



**Community First Inc.**

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COMMUNITY FIRST INC.  
ANNUAL REPORT 2006



'Making a positive difference  
through employment, training  
and community services.'





# COMMUNITY FIRST INC. VALUES

## VISION STATEMENT

A national leadership organisation delivering local quality of life outcomes to people.

## MISSION STATEMENT

Making a positive difference through employment, training and community services.

## ORGANISATIONAL VALUES

- L**eadership  
leadership :: teamwork :: vision :: effective change
- O**penness  
openness promotes honesty, transparency, integrity and a willingness to put forward our ideas
- C**reativity  
to be productive and flexible through innovation and promotion of ideas
- K**nowledge  
sharing and combining skills, experience, and abilities
- E**mpowerment  
to give individual people the tools to be the best they can be
- R**espect  
treat others the way you expect to be treated :: the wheel goes round :: karma

## THE ORGANISATION'S 12 PRINCIPLES

- Principle 1: To ensure that the Organisation has clear direction that is in alignment with the goals of the Organisation.
- Principle 2: To ensure that plans are mutually agreed and that they translate into actions.
- Principle 3: To ensure that we understand our customers and use this information to develop strategies and actions and to provide exceptional customer service.
- Principle 4: To ensure that we strive for continuous improvement as an Organisation and develop appropriate systems and processes.
- Principle 5: To ensure we care for and value our people and realise our potential through our people.
- Principle 6: To ensure that we are continually learning as an Organisation.
- Principle 7: To ensure that we identify system improvements and implement necessary changes.
- Principle 8: To ensure that we contribute to the community and add value to the community.
- Principle 9: To ensure that we use facts, data and knowledge to assist in making decisions.
- Principle 10: To ensure sustainability through risk managing and careful financial planning.
- Principle 11: Ensure effective leadership and role modelling throughout the Organisation.
- Principle 12: Ensure we create a culture of innovation and idea generation.

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## CEO REPORT

### OUR LEADERSHIP



The very essence of Leadership is that you have a vision. You can't blow an uncertain trumpet."

– Theodore Hesburgh

Community First Inc. is an organisation that leads through *excellent business practices* and a *commitment* to making a difference in people's lives. We achieve this through working together towards a *vision*. This enables us to deliver outstanding, quality of life outcomes for people in numerous communities. Our leadership is based on including others in decision making, generating and acting upon creative ideas, and acknowledging success and continuous improvement.

### OUR PEOPLE-OUR VALUES



Don't be afraid to take a big step if one is indicated. You can't cross a chasm in two small jumps."

– David Lloyd George

Our staff are committed to ensuring that people receive the *best possible service*. The *dedication* of our staff is outstanding. The values of the organisation are demonstrated each day by their service and the outcomes that are achieved for others. At the core of every business's success is the attitude and behaviour of its people. Without a doubt, our staff are our *biggest asset*. We are not afraid to take big steps to make a difference for others.

### OUR REPUTATION



There are risks and costs to a program of action, but they are far less than the long-range risks and costs of comfortable inaction."

– John F Kennedy

We are an organisation that is *action orientated* and delivers results in a systematic and consistent way. The organisation continues to gain *credibility* and *recognition* for its work. All those who work in the organisation understand the importance of our *reputation* and *commitment* to the community.

THANK YOU TO ALL THAT CONTRIBUTE TO THIS AMAZING ORGANISATION.

## OUR OUTCOMES

“

Believe in the best, think your best, study your best, have a goal for your best, never be satisfied with less than your best, try your best, and in the long run things will turn out for the best.”

– Henry Ford

Community First Inc. is a *high achiever*. We have high star ratings, excellent systems and processes, a strong commitment to achieving results, and very positive customer feedback.

## THE FUTURE

“

If you tell people where to go, but not how to get there, you'll be amazed at the results.”

– George Patton

Our future is about continuing to provide *quality services* throughout Australia and to be strongly recognised for our achievements as a *leader and ambassador* of the community. By delivering quality of life outcomes and meeting the needs of the community, we will achieve these goals.



