Grow

ACN 008 485 827

Financial Statements

For the Year Ended 30 June 2017

Grow

ACN 008 485 827

Contents

For the Year Ended 30 June 2017

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Directors' Report

30 June 2017

The directors present their report on Grow for the financial year ended 30 June 2017 .

General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Appointed	Resigned
Leonie Young (Chair)	February 2015	
Ian Sloan	December 2015	
Colleen Hosking	August 2008	November 2016
Steve Bailey	October 2010	
John MacIsaac	August 2011	
Kathryn Harrison	October 2011	
Lance Skelton	October 2011	November 2016
Garry Halliday	May 2013	November 2016
Steve Ryan	November 2016	
Ian Rentsch	December 2016	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

Grow was established in Sydney, in 1957 by people who believed that, together, they could support each other to overcome the difficulties they experienced in their everyday life, and go on to live a life full of hope and aspiration. Today Grow is a national organisation whose principal activity is to support individuals' recovery from mental illness through a program of mutual help with people who have experienced mental illness first hand. In addition to weekly attendance at locally based Grow Groups, Grow supports participants to develop friendships, personal networks and experience the value of being part of a community. There are 175 Grow Groups nationally. Grow is also using its experience with consumer led recovery to develop early intervention programs for use in schools and the boarder community.

No significant changes in the nature of the Company 's activity occurred during the financial year .

General information (continued)

Mission statement and values

Our Vision

Growing an inclusive Australian community that values all people and their right to good mental health.

Grow Mission

To provide proven mutual help and peer support based mental health recovery and education programs for individuals, families and communities, in a range of settings, using contemporary means, to achieve and maintain good mental health and life skills.

Our Values

Personal responsibility - We act ethically, and always take responsibility for our actions.

Personal Value - We treat every person as valuable, our behaviour demonstrate respect, tolerance, acceptance and belief in diversity.

Mutual Help - We work willingly with others to collaborate and share knowledge, skills and expertise.

Friendship - We work together, sharing challenges and solutions, with respect, curiosity and leadership.

Objectives and Strategy for achieving short and long term objectives

Strategic Goals 2014-2018

- We will double the number of people involved in Grow by the end of 2018.
- We will be recognised as a successful and proven mental health program by 1 in 3 Australian adults by the end of 2018.

Performance measures

The Grow measures its performance through a range of mechanisms presented at regular Board meetings for scrutiny. Grow has developed a five year Strategic Plan and the performance measures reflect expected outcomes. The strategic plan is reviewed annually and will be renewed in 2017. Our performance indicators include a range of measures regarding the delivery of the Grow Program, financial performance, staff satisfaction and risk and workplace health and safety measures and reports. Grow is a grass roots organisation, and the voice of Grow members (Growers) grounds us and ensures that our performance reflects our Vision and Values. Participation of Grow members is an essential feature to our governance and how we establish our direction and reflect on our performance.

General information (continued)

Contribution on winding up

Every member of the company undertakes to contribute to the property of the company, in the event of it being wound up while he or she is a Member or within one (1) year after he or she ceases to be a Member, for payment of the debts and liabilities of the company contracted before he or she ceases to be a Member and of the costs, charges and expenses of the winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding $20.00.

The total amount that members of the company are liable to contribute if the company is wound up is $100.00, based on five current ordinary members

Review of operations

The operating losses for the financial year amounted to $ (385,585) (2016: Loss of $260,892). The losses include investments such as a national anti-stigma campaign and investment in our early intervention to be delivered in schools and additional investment in a national marketing and fundraising strategy and program.

Significant changes in state of affairs

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

Future developments and results

Grow is investing in a project to ensure our readiness for the introduction of the National Disability Insurance Scheme.

We were again accredited for ISO 9001 accreditation and the National Mental Health Standards, work has commenced on a new strategic plan for Grow.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Matters subsequent to the End of Financial year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Indemnification and insurance of officers

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company, except for insurance premiums paid in respect of insuring the company's directors and officers against liabilities (other than liabilities arising out of conduct involving a lack of good faith).

Information on directors

Leonie Young (Chair)

The Board is now chaired by Leonie Young, who has had a 25 year national leadership career in the public and not-for-profit sectors in Australia, including implementing and leading Australia-wide health, mental health and primary care reform strategies as a successful CEO, Board Director, NGO leader, State Manager and public sector executive. Leonie is a member of the Australian Institute of Company directors.

Ian Sloan

Ian is a member of the Australian Institute of Company Directors and has considerable experience in business and technology. Ian has worked with government, private business and other not for profit businesses. Ian is the Managing Director of DSBS IT Consulting and Contracting.

