on the expected criteria.
- Funding for MotM and tendering for transport work will be the number one priority for 2017/2018 for the board and PAA NSW and MotM management.

I want to place on record my sincere thanks to our two managers Craig Baird and Simon Emsley and our welfare worker Lois Dillon. In addition to the paid workers and volunteers supporting PAA NSW and MotM.

I also want to thank my Board colleagues Lauren Osbich, Margaret Anderson, Ben Shields, Frank Burke, Juan Gomez, Marty Bowen and Roger West. They have been a great source of advice and support to Craig, Simon and myself throughout this time.

Finally, the generous support of donors is also essential and in particular we would like to thank the Bewsher Foundation and the Milton Foundation.

Tim Laporte
President

Manager's Report

The 2016/17 year brought with it some consolidation as well as significant growth.

The first full financial year of the Inmate Property Service (IPS) was completed, and Mates on the Move (MotM) went into full swing with its first intake of students and the commencement of the commercial side of the enterprise. I invite you to read the service specific reports which provide greater detail on the operations of these services.

My thanks go to the many agencies and individuals who have supported the Association over the past 12 months.

The Association is privileged to have both Simon Emsley and Lois Dillon fulfilling their respective roles. Their dedication, commitment and enthusiasm have provided a significant contribution to the success of the IPS, MotM and the Association. It continues to be a pleasure to work with such professional and pragmatic colleagues who hold client and participant needs in such high regard.

My congratulations to all participants and graduates of MotM. Your success is inspirational.

The casual employees providing removalist services under the Mates on the Move banner are tireless workers. Their quality work adds to our reputation and the financial viability of MotM.

The Board, led by Tim have provided wonderful support. Board members have a diverse range of skills and have skilfully guided the Association through the past 12 months.

The next 12 months bring with it yet more significant challenges, but I am confident our combined expertise and passion will see another year full of success.

Craig Baird
Manager

Mates on the Move

Having inherited a clear brief and an existing network of potential partners for Mates on the Move from my precedent, Kate Weichmann, the task over the last year has primarily been to meet the challenge of implementation. I am happy to report that expectations for the pilot project's implementation have been exceeded on many levels.

The first cohort of program participants commenced studies on 22 November last year at premises provided at Mission Australia's Common Ground facilities, for which PAANSW is charged a peppercorn rent. These premises, and the Mission Australia staff located there, have offered the very best opportunities to develop the program. A high quality training room, an industrial kitchen, a computer room, parking and facilities to host our launch and graduation have all played an essential part in the successes enjoyed by the project to date.

At time of writing we are in the second week of our fourth cohort, with ten participants currently engaged, taking our number of program commencements since starting operations to 45. Over the last year the Mates on the Move team has worked in close conjunction with the registered training organisation Applied Training Solutions. We have established a method of delivery which has produced consistently good outcomes via a safe and supportive environment devoid of mishaps.

Our existing safety management approach has allowed MotM to engage program participants in 400 hours of work experience and 20 program graduates to undertake paid 1000 hours of paid work, all without injury or major incident.

While delivering a safe learning and working environment the program and its participants have achieved much. At the time of the 23 October graduation we were in a position to report to the Minister of Corrections, the Hon. David Elliot and distinguished audience in attendance that:

Of the 35 signing up for one of the three programs since November 2016:

- 22 have graduated with a Certificate III in Warehouse Operations.
- 19 have graduated with a Certificate II (part qualification) in Furniture Removals (from 26 starting)
- 29 have obtained a Blue Card.
- 7 have obtained a forklift licence.

The Mates on the Move program can claim a part in the success of its participants on many levels.

The completion rate of the Certificate III course (63%) is nearly 3 times the national average completion rate (22%) for similar courses, making a small class size viable for the registered training organisation, Applied Training Solutions.

Of the 14 graduating from the first two cohorts, 9 are now employed. Two men who were sleeping rough while undertaking the course have now found stable and affordable accommodation. Another has moved from a boarding house into permanent social housing. Many participants have mended broken ties with old friends and family members.

The Mates on the Move social enterprise had since January provided over 400 hours of work experience, 993 hours of paid work for a total value of \$26,009.

Work development orders administered by Mates on the Move have reduced participants' fines by a total of over \$12,000.

The trading revenue for the social enterprise has grown rapidly over the first 10 months of operation and is expected to represent 45% of the project expenses overall (not including costs to Applied Training Solutions) over 2017-18.