# Community First Inc.

## Creating passion and purpose in the community

*Innovation. Leadership. Passion. Commitment. These are not just words. They are the embodiment of how Community First Inc. is shaping the future.*

This year Community First Inc. has provided effective, heartfelt, committed leadership and hope to those in our community who require employment, training and community services. Community First Inc.'s leadership is more about who we are and how we manifest our vision and passion than what we know. It's a vision with the capacity to hold a shared picture of the future we seek to create – a vision that stirs an undeniable drive to make a difference.

This year we have harnessed our staff and volunteers' passion and natural desire to make a positive and lasting difference in the society in which we live and work. They have passionately embraced Community First Inc.'s aim to make a fundamental difference to the quality of life of our clients and empower them to impact and engage in society.

The vision, passion and professionalism of my fellow board members have been some of the strengths of Community First Inc. over recent years and an inspiration to our staff. I thank them for their valuable contribution of time and effort and most of all, their guidance.

Chief Executive Officer Clare Allen and the executive management team's collective leadership skills and industry experience have fostered exceptionally high performance throughout the organisation. This has lifted and engaged our staff to achieve new levels of service and commitment, whilst creating a culture of unity, trust and respect.

This commitment and dedication has enabled us to successfully navigate one of the toughest and most challenging set of market conditions experienced for many years.

Operationally, Community First Inc. has performed exceptionally well despite these challenges. During the last financial year, we assisted 965 long term unemployed people into employment and coordinated 805 people to participate in 74 Community Work projects that directly benefit our community.

On behalf of the board, I take this opportunity to recognise the commitment, skill and professionalism of our management team and staff, and congratulate Clare and her team on leading the way by safely guiding Community

First Inc. through an outstanding year of achievement and change.

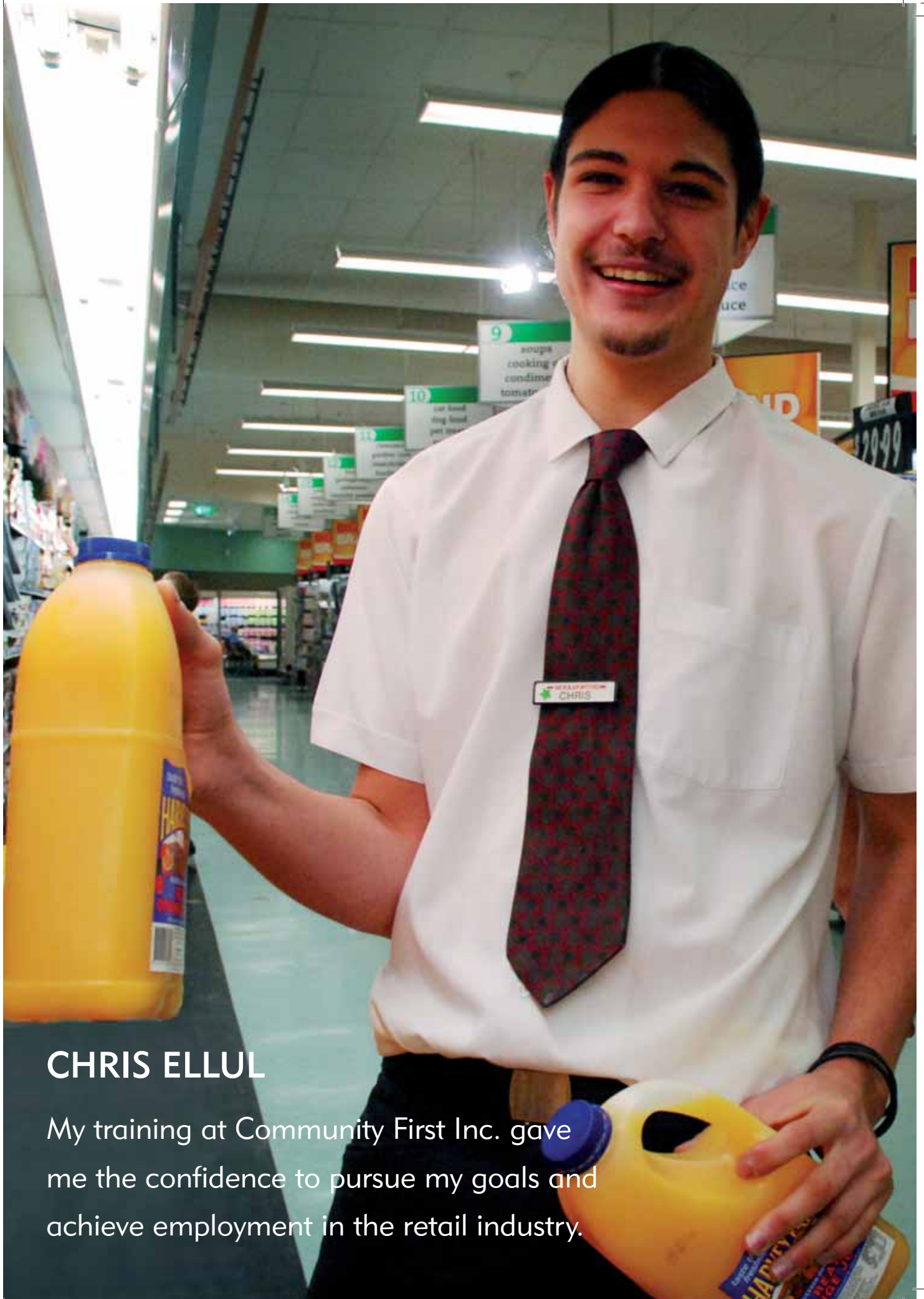
We have all talked about change, and change is something that we all must do. The tightening labour market presents serious challenges to Community First Inc.'s future and to our long-term viability, and as such, the board has endorsed the broadening in strategic direction. This has resulted in Community First Inc. actively searching for opportunities to further diversify our income sources as well as our role in building and maintaining strong communities.