Colleen Hosking

Colleen Hosking has a Bachelor of Economics (major Accounting) from the University of Adelaide. She is a retired partner from Ernst and Young and is a Fellow of the Institute of Chartered Accountants (FCA) and a Registered Company Auditor. Colleen is also a member of the Finance and Audit Committee and is now working with Allworths Assurance & Advisory Pty Limited as a Partner.

Steve Bailey

Steve Bailey is a registered psychologist. He has been working with people with dual disability and dual diagnosis for more than 25 years.

John MacIsaac

John MacIsaac is a consulting engineer in the mining sector who has participated in the Grow Program since 2006 and has undertaken many volunteer roles within Grow. John is the Deputy Chair of the Board.

Kathryn Harrison

Kathryn Harrison has a Commerce Degree majoring in Accounting which she undertook for the express purpose of working in the community sector. Kathryn has over 25 years' experience in the community services sector working with more than 60 community organisations, consulting on good financial practice, as well as managing a range of mental health programs. Kathryn is the chair of the Finance and Audit Committee.

Lance Skelton

Lance Skelton is a marketing and advertising consultant with 20 years' experience, who has worked at a senior level in creative industries in Perth, Singapore, Scotland and Malaysia. Lance has firsthand experience in Grow through his participation in the Grow Program.

Information on directors (continued)

Garry Halliday	Garry Halliday has a Bachelor of Social Work and a Graduate Diploma in Family Counselling and has recently retired as the Chief Executive Officer of the Northern Territory Carers.
Steve Ryan	Steve Ryan is, senior executive and educator with over forty years' experience in strategic leadership, governance, and service delivery. Steve has extensive governance capability from roles in education, as vice President and President of the Qld Teachers' Union and as a Trustee on the QSuper Board, and Director of QInvest.
Ian Rentsch	Ian has 25 years' experience in the community sector as a worker, Director and CEO including General Manager Alzheimer's Australia, Executive Director Red Cross ACT, CEO Palliative Care Australia and Executive Office of the Mental Health Community Coalition of ACT.

Meetings of directors

During the financial year, 5 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Leonie Young (Chair)	5	5
Ian Sloan (Chair ICT Committee)	5	5
Colleen Hosking	2	2
Steve Bailey	5	3
John MacIsaac (Deputy Chair)	5	4
Kathryn Harrison (Chair for Finance & Audit Committee)	5	5
Lance Skelton	2	2
Garry Halliday	2	2
Steve Ryan	4	4
Ian Rentsch	3	3

Number eligible to attend represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* can be found below.

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

Director: Leonie Young (Chair)

Director Kathryn Harrison

Brisbane, October 2017

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Auditor's Independence Declaration to the Directors of Grow

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act* 2012, as lead auditor for the audit of Grow Pty Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there has been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Hanrick Curran Audit Pty Ltd
Authorised Audit Company: 338599

Michael Georghiou
Director

Brisbane, October 2017

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Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2017

	Note	2017 $	2016 $
Revenue	2.	**5,816,940**	5,662,162
Advertising		**(31,038)**	(63,534)
Employee benefits expense		**(4,125,233)**	(3,877,471)
Growers expenses		**(176,848)**	(175,957)
Depreciation and amortisation expense		**(62,232)**	(132,697)
Caveat expense		**(19,597)**	(6,000)
Computer expenses		**(216,336)**	(170,944)
Consultancy Fees		**(178,953)**	(101,918)
Insurance		**(37,894)**	(36,241)
Motor vehicle expenses		**(216,528)**	(154,800)
Printing & Stationery		**(59,519)**	(75,247)
Repairs & Maintenance		**(49,242)**	(73,484)
Respite expenses		**(94,710)**	(61,598)
Staff amenities		**(37,099)**	(41,766)
S & W Workers' Compensation		**(83,989)**	(84,719)
Telephone expenses		**(103,406)**	(82,089)
Travel expenses		**(208,528)**	(232,299)
Other operating expenses		**(501,373)**	(552,290)
Profit before income tax		**(385,585)**	(260,892)
Income tax expense		**-**	-
Profit / (loss) attributable to members of the entity		**(385,585)**	(260,892)
Other comprehensive income/(loss), net of income tax		**-**	-
Total comprehensive income for the year		**(385,585)**	(260,892)

