

TOGETHER

WE

REALISE

OUR

FULL

POTENTIAL

CONTENTS

02

Who We Are

04

Our Philosophy
and Focus

06

The Board
of Directors

10

Volunteers, Life
Members and
Locations

08

CEO and
Chairman Report

12

Our Services
Snapshot

14

Lifeskills Plus

18

Employment
Services - DES

26

Training and
Development
Services

22

Employment
Services - ADE

28

Corporate
Services

32

Financial
Report

At Intework, we believe that by working together, everyone can achieve their full potential. We believe that everyone should have the opportunity to pursue their goals and lead the life they wish to live. We are committed to supporting both our participants and staff to identify, define and chase their passions and dreams.

In 2016, we undertook a series of focus groups where Intework employees had the opportunity to discuss what they feel makes Intework, Intework. The most common theme that arose from these sessions was the belief that it is our people who set us apart from other organisations – our participants, our staff, our executives, our volunteers. We are all One Intework.

Based on this realisation, we selected our new vision statement -
“Together we realise our full potential.”

By working together under the same set of values and beliefs, we can and will continue to empower everyone involved with our organisation to deliver and achieve their aspirations and goals.

One focus. One culture. One community. One Intework.

Together we
realise our
full potential



Who We Are

At Intework, we understand that people with disabilities are individuals deserving of flexible and personalised support.

We strive to deliver holistic, bespoke programs that will best meet the needs of the people engaged with our organisation.

Since our beginning in 1991 we have continued to expand upon our range of services. Today we provide a full range of employment and life skills programs, including Lifeskills Plus (alternatives to employment and recreation), Disability Employment Services (DES; Open Employment), Australian Disability Enterprise (ADE; Supported Employment), Respite Services and a specialised Training and Development Service. Our suite of programs gives our participants the opportunity to try different options and identify what best meets their current needs.

We are based in Western Australia with offices located in Balcatta, Busselton, Greenfields, Gosnells, Joondalup, Midland, Rockingham, South Lake and Welshpool. We are continuing to expand across the metropolitan area and in the South West.

Our distinct, individual approach has helped us become one of the State's premier disability service providers. With the introduction of the NDIS, as well as the support provided to our participant's development of independence day to day, we offer ongoing work experience opportunities, employment assistance planning, career development, independent transport assistance, supported employment opportunities and respite for carers of people with disability or mental health concerns. We believe that by offering a broad range of support we are able to empower people to move towards greater independence.

Our Vision

Together we realise our full potential

Our Purpose

Empowering people with a disability to achieve their potential and participate in the economic, social and cultural life of their community

Our Values

Innovation: We strive to be innovative to achieve positive outcomes for our participants.

Independence: We empower participants to achieve greater independence through quality services and flexible support.

Courage: We are committed to making bold, informed decisions. Being courageous helps create a bright and fulfilling future for our participants.

Respect: We encourage and celebrate the unique abilities of all our participants and employees.

Passion: We believe success stems from knowing that anything is possible. We deliver on our promises.

THE BOARD OF DIRECTORS

Board Chairman, Nicolle Jenkins

BComms Exec MBA MMR MAMI CPM

Nicolle is the Managing Director of The Hub Marketing Communications, and has spent more than two decades in the marketing and communications industry throughout Australia, including many years in the not-for-profit sector.

Nicolle also chairs the Small Enterprise Network and sits on the Chamber of Commerce and Industry General Council. In 2011, Nicolle was selected as a finalist in the Telstra Business Woman of the Year awards (business owner), and was a 40Under40 award winner. Nicolle is a member of the Australian Institute of Company Directors, and accepted the role of Intework Chairman in October 2014.

Finance and Audit Committee Chairman, Paul Finkelstein

CPA

Paul is a Certified Practising Accountant and a Senior Consultant in Finkelstein Hickmott Pty Ltd, Certified Practising Accountants. Paul was a Principal in his own practice for over 30 years, and during that time was involved with general business consultancy, and the set up and development of a number of service-related businesses. In recent years he has focused more on the areas of general business consulting and business management. Paul is married and has two sons, one of whom enjoys the experiences offered by Intework.

Deputy Chairman, Richard Bevan

BAppSc (Physio)

Richard graduated as a Physiotherapist from Curtin University, before he moved into the corporate arena. For the past 15 years Richard has fulfilled a number of roles as a Managing Director/CEO of public and private companies. Richard is the Managing Director of Cassini Resources Ltd, an ASX-listed resources company, and a Non-Executive Director of Empired Limited. He is a member of the Australian Institute of Company Directors and was appointed to the Board of Intework in 2011, where he held the position of Chairman from April 2012 to October 2014.

Governance and Risk Committee Chairman, Simon Rear

LLB BA GradDipAppFin (Sec Inst)

Simon Rear is a Corporate Partner at Squire Patton Boggs in Perth. He has expertise in corporate advisory, private and public M&A and equity capital markets in both Australia and the UK.

Simon is a senior advisor with experience in takeovers, schemes of arrangement and private mergers and acquisitions transactions, on a number of fundraisings including IPOs, rights issues and placements acting for both issuers and underwriters. Simon is also an expert in corporate governance and regularly presents on corporate governance issues including at the Governance Institute.

Zenith Zeeman

Bscience (Nursing)

Zenith Zeeman is General Manager of Residential Care at Amana Living and a registered Mental Health and General Nurse with a BScience (Nursing). Zenith has extensive experience in the area of mental health and Aged Care, having held a number of senior clinical and executive roles in the Public Sector. In his current role, he has implemented a number of key initiatives including a clinical governance framework and is leading the strategic reform of the organisation's residential care vision. Zenith has a Masters of Business Administration and is a member of the Australian Institute of Company Directors.

Trudi Chesterton

BComm MBA CA

Trudi is a Chartered Accountant with a Commerce Degree from the Australian National University, and an MBA from Deakin University. She has over 20 years of international, commercial, financial and operational experience gained across a number of industries and businesses from both the public and private sectors. Trudi began her career in one of the 'big four' Chartered Accounting firms, and since that time has worked in senior executive roles within the utilities, mining resources and recruitment, and employment services industries. Trudi is currently the Regional Operations Manager for Blackwoods, a division of Wesfarmers Industrial and Safety.

David Endersby

JP GAICD CAHRI

David Endersby is Managing Director of The Human HeRd and has extensive experience in senior management and business development skills having worked for more than two decades in the finance, human resources, manufacturing, hospitality and association sectors. David also brings strong advocacy skills having worked with Federal, State and Local Governments on a wide range of issues centred on the delivery of sustainable business and social outcomes. David is a Graduate of the Australian Institute of Company Directors and is a Certified Professional with the Australian Human Resource Institute.

Melanie Kiely (resigned August 2016)

BBusSci (Hons) GAICD

Melanie Kiely is an experienced executive and Company Director, with over 25 years of experience in health care, financial services and consulting in Australia, Europe and South Africa. Her prior experience includes roles as the Executive General Manager Strategy, Risk and HealthGuard at HBF Health Fund, Chief Operating and Technology Officer at NIB Health Funds, the Group Executive Strategy and New Business Development at MBF, and a Partner in the Health and Financial Services practice at Accenture. She has also held a number of Board positions in the financial services and health sectors, and is currently on the Boards of the Black Dog Institute and Intework. Melanie has an Honours Degree in Business Science from the University of Cape Town and is a Graduate of the Institute of Company Directors.