As we move ahead in this New Year, our goal is to continue to see these words played out in actions. We need action; action that will ensure the long-term viability of Community First Inc. so that we maintain our role as a leader in our community

***– a leader that draws others to the flame of our passion.***

John Gillingham

Chairman



## CHRIS ELLUL

My training at Community First Inc. gave me the confidence to pursue my goals and achieve employment in the retail industry.

## COMMUNITY FIRST INC.'S CORPORATE GOVERNANCE BOARD OF DIRECTORS



**John Gillingham**  
Chairman

John has a comprehensive business background having owned and operated several small and medium-sized businesses. Not only does he have a strong academic and practical approach, he has been at the sharp end of community and not-for-profit organisations and committees for many years. He has previously served in the following capacities: member of the Native Title Negotiating Committee, Local Government Shire Councillor, Apex President, Rotary President, South West Forrest Structural Adjustment Package Chairman, Forestry Assistance Program Chairman, Grants for Forest Communities Program Chairman, and as Deputy Chairman of the Dairy Industry Rural Adjustment Package.

John, a stockbroker and financial planner, is the Principal and Manager of Paterson's Securities Ltd. (Bunbury).



**Steve Milligan**  
Deputy Chairman

Steve Milligan has been involved in the finance industry for 18 years. After a long career with BankWest (formerly R&I Bank), he moved into the private sector and now holds the position of Business Manager with Lane Ford. He has lived and worked in the Mandurah/Peel region for ten years.

Steve brings financial and management experience to the Board, and he views his participation as a small contribution back to the community.



**David Winter**  
Treasurer

David Winter heads Business Horizons, a management consulting firm which provides niche services to clients and represents their interests in Australia and overseas. He is a Certified Management Consultant and a Fellow of the Australian Institute of Company Directors.

David is a past Local Government Councillor and is the Chairman of the South Coast Business Development Organisation – a community-based economic development organisation.



**Stephen Wiles**  
Secretary

Stephen Wiles has a tertiary education in human resources management and experience in the development and building of small businesses. For the past several years, he has involved himself in a range of not-for-profit organisations on a voluntary basis. His special interest in this field is enhancing (what is now increasingly referred to as) 'Social Capital'.



**Wendy Perdon**  
Non-executive Director

Wendy Perdon has had a varied career. Beginning as a nurse, she quickly became passionate about helping others. Moving on from nursing, Wendy began working for the Red Cross in Melbourne. During her eight years there she worked in varying roles that included involvement in youth leadership, policy development, emergency management and international law dissemination.

