



ANNUAL REPORT 2016



THE **JUNCTIONWORKS**

Creating new possibilities in people's lives

NDIS SUPPORT COORDINATION

We provide information, advice and coordination support to assist NDIS Participants navigate the disability service system, access the right services and resolve issues. With our support, participants build their confidence and skills to make decisions about their supports and their future.

Our NDIS Registration Number is 405 000 2486.

ALLIED HEALTH AND THERAPY

Our team of speech pathologists, occupational therapists, psychologists, behaviour support clinicians and social workers provide therapy assessments and intervention for children, young people and adults with disability.

HOLSWORTHY OUTSIDE OF SCHOOL HOURS CARE

We provide care for children and young people outside school hours and during vacation times. The opportunities provided enable children to meet others their own age, develop social skills, have fun and build relationships outside the school setting.

YOUTH SERVICES

We provide youth services for young people aged 12 to 18 years through a multi-component model of prevention and early intervention youth support. Funded primarily by NSW Family and Community Services, our service offerings include Youth Clicks, Youth Case Management, Youth and Family Support and our Young People's Skill Development Workshop series.

COMMUNITY CENTRES AND SERVICES

We provide community services within four communities of South West Sydney, in Ambarvale, Claymore, Macquarie Fields and Wattle Grove. We provide information and referral services as well as a comprehensive social inclusion program that ranges from playgroups and social outings, to skills development workshops and seniors groups.

In 2016 The Junction Works commenced a partnership with Curran Public School to provide programs through the Schools as Community Centres in Macquarie Fields.

Our Services and Supports in 2016

DISABILITY POST SCHOOL OPTIONS

We provide flexible post school options to assist young people with a disability develop the skills they need to increase their independence and participate as valued and active members of the community.

Employment, volunteering, community participation and developing independent living skills are important aspects of this service.

DISABILITY SERVICES

We are registered with NDIS to provide the full range of disability supports including: accommodation and tenancy assistance; assistance in coordinating or managing life stages, transitions and support; assistance with daily living and household tasks; assistance to access and maintain employment; behaviour support; development of life skills including travel; early intervention supports for early childhood; specialised assessment of skills, abilities and needs; support coordination; support to participation in community, social and civic activities; therapeutic supports.

SPARK FESTIVAL

Held annually in October, this exciting residential festival is open to people over 18 years with a disability, who are accompanied by a carer or support worker.

SPARK is designed to support adults with disability immerse themselves in cultural experiences and creative expression in an affirming, safe and uplifting environment.

SUPPORTED COMMUNITY LIVING

We provide assistance to people with a disability to live as independently as possible in their own home or within shared and supported accommodation. Participating in the community is an important part of this service.



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Message from our Chair and Chief Executive Officer

‘Nothing is permanent but change’

...wrote Greek Philosopher, Heraclitus and this is especially true about the environment in which for purpose service providers like The Junction Works must contend. More than ever, NFP service providers need to be agile to respond to and anticipate the consequences of the changing operating environment.

With our service footprint across the region of South West Sydney, the great force for change in 2016 has been the roll-out of the National Disability Insurance Scheme (NDIS). Around half the State, including the regions of South West and Western Sydney commenced the transition to the NDIS on 1 July this year, with the rest to follow from 1 July 2017. Consequently this has been an interesting time for The Junction Works and the individuals and families we support.

The intention of the NDIS is to provide participants with more choice and control over the way they receive support services. The mechanism for this involves shifting (formerly block) funding for disability support services away from service providers directly to the person with the disability, while supporting participants' choice by creating an open market of services and supports where children and adults with disability are at the centre of service delivery.

This 'market oriented' approach is encouraging new for profit and not-for-profit providers to enter the sector, which brings its own set of 'threats and opportunities' for established providers like The Junction Works. Nevertheless a true market place is not possible while the National Disability Insurance Agency (NDIA) controls prices and there is a lack of choice within certain parts of the sector, particularly supported accommodation.

Our key priority now and for the next 12 months is to guide our clients and families through the NDIS transition, and to advocate on their behalf to ensure they receive the NDIS funds required to cover all the supports they need.

However, to ensure a sustainable future we also need to be able to compete in the increasingly market oriented environment. In keeping with our clients' and our own values and expectations we are attempting to do this in as authentic a way as possible.

That is why we have adopted a client engagement approach that ensures we provide a quality service that people require and desire.