CEO Report



As the disability sector changes, it's healthy to reflect on where we have been and how we will move forward together. It's always worthwhile to reflect on how Intework is different as the sector grows with new entrants.

At Intework, we are strong advocates of the concepts coined by Dr Wolf Wolfensberger. He was a world-renowned disabilities advocate who influenced social policy around the world to improve the lives of people with disabilities.

At the heart of his theories was the belief that the normal conditions of life should be available to people with disability, which includes education, exercise, work, recreation, housing and freedom of speech.

Our commitment to these values and ideas is what makes us a leader and advocate for change in the Australian disability sector.

At its core, Intework's difference is our collective mind-set built from more than 25 years of experience. It's our principles of why we are here and how those beliefs shape the development and delivery of our services.

It's about being courageous to challenge ourselves to always do better. To be bold enough to disrupt the norm. To be open to change, so we can clearly see the opportunities.

In essence, we don't believe in a standard approach. It's the lives of our participants and our team that lead our decisions – and that is because we have more than two decades of experience to draw upon.

We will hold firm on the value our quality and expertise has over other models of service delivery, because this is about the lives of our participants. This is about providing meaningful opportunities for our participants, no matter what that looks like.

Our participants are out in the community, contributing to the economic welfare of themselves and society around them. That's why we do what we do. It's about being in the community, assisting our participants achieve their individual goals, whatever they may be.

We are not here to 'care' for people with a disability. We are here to empower. To help challenge and achieve their goals, because when they reach them, we celebrate too.

Our promise is that we will continually strive to get this right – as long as it's for the betterment of our participants.

To do this, investing in the Intework team is important. We know our team are at the forefront of delivering our reason for being. This is why we have one of the most comprehensive in house training and development areas in the disability sector. So much so we train other disability organisations.

Proudly, we are uncompromising in these principles.

This philosophy drives what makes us distinct, and our participants and their families feel and experience it each day.

That's what more than two decades of experience delivers. Strength now to get it right and strength in the future to be innovative and thrive for our participants.

That's what you get with Intework – leadership.

Because at the end of the day, it's about embracing the diversity of humanity. That's really why we exist.

My sincere appreciation goes to the Board and Management of Intework who enable the vision to be realised and embrace the future with excitement and courage.

Fiona Beermier
CEO

Chairman Report



25 years ago a group of passionate committed parents wanted to create employment opportunities for their children and others who needed support. While the organisation has grown and evolved in the last 25 years, the same core values derived from that first group of parents' still drives the Intework team.

At the heart of this approach, is the Board's focus in building a sustainable organisation that leads the way within an evolving disability sector. Our participants and their families and carers are at the forefront of our organisation and decision-making.

Today, with a team of more than 650 and 1,000 participants; Intework is one of Western Australia's largest registered disability organisations.

Leadership requires courage, innovation and commitment from our whole team. The significant changes currently occurring within the sector mean that we must continue to challenge ourselves, to go beyond the obvious organisation adjustments.

There is significant pressure on disability organisations to become more efficient without compromising on service delivery, as we are expected to do more with less funding.

Many of Intework's services have had no funding increase and yet the cost of performing these important services continues

to increase annually. This potentially affects every single participant, family and carer in the disability sector.

It means the Government imposed cost of running a disability organisation is increasing, whilst Government funding is flat lining. In many cases it now costs more to deliver a service than the funding received.

We are not alone in this concern. This imbalance is fundamentally not sustainable for any organisation. Yet, we refuse to compromise our quality services.

On your behalf, we are working closely with the National Disability Service (NDS), our peak body and with State and Federal Ministers and Senators, to strongly advocate for a sensible and reasonable approach to funding. To ensure the increase and timing aligns so organisations and participants are not short-changed.

WA has a mature disability service that meets the unique requirements of this state. At the time of writing this report, negotiations continue regarding the WA NDIS transition. We are advocating strongly for a bespoke model with local governance. For WA NDIS to be successful we need to have local decision making, as close to where the people need it the most – in WA.

We encourage Government to get this right with a sense of urgency, to ensure all disability organisations can continue to operate soundly.

On a personal note, I would like to thank my fellow Board Directors for their insight and support. It's a pleasure to work with each and every one of you.

I am also proud of the Intework Executive and team under the leadership of our CEO, Fiona. They continue to face change every day with unwavering enthusiasm and energy.

To be proud of where we work, and what we do, is a powerful thing.

Nicolle Jenkins
Board Chairman



Volunteers

Volunteers are invaluable members of our team. Intework volunteers assist staff with activities for participants out in the community, transport participants to and from their homes to our offices or their activities, assist with on the job training and provide administrative support to all areas of our business.

We would like to say a sincere thank you to everyone who volunteered with our organisation in 2015-16 and we hope to see you again in the next twelve months.

Life Members

Honorary Life Membership is the highest honour Intework can bestow on an individual, and is done so in recognition of those who have made an outstanding contribution to the organisation. The significant service and contributions have been made by individuals in terms of time, effort and commitment to Intework over a significant period of years.

Intework's Honorary Life Members are:

Carol Rowling
 Charlie Rook (OAM) – deceased
 Eve Lucas
 Leslie Ryle
 Di Rook (nee Shepherd)
 Mike Donnelly



Locations

Intework service provision key:

- Lifeskills Plus
- Respite Services
- Training and Development Services
- Australian Disability Enterprise
- Disability Employment Service
- Holiday Program
- Aboriginal Engagement Program
- Corporate Services



OUR SERVICES SNAPSHOT

■ Australian Disability Enterprise

ADE is a commercial operation with more than 20 years' experience in servicing businesses and providing employment opportunities for people with disability in supported work environments. We offer ongoing work experience opportunities, employment assistance planning, career development, independent transport assistance and much more to help supported employees progress towards work goals, gain self-confidence and achieve financial independence. We hold contracts for the provision of services to a large number of local and State Government agencies, alongside a significant number of private enterprises.

■ Disability Employment Service

Our DES program provides a high quality service that assists people with a disability, mental health concerns or workplace barriers to gain long term employment in the open labour market. Our personalised and ongoing support to both employees and employers is second-to-none, ensuring positive outcomes for both parties. The uncapped program is funded through the Department of Social Security (DSS) and has been operational since 2005.

■ Lifeskills Plus

Intework's Lifeskills Plus program supports people with a disability to become more independent in everyday life. We provide support in relation to skills development, community engagement and planning for the future. We work closely with our participants and their support networks to develop an individualised program that will best meet their individual needs and goals.

■ Respite Services

Respite Services is a Federally funded program that provides a flexible, individualised service to people supporting those with mental health concerns, autism or an intellectual disability. The service allows carers to take a break from their care giving role – we support people to maintain their own health and wellbeing and thus continue to provide the best possible care to the person they care for. We can provide support for any occasion, from needing a break to attending appointments, and are also available in emergencies or unplanned events.

■ Training and Development Services

Intework's Training and Development Service consists of a team of professionals who develop, design and deliver high quality training to all members of the community. Our contemporary and comprehensive courses cover the essential tools and skills for working within the disability sector, in addition to skills training that is transferrable across many sectors. We have also developed courses specifically tailored to people with disabilities or mental health barriers.