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 30 June 2017

	Note	2017 $	2016 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	**2,972,412**	3,050,590
Trade and other receivables	4	**19,235**	15,730
Inventories	5	**20,938**	31,839
Other financial assets	6.	**4,887**	4,887
Other assets	7	**87,424**	89,271
TOTAL CURRENT ASSETS		**3,104,896**	3,192,317
NON-CURRENT ASSETS			
Property, plant and equipment	8	**773,686**	1,212,364
TOTAL NON-CURRENT ASSETS		**773,686**	1,212,364
TOTAL ASSETS		**3,878,582**	4,404,681
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	**330,949**	386,414
Short-term provisions	11	**471,110**	384,914
Other liabilities	10	**90,453**	266,216
TOTAL CURRENT LIABILITIES		**892,512**	1,037,544
NON-CURRENT LIABILITIES			
Provisions	11	**700,954**	696,436
TOTAL NON-CURRENT LIABILITIES		**700,954**	696,436
TOTAL LIABILITIES		**1,593,466**	1,733,980
NET ASSETS		**2,285,116**	2,670,701
EQUITY			
Retained earnings		**2,285,116**	2,670,701
TOTAL EQUITY		**2,285,116**	2,670,701

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2017

2017

	Retained Earnings	Total
	$	$
Balance at 1 July 2016	**2,670,701**	**2,670,701**
Profit/(loss) attributable to members of the entity	**(385,585)**	**(385,585)**
Balance at 30 June 2017	**2,285,116**	**2,285,116**

2016

	Retained Earnings	Total
	$	$
Balance at 1 July 2015	2,931,593	2,931,593
Profit/(loss) attributable to members of the entity	(260,892)	(260,892)
Balance at 30 June 2016	2,670,701	2,670,701

The accompanying notes form part of these financial statements.

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Statement of Cash Flows
For the Year Ended 30 June 2017

	Note	2017 $	2016 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from government grants		**4,809,805**	5,093,953
Receipts from fundraising and donations		**183,085**	169,647
Receipts from good and services tax		**530,633**	520,627
Receipts from other income		**523,085**	525,681
Interest received		**76,004**	99,003
Dividends received		**359**	339
Payments to suppliers and employees		**(6,622,930)**	(6,307,643)
Net cash provided by/(used in) operating activities	12	**(499,959)**	101,607
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		**421,781**	111,034
Payment for property, plant and equipment		**-**	(328,353)
Net cash used by investing activities		**421,781**	(217,319)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase/(decrease) in cash and cash equivalents held		**(78,178)**	(115,712)
Cash and cash equivalents at beginning of year		**3,050,590**	3,166,302
Cash and cash equivalents at end of financial year	3	**2,972,412**	3,050,590

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2017

1. Summary of Significant Accounting Policies

Basis of Preparation

a. General Purpose

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012.*The company is 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 these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements,except for the cash flow 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.

b. Revenue and other income

Non-reciprocal grant revenue is recognised in the Statement of Profit and Loss or other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations are recognised as revenue when received. Cash funding and cash donations are recognised when the revenue is receipted as it is not practicable for Grow to maintain an effective system of internal control over non grant revenue until its initial entry in the accounting records.

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

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

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

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest is recognised using the effective interest method.

c. Inventories

Inventories are measured at the lower of cost or net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

d. Property, plant and equipment

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

Freehold property

Freehold land and building are shown cost, less depreciation for buildings.

The directors ensure the carrying amount for the land and building is not materially different to the fair value.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit and loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line method and a diminishing value over the asset's useful life to the entity commencing from the time the asset is ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land and Buildings	5%
Equipment and machinery	15% - 40%
Furniture, Fixtures and Fittings	20%
Motor Vehicles	22.5%
Computer Equipment	20%
Computer Software	10%
Leasehold improvements	15%

d. Property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

e. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

(a) the amount at which the financial asset or financial liability is measured at initial recognition;

(b) less principal repayments;

(c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and

(d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the ‘finance income’ or ‘finance costs’ line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

e. Financial instruments (continued)

Classification and subsequent measurement (continued)

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterpart will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

In some circumstances, the Company renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Company does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Company's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is unrecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets

Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is unrecognised.

e. Financial instruments (continued)

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management established that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of the financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f. Impairment of assets

At the end of each reporting period the entity assesses whether there is any indication that an asset may be impaired. If such indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset , being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with the other Standard.

g. Employee benefits

Short-term employee benefits

Provision is made for the company'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 company's obligation for short-term employee benefits such as wages, salaries and sick leave are

g. Employee benefits (continued)

Short-term employee benefits (continued)
recognised as part of current provisions in the statement of the financial position.

Other Long-term employee benefits

The company classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which is measure at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wages 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 government bonds that have maturity dates approximating the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefit expense.