Mates on the Move knows of only two program participants who have returned to custody since graduating: one for a new offence and another for a breach of parole.

Diversification

As a pilot program with an entrepreneurial ethos, Mates on the Move has been required to take advantage of opportunities as they have arisen. The incorporation of a regular recycling collection for properties administered by Mirvac Real Estate Pty Ltd from 17 May has dramatically expanded the capacity of the social enterprise to provide employment for workers and revenue for the organisation. The recycling collection, currently running three days a week, is on track to expand to 5 days in the next month.

Mens Shed activity

MotM was successful in obtaining a Clubs Grant of \$7,600 from West Ashfield to establish a Men's Shed. The Shed activity has been operating one day a week since September and will provide a venue over the next year

for program graduates who have yet to find work stay in touch while developing creative projects.

Ian Potter Grant mid-term report

MotM met the requirements of the Ian Potter Grant, the payment of the tranche for the second year of \$50,000 being received in August.

The funding challenges

The level of philanthropic support for MotM envisaged by the business plan of 2016 has not been realised. This funding gap has been taken up by Prisoners Aid Association NSW Inc. but is unsustainable. A variety of public relations efforts and direct communications have been initiated to address this issue and have, of necessity, taken priority. These initiatives include:

- The continuing use of graduations to promote the successes of the program;
- The production of a promotional video by Amy Browne and Associates, which is being used to support representations to corporate bodies;
- The regular circulation of a newsletter;
- The creation of a Mates on the Move cycling team which entered and completed the MS Gong Ride on 5 November.

With these resources, the continuing assistance of my able colleagues Lois and Craig, the good will and potential of those attracted to participate in the Mates on the Move program, I am confident this last hurdle will be effectively met over the coming year.

Simon Emsley
Manager, Mates on the Move

Inmate Property Service (IPS)

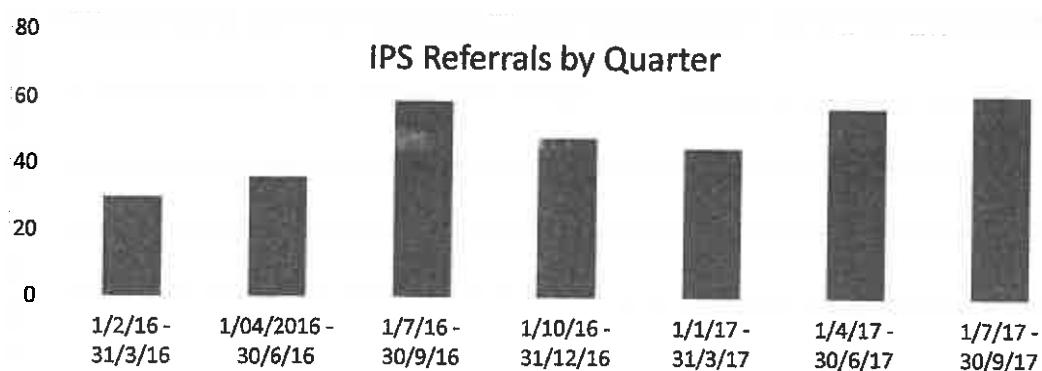
Inmate property services restarted in February of 2016. Funding is now provided on a fee for service basis under contract to Corrective Services N.S.W.

The restarting of the service under both a different funding and referral model has posed significant challenges. We are appreciative of the support of Corrective Services NSW (Partnerships and Community Engagement) in assisting with publicity materials within correctional centres to alert inmates to the existence and eligibility criteria for the IPS. We enjoy a positive relationship with services and programs staff within all correctional centres which assists with the assessment and referral of appropriate inmates.

We maintain strong relationships with NSW Police, Australian Federal Police, emergency accommodation providers and social housing providers. We thank all these agencies for their cooperation which allows for the collection and safe storage of property items for inmates with no other person that can assist.

Whilst referral numbers have not reached the levels identified in the tender document the trend is increasing. We received 209 referrals during the 16/17 financial year and currently store property for over 300 inmates. As we continue to invest in additional publicity and knowledge of the service continues to increase we predict referrals will continue to steadily increase.

It was pleasing to see the IPS record a surplus from a financial perspective but of far more importance is the difference it makes to people both entering and leaving a correctional centre. Many may not understand the importance of such a service. Collection and safe keeping of an inmate's property provides peace of mind to a new inmate. The return of the items such as clothing, electrical goods, tools of trade and identification on release is beneficial from a practical perspective. The return of items such as family photos and keepsakes assist from an emotional perspective to a person's successful return to the community.