This approach rests on creating outstanding client and customer experiences and this, of course, involves every one of our employees.

Keeping and attracting clients and families across our services draws on a framework called the BASICS. Over the past 12 months all of our employees have undertaken BASICS training. The BASICS gives employees an understanding of the importance of developing trust relationships with current and future clients as well as the value that people are seeking from our services. In turn this approach ensures that The Junction Works is providing the services that people actually want.

A second part of our engagement strategy involves communication. Over the past 12 months The Junction Works has invested in the quality of our communications and the range of mediums through which



Helen Lyons, Chair

Chris Campbell,
Chief Executive Officer

we communicate with our clients, families, supporters and the broader community. Our printed and in-person communication methods, particularly our effective Family Connect Workers, are being augmented with digital media including our website, videos on our You Tube channel and a range of social media, with the expectation that communication will be a two-way process.

So while change might be inevitable and at times disruptive, change brings to organisations like The Junction Works new practices, new thinking, the impetus to get creative and of course new possibilities.

The Junction Works could not provide the range of children's, disability, youth and community services without the outstanding support of our corporate, community and individual donors who often combine generous financial contributions with meaningful volunteering and advocacy.

We particularly wish to thank Clarendon Homes, the major sponsor

of The Junction Works' Golf Day fundraiser; Interlink Roads / e-Way which supports a number of our programs across our Disability and Youth Services; Meridian IT which not only supports our digital communication systems but provides continuing sponsorship; and the ongoing generosity of philanthropists Dr Sushil and Mrs Alka Anand. A full list of our corporate supporters can be found on The Junction Works' website at www.thejunctionworks.org

With the introduction of the federally funded NDIS, our long standing relationship with Ageing Disability and Home Care (ADHC) is quickly coming to an end. We wish all those ADHC staff with whom we have formed positive working relationships, all the best in their future professional lives. The Junction Works, however, will continue to work closely with the NSW Department of Family and Community Services to provide valuable children's, youth and community programs to the families of South West Sydney.

Our Mission:

Creating new possibilities in people's lives

Our Values:

Respect:

We embrace the diversity of people

Integrity:

We are honest, ethical and compassionate in our actions

Excellence:

We adapt and strive to produce the best results

Creativity:

We are flexible and imaginative in how we work

Vitality:

We are filled with energy, confidence and belief

Disability Services Report

For our disability services, 2016 was a year framed by the introduction of the National Disability Insurance Scheme (NDIS) in South West Sydney. The Junction Works commenced the year with information workshops for all our families, and each family has been allocated a Connect Worker to assist them through their NDIS transition and beyond. Still in the early stages of rollout, the NDIS is proving to be a challenge for many families who are required to make often complex decisions about services and supports. We hope and expect the transition process to become smoother over time.

Key Figures for 2016



499

Number of people with a disability we supported in 2016

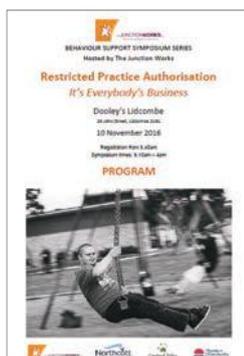


39

Number of TJW clients who have transitioned to the NDIS between 1 July and 10 November

Developing our Expertise in Positive Behaviour Support

2016 has been a year of consolidation for our maturing Allied Health and Behaviour Support Team, with an emphasis on developing our expertise in the provision of positive behaviour support.



Behaviour Support is a way of helping people to develop and use appropriate ways to communicate, make choices

and participate in the community, rather than relying on challenging behaviours as a way of interacting with others.

Positive Behaviour Support considers internal and external stimuli in its aim to reduce the frequency and severity of challenging behaviours, with the ultimate goal of increasing the person's quality of life.

In late 2015 The Junction Works was granted funding by Ageing, Disability and Home Care (ADHC) to develop our Behaviour Support capability and to use our expertise to help build the capacity of the wider sector through a range of workshops and symposiums.

In 2016 The Junction Works hosted two behaviour support symposiums, one on the 'Grief and Loss Experience of People with Intellectual Disability' and the other on managing and limiting the use of restrictive practices titled 'Restricted Practice Authorisation: It's Everybody's Business'.

Both symposiums were extremely well attended, and have helped The Junction Works to be recognised as one of the few not-for-profit providers of Positive Behaviour Support in New South Wales.