Lifeskills Plus

The 2015 – 2016 financial year has been challenging as the Lifeskills program continued to operate under three funding models. Whilst there is yet to be a unilateral agreement between the Western Australian and Federal Government of the NDIS model in WA, Intework has been closely involved in consultation about how the scheme will be structured and has also provided feedback through engagement in workshops with the peak body, National Disability Services and conversations with Government ministers, the National Disability Insurance Agency and the Disability Services Commission.

On the 1st July, the WA NDIS Trial was introduced into the Cockburn Kwinana region with the official opening of the new Disability Services Commission office in Kwinana. Dignitaries were entertained by participants from our Gosnells Lifeskills choir who sang a composition of Australian bush songs. Whilst the Rockingham Lifeskills program got to grips with new participants and differences in planning, our Busselton program assisted them through the changes with their invaluable experience, having been in the 'My Way' Trial for over 2 years. Midland Lifeskills embarked on their second year of the NDIS trial in the Perth Hills with an increase of participants looking for assistance to facilitate them with coordinating their supports.

At the end of the financial year the Lifeskills program recorded increases in its participant numbers entering into the NDIS Trial sites with an increase to 16% into the 'My Way' Trial, 4% increase to 11% in the NDIS Perth Hills trial and a reduction of 5% in traditionally funded participants that equates to 73%. Whilst Rockingham saw expansion in participant numbers due to the 'My Way' trial, Busselton saw a reduction as some participants chose to self-manage their funding.

During the year the Busselton and Rockingham Lifeskills program underwent external auditing against the Disability Service Standards from independent evaluators contracted by DSC. Not only did we meet all audit requirements, we received very positive feedback about our employees and their commitment to working with individuals to develop their own interests and capacities. Our flexibility in empowering individuals

in developing their own program was also commended, particularly the support we provided several individuals in starting their own small businesses.

Our participants and staff were involved in a number of rewarding activities and events this year. A number of our participants completed 7 weeks of cooking with the Jamie Oliver Food Truck initiative and several staff and participants participated in ProjectAble where they shared the benefits of working in the disability sector with local high school student. One of our participants was very proud to be invited to speak at the Youth Affairs Council WA Conference held at the Crown Casino in Burswood.

The next twelve months will be an exciting and busy time. While we assist participants to transition over to individualised funding plans, we will also be increasing our involvement with schools and supporting the NDIS Employment project which will work with student's year 10 and up.

We have secured new premises for our Midland Lifeskills program which will provide better facilities for our existing participants and increase opportunities to deliver services in the Midland area. In anticipation of the expanded trial sites for NDIS and NDIS WA we will also be looking at co-location with 360 Primary Health in Pinjarra.

With the Government committed to a full NDIS transition by the 1st July 2017, Lifeskills staff will be focussed on supporting current participants in transferring their funding plans over to the individualised model.



Ministry of Food participants cook up a storm

In May this year, eight of our participants from Balcatta and Joondalup were lucky enough to gain a spot in the Ministry of Food cooking course. This seven-week course is part of Jamie Oliver's food revolution initiative and is designed to promote simple, healthy living options that are achievable for everyone.

Delivered in partnership with ECU Joondalup and Woolworths, attendees had the opportunity to learn a variety of simple, healthy and tasty recipes that are easy to replicate at home and make for their family and friends.

Lifeskills participants attended the classes alongside other members of the community, and cooked meals such as eggs on toast, tasty pasta dishes and homemade pizza. In the last week they even tackled a full roast chicken which was a delicious success.

All the participants had a great time, and were excited to be part of a worldwide program. They learnt a lot and whilst they didn't meet Jamie himself, they did enjoy a personalised TV message from him during the course, and learnt many new skills.

Intework would like to send a big thankyou to the staff at Ministry of Food, who made our experience extremely positive. A couple of our participants enjoyed themselves so much that they are hoping to return to the kitchen next time it runs as a volunteer to help out during classes.

“ Intework has changed our lives

Mindy Dalton is a long term participant of the Gosnells Lifeskills Program. For many years, Mindy has struggled with compulsive behaviours that make her want to collect and possess items in her near vicinity. This has been particularly challenging at home with her family, resulting in her parents needing to supervise Mindy when she spends time in any of the family bedrooms. This has been a reoccurring issue for the last 25 years.

One of our skills trainers, Alison McCarthy has been working with Mindy for some time now and together they have developed tactics to make Mindy feel more relaxed. Alison has been supporting Mindy to take more risks, change routine and push the boundaries that may have limited what she could do and achieve in the past.

Mindy's mother, Tina recently spoke to one of our employees about how instrumental Alison has been for Mindy's progress. Her and her husband, Kim realised they could use the same tactics and strategies employed by the Lifeskills Program in their home environment, ensuring Mindy felt safe and reassured while making some changes. It was as if they had had an epiphany!

Since trying this new approach, the family have been able to relax at home for more than three months without a single incident. In Tina's words, Intework has completely changed Mindy's and their lives.

”



Employment Services - DES

In 2015 we saw major changes in delivery of DES programs across Western Australia with the National Disability Insurance Scheme (NDIS) rolling out in increasing areas. Intework has worked hard to prepare for this emerging model and resources were allocated to allow for most efficient delivery of services.

Relationship building has been a major focus over the last twelve months. We have fostered closer linkages with other service providers, referral agencies and employers through the increasing use of Memorandum of Understanding's with like-minded organisations. This has led to an increase in participant numbers as well as broader employment opportunities for the people we work alongside.

Intework was accepted to work in collaboration with NDS WA in the first iteration of a project to encourage and increase the uptake of employment options available under NDIS funding. The Mentoring Organisations' Recognising Employment (M.O.R.E.) initiative came about through the Kwinana/Cockburn Ticket to Work network of which we were a founding member. Through this program, Intework and NDS will work together to establish best practice NDIS employment options. We are also available to support people in understanding how their NDIS funding can be used for employment pathways.

Our increased understanding of the particular barriers to employment created for people living with mental health concerns has led to a range of exciting new initiatives. We recently embedded DES staff within the Bentley Adult Mental Health Service and within the Peel, Rockingham and Kwinana Adult Mental Health service. These roles are in their infancy but are already leading to increased outcomes and opportunities for the people we work alongside and for Intework.

Following the DSS transition in mid-2015, the Peel Region has significantly increased client numbers and successfully engaged the participants who were referred to us. This growth has required an increase in staffing levels to meet growing demand. These new relationships have allowed Intework to assist more people with disabilities and mental health concerns into employment, across a diverse range of industries.

The commitment, tenacity and dedication of Intework staff and the people we work with allows us to remain a leader in DES service delivery within Australia.



“ Third time lucky for Luke

After two interviews, a freeze on hiring, a decision to hire someone else and two further interviews, Luke was thrilled to be offered a contract role with the Department of Parks and Wildlife several months ago.

Luke is autistic and has been supported by Intework's DES program in his search for meaningful employment since 2011. He has held several short term roles during this time and when the possibility of working with DoPW arose he was extremely excited at the prospect.

Before starting with the government agency, Luke's manager spent time talking to Luke about his disability and discussing how he thought he would cope. As someone who prefers to work alone rather than in a team, Luke felt the position which requires him to close off computer and paper files and mark them for destruction would be perfect for him.