Wendy is the E-Business Manager with Connect South West, a community organisation assisting businesses in the South West adopt technology and grow their opportunities through E-commerce.



**Keith King**  
Non-executive Director

Keith is the principal of Mandurah Senior College. His unique skills and experience have cultivated a special interest in vocational training programs for post-compulsory education students.

He has written and published articles related to the provision of onsite Aboriginal training, strategies for improving the environmental health of indigenous people and the development of a virtual classroom for engaging and re-engaging 16 to 25 year-olds. He is currently the Principal at Mandurah Senior College with a student population of 1000 students and 95 staff.



**Jason Sheridan**  
Non-executive Director

Jason joined the Community First Inc. Board in June 2004. He practices as a Barrister & Solicitor in both Western Australia and the Northern Territory in private practice and has been admitted to the Role of Practitioners in the High Court of Australia.

In addition to the legal experience Jason brings to the Board, he has also been involved with various non-profit organisations including Rotary and as the Co-ordinator and Principal Lawyer of the Bunbury Community Legal Centre. He also served in the Army for 6 years prior to his admission as a Barrister & Solicitor.

# 2005

## employees of the year

# recognising excellence

In 2003, Community First Inc. initiated an Employee Recognition Program designed to recognise and reward employees who are recognised by their peers as “making a difference.” Operational and Executive Managers are unable to be nominated or select winners. This is a staff driven process.

### **The three categories for the Employee of the Year are:**

Innovation / New Ideas | Business Ethics | Savings (time/money)

### **Winners of the Employee of the Year each receive:**

Accommodation to the value of \$500

Employee of the Year Certificate

His or her photograph placed on the Organisation’s Portal

His or her photograph placed in all reception areas

### **In 2005, the following 10 staff members were nominated by their peers:**

**Sarah Mellar** – JNW Bunbury

**Julie Keep** – JNW Bunbury

**Sue Locke** – JNW Mandurah

**Joanne Mallinder** – JNW Mandurah

**Robyn Cody** – JST Mandurah

**Kerry Thompson** – JNW Mandurah

**Kyralee Tomlinson** – JNW Bunbury

**Bill Turner** – PPS Mandurah

**Nick Marinelli** – WFD Bunbury

**Janet Mihaljevich** – Governance Mandurah

A huge thank you to all nominees for their outstanding contribution to the organisation and congratulations to the 2005 Employee of the Year winners.

# making a difference



## **Kyralee Tomlinson – Innovation/New Ideas**

Kyralee was a worthy recipient of this award due to her success in the initiation, development, and implementation of the “Job Club” program in Bunbury. This program now runs successfully 3 days per week and provides Intensive Assistance for jobseekers. It offers a range of services including reverse marketing, resume building and career guidance.



## **Bill Turner – Business Ethics**

Bill was the recipient of this award for numerous reasons:

- he has achieved excellent outcomes in Post Placement Support;
- he has made a concerted effort to change the way we liaise with Post Placement Support clientele (employees and clients);
- he treats all staff, clients and employees with respect and humility; and
- he is always able to encourage and motivate his clients.



## **Julie Keep – Savings (Time/Money)**

As the winner of this category, Julie must be congratulated on her numerous suggestions to improve the Job Network Operations in Bunbury. As the Post Placement Support officer working to retain jobseekers in ongoing employment, Julie instituted a range of letters and agreements for employer incentives to formalise and streamline existing processes. Thanks to Julie, Community First Inc. can now make claims that we were previously unable to make. Julie’s incentives have decreased our client drop-off rate.

## CONTINUOUS IMPROVEMENT



### Computerised Ordering Program

#### COP

Community First Inc. conducts its business in a number of locations covering the Peel, South West and Great Southern Regions of Western Australia. To facilitate an efficient process, Community First Inc.'s Governance team has worked with software writers Envisage Blue to develop a Computerised Ordering Program (COP). The COP program, which represents marketable intellectual property, is now implemented at all Community First Inc. sites. The COP program has proven to be a huge success and has seen efficiencies and improvements in the following areas:

- Auditing
- Compliance
- Risk Management
- Desktop Monitoring
- Expenses at-a-glance
- Time Management

On behalf of the organisation, the Governance team headed by Margareta Pooley must be congratulated for their hard work in the development and implementation of this fantastic system.