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

h. Cash and cash equivalents

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

i. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flow is presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers

j. Income Tax

GROW is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.Accordingly Australian Accounting Standard AASB 112 *Income Taxes* has not been applied and on provision for income tax has been included in the accounts.

k. Provisions

Provisions are recognised when the entity 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 2017

l. Comparative amount

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

m. Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

n. Adoption of new and revised accounting standards

The company has adopted all standards which became effective for the first time at 30 June 2017, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cashflow of the company.

Notes to the Financial Statements

For the Year Ended 30 June 2017

o. New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instrument and amending standards AASB 2010-7 /AASB 2012-6 /AASB 2014-7 /AASB 2014-8	30 June 2019	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measured at fair value.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 15 Revenue from Contracts with Customers	30 June 2019	This standard provides guidance on the recognition of revenue from customers	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 16 Leases	30 June 2020	Significant revisions to accounting for operational leases on balance sheet by lessees of property and high value equipment. However exemptions for short-term leases and leases of low value assets will reduce the impact.	The entity has not yet determined the magnitude of any changes which may be need.

o. Critical Accounting Estimates and Judgments

make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgments are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgments made have been described below.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key estimates - Land and Buildings

At 30 June 2017, the directors have assessed the freehold land and buildings and do not believe there has been any impairment to the fair value as at 30 June 2017.

Key estimate - impairment

The Company assesses impairment at the end of each reporting year by evaluating conditions specific to the Company that may be indicative of impairment triggers.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2. Revenue and Other Income

	2017 $	2016 $
Sales revenue		
- Grants (Recurrent)	**4,964,481**	4,801,036
- Grants (Non-Recurrent)	**39,633**	45,781
- Other Grants	**13,594**	1,699
- Fundraising	**37,344**	61,243
- Donations	**145,739**	108,402
- other interest received	**76,004**	99,003
- Other income	**259,674**	286,406
- Board and lodging income	**280,471**	258,592
Total Revenue	**5,816,940**	5,662,162

3. Cash and Cash Equivalents

	2017 $	2016 $
Cash on hand	**130**	130
Bank balances	**2,972,282**	3,050,460
	2,972,412	3,050,590

4. Trade and Other Receivables

	2017 $	2016 $
CURRENT		
Trade receivables	**19,235**	15,730
	19,235	15,730

5. Inventories

	2017 $	2016 $
Literature, cards, gifts and brochures	**20,938**	31,839
	20,938	31,839

6. Other Financial Assets

	2017 $	2016 $
Listed shares in other corporations	**4,887**	4,887

7. Other Assets

	2017 $	2016 $
CURRENT		
Prepayments	**73,821**	64,561
Deposits paid	**13,603**	24,710
	87,424	89,271

Notes to the Financial Statements

For the Year Ended 30 June 2017

8. Property, plant and equipment

	2017	2016
	$	$
Land and Buildings		
At cost	**774,805**	774,805
Accumulated depreciation	**(40,361)**	(33,621)
Total land and buildings	**734,444**	741,184
Plant and Equipment		
At cost	**39,621**	39,621
Accumulated depreciation	**(35,910)**	(33,039)
Total plant and equipment	**3,711**	6,582
Furniture, Fixtures and Fittings		
At cost	**10,758**	10,758
Accumulated depreciation	**(5,020)**	(2,868)
Total furniture, fixtures and fittings	**5,738**	7,890
Motor Vehicles		
At cost	**74,772**	832,341
Accumulated depreciation	**(64,248)**	(402,075)
Total motor vehicles	**10,524**	430,266
Computer Equipment		
At cost	**9,044**	9,044
Accumulated depreciation	**(9,044)**	(9,044)
Computer Software		
At cost	**25,900**	25,900
Accumulated depreciation	**(9,460)**	(4,280)
Total computer cost	**16,440**	21,620
Leasehold Improvements		
At cost	**46,551**	46,551
Accumulated amortisation	**(43,722)**	(41,729)
Total leasehold improvements	**2,829**	4,822
Total property, plant and equipment	**773,686**	1,212,364

8. Property, plant and equipment (continued)

a. Movements in Carrying Amounts

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

	Land and Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Motor Vehicles
	$	$	$	$
Year ended 30 June 2017				
Opening balance	**741,184**	**6,582**	**7,890**	**430,268**
Additions	-	-	-	-
Disposals	-	-	-	**(376,457)**
Depreciation expense	**(6,740)**	**(2,871)**	**(2,152)**	**(43,287)**
Balance at the end of the year	**734,444**	**3,711**	**5,738**	**10,524**