The DoPW allocated Luke a mentor who has a child with autism and is very aware of some of the challenges Luke faces. This relationship has been very beneficial for Luke who loves sharing stories about his accomplishments in fencing with his mentor.

Since starting in May, Luke has been extremely happy in his role. He enjoys it immensely and all reports from his supervisor indicates he is a highly valued member of their team.

While Luke's contract ends soon, he is confident he will have other great opportunities that he can apply his new skills to in the near future. Luke is very involved in his local community and excited at the prospects that are available to him. ”

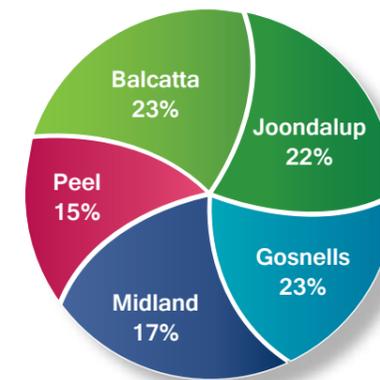


Employment Services - ADE

In 2015-2016, we saw significant expansion in the ADE business with a growth in income of nearly \$1 million. This is an increase of 49% and can largely be attributed to the acquisition of several large, commercial cleaning contracts.

These important contracts provide us with an income stream that can be converted to profit, allowing us to invest further in the training and development of all of our employees. Importantly, it also enables us to acquire 'fit for purpose' buildings and equipment to ensure our business expansion continues into the future.

The Commercial cleaning arm of ADE (inclusive of our five BBQ contracts) now represents over 80% of our total contracts with the majority centred in the Perth inner metro area.



- Joondalup
- Balcatta
- Peel
- Midland
- Gosnells

- Cleaning Services
- Grounds & Maintenance
- Distribution



We have continued to seek opportunities in environmental services in order to provide a more diverse portfolio to our prospective employees. We have strengthened our relationship with Lochness Landscape Services (LSS) and continue to work closely with them to further enhance our experience in parks and grounds maintenance. Early next year they will be delivering a significant number of contracts that Intework will support by providing services including ride-on mowing, brush-cutting, hedging, edging and weeding.

Whilst we continue to tender our traditional services, we are always on the lookout for other opportunities to expand our skills and enhance our service delivery. This year we invested in two sand sifting machines and were successfully awarded a playground sandpit maintenance and replenishment contract with the City of Stirling.

We are also promoting the work spaces in Peel and Balcatta as ideal sites for warehousing and distribution. Whilst these opportunities are rare we continue to lobby within State Government to use our Tender exemption facility to take on some of the contracts coming up in the next 6-12 months. This would support our internally based crews and give them much needed opportunities to grow.

Our vision of empowering our participants to realise their full potential has seen us offering some of our supported employees the opportunity to undertake formal qualifications. In 2015, eight people completed a Certificate II in Horticulture which was a significant achievement and something that has benefited them all in their day-to-day work activities. Support staff completed education in training, assessing and business management.

Intework ADE is like a family that we continue to nurture and grow to ensure the best results not only for our organisation, but for our supported employees and staff. With the introduction of the National Disability Insurance Scheme and new funding models, we are excited about the future and the opportunities these changes can present to us.

“ From little things, big things grow

Thomas and Kurt were both participants in our Lifeskills program who expressed a desire to find suitable employment within our ADE program.

Thomas joined Lifeskills in 2012. At that time, he was very shy and did not feel comfortable with many people, however he made it very clear he would like a job if the opportunity arose.

Kurt joined Intework and Lifeskills in 2014 and from the outset was very keen to work. Kurt is mostly non-verbal so finding the right position for him took some time.

Both men worked with our ADE and Lifeskills staff to build their confidence. Support workers spent time providing positive reinforcement about the benefits of work. Kurt and Thomas also commenced and successfully completed the Keys for Life program during this time.

They both started working two days per week as part of our gardening crew. They enjoyed it so much that they increased to four days quite quickly. They are very flexible and switch crews regularly, helping out however they are needed.

Since starting work both Thomas and Kurt have expanded their horizons and are comfortable doing things they never expected. Both of them live in the City of Stirling and they recently volunteered on a tree planting day with the support of their Skills Trainer.

Stories like this are wonderful examples of the doors supported employment can open for people in their own lives and in the broader community.





Training and Development Services

In 2015/16 Intework's Training and Development team underwent a restructure to meet the changing needs of the organisation and the disability services sector. With a team of four staff we assessed the changing environment and delivered our services in a relevant and appropriate way in this period of transition.

We achieved a major milestone when we became the only Western Australian organisation accredited to deliver our Predict, Assess, Respond to Challenging/Aggressive Behaviour Program (PART) to external audiences.

We delivered ten Mental Health First Aid Training Programs and became a Gold Mental Health First Aid Skilled Workplace with over 20% of our staff formally trained in this area. This reflects the importance we place on the health and wellbeing of our employees and our commitment to mental wellness.

Working in partnership with each business unit we identified and responded to program priorities, which enabled us to put training resources into developing the following courses to add to our existing suite of training services:

- Person Centred Activities
- Staying Mentally Healthy in the Workplace
- Belbin Team Profiling
- OHS for Managers
- Mindfulness in the workplace

In the last year Training and Development Services provided a total of 147 training courses to 1144 training participants.

Employee Skills/VET Training

Over the past year 28 employees and supported employees commenced or completed competency based training in the following:

- Certificate III/IV in Disability
- Certificate II in Horticulture
- Certificate IV in Training and Assessment
- Diploma of Management

Mandatory Training Statistics

Over the past year we have delivered the following mandatory training to ensure all new employees were equipped and ready to provide best practice service to our participants and supported employees:

- 17 - 3 Day Inductions
- 18 - PART Refresher Courses



Corporate Services Report

What a year it has been for Intework's Corporate Services Department! The 2015/16 financial year has been a time of change and growth across the board for Intework with some challenges but many more successes.

In January we completed the relocation of our Busselton office into a new and improved location. Significant changes in the disability services sector and the introduction of the NDIS My Way trial provided a great opportunity to refresh and enhance what we offer from our Busselton site. The move and fit out cost in excess of \$170,000 and was funded directly by Intework, demonstrating our commitment to the region and our participants in the south-west.

The introduction of a designated OSH position has enabled a suite of new policies and plans to be developed and implemented this year. A major achievement was the introduction of the Take 5 booklet- a simple safety guide that asks you to pause for a few seconds and think through five key safety steps before beginning a task. We have received very positive feedback about this, particularly from ADE management whose employees are already using this document regularly to identify potential hazards.

We celebrated a major funding milestone in April with the award of a \$1.18m grant from Lotterywest for the upgrade of our information technology and administrative systems. We are using this funding to develop our internal systems and transforming our back office operations,

allowing us to better meet the needs of our client's day to day. Our IT department are already providing support to other Not-for-profits, Kids Camps and WA Blue Sky. We plan to expand this service to other organisations as we implement further system upgrades.

The IT department has been very busy with the introduction of Skype for Business which began roll-out across the organisation in June. This program has the potential to significantly improve our overall productivity day-to-day. The integrated communication program is now live and in use in our Balcatta, Joondalup, Gosnells, Rockingham, Busselton and Peel offices.