Prisoners' Aid Association of New South Wales Inc

ABN 25756574465

Special Purpose Financial Statements

Year Ending 30 June 2017

Prisoners' Aid Association of New South Wales Inc
Officers' report
30 June 2017

The officers present their report, together with the financial statements, on the incorporated association for the year ended 30 June 2017.

Officers

The following persons were officers of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Tim Laporte
Margaret Anderson
Lauren Osbich
Shayne McKenzie (resigned 13 June 2017)
Frank Burke (appointed 24 January 2017)

Committee members

The following persons were committee members of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ben Shields
Tanya Bains (appointed 4 October 2016; resigned 10 August 2017)
Gemma Taylor (appointed 21 October 2016; resigned 13 February 2017)
Juan Gomez (appointed 19 July 2017)
Marty Bowen (appointed 29 September 2017)

Objectives

The objective of the incorporated association is to provide quality services to both people held in NSW correctional centres and those returning to the community.
Provision of quality services will result in enhancing the opportunities for people returning to the community to not re-offend.

Strategy for achieving the objectives

The incorporated association currently provides property services under contract to Corrective Services NSW. We receive valuable support from the Ian Potter Foundation and Wests Leagues in providing training and work experience opportunities. We aim to increase the level of private and public sector support to ensure the viability of our Mates on the Move project.

Principal activities

During the financial year the Association conducted 2 principal activities:

Inmate Property Services – collection, storage and return of property for inmates held in New South Wales correctional centres.

Mates on the Move – A social enterprise providing people returning to the community with training, qualifications and work experience.

The fundraising activities of the incorporated association are critical to sustainability of our services.

Performance measures

The incorporated association measures its performance in terms of services provided to its client group and its ability to sustain and scale these services with the support of fundraising activities.

Prisoners' Aid Association of New South Wales Inc
Officers' report
30 June 2017

On behalf of the officers



Tim Laporte
President

19 November 2017
Sydney

Prisoners' Aid Association of New South Wales Inc
Contents
30 June 2017

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General information

The financial statements cover the Prisoners Aid Association of New South Wales (Inc) as an individual entity. The financial statements are presented in Australian dollars, which is the Prisoners Aid Association of New South Wales (Inc) functional and presentation currency.

The Prisoners Aid Association of New South Wales (Inc) is a not-for-profit incorporated association, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Silverwater Correctional Complex
Holker St
Silverwater 2118

Principal place of business

Silverwater Correctional Complex
Holker St
Silverwater 2118

A description of the nature of the incorporated association's operations and its principal activities are included in the officers' report, which is not part of the financial statements.

The financial statements were authorised for issue on 20 November 2017.

Prisoners' Aid Association of New South Wales Inc
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Revenue	3	345,013	264,793
Expenses	4		
Inmate Property Service (Corrective Services NSW)		(131,177)	(92,605)
Metropolitan Inmate Pre Release Property Service (Corrective Services NSW)		(-)	(184,060)
Mates on the Move – Course and Business Expenses		(139,374)	(-)
Participant and General Client Assistance		(10,325)	(2,162)
Other expenses		(-)	(9,772)
		<hr/>	<hr/>
Surplus / (Deficit) before income tax expense		64,137	(23,806)
Income tax expense		<hr/>	<hr/>
Surplus / (Deficit) after income tax expense for the year		64,137	(23,806)
Other comprehensive income for the year, net of tax		<hr/>	<hr/>
Total comprehensive income for the year		64,137	(23,806)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Prisoners' Aid Association of New South Wales Inc
Statement of financial position
As at 30 June 2017

	Note	2017	2016
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	263,554	358,876
Trade and other receivables	6	37,014	19,546
Other Assets		3,036	3,036
Total current assets		<u>303,604</u>	<u>381,458</u>
Non-current assets			
Investments IAG		7,019	7,019
Property, plant and equipment		12,539	16,359
Total non-current assets		<u>19,558</u>	<u>23,378</u>
Total assets		<u>323,162</u>	<u>404,836</u>
Liabilities			
Current liabilities			
Trade and other payables	7	24,609	18,032
Employee benefits		68,275	91,301
Other		(-)	129,361
Total current liabilities		<u>92,844</u>	<u>238,694</u>
Non-current liabilities			
Employee benefits		(-)	(-)
Total non-current liabilities		<u>(-)</u>	<u>(-)</u>
Total liabilities		<u>92,844</u>	<u>238,694</u>
Net assets		<u>230,279</u>	<u>166,142</u>
Equity			
Retained Earnings		230,279	166,142
Total equity		<u>230,279</u>	<u>166,142</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Prisoners' Aid Association of New South Wales Inc
Statement of changes in equity
For the year ended 30 June 2017