#### On-line Policy and Board Governance Manual

Community First Inc. has developed an on-line manual that ensures a centrally-located, version-controlled home for all of Community First Inc.'s policies, procedures and documentation.

The On-line Policy and Board Governance Manual is designed to assist in managing the services of Community First Inc. in a manner that provides a high standard of governance, management, and service delivery in accordance with the Business Excellence Framework, our 12 Guiding Principles and our LOCKER Values.

The Community First Inc. On-line Policy and Board Governance Manual is a living document which acts as a tool to educate and guide our Board, staff and volunteers. As such, it is also a document that must grow and change as the strategic intent of the organisation changes.

#### New IT System

Community First Inc.'s expansion of services and the introduction of innovative projects placed the organisation in a position to re-evaluate its computer infrastructure. Over the past year, the Governance and IT team have drastically upgraded our computer systems with the introduction of eight new servers that take over the job of the previous three.

This provides the organisation with the latest technology to ensure that the organisation can grow and deliver quality services in an efficient manner.



## KAY DARBY

Community First Inc assisted me in gaining work experience that I thoroughly enjoyed.

## CONTRIBUTING TO THE COMMUNITY

### EMPLOYMENT SERVICES

#### Job Network



Performance against star ratings:

- Mandurah Generalis contract  
4 star
- Mandurah Youth Contract  
4.5 star
- Bunbury Youth Contract  
4.5 star

Community First Inc has been delivering Job Network related services since 1998 following the closure of the Commonwealth Employment Service (CES).

As a founding member of Job futures, a newly formed national consortium of community based agencies, Community First Inc. (formerly known as Peel Training and Employment Inc) launched its successful expansion into the Commonwealth Government's Job Network Services under the Employment Services Contract 1.

In 2000 Community First Inc. extended delivery of these services to Western Australia's Southwest with the establishment of an office in Bunbury providing Youth Specialist Job Network Services.

During this period additional client services were successfully tendered for under the Transition to Work Program (TTW) and Personal Support Program (PSP).

Continued success in the provision of Job Network Services placed Community First Inc. in a favourable position to tender for the Employment Services Contract commencing in 2003, which resulted in a major re-focus in service delivery. This three year contract has had a strong focus on the long term unemployed, highly disadvantaged, youth and indigenous client groups with performance being assessed under a Star Rating System.

Our Peel operation comprises a Generalist contract and a Youth Specialist contract, whilst our South West operation comprises a Youth Specialist contract. The Peel Generalis contract is the second largest Job futures Job Network Contract in Australia.

In 2005 a new outreach site was established in Pinjarra at Murray Resource Centre to service the needs of our clients in outlying areas.

Some of the more recent initiatives have included the implementation of an Intensive Case Management approach to those clients who are identified as having major barriers to employment. This approach has resulted in the re-engagement of many of these jobseekers into employment.

We continue to focus on providing strong placement support to our jobseekers in supporting them into employment and in engaging our jobseekers proactively at all levels of our service delivery. Under the Welfare to Work reforms we have tailored our services to meet the needs of this new cohort of jobseekers and in being able to successfully engage them in our programs.

Our Job Placement services continue to service the needs of our employers and in identifying strategies to assist our jobseekers to meet the needs of the skills in demand shortages.

SERVICES INCLUDE:

- Job Placement Services
- Job Search Support
- Intensive Support
- Intensive Support-Mutual Obligation
- Intensive Support Customised Assistance
- Personal Support Program

DANIEL  
DE CAMPI

I have been working now for just over six months, and my life has improved in many areas – financially, getting more respect from my friends and family, and having something to look forward to everyday.