Another exciting step was the delivery of the STAR Workplace survey to Intework employees and supported employees. Undertaken in May, the results of this comprehensive survey will be used to improve workforce and service quality at Intework.

As we move into a new year, our focus and number one priority will always be our participants. The roll-out of new services, combined with our commitment to continuous improvement demonstrates our commitment to the more than 1000 people with disability that we support at Intework.

Risk and Compliance

Our rigorous Quality Assurance (QA) and Compliance system assists us in meeting the ethical, legal and regulatory requirements of a Government-funded organisation, and in complying with and exceeding the National Standards for Disability Services.

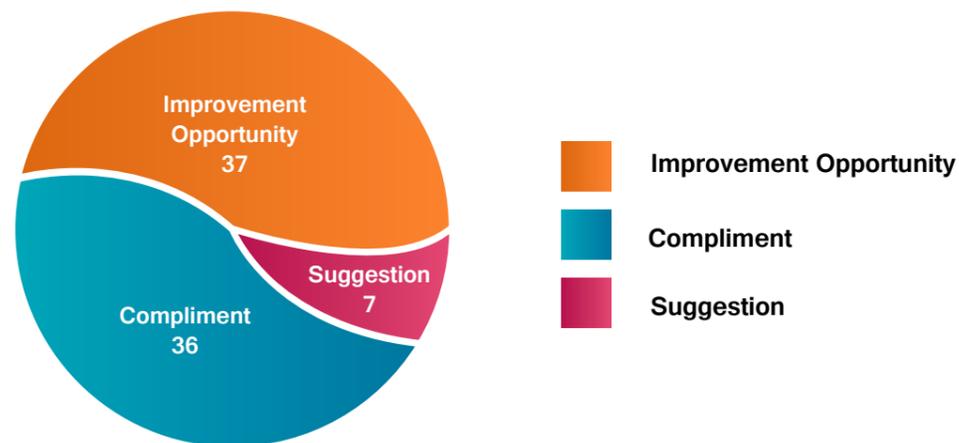
Intework now has a dedicated Risk and Compliance Manager who is developing and implementing a range of quality, risk management and legislative compliance improvement initiatives.

Feedback

Intework is committed to encouraging and responding to feedback from all stakeholders. This year, we have revised our feedback procedure to ensure we capture what is important to Intework's stakeholders, what we do well and what we could improve on.

All feedback is valued and are all followed up until closeout is received. We value feedback from all our staff including our 236 supported employees as well as our 669 clients and their families and carers.

Since September 2015 Intework has received 80 submissions through our online feedback system, via emails or verbally. Out of the 80 submissions; 36 of those were compliments for our staff; 37 of them gave us opportunities to work with stakeholders to improve services and 7 put in suggestions for us to consider.



Awards and Recognition

The Charlie Rook Award

Winner

Holly Williams - Midland ADE

Finalist

Samantha Overton - Busselton Lifeskills

Janine Collier - Midland ADE

2016 NDS Employee of the Year Awards

This year, Intework was represented by nine nominees at the NDS Awards held at Crown Perth. We would like to congratulate these individuals for their exceptional commitment to our participants.

Samantha Overton

Emerging Leader

Michelle Quinn

Improving Employment

DES Team (Geoff Evans, Nikkita Washington and Renee Goff)

Improving Employment

Chris Finlay

Personal and Community Support

Kylie Lowry

Improving Employment

Michelle Bennett

Personal and Community Support

Sandra Brereton

Personal and Community Support



Financial Report

Intework recorded an operating result of \$116,069 for 2015/16. Revenue increased by 7.1% on 2014/15 results and has grown by over 140% since 2008/09. Cash flow generated from operations was again positive. The organisation remains in a healthy financial position with reserves of almost \$9M.

Intework utilised a portion of its reserves during the year to renew its vehicle fleet, fit out new premises in Busselton and invest in state of the art telecommunication systems expected to reduce costs and improve efficiencies.

Our corporate service and operations teams have devoted a substantial period of time to scoping new care management, training and ERP systems which will be implemented during 2016/17. These systems will improve the quality and timeliness of information available to our staff. They also have the capacity to enhance service quality for our participants, address changing sector demands and support the long term sustainability of the organisation. Intework was awarded a Lotterywest grant totalling \$1.18M to assist with these upgrades which was extremely helpful and absolutely appreciated.

The last 12 months have again been challenging for our sector. Continued uncertainty on the final design of the National Disability Insurance Scheme (NDIS) in Western Australia has created

several operating models. Intework's financial systems and controls have been adapted to work effectively with each model until a final decision on scheme design is made.

The Intework finance team has developed forecasting models that will promote a better understanding of the financial impacts of the NDIS. Modelling of cash flow impacts resulting from the expected NDIS funding changes is an ongoing exercise and is driving strategies to ensure appropriate funds are available as and when required.

Despite the many uncertainties present in our sector at the moment, the future also presents countless exciting opportunities. Intework's continued financial strength will ensure it can take advantage of these well into the future.

I would like to make special mention of the Intework finance team. Their commitment and dedication to this organisation in 2016 is reflected in all our successes.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTEWORK INC.

Report on the Financial Report

We have audited the accompanying financial report of Intework Inc. (the Association), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Board of Directors.

Directors' Responsibility 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 in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the Australian Charities and Not-for-profits Commission Act 2012 and for 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

CHARTERED ACCOUNTANTS
& ADVISORS
Level 3, 15 Labouchere Road
South Perth WA 6151
PO Box 748
South Perth WA 6951
Telephone: +61 8 6436 2888
williambuck.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTEWORK INC. (CONT)

Auditor's Opinion

In our opinion the accompanying financial report of Intework Inc. is 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 Association's financial position as at 30 June 2016 and of its performance and cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Regime and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.



William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Conley Manifis
Director

Dated this 20th day of September, 2016

INTEWORK INC.

ABN 79 872 326 186

STATEMENT BY THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 30 JUNE 2016

In the opinion of the Board of Directors of Intework Inc:

- 1) at the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable, so long as the Australian Government Department of Social Services (DSS), together with the State Disability Services Commission (DSC) continue to provide funding to the Association as described in note 11; and
- 2) the attached financial statements satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

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



NICOLLE JENKINS
CHAIRMAN



PAUL FINKELSTEIN
DIRECTOR

Dated this 20th day of September, 2016
Perth, WA

INTEWORK INC.

ABN 79 872 326 186

BOARD OF DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2016

The Board of Directors presents the financial statements of Intework Inc. for the financial year ended 30 June 2016.

Board of Directors

The names of the Board of Directors at the date of this report are:

Ms Nicolle Jenkins	Mr Zenith Zeeman
Mr Paul Finkelstein	Mr David Endersby
Mr Richard Bevan	Mr Simon Rear
Ms Trudi Chesterton	

Principal activities

The Association's principal activity is to develop and promote each of our clients as valued members of the community through life skills development, including employment.

There were no significant changes in the nature of the Association's activities during the year.

Operating result and review of operations

The operating result for the year was a surplus of \$116,069. There were no capital grants for 2016 (2015: surplus of \$360,851 including capital grants of \$93,641). The Association is exempt from income tax.

A detailed review of operations can be found in the annual report.