11

Number of sites from which we deliver disability services

SPARK > 350

Number of people who attending the 2016 SPARK Festival

The Cowpastures Community Garden has become a hub of activity

From its simple beginnings as a community nursery, in 2016 the Cowpastures Community Garden took on an expanded role, becoming a hub for young adults with disability to learn a range of trade-based skills including concreting, using a ride-on mower, mower maintenance, woodwork and composting.

Under the care and guidance of Head Gardener, Craig Mellish, The Cowpastures Gardening Team took on some large projects including the building of 13 raised garden beds.

Working from scratch the guys participated in planning the project before learning how to measure, saw and file the timber sleepers, and then how to use electric drills and screws to secure the sleepers in place. They lay crushed concrete aggregate around the beds to enable greater accessibility to the garden, particularly for people who use walking frames and wheelchairs.

With funding from Liverpool City Council, Edible Kids' Gardens provided a workshop for the

Cowpastures Gardening Team to develop their knowledge of what to grow and when.

The Cowpastures Community Garden has big plans for 2017, with the construction of a 30 metre poly tunnel underway. This will enable the team to start growing different plants and using different horticultural methods.

The Cowpastures Community Garden is just one example of the way The Junction Works supports people with a disability to develop significant skills in their areas of interest.

Children's Services Report

The Junction Works' chief children's service is our Holsworthy OOSH and Vacation Care located in the grounds of Holsworthy Public School. Around 120 local families use this service each year. The Junction Works also provides a range of playgroups, after school homework programs and holiday activities through our community services, and a targeted support program for primary school children living in the 2168 postcode.

In 2016 The Junction Works expanded its specialist disability services for children and young people through the introduction of intensive family support and behaviour support services for

children aged 12 to 18, the provision of weekly therapy clinics at Claymore Community Centre and therapy-based workshops at Mawarra Public School, Elderslie and Kemps Creek Public School.



Holsworthy OOSH and Vacation Care

Outside of School Hours Care (OOSH) is without doubt different to other forms of childcare. It involves caring for children with a range of ages and development, in short bursts at the beginning and end of the day, through a wide variety of age appropriate activities that meet the

interests of the children in care and the My Time, Our Place – Framework for School Age Care in Australia.

In 2016 one of the ways The Junction Works chose to meet the increasingly complex OOSH environment was through the creation of a Director of OOSH and Vacation Care position.

After a competitive recruitment process Kerry Coggin was

Family Feedback

97%

of parents say Holsworthy OOSH is well managed.

97%

of parents say that staff create warm and nurturing relationships with children at Holsworthy OOSH.

91%

of parents agree that facilities at Holsworthy OOSH are clean, safe and well presented.

97%

of parents agree that staff seem happy and appear to enjoy working at Holsworthy OOSH.

* Source: Kinder Surveys undertaken on behalf of Holsworthy OOSH in July 2016

appointed to this newly created position. Kerry brings a wealth of experience to the role, and the results are already evident, with more creative programming and effective communication, administration and planning.

Kerry's recruitment leaves the rest of our OOSH team to do what they do best – support the children to play, learn, communicate and build respectful relationships with other children.

Youth Services Report

The Junction Works' Youth Services provides a multi-component model of 'prevention and early intervention' youth support for young people aged 12 to 18 years living in South West Sydney.



In 2016, with the support of Family and Community Services (FACS), we expanded our Youth Clicks program into Claymore.



SPARK Experience: Youth Engagement 2016: Young people receiving their volunteer certificates from Chris Campbell (CEO) and Minister John Ajaka.

Funded primarily by Family and Community Services (FACS), the model of provision includes:

- i. **Youth and Family Support:** a targeted intervention for young people exhibiting difficulties. This service provides youth case management, family support and targeted skills development workshops for young people.
- ii. **Youth Clicks:** a universal, community-based youth program which operates through four components:
 - TJW Youth Clicks Committee comprises up to 20 young people (at any time) aged 15 to 17 years who are passionate about supporting the development and inclusion of other young people living in South West Sydney. Through their committed participation in the Youth Committee, these young people are developing the skills required to be good leaders in their local community and their future professional life.
 - A program of skills development and social activities developed

by the Youth Clicks Committee which support young people gain the social skills and confidence required to seek out and make the most of opportunities that arise.

- Holsworthy High School Breakfast Club in conjunction with Holsworthy High School, which provides over 3,500 breakfasts for students each year. In 2017 the Breakfast Club is expanding to Eagle Vale High School.
- SPARK Experience: Youth Engagement.