## REGIONS WE WORK IN

### Busselton

Busselton Library  
Busselton Community Nursery

### Manjimup

Manjimup Volunteer  
Resource Centre  
(Sponsor & Host)

Timber Park  
Salvation Army Store

### Bridgetown

Masonic Lodge  
Moonya Nursing Home  
Bridgetown Historical Society  
Bridgetown Tourist Centre

### Yarloop

Yarloop Community Centre

### Collie

Collie Child Care Centre  
Collie Bowling Club  
Red Cross Shop Collie  
Collie PCYC  
Collie Historical Society



### Bunbury

Dolphin Discovery Centre  
(Sponsor & Host)  
Activ Foundation (Sponsor & Host)  
Connect South West  
Ministry of Justice  
South West Parenting  
Milligan House  
Munchin Manor  
Morrissey Homestead  
Shoestring Café  
Big Swamp Bird Park  
Catholic Parish  
Elanora Villas  
Wattle Hill Lodge

### Eaton

Eaton Recreation Centre

### Harvey

Harvey Telecentre  
Hocart Lodge  
Harvey Bowling Club

### Margaret River

Margaret River Resource Centre  
Organic Garden (Sponsor & Host)

### Australind

Leschenault Recreation Centre  
Leschenault Community Nursery

### Mandurah

Salvation Army Family Store  
K9 Rescue Group  
Mandurah HACC  
(Sponsor & Host)  
City of Mandurah  
City of Mandurah  
- Eyes Wide Open Child Care  
Peel Health Campus  
Billy Dower Youth Centre  
Belswan Retirement Village  
Pam Corker Lodge  
Foundation Christian College  
Waratah Community Church  
St Vincent De Paul's Supermarket  
Wearne House Hostel  
Greenfields Primary School  
Dudley Park Primary,  
Breakfast Club  
Mandurah Retirement Village  
Red Cross Op Shop  
Eastlake Church  
Good Samaritans  
- Operation Gift Box



### Nambellup

K9 Rescue Group

### Dwellingup

Dwellingup Visitors Centre

### Pinjarra

Pinjarra Visitors Centre  
Murray Community Support

### Boddington

Boddington Old School  
(Sponsor & Host)

Murray Plains & Waterways

### Fairbridge

Fairbridge Horticultural  
and Rural  
Fairbridge Building Skills

### Waroona

Waroona Op Shop  
Waroona SES  
Department of Agriculture

## COMMUNITY WORK CO-ORDINATOR REPORT

### Community Work Coordinator and Work for the Dole



Performance against star ratings

Star Ratings

Mandurah	5 star
Bunbury	5 star

Work for the Dole provides the opportunity to gain work experience and participate in an activity that benefits the community. Here are some examples of projects in which Community First Inc. is involved in.

#### The Activ Foundation in Bunbury

The Work for the Dole team has assisted the Activ Foundation to design and build a sensory garden in the backyard of the Activ centre. The project has included clearing the land, designing the space, sourcing materials, installing reticulation, laying bricks for paths, sourcing non-toxic plants for the garden, and constructing a pond, streams, a gazebo, benches, seats, and an arbour over the stream. The

outcome of this fantastic program will provide a safe, interactive learning centre for people with disabilities. Community First Inc. is a proud partner with the Activ foundation in this fantastic project.

#### The Prime Minister's Work for the Dole Achievement Awards 2005

Community First Inc. is pleased to recognise Team Leader Darren Whiffler for his outstanding achievements. As supervisor of the Visual Arts Program, he has been nominated for a highly-commended award from the Prime Minister.

Darren brought his creative talents to the fore as the supervisor of the Visual Arts Program. Participants produced wood puzzles for disadvantaged children, created props and costumes for shows and school theatre productions and liaised with council staff on installation approvals for performances.

Darren encouraged his participants to believe they can achieve great things and this produced some excellent results. The Visual Arts Program provided participants with the opportunity to be involved in a diverse range of community events,

while developing skills in design, painting, dressmaking and sculpture in a professional environment.

Community First Inc. would like to thank all of our host organisations for providing opportunities for our Work for the Dole participants:

Community First Inc. successfully tendered for the Community Work / Work for the Dole contract for the Peel Region in early 2002 and commenced projects in July 2002.