Significant changes in the state of affairs

In the opinion of the Board of Directors, there are no significant changes to the state of affairs of the Association that occurred during the financial year under review not otherwise disclosed in this report.

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



Nicolle Jenkins
Chairman

Dated this 20th day of September, 2016

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	16	21,158,406	19,753,584
Employee Benefits Expense		(16,264,580)	(14,971,189)
Depreciation, Amortisation and Write-off		(1,232,599)	(1,191,435)
Finance Costs		(629)	(732)
Other Expenses		(3,544,529)	(3,323,018)
Surplus / (Deficit) from Ordinary Activities before Capital Grants		116,069	267,210
Capital Grants (Non-Recurrent)	13	0.	93,641
Surplus / (Deficit) after Capital Grants		116,069	360,851

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Statement of Financial Position as at 30 June 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash and Cash Equivalents	3	445,421	1,581,115
Trade and Other Receivables	4	997,089	908,951
Term Deposits	5	391,498	183,243
Total Current Assets		1,834,008	2,673,309
Non-Current Assets			
Property, Plant and Equipment	6	10,651,063	9,477,092
Total Non-Current Assets		10,651,063	9,477,092
Total Assets		12,485,071	12,150,401
Current Liabilities			
Trade and Other Payables	7	1,406,361	1,352,795
Short Term Borrowings	8	5,000	5,000
Grants in Advance		229,949	417,181
Provisions	9	949,206	857,457
Total Current Liabilities		2,590,516	2,632,433
Non-Current Liabilities			
Provisions	9	950,647	790,129
Total Non-Current Liabilities		950,647	790,129
Total Liabilities		3,541,163	3,422,562
Net Assets		8,943,908	8,727,839
Equity			
Retained Earnings		8,743,908	8,727,839
Strategic Business Investment Reserve	18	200,000	-
Total Equity		8,943,908	8,727,839

The statement of financial position is to be read in conjunction with the attached notes.

Statement of Changes in Equity for the year ended 30 June 2016

2016	Strategic Business Investment Reserve	Retained Earnings	Total
Balance at 1 July 2015		8,727,839	8,727,839
Total comprehensive profit		116,069	116,069
Transfer from Retained Earnings to Strategic Business Investment Reserve	100,000	(100,000)	-
Transfer from prior years provision	100,000		100,000
Balance as at 30 June 2016	200,000	8,743,908	8,943,908

2015	Strategic Business Investment Reserve	Retained Earnings	Total
Balance at 1 July 2014		8,366,988	8,366,988
Total comprehensive profit		360,851	360,851
Balance as at 30 June 2015		8,727,839	8,727,839

The statement of changes in equity is to be read in conjunction with the attached notes.

Statement of Cash Flows for the year ended 30 June 2016

	Note	2016 \$	2015 \$
Inflows / (Outflows)			
Cash Flows from Operating Activities			
Grants Received		16,901,125	16,199,280
Interest received		45,713	52,731
Membership fees		60	59
Receipts from trade customers and clients		3,746,208	3,013,280
Receipts from vehicle usage fees		198,193	209,652
Payments to suppliers and employees		(19,623,901)	(17,881,713)
Interest paid		(629)	(732)
Net cash provided by operating activities	15	1,266,769	1,592,557
Cash Flows from Investing Activities			
Payment for Motor Vehicles		(3,662,851)	(1,895,263)
Payment for Equipment, Fixtures and Fittings		(393,100)	(114,747)
DSC Grants (Motor Vehicles)		0	93,641
Proceeds from the sale of motor vehicles		1,873,205	1,574,846
Transfer (from)/to investments		(219,717)	(4,544)
Net cash (used in)/provided by investing activities		(2,402,463)	(346,067)
Cash Flows from Financing Activities			
(Repayment) of Bank Loan		0	(400,000)
Net cash (used in)/provided by financing activities		0	(400,000)
Net increase / (decrease) in cash held		(1,135,694)	846,490
Cash and Cash Equivalents at the beginning of the financial year		1,581,115	734,625
Cash and Cash Equivalents at the end of the financial year	3	445,421	1,581,115

The statement of cash flows is to be read in conjunction with the attached notes.

Notes To The Financial Statements for the year ended 30 June 2016

Note 1. Statement of Significant Accounting Policies:

Basis of Preparation

Intework Inc. applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and other applicable Australian Accounting Standards - Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012.

The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cashflow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Cash and Cash Equivalents

Cash and Cash Equivalents include cash on hand, bank balances and deposits on call.

(b) Income Tax

The Association is exempt from the payment of income tax pursuant to Division 50 of the Income Tax Assessment Act (1997).

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

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

(d) Property, Plant and Equipment

Basis of measurement of carrying amount

Land and buildings are measured at cost less accumulated depreciation on buildings and less any impairment losses. Plant and equipment is stated at cost less accumulated depreciation and less any impairment losses.

The cost of buildings constructed within the Association includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Association and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Any property, plant and equipment donated to the Association or acquired for nominal cost is recognised at fair value at the date the Association obtains control of the asset.

Intework has a policy that only items of greater than \$5,000 in value are capitalised in the Statement of Financial Position.

Depreciation

Items of Property, Plant and Equipment (other than land) are depreciated over their useful lives to the Association commencing from the date the asset is purchased. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

Buildings	2.0%
Motor Vehicles	17.5%
Fixtures & Fittings	10.0 - 20.0%
Computer Equipment	33.3%
Other Equipment	20.0%
Low Value Pool Assets	100%

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

Notes To The Financial Statements for the year ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (continued):

Impairment

The carrying amount of Property, Plant & Equipment is reviewed annually by the Board to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. In such cases, the asset is written down to its recoverable amount with an impairment loss recognised in the statement of profit or loss and other comprehensive income.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal, when the item is no longer used in the operations of the Association or when it has no sale value. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

(e) Employee Provisions

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, duration of service and employee departures and are discounted at rates determined by reference to market yields at the end of

the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Any re-measurement of obligations for other long term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which changes occur.

The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

(f) 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Notes To The Financial Statements for the year ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (continued):

(g) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue. All revenue is stated net of the amount of Goods and Services Tax (GST).

Revenue from government funding

The Association's Lifeskills, Respite, Supported Employment and Open Employment programs are supported by grants received from the Disability Services Commission and the Department of Social Services. Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability, and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants is recognised when received.

Fees from services provided

Revenue from the rendering of services is recognised upon the delivery of services to the customer. This includes services provided under the National Disability Insurance Scheme.

Donations

Donations and bequests are recognised as revenue when received.

Asset sales

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

(h) Deferred Income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of the receipt of the grant. Where a liability is incurred, the services or conditions will be satisfied within 12 months of the reporting date.

(i) Expenditure

All expenditure is accounted for on an accrual basis.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at reporting date for goods and services received by the Association during the reporting time, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability Goods and Services Tax (GST).

(k) Trade and Other Receivables

Trade receivables are non-interest bearing loans and generally on 30-day terms. A provision for impairment loss is recognised when there is objective evidence that

an individual trade receivable is impaired.

(l) Comparative Figures

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

(m) New and Amended Accounting Policies Adopted by the Association

Changes in accounting policies on initial application of Accounting Standards

In the year ending 30 June 2016, the Association has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. It has been determined by the Association that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the Association's accounting policies.