SPARK Experience: Youth Engagement 2016

For the past four years The Junction Works has operated a service-learning youth project called SPARK Experience: Youth Engagement as an adjunct to our four-day residential arts and cultural festival for adults with a disability called SPARK.

SPARK Experience involves our Youth Workers supporting up to twelve Year 10 students to involve themselves in the SPARK Festival, supporting adults

with moderate support needs to participate in festival activities over the four days.

Following previous SPARK Experiences a number of participants have undertaken work experience at The Junction Works. One young woman, Sarah, has completed a traineeship and a further student has advised she would like to commence a traineeship with the organisation. All have completed Year 12.

SPARK Experience is an independently funded component of Youth Clicks. In 2016 SPARK Experience was funded by Interlink Roads / M5 / E-way as part of its commitment to the welfare of our local community.



To find out more about Youth Clicks and the SPARK Experience check out this video at <http://www.thejunctionworks.org/NewsRoom/Videos/youthclickspark.aspx>

Community Services Report

In 2016 The Junction Works' community services continued to initiate and support a range of programs, social groups, events and activities for all ages as part of their social inclusion and community capacity building purpose. Community Builders' statistics indicate that 107,194 people were provided with support, referral, information, skills, social inclusion and various social activities by The Junction Works' community services in 2016.



Claymore Seniors Support each Other

Remember when you could ask a neighbour for a cup of sugar or a bit of support to help you get by?

Our suburbs are not as socially accessible these days, and sometimes intentional groups are needed to bring about the inclusion and community support we once took for granted.

Claymore Senior's is one such group where people come together at least once a month to chat, share information, enjoy lunch together, participate in activities, go on outings and work out who might need a bit of extra support over the coming month.

In partnership with Gandangara Transport Services the Claymore Senior's Community Group enjoys outings including this Karaoke Singalong at Gandangara Aboriginal Land Council. (Photo courtesy of Gandangara Transport Services)



Tallowood Community Centre partners with Ambarvale Public School Support Unit

In November students from the Ambarvale Public School paid their first visit to Tallowood Community Centre for a morning in the Ambrose Community Nursery. Elizabeth Docking from Greening Australia ran an interactive session with the children about the wonder of plants and the benefits of growing edible food. The children each potted their own

succulent cutting to take home and learnt about when and how to water it. Elizabeth took the children on a tour of the community garden, and the children asked loads of questions about the vegetables local residents are growing there.

Both the teachers and students are looking forward to making this a regular outing in 2017.

Key Figures for 2016

43,870

People connected with Information and Referral

12,746

People attended community events

1,996

People attending community Workshops and skill development

32,535

People provided with community capacity building resources

15,942

People attending Social Inclusion Programs

107,194

People were provided with support, referral, information, skills, social inclusion and various social activities by TJW in 2016

Source: The above figures are sourced from the Community Builders on-line reporting – The Junction Works Community Centres

'The Originals' (L to R) – Marilyn Soulsby, TJW General Manager Services, Margaret Bourke, local volunteer and Elizabeth Docking, Community Greening at the 10 year anniversary celebration of the Ambrose Community Nursery



Cultivating Community

In 2016 we celebrated 10 years of the Ambrose Community Nursery located in the grounds of Tallowood Community Centre in Ambarvale. The nursery's success is evidence of what a dedicated group of local volunteers can achieve.

Planning for the nursery commenced in 2006 with assistance from Botanical Gardens Trust - Community Greening and a grant from Housing NSW.

The original purpose of the nursery was to provide a community green space where residents could socialise, volunteer their time and propagate plants for local gardens.

Today Ambrose Community Nursery produces quality fruit and vegetables. Local residents are encouraged to supplement their groceries with fresh food and much of the produce is used in the weekly Bread and Veggie project, which provides food for needy families in the community.

The Junction Works joins Schools as Community Centres

In 2016 Curran Public School invited The Junction Works to become the community partner of its Schools as Community Centres project. Funded by Family and Community Services, there are 45 Schools as Community Centres in public schools across New South Wales.

Curran Primary School is one of the oldest of the Centres and has been operating for over 20 years. The purpose of the project is to support vulnerable families in the Macquarie Fields area through playgroups, transition to school programs, skills development workshops, and advice and referrals for families needing more intensive support.