During the past four years service delivery was extended to include the South West Region based at Community First Inc.'s Bunbury site. In 2006 Community First Inc. was successful in re-tendering for the Employment Services Community Work Contracts, retaining business in both the Peel and South West Region and gaining additional business in the Greater Southern Region based at Albany.

The CWC / Work for the Dole Department have experienced many challenges since commencing in 2002. Whilst there has been growth in our service delivery across regions there has been a significant reduction in the referral of participants to the program since November 2005



due to strong labour market conditions. This has resulted in the rationalisation of services at all levels with natural staff attrition minimising staff redundancies.

The quality of our services has been maintained and this was evidenced by the Department of Employment and Workplace Relations (DEWR) star ratings which assessed both contracts to be a 5 Star provider.

### Peel Region – Mandurah Site

The Mandurah facilities based at Cumberland Street continue to support two fully resourced work shops which are utilised for Work for the Dole Projects including the Visual Arts workshop, which provides strong linkages with the Arts Community in the region. A strong partnership has been established with the Mandurah Performing Arts Centre where Community First Inc. have been involved in the production of props for productions including “Cinderella” and “A Funny Thing Happened on the Way to the Forum”. Our community profile is promoted strongly; we are actively involved in the Crab Fest, Little Nippers and the Stretch Festival.

Community First Inc. staff across the organisation provide their support at these events.

We continue to maintain strong partnerships with Murray Resource Centre, Fairbridge Farm, the City of Mandurah, and various community based host organisations across the region. In May 2006, the administration staff were relocated to Community First Inc.’s main office at Mandurah Terrace, which has further improved staff integration and client access.

### South West Region – Bunbury Site

In July 2005 staff were relocated to the main office in Wellington Street which has improved staff integration and client access. The Bunbury facilities support a workshop at Payne Park. We have been successful in maintaining strong partnerships with 29 Sponsors/Host organisations throughout the South West. These have included the delivery of projects with the Dolphin Discovery Centre, Manjimup Resource Centre, Activ Foundation, Busselton Public Library and the Margaret River Resource Centre.

The Manjimup, Bridgetown and Pemberton areas have been serviced through a partnership with the Manjimup Resource Centre which offers brokered placements within all of these communities.

### Community Services

The Peel Activity Centre (PAC), funded by Home and Community Care, has continued to provide people with disabilities opportunities to develop carpentry skills based at the wood workshop at the Cumberland Avenue premises in Mandurah in a supported environment.

Service delivery has been reviewed and the program will now be known as “Ability Arts” to reflect a new focus on our service delivery as part of our Community Services.

Community First Inc. is committed to providing quality services across the Peel region and through a partnership with the WA Department of Health will continue to develop these services.

A Team Leader has been appointed to oversee the development of activities that meet the needs of our participants and to further diversify program delivery to the wider community.



## Registered Training Organisation

Community First Inc. is a registered training organisation that has been delivering accredited and non-accredited training to the Peel, South West and Metropolitan areas for over twenty-two years. The training department continues to meet the needs of community members and businesses.

## Bilyidar Leadership and Cultural Awareness Program

In 2005, 27 Aboriginal and non-Aboriginal young people and an experienced training team from the Peel Region completed the second year of the Bilyidar Leadership and Cultural Awareness Program. Bilyidar, which means place of water, is about bringing Aboriginal and non-Aboriginal young people together to learn about other cultures and ways of working and living together. One of the strengths of this program is the involvement of young people in the training team who are central to the planning and development of this program. The 2005 program included:

- a 9-day trek to the mid-west region of WA to complete a bush adventure, networking and yarning/ sharing stories with people from various aboriginal communities;
- the opportunity to learn leadership skills and make connections with the various aspects of Indigenous culture;
- opportunities to participate in employment readiness and skills training;
- regular gatherings to learn more about coping with issues young people face and hearing and meeting guest speakers from local support agencies. (e.g. drug and alcohol use/misuse, mental health, legal issues, sexual health, etc.); and
- preparing a Community Cultural Festival to celebrate Aboriginal culture and reconciliation.