	Retained Earnings \$	Total equity \$
Balance at 1 July 2015	189,948	189,948
Surplus / (Deficit) after income tax expense for the year	(23,806)	(23,806)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>(23,806)</u>	<u>(23,806)</u>
Balance at 30 June 2016	<u>166,142</u>	<u>166,142</u>
	Retained Earnings \$	Total equity \$
Balance at 1 July 2016	166,142	166,142
Surplus / (Deficit) after income tax expense for the year	64,137	64,137
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	<u>64,137</u>	<u>64,137</u>
Balance at 30 June 2017	<u>230,279</u>	<u>230,279</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Prisoners' Aid Association of New South Wales Inc
Notes to the financial statements
30 June 2017

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

In the officers' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations. The officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of Pinnacle Incorporated Association Special Purpose.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Change in accounting policy

During the year the incorporated association changed its accounting policy in relation to the recognition of unvested sick leave provision and bequests received to ensure that its financial statements comply with Australian Accounting Standards. The impact to the financial statements for the year 30 June 2017 in relation to sick leave was a reduction in expenses of \$34,239 and a corresponding reduction in provision. The bequests received amounting to \$81,965 as at 30 June 2017, which do not carry any performance obligations were recognised as revenue with a corresponding decrease in provision. The effect of the change is an increase in total comprehensive income and retained earnings of \$116,204.

Revenue recognition

Revenue is recognised 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.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Prisoners' Aid Association of New South Wales Inc
Notes to the financial statements
30 June 2017

Note 1. Significant accounting policies (continued)

Income tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised 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 purpose 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 of 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.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor vehicles	5-7 years
Office equipment	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Prisoners' Aid Association of New South Wales Inc
Notes to the financial statements
30 June 2017

Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2017. The incorporated association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Prisoners' Aid Association of New South Wales Inc
Notes to the financial statements
30 June 2017

Note 3. Revenue

	2017	2016
	\$	\$
<i>Sales revenue</i>		
Inmate Property Service (Corrective Services N.S.W)	169,905	72,257
Metropolitan Inmate Pre Release Property Service (Corrective Services N.S.W)	-	173,798
Mates on the Move	21,838	-
	<u>191,743</u>	<u>246,055</u>
<i>Other revenue</i>		
Bequests	86,966	-
Donations	13,550	16,599
Grants	50,000	-
Interest / Dividends / Other	2,754	2,139
	<u>153,270</u>	<u>18,738</u>
Revenue	<u>345,013</u>	<u>264,793</u>

Note 4. Expenses

	2017	2016
	\$	\$
Surplus / (Deficit) before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Buildings	-	-
Freehold improvements	-	-
Plant and equipment	-	-
Motor vehicles	4,477	6,397
Office equipment	540	4,572
Total depreciation	<u>5,017</u>	<u>10,969</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	20,330	14,062

Note 5. Current assets - cash and cash equivalents

	2017	2016
	\$	\$
Cash on hand	500	750
Cash at bank	263,054	358,126
Cash on deposit	-	-
	<u>263,554</u>	<u>358,876</u>

Prisoners' Aid Association of New South Wales Inc
Notes to the financial statements
30 June 2017

Note 6. Current assets - trade and other receivables

	2017	2016
	\$	\$
Other receivables	37,014	19,546
BAS receivable	-	-
	<u>37,014</u>	<u>19,546</u>

Note 7. Current liabilities - trade and other payables

	2017	2016
	\$	\$
Trade payables	23,920	17,343
BAS payable	-	-
Other payables	689	689
	<u>24,609</u>	<u>18,032</u>

Note 8. Contingent liabilities

The incorporated association had no contingent liabilities as at 30 June 2017 and 30 June 2016.

Note 9. Commitments

The incorporated association had no commitments for expenditure as at 30 June 2017 and 30 June 2016.

Note 10. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 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.