We thank Michael Strahan, School Principal of Curran Public School for supporting this exciting partnership with The Junction Works. We appreciate the opportunity to develop some great projects that have a positive impact on local families and the school community.

In 2016

7,460

hours were provided by TJW volunteers

TJW provided

2,793

hours of support to students undertaking placement

Ambrose Community Nursery is just one of the projects that rely on local volunteers.

The Junction Works' community centres could not provide the high level of service without these valued members of the community who give so generously of their time. We appreciate all our volunteers and the time and effort they give to support the daily operations of our centres as well as various projects.

The Junction Works Team ^{as a}

At The Junction Works our primary resource is our staff, the knowledge and experience we hold, and the initiative we use to create programs and services that make an impact on the lives of the people we support.



The Junction works has some of the most dedicated people I have ever worked with. Staff are our greatest strength. And we have a great CEO who is compassionate and knowledgeable.

TJW EMPLOYEE, 2016 EMPLOYEE ENGAGEMENT SURVEY

We know that for our clients and families their key relationships are with the staff who support them directly. That is why it is so important for all employees to share the organisation's values and have enthusiasm for our Mission.

However, it is also incumbent on the organisation to ensure that employees are supported to provide the best service they can. We need to know when things are working well, and when they're not. And we need to know what areas need improving

TJW Employee Engagement Survey 2016

Every 18 months The Junction Works commissions an employee survey to enable us to gauge the level of employee engagement with the organisation and to provide employees with a confidential space to provide open feedback. The results identify the areas of best practice within the organisation as well as the areas where we need to improve.

The 2016 Employee Engagement survey was conducted independently by Voice Project, and the feedback proved to be extremely positive.

With an 85% response rate (a remarkable sign of engagement in itself), the survey indicates that 100%

of staff are "aware of the values of The Junction Works", and 98% say they believe in those values.

Ninety seven percent (97%) of respondents understand how their work improves the lives of the people we support, and importantly 97% gain a level of personal satisfaction from finding new ways to meet our clients' goals.

What is so pleasing about these results is that they were proffered at a time of great change relating to the introduction of the NDIS and the growth in range and depth of our services.

TJW employees...	2016	2014
Are aware of the values of The Junction Works	100%	96%
Believe in the values of The Junction Works	98%	97%
Understand how my work improves the lives of our clients	97%	99%
Gain a level of personal satisfaction from finding new ways to meet our clients' goals	97%	97%
Believe in the overall purpose of The Junction Works	97%	97%
Are willing to put in extra effort for The Junction Works	96%	94%

Source: Voice Project Employee Engagement Survey 2016 and 2014

Finding our employees' hidden skills

When Simone Stanton joined The Junction Works in 2016 we didn't realise she had such a valuable hidden skill.

Simone's primary role with The Junction Works is as the Community Centre Coordinator at Wattle Grove Community Centre. She also assists with the Schools as Community Centre partnership with Currans Public School in Macquarie Fields.



Not long after she commenced with The Junction Works, Simone

mentioned that she was an Infant Massage Instructor certified by the Infant Massage Information Service.

Bubbling with enthusiasm she explained the many benefits of baby massage, not least that it helps with bonding and attachment, decreases stress and improves sleep.

Within weeks Simone had a baby massage program up and running at Currans Public School as part of the Schools as Community Centre program for local mums and dads and of course, babies.

At The Junction Works we encourage staff to bring their hidden talents, interests and skills to work. As we've discovered many times over the past year, the interests and skills of



staff often open up new program possibilities, whether it's baby massage with Simone, ballroom dancing with Barry, ukulele lesson with Gary or an adapted Crossfit program developed by Sasha for young people in need of a supportive environment to work on their fitness, mental health and wellbeing.

2016 Staff Snapshot



149
Number of Permanent Employees



27%
Male



73%
Female



85%
Proportion of Staff with Advanced Tertiary Qualifications

Average Staff Retention

3.6
YEARS

Treasurer's Report

Operations

The Junction Works' operations for the year ended 30 June 2016 provided a surplus of \$1.5 million. This compares favourably to the prior year surplus from operations of \$1.0 million. The surplus represented 11% of revenue and 15% return on net assets.

Total revenue for the year of \$13.9 million included \$12.9 million government and other grants. This is an increase of \$3.3 million over the prior year's revenue of \$10.6 million. The majority of non-government revenue came from attendance and service fees (\$0.9 million).