The Association has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2016. As a result of this review the Board have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to the Association's accounting policies.

judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Notes To The Financial Statements for the year ended 30 June 2016

Note 1. Statement of Significant Accounting Policies (continued):

(n) Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key Judgements

Employee benefits

For the purpose of measurement, AASB 19: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

(o) Going Concern

Despite the deficiency in working capital this financial report has been prepared on a going concern basis. Intework will be utilising its strong net asset position to improve this in the ensuring financial period.

Intework has been granted over 60% of their funding via a funding agreement from the Disabilities Services Commission which expires on 30 June 2017. Intework's funding sources post 1 July 2017 will be confirmed following the outcome of the NDIS trials which are currently in place. Should funding not be immediately available, Intework has adequate funds to continue as a going concern twelve months from the date of signing the financial report.

Note 2. Related Parties and Related Party Transactions

(a) Directors' Compensation

The directors act in an honorary capacity and receive no compensation for their services.

(b) Transactions with Director-related entities

During the year payments of \$89,955 inc GST (2015: \$41,719) were made to The Hub Marketing Communications, an entity associated with Nicolle Jenkins, for marketing services. In addition, payments of \$11,841 were made to Squire Patton Boggs, an entity associated with Simon Rear, for legal services.

These services were provided under normal commercial terms and conditions. No amounts are payable or are receivable from directors or director related entities at the reporting date.

(c) Key Management Personnel Compensation

The names and positions of those personnel as at 30 June 2016 having authority for planning, directing and controlling the Association's activities, directly or indirectly (other than directors), are:

- Fiona Beermier, Chief Executive Officer
- Rob Gotti, Chief Financial Officer, and
- Fran McCrystal, Chief Operations Officer

Notes To The Financial Statements for the year ended 30 June 2016

Note 3. Cash and Cash Equivalents:

	2016	2015
Note	\$	\$
Cash at Bank and in hand	157,068	58,145
Short Term Deposits	288,353	1,522,970
Total Cash and Cash Equivalents	445,421	1,581,115

Cash at bank earns interest at floating rates based on daily deposit rates.

Short term deposits are made for varying periods of between one day and three months, depending on the Association's cash requirements.

These deposits earn interest at market rates.

Note 4. Trade and Other Receivables:

Trade Debtors	403,446	363,923
Less provision for doubtful debts	(3,341)	(4,649)
	400,105	359,274
Other Receivables	283,059	241,763
Prepayments	313,925	307,914
Total Trade and Other Receivables	997,089	908,951

Note 4. Trade and Other Receivables (continued):

(a) Provision for Doubtful Debts

Past experience indicates that no impairment allowance is necessary in respect of trade debtors 'not past due' and 'past due 0-30 days'. Impairment allowances recognised at the reporting dates have been determined after a review of amounts outstanding at those dates and comprise amounts due from individual suppliers and business services' clients.

The movement in allowance for impairment in respect of trade debtors during the year was as follows:

	2016	2015
Note	\$	\$
Balance at start of financial year	4,649	3,304
Increase in provision	96	1,345
Amounts written off during the year	(1,404)	0
Balance at end of financial year	3,341	4,649

Note 5. Term Deposits:

Term Deposits	391,498	135,243
Term Deposits - Corporate Cards	0	48,000
Total Term Deposits	391,498	183,243

The effective interest rate on short term deposits was 2.85% pa (2015 - 3.05% pa)

Notes To The Financial Statements for the year ended 30 June 2016

Note 6. Property, Plant and Equipment:

	2016	2015
	\$	\$
Land, at cost	3,112,753	3,112,753
Buildings, at cost	1,847,247	1,847,247
Less accumulated depreciation (Buildings)	(221,834)	(184,889)
	4,738,166	4,775,111
Motor Vehicles, at cost	5,503,911	4,999,815
Less accumulated depreciation	(1,202,785)	(1,797,721)
	4,301,126	3,202,094
Leasehold Improvements, at cost	364,120	203,385
Less accumulated depreciation	(203,769)	(201,452)
	160,351	1,933
Fixtures and Fittings, at cost	2,145,633	2,152,947
Less accumulated depreciation	(935,959)	(741,824)
	1,209,674	1,411,123
Computer and Other Equipment, at cost	526,884	546,911
Less accumulated depreciation	(285,138)	(460,080)
	241,746	86,831
Total Property, Plant and Equipment	10,651,063	9,477,092

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

Note 6. Property, Plant and Equipment (continued):

	2016	2015
	\$	\$
Land and Buildings		
Opening balance, land	3,112,753	3,112,753
Opening balance, buildings	1,847,247	1,847,247
Closing balance	4,960,000	4,960,000
Accumulated Depreciation		
Opening balance - buildings	(184,889)	(147,944)
Depreciation	(36,945)	(36,945)
Disposals	-	-
Closing balance - buildings	(221,834)	(184,889)
Net Land and Buildings	4,738,166	4,775,111
Motor Vehicles		
Opening balance	4,999,815	5,032,916
Additions	4,519,990	1,895,259
Disposals	(4,015,894)	(1,928,360)
Closing balance	5,503,911	4,999,815
Accumulated Depreciation		
Opening balance	(1,797,721)	(1,346,462)
Depreciation	(918,689)	(881,377)
Disposals	1,513,625	430,118
Closing balance	(1,202,785)	(1,797,721)
Net Motor Vehicles	4,301,126	3,202,094

Notes To The Financial Statements for the year ended 30 June 2016

Note 6. Property, Plant and Equipment (continued):

	2016	2015
	\$	\$
Leasehold Improvements		
Opening balance	203,385	377,923
Additions	174,700	-
Disposals	(13,965)	(174,538)
Closing balance	364,120	203,385
Accumulated Depreciation		
Opening balance	(201,452)	(358,251)
Additions	(16,282)	(12,309)
Disposals	13,964	169,108
Closing balance	(203,770)	(201,452)
Net Leasehold Improvements	160,350	1,933
Fixtures and Fittings		
Opening balance	2,152,947	2,135,949
Additions (including WIP)	5,707	16,998
Disposals	(13,021)	
Closing balance	2,145,633	2,152,947
Accumulated Depreciation		
Opening balance	(741,824)	(535,290)
Depreciation	(207,156)	(206,534)
Disposals	13,021	
Closing balance	(935,959)	(741,824)
Net Fixtures and Fittings	1,209,674	1,411,123
Computer and Other Equipment		
Opening balance	546,911	564,473
Additions	209,703	97,749
Disposals	(229,730)	(115,311)
Closing balance	526,884	546,911

Note 6. Property, Plant and Equipment (continued):

	2016	2015
	\$	\$
Accumulated Depreciation		
Opening balance	(460,080)	(521,122)
Depreciation	(53,526)	(54,269)
Disposals	228,468	115,311
Closing balance	(285,138)	(460,080)
Net Computers and Other Equipment	241,746	86,831
Total Property, Plant and Equipment	10,651,063	9,477,092

Note 7. Trade and Other Payables:

	2016	2015
	\$	\$
Current		
Unsecured:		
Trade Creditors and Accruals	1,058,829	1,199,927
Other Creditors	347,532	152,868
Total Trade and Other Payables	1,406,361	1,352,795

Note 8. Short Term Borrowings:

	2016	2015
Current		
Secured Bank Loan	5,000	5,000
Total Short Term Borrowings	5,000	5,000

Bank Loan

The bank loan is secured by a mortgage over certain properties owned by the Association. The mortgage secures a facility of \$2,500,000 (2015 - \$2,500,000). The facility is currently drawn to \$5,000 (2015 - \$5,000). The facility expires on 31st December 2016.