	Computer Equipment	Leasehold Improvements	Total
	$	$	$
Year ended 30 June 2017			
Opening balance	**21,620**	**4,821**	**1,212,365**
Additions	-	-	-
Disposals	-	-	**(376,457)**
Depreciation expense	**(5,180)**	**(1,993)**	**(62,223)**
Balance at the end of the year	**16,440**	**2,828**	**773,685**

9. Trade and Other Payables

	2017	2016
	$	$
Trade payables	**66,097**	124,019
GST payable / (receivable)	**38,743**	66,344
Creditors and accruals	**209,469**	193,211
Other payables	**16,640**	2,840
	330,949	386,414

10. Other Financial Liabilities

	2017	2016
CURRENT		
Government grants received in advance	**90,453**	266,216

11. Provisions

	2017 $	2016 $
CURRENT		
Provisions for annual leave	**189,380**	139,484
Other long term employee benefits (annual leave)	**153,723**	134,284
Provisions for long service leave	**102,036**	111,146
Other provisions	**25,971**	-
	471,110	384,914
NON-CURRENT		
Provisions for Carindale property loan	**459,031**	439,434
Provisions for long service leave	**241,923**	257,002
	700,954	696,436

Provision for Employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. The balance has not been discounted as the amounts are not material. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those who have not yet completed the required period of service.

12. Cash Flow Information

a. Reconciliation of cash

	2017	2016
	$	$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	**2,972,412**	3,050,590
	2,972,412	3,050,590

b. Reconciliation of result for the year to cashflows from operating activities

	2017	2016
Reconciliation of net income to net cash provided by operating activities:		
Profit for the year	**(385,585)**	(260,892)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	**62,232**	128,417
- (gain)/loss on disposal of fixed assets	**(45,333)**	(37,374)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**(3,506)**	16,698
- (increase)/decrease in other assets	**1,848**	(19,414)
- (increase)/decrease in inventories	**10,901**	18,087
- increase/(decrease) in income in advance	**(175,763)**	247,136
- increase/(decrease) in trade and other payables	**(55,466)**	49,302
- increase/(decrease) in provisions	**19,597**	-
- increase/(decrease) in employee benefits	**71,116**	(40,353)
Cashflows from operations	**(499,959)**	101,607

13. Capital and Leasing Commitments

Operating leases

	2017	2016
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**320,092**	246,435
- between one year and five years	**166,811**	32,278
	486,903	278,713

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements. Increases in lease commitments may occur in line with consumer price index (CPI)

14. Financial Risk Management

	2017	2016
	$	$
Financial Assets		
Cash and cash equivalents	**2,972,412**	3,050,590
Trade and other receivables	**19,235**	15,730
Financial assets	**4,887**	4,887
Total financial assets	**2,996,534**	3,071,207
Financial Liabilities		
Trade and other payables	**330,949**	386,414

15. Key Management Personnel Remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The total remuneration paid to key management personnel of the Company was $ 401,364 (2016: $ 381,710).

Directors are not entitled to and did not receive benefits during the year other than:

- A $400 per annum honorarium each, paid in arrears, to contribute towards the incidentals and out of pocket expenses.

- Accommodation, meals and travel reimbursements relating to duties as directors.

- A $15,000 per annum (including superannuation) Chairperson's fee is paid by the Company.

16. Auditors' Remuneration

	2017	2016
Remuneration of the auditor of the company, Hanrick Curran Audit Pty Ltd for:		
- auditing or reviewing the financial report	**14,540**	14,250

17. Related Parties

There were no related party transactions during the financial year. There were also no loans in existence during the year or at balance date that were made, guaranteed or secured by the Company to the Directors, their partners or relatives under their control or significant influence.

18. Contingencies

In the opinion of the directors, the Company did not have any contingencies at 30 June 2017 (30 June 2016:None).

19. Events after the end of the Reporting Period

The financial report was authorised for issue by the directors on October 2017.

Grow has made a decision to sell 15 Lindisfarne Street Carindale and has notified the current residents of their decision. The company has a capital funding agreement with the Department of Housing and Public Works for this property and if sold, the company will need to pay the contingent liability of approximately $459,031 to the department. There is currently a provision for this amount on the company's books as at 30 June 2017.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

20. Statutory Information

Company details

The registered office of the company is:

GROW
1018 Logan Road
Holland Park
Queensland 4121

Grow

ACN 008 485 827

Directors' Declaration

The directors of the Company (also referred to as the registered entity) declare that:

1. The financial statements and notes, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

    a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and

    b. give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the Company.

2. 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.

This declaration is made in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director	Director ....
Leonie Young (Chair)	Kathryn Harrison

Brisbane, October 2017