Expenses totaled \$12.6 million, with the majority of costs being employee and training expenses (\$9.0 million) and administration (\$1.1 million).

Financial Position

Total assets of The Junction Works at 30 June 2016 were \$13.5 million, an increase of \$1.9 million on the prior year. This increase is mainly in the form of additional cash at bank. Liquidity remains strong with \$4.1 million cash at bank and \$2.7 million term deposits. Non-current assets include \$5.3 million land and buildings and \$1.0 million plant and equipment.

Total liabilities at the end of the financial year were \$3.1 million. The major portion of liabilities is grants received in advance (\$1.6 million) and employee leave entitlements (\$0.8 million).

The current ratio at the end of the financial year (current assets divided by current liabilities) was 2.4, which shows that The Junction Works has

more than sufficient cash and other current assets to meet its short-term commitments.

The Junction Works had a strong equity position, being total assets less liabilities, of \$10.4 million. This represents an increase of \$1.5 million from the prior year.

Cash Flow

The Junction Works' cash balance (not including bank term deposits) increased by \$2 million during the financial year to \$4.1 million. This increase was generated mainly by normal operations (\$2.4 million) less net plant and equipment costs (\$0.3 million).

Future Financial Position

The \$6.8 million cash and term deposits held, along with the surplus planned for the coming year provide a solid financial base for continuing The Junction Works' programs and investing in assets with a view to continuation of the improvement and expansion of our programs.

The Junction Works is very well placed financially to participate in the significant growth opportunities that are presenting for the short and medium term.

At 30 June 2016, \$584 thousand had been raised towards our total goal of \$1.4 million for the building of our Living Skills and Respite House.

Business systems

The Junction Works was fully prepared in terms of business and back office systems for the National Insurance Disability Scheme (NDIS)

rollout to commence in South Western Sydney from 1 July 2016.

Financial and Risk Governance

The Board reviews a financial dashboard report that provides financial performance compared to budget and financial position compared to prior periods as well as key financial ratios at each board meeting. The financial performance for the financial year was in accordance with the budget approved by the Board.

The Board also receives strategic and other risks registers and a comprehensive Workplace Health and Safety report at each Board meeting.

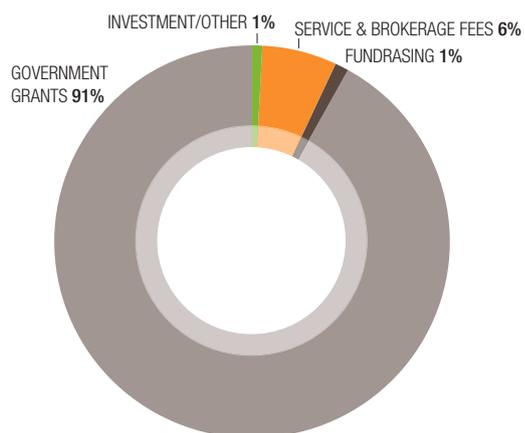
Susan Williams
Treasurer

Financial highlights 2015/16

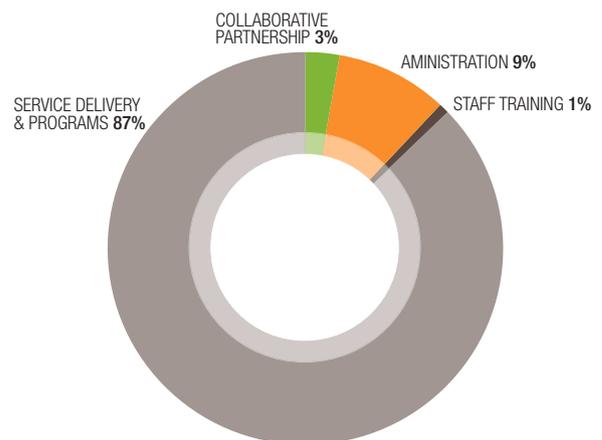
A summary of the significant items appearing in the financial report, and the comparative for the 2016 year is as follows:

Item	2016	2015	\$ Increase/ (Decrease)	% increase/ (Decrease)
Operating Revenue	14,134,324	10,864,570	3,269,754	30.10%
Operating Expenditure	12,612,588	9,865,313	2,747,275	27.85%
Net Operating Surplus	1,521,736	999,257	522,479	52.29%
Total Net Surplus	1,521,736	999,257	522,479	52.29%
Total Assets	13,523,952	11,585,212	1,938,740	16.73%
Total Liabilities	3,134,139	2,717,135	417,004	15.35%
Net Assets	10,389,813	8,868,077	1,521,736	17.16%

Proportional of Funding Received



Proportional of Funding Spent



The Board of Directors
The Junction Works Limited
135 Thirteenth Avenue Austral, NSW 2179

17 November 2016

Dear Board Members

The Junction Works Limited

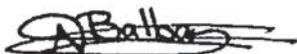
In accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the directors of The Junction Works Limited.