The properties held as security are 11 Kirke Street Balcatta WA 6021 and U13/200 Winton Road, Joondalup WA 6027.

Notes To The Financial Statements for the year ended 30 June 2016

Note 9. Provisions:

	2016	2015
	\$	\$
Current		
Annual Leave	754,470	621,603
Long Service Leave	194,736	235,854
Total Current Provisions	949,206	857,457
Non-Current		
Long Service Leave	950,647	790,129
Total Non-Current Provision	950,647	790,129
Movements in provisions		
Opening Balance	1,647,587	1,623,358
Charge for the year	655,035	648,016
Utilised during the year	(402,769)	(623,788)
Closing Balance	1,899,853	1,647,587

Note 10. Commitments:

Rental lease commitments being for the Midland, Welshpool, Busselton, Rockingham, South Lakes and Mandurah premises are as follows:

	2016	2015
Due within one year	279,569	234,314
Due within two to five years	432,579	228,096
	712,148	462,410

All of the properties, except South Lake, have options for renewal at the end of the terms.

Capital Commitments

Capital expenditure contracted, but not yet delivered or completed as at end of financial year is as follows:

	2016	2015
Motor Vehicles	477,379	353,565
Other Assets	-	-
	477,379	353,565

Note 11. Economic Dependency:

Intework Inc. received significant grants from the Federal Government of Australia and the Western Australian State Government. If these grants were not received, the Association would not be able to maintain the current level of services. The Board of Directors have no reason to believe that the funding from the Australian Government Department of Social Services (DSS) together with the State Disability Services Commission (DSC) will not continue.

Note 12. Contingent Liabilities:

Kirke Street, Balcatta

In 2012, the Lotteries Commission (trading as Lotterywest) provided \$1.7M in grant funding to Intework to enable the purchase of premises at 11 Kirke Street, Balcatta. Lotterywest holds a caveat over the property to ensure that the site will only be used to provide appropriate services. The term of the agreement is 20 years from commencement, ceasing at 19th December 2031.

The recorded value of this Kirke Street property, net of depreciation on buildings, as at 30 June 2016 was \$3,408,671 (2015 - \$3,429,471).

Fremantle Road site - Gosnells

In 2007, Lotterywest provided \$750,000 of grant funding to Intework to enable the purchase of premises at 10 Fremantle Road, Gosnells. Lotterywest holds a caveat over the property to ensure that the site will only be used to provide appropriate services. The term of the agreement is 15 years from commencement, ceasing at 21st July 2022.

The recorded value of this property, net of depreciation on buildings, as at 30 June 2016 was \$742,553 (2015 - \$749,660).

Separate grant agreements were drawn up for the Kirke Street and Fremantle Road with the following terms:

(i) Intework will use the grant funds solely for the approved purpose.

(ii) Should the agreement be terminated due to an Event of Default, Intework must pay the Lotterywest an amount ascertainable by the following:

Account payable =

Grant Funds x $\frac{\text{Number of Days remaining in the Term}}{\text{Total Number of Days of Days of the Term}}$

Notes To The Financial Statements for the year ended 30 June 2016

Note 13. Capital Grants (Non-Recurrent):

	2016 \$	2015 \$
Disability Services Commission		
3 Motor Vehicles (2015 – 6 Vehicles)	0	93,641
	0	93,641

Note 14. Surplus from Ordinary Activities:

Surplus from ordinary activities has been arrived at after including:

	2016 \$	2015 \$
Operating Expenses		
Lease rental expenditure – property	270,406	278,784
Operating lease expenditure – vehicles	-	15,097
	270,406	293,881

Note 15. Reconciliation of Net Cash Provided by Operating Activities to Surplus / (Deficit) from Ordinary Activities:

	Inflows	/(outflows)
Surplus / (Deficit) from Ordinary Activities	116,069	267,210
Adjustments for non-cash items:		
Depreciation, amortisation and write-off	1,232,599	1,191,435
(Profit)/Loss on sale of fixed assets	(66,415)	(71,174)
(Increase) / Decrease in receivables	(6,011)	(173,026)
(Increase) / Decrease in prepayments	83,928	205,313
(Decrease) / Increase in payables	252,266	337,414
Increase / (Decrease) in provisions	(117,593)	24,228
(Decrease) / Increase in recurrent grants in advance	(228,074)	(188,843)
Net cash provided by operating activities	1,266,769	1,592,577

Note 16. Income Statement: Revenue from Ordinary Activities Operational Grants (Government):

	2016 \$	2015 \$
DSS		
Case Based Funding	2,820,333	3,141,784
Respite	565,005	527,273
Grants – Quality Assurance	12,000	6,750
Case Based Funding (DES)	903,996	764,682
Wage subsidies	15,075	27,450
DSC -		
Lifeskills	11,475,589	11,969,768
NDIS -		
Fee For Service	1,002,855	-
	17,089,856	16,437,707
Revenue - Other		
Work Crews - Business Services	2,823,464	1,912,550
Vehicle usage fees	198,193	209,652
Subscription - Membership fees	60	59
Transport levy	270,721	321,828
Other fees and charges	502,328	747,883
Interest received	45,713	52,731
Profit on sale of assets	228,074	71,174
	4,068,553	3,315,877
Revenue from Ordinary Activities	21,158,406	19,753,584

Notes To The Financial Statements for the year ended 30 June 2016

Note 16. Income Statement (continued): Expenditure from Ordinary Activities:

	2016 \$	2015 \$
Salaries and wages	16,264,850	14,971,189
Vehicle expenses	1,061,908	1,195,563
Marketing	98,073	38,799
Client – individual costs	646,567	722,392
Administration	378,389	393,170
Office	765,357	697,784
Sundry	594,235	275,310
Total Operating Expenditure	19,809,109	18,294,207
Surplus before Depreciation, Amortisation, Write-off and Interest	1,349,297	1,459,377
Less:		
Depreciation, amortisation and write-off	1,232,599	1,191,435
Interest expense	629	732
Surplus / (Deficit) from Ordinary Activities before Capital Grants	116,069	267,210

Note 17. Segment Reporting

(a) Operating Segment

The Association operates under one operating segment, being employment and support services for people with disabilities.

The Association's principal activity is to develop and promote each of our clients as valued members of the community through life skills development, including employment.

The scope of this operating segment consists of:

Supported employment for people with disabilities;

Services to locate general employment opportunities, where appropriate, for people with disabilities;

Lifeskills community access program; and Respite and Intensive Family Support services.

Note 18. Equity

Reserves

The Strategic Business Investment Reserve has been established to fund the evaluation and associated costs of proposed business initiatives.

Note 19. Events subsequent to reporting date

During the interval between the end of the financial year and the date of this report Intework has registered a new business name, Intelife Group. This change of name will not have any significant effect to the operations of Intework, the results of the operations, or the state of affairs of Intework, in subsequent financial years.



passion

respect innovation

courage independence

respect

passion innovation

independence respect

courage

respect innovation

Inte♥work passion