Prisoners' Aid Association of New South Wales Inc
Officers' declaration
30 June 2017

In the officers' opinion:

- the Incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations;
- the attached financial statements and notes comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Incorporated association's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the officers



Tim Laporte
President

19 November 2017
Sydney



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PRISONERS' AID ASSOCIATION OF NSW INC

Opinion

We have audited the financial report, being a special purpose financial report of Prisoners' Aid Association of New South Wales Inc (the 'Association'), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity for the year ended, and notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report is in accordance with the Associations Incorporations Act 2009 (NSW), including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, the Associations Incorporations Act 2009 (NSW) and Division 60 of the Australian Charities and Not-for-Profits Commission Regulations 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the ethical requirements of the of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – basis of accounting

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 directors' financial reporting responsibilities under the Associations Incorporations Act 2009 (NSW) and the Australian Charities and Not-for-profits Commission Act 2012 and the Association's rules of association. As a result, the financial report may not be suitable for another purpose.

Responsibilities of the directors for the financial report

The directors of the Association 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 Associations Incorporations Act 2009 (NSW) and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors 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.

In preparing the financial report, the directors are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF PRISONERS AID ASSOCIATION OF NSW INC

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. This description forms part of our auditor's report.

Dated at Sydney on the 21st of November 2017



ESV Accounting and Business Advisors



Tim Valtwies
Partner



DISCLAIMER OF ADDITIONAL FINANCIAL INFORMATION

The additional financial data presented on the following page is in accordance with the books and records of Prisoners' Aid Association of New South Wales Inc (the "Association") which have been subjected to auditing procedures applied in the audit of the Association for the year ended 30 June 2017. It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. The data is presented solely for the purpose of satisfying the information needs of grant authorities and it not to be used for any other purpose or to be distributed to any other party. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person other than the aforementioned company in respect of such data, including any errors or omissions therein, however caused.

Dated at Sydney the 21 day of November 2017

A handwritten signature in black ink, appearing to be 'ESV' with a checkmark-like flourish at the end.

ESV Accounting and Business Advisors

Prisoners' Aid Association of New South Wales Inc
Supplementary Information

Mates on the Move

	<u>16/17</u>	<u>15/16</u>
Course Income		
Interest	1,377	0
Donations	98,645	0
Total Course Income	100,022	0
Course Expenditure		
Support staff wages	77,133	0
Direct participant assistance	8,454	0
External Course Presenters	1,736	0
Functions	1,114	0
Other	0	0
Total Course Expenditure	88,437	0
Course Surplus / (Deficit)	11,585	0
Social Enterprise Income		
Fee for service	21,838	0
Ian Potter Foundation Grant	50,000	0
Total Social Enterprise Income	71,838	0
Social Enterprise Expenditure		
Management wages and employee entitlements	37,064	0
Graduate wages and superannuation	7,645	0
Workers Compensation	2,007	0
Staff Training	1,091	0
Truck Hire	4,420	0
General Insurance	1,200	0
Removalist Equipment	1,943	0
Telephone	1,172	0
Fuel and Travel	736	0
Printing and Stationery	615	0
Computer Software	351	0
Depreciation	236	0
Other	911	0
Total Social Enterprise Expenditure	59,391	0
Social Enterprise Surplus / Deficit	12,447	0
Mates on the Move Overall Surplus / (Deficit)	24,032	0

Prisoners' Aid Association of New South Wales Inc
Supplementary Information

Inmate Property Services

	<u>16/17</u>	<u>15/16</u>
Income		
Inmate Property Service (CSNSW)	169,905	72,257
Metropolitan Inmate Pre Release Property Service (CSNSW)	0	173,798
Interest	1,377	1,577
Donations and Subscriptions	0	16,600
Dividends	0	561
Total Property Services Income	171,282	264,793
Operational Expenses		
Client Assistance	0	2,161
Depreciation	4,781	10,969
General Expenses	1,025	709
Computer Software	1,633	1,151
Website	36	570
Software set up	2,376	11,194
Software Annual Licence Fee	635	635
Cloud Services Fee	2,256	1,440
Shelving Relocation	737	0
Office Relocation	0	5,934
Insurance	2,535	3,650
Wages	108,779	143,245
Superannuation	10,779	14,062
Workers Compensation	2,175	3,377
Employee Provisions	(23,482)	12,273
Other Employment Expenses	0	36
Cleaning	0	3,562
Alarm/Security	0	519
Property Costs	846	798
Audit Fee	1,317	1,332
Rent	0	49,210
Electricity	0	1,395
Telephone/ Internet	1,371	4,576
General Office Supplies	909	1,121
Motor Vehicle	11,287	13,508
Subscriptions	1,182	1,172
Total Property Services Expenditure	131,177	288,599
Property Services Surplus / (Deficit)	40,105	(23,806)