As lead audit partner for the audit of the financial statements of The Junction Works Limited for the financial year ended 30 June 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely,

DELOITTE TOUCHE TOHMATSU



Nathan Balban
Partner
Chartered Accountants

The Junction Works Limited

A.B.N 79 133 200 905

Directors' Report

For the Year Ended 30 June 2016

Review of operations for the year

The surplus of the company amounted to \$1,521,736 (2015: \$999,257)

A review of the operations of the Company during the financial year and the results of those operations show that the company continued to engage in its principal activity, the results of which are disclosed in the financial statements.

Changes in state of affairs

There have been no significant changes in the state of affairs of the company during the year.

Subsequent events

There has not been any matters or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

Auditor's independence declaration

The auditor's independence declaration is included after this report.

Signed in accordance with a resolution of the Board of Directors: On behalf of the Directors



Director
Helen Lyons
4 November 2016

Directors' Declaration

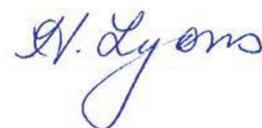
The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Also, in the opinion of the directors:

- (a) the financial statements give a true and fair view of all income and expenditure with respects to fundraising appeals; and
- (b) the provisions of the Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority of fundraising have been complied with; and
- (c) the internal controls exercised by the trust are appropriate and effective in accounting for all income received from fundraising .

Signed in accordance with a resolution of the directors made pursuant to s.60.15 of the Australian Charities and Not-for-Profits Commission Regulation 2013.



Director
Helen Lyons
4 November 2016

The Junction Works Limited

A.B.N 79 133 200 905

Statement of Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	3	13,862,785	10,597,814
Other income	3	271,539	266,756
Employee benefits expense	4	(8,911,522)	(6,695,207)
Client expense		(451,944)	(411,504)
Depreciation and amortisation expense	4	(435,105)	(379,357)
Doubtful debts expense		(4,553)	(8,083)
Repairs, maintenance & vehicle running expense		(492,163)	(404,797)
Fuel, light & power expense		(57,954)	(34,365)
Rental expense		(207,854)	(175,769)
Training expense		(93,490)	(83,257)
Audit, legal & consultancy expense		(107,423)	(109,635)
Administration expense		(1,144,492)	(856,452)
Fundraising expense		(23,845)	(21,654)
Partner expense		(426,643)	(409,413)
Other expenses		(255,600)	(275,820)
Surplus before tax	4	1,521,736	999,257
Income tax expense		-	-
Surplus for the year		1,521,736	999,257
Other comprehensive income:	-	-	-
Total comprehensive income for the year		1,521,736	999,257

The Junction Works Limited

A.B.N 79 133 200 905

Statement of Financial Position

As At 30 June 2016

	Note	2016 \$	2015 \$
Assets			
Current assets			
Cash and cash balances	13(a)	4,111,862	2,050,548
Trade and other receivables	5	42,741	132,246
Other financial assets	7	2,730,448	2,639,295
Other assets	6	284,705	203,384
Total current assets		7,169,756	5,025,473
Non-current assets			
Other financial assets	7	1,399	1,338
Property, plant and equipment	8	6,352,797	6,558,401
Total non-current assets		6,354,196	6,559,739
Total assets		13,523,952	11,585,212
Liabilities			
Current liabilities			
Trade and other payables	9	2,262,680	1,965,338
Borrowings	10	52,498	52,498
Provisions	11	614,954	467,561
Current liabilities		2,930,132	2,485,397
Non-current liabilities			
Borrowings	10	13,124	65,622
Provisions	11	190,883	166,116
Total non-current liabilities		204,007	231,738
Total liabilities		3,134,139	2,717,135
Net assets		10,389,813	8,868,077
Equity			
Reserves		830,000	830,000
Retained earnings		9,559,813	8,038,077
Total equity		10,389,813	8,868,077

The Junction Works Limited

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Statement of Changes in Equity

For the Year Ended 30 June 2016

	Retained earnings \$	Asset revaluation reserve \$	Total \$
Balance at 1 July 2015	8,038,077	830,000	8,868,077
Surplus for the year	1,521,736	-	1,521,736
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	1,521,736		1,521,736
Balance at 30 June 2016	9,559,813	830,000	10,389,813

	Retained earnings \$	Asset revaluation reserve \$	Total \$
Balance at 1 July 2014	7,038,820	830,000	7,868,820
Surplus for the year	999,257	-	999,257
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	999,257	-	999,257
Balance at 30 June 2015	8,038,077	830,000	8,868,077

The Junction Works Limited

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Statement of Cash Flows

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Grants received		12,937,504	9,667,707
Receipts from customers		1,198,528	1,009,567
Payments to suppliers and employees		(11,812,325)	(9,060,340)
Dividends received		91	91
Interest received		82,610	83,672
Trust distribution received		-	1,688
Net cash generated by operating activities	13(b)	2,406,408	1,702,385
Cash flows from investing activities			
Payments for property, plant and equipment		(274,019)	(532,065)
Payments to acquire/(proceeds from expired) held-to-maturity investments		(91,274)	(1,074,788)
Proceeds from disposal of property, plant and equipment		72,697	60,819
Net cash used in investing activities		(292,596)	(1,546,034)
Cash flows from financing activities			
Repayment of borrowings		(52,498)	(52,498)
Net cash used in financing activities		(52,498)	(52,498)
Net increase in cash and cash equivalents		2,061,314	103,853
Cash and cash equivalents at the beginning of the year		2,050,548	1,946,695
Cash and cash equivalents at the end of the year	13(a)	4,111,862	2,050,548

Independent Auditor's Report to the Members of The Junction Works Limited

We have audited the accompanying financial report of The Junction Works Limited, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 7 to 32. In addition, we have audited The Junction Works Limited's compliance with specific requirements of the *Charitable Fundraising Act 1991* for the year ended 30 June 2016.

Directors' Responsibility for the Financial Report and for Compliance with the Charitable Fundraising Act 1991

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for compliance with the *Charitable Fundraising Act 1991*. The directors are also responsible for such internal control as the directors determine is necessary to enable compliance with requirements of the *Charitable Fundraising Act 1991* and the preparation of the 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 company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the entity has complied with specific requirements of the *Charitable Fundraising Act 1991* and the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the company's compliance with specific requirements of the *Charitable Fundraising Act 1991* and amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of non-compliance with specific requirements of the *Charitable Fundraising Act 1991* and 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 company's compliance with the *Charitable Fundraising Act 1991* and 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 company'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.

Inherent Limitations

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error, or non-compliance with the *Charitable Fundraising Act 1991* may occur and not be detected. An audit is not designed to detect all weaknesses in The Junction Works Limited compliance with the *Charitable Fundraising Act 1991* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

Any projection of the evaluation of compliance with the *Charitable Fundraising Act 1991* to future periods is subject to the risk that the procedures, may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

Auditor's Independence Declaration

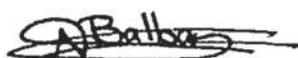
In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Opinion

In our opinion:

- (a) the financial report of The Junction Works Limited is in accordance with the Division 60 of *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*;
- (b) the financial report agrees to the underlying financial records of The Junction Works Limited that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations for the year ended 30 June 2016; and
- (c) monies received by The Junction Works Limited, as a result of fundraising appeals conducted during the year ended 30 June 2016, have been accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations.

DELOITTE TOUCHE TOHMATSU



Nathan Balban
Partner
Chartered Accountants
Parramatta, 17 November 2016

About the Junction Works

The Junction Works is a 'For Purpose' provider of mainstream and specialist services, supporting individuals, families and communities in Sydney's South West.

With our Mission of 'Creating new possibilities in people's lives' we focus on delivering creative and enriching community, youth, children's and disability services that are designed to improve the quality of people's lives.

The Junction Works is ISO 9001 certified, which means we meet international and domestic standards for ensuring quality services, continuous improvement and customer satisfaction.

You can find out more about The Junction Works on our website at www.thejunctionworks.org and our Facebook page at www.facebook.com/junctionworks

The Junction Works greatly appreciates the support provided by all our corporate sponsors including

ClarendonHomes



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