The Bilyidar Program is the result of seven years work for Paul Morrison who had been dreaming about creating an opportunity for young people in his Peel community to learn more about themselves and Aboriginal culture and to develop hopes and dreams for their own

lives. In 2005, Paul brought together some people to help him realise this dream: the South Metropolitan Public Health Unit, the Western Australia Police Service - Streetnet Program, Community First Inc., Disability Services Commission, Department of Education and Training and Centrelink.

Karen McLennan, the Health Promotion Coordinator for Peel and Rockingham Kwinana, attended the 9-day trek. She reported that it was "an extremely successful event that proved to be challenging, rewarding and personally satisfying." Senior Constable Phil Tuffin from the Streetnet youth outreach service enjoyed himself so much he tried to avoid getting back on the bus to return home!

The young people felt that the program was an amazing experience that was difficult but also great fun. Many of the young people, Aboriginal and non-Aboriginal, connected with the people they met during the trek. They learnt a lot about Aboriginal culture and themselves, and about working together through the activities that occurred after the trek.

Thanks to the funding support from Foundation for Young Australians, Lotterywest and Strong Family Healthy Communities, Bilyidar has now established itself as a successful program to enhance career, lifeskills and community connectedness for young people in the Peel region.

For further information about the Bilyidar Leadership and Cultural Awareness program please contact Ian Gentle on (08) 9586 4508. Community First Inc. is a proud sponsor of the Bilyidar Program.

## **Cultural Trax to the Future 2**

Funded by the Western Australian Department of Education and Training, Cultural Trax to the Future is the second program funded by Community First Inc. for Cultural and Linguistically Diverse (CALD) women in the South West Region. The program offered CALD women the opportunity to learn practical skills to help them find and sustain employment and develop the confidence to plan and achieve future goals. This was achieved through the delivery of an in-depth life skills program

alongside a mentoring program. The program captured the experiences of the CALD women by collecting their stories, written in both English and the participants' native language, detailing the highs and lows of life in Australia. The stories were published and circulated to migrant communities and other organisations throughout Western Australia.

If you would like a copy of this publication please contact our head office (details on back page).



## COMMUNITY FIRST INC. STORIES

### Daniel De Campi

Employment Services client working full time with Complete Building Renovations in Mandurah

"I secured employment in a cabinet-making shop with the help from Community First Inc.. Eight years ago, I lost the chance to finish the last year of an apprenticeship in cabinet-making because my family moved and had since been unemployed."

"Just before I got my new job, I had personally given out 15 letters to cabinet-making or wood-working businesses in Mandurah and I was pretty upset that I didn't get one call back."

"At my appointment with Community First Inc., one of the staff gave my caseworker information about a job that might suit me, and my caseworker suggested I call the employer right then. I spoke to the employer and my caseworker also spoke to him and explained how Community First Inc. will help me and them."

"The employer called me back on Saturday and asked me to come in on Monday. When my caseworker

called me on the Monday to see if I'd heard anything, I told her I was already at the workshop working on a trial basis!"

"Later on, my employer and Community First Inc. helped me get my tool kit together. I have learnt a lot about cabinet-making, kitchen demolition/installation, using power tools and working in a workshop environment."

"I have been working now for just over six months, and my life has improved in many areas – financially, getting more respect from my friends and family, and having something to look forward to everyday."

### Kay Darby

Training course participant – employed at the Atrium Hotel

"I had the opportunity through Community First Inc. Inc to undertake a 'Taster' Course that gave me an introduction into the hospitality, retail and business industries."

"On completion of the course, in addition to the knowledge and confidence I gained whilst participating in the course,

the practical workplace skills I obtained during the work experience led to employment at Blue Jac's Restaurant and the Atrium Resort Mandurah."

"Community First Inc. provided me with an opportunity to undertake training and work experience in the hospitality industry and assisted me in gaining the confidence and self belief to be an excellent employee and achieve my goals of employment in the hospitality industry."

### Dale Craig

This picture was taken with one of our staff members Sue Locke.

Dale's aim has always been to get off the dole, and since Community First Inc. Inc found her a job with Quell-Clean, she has been able to achieve this, and has not been in receipt of any Centrelink payments since January of this year.

As Dale explained "I now have the ideal lifestyle. I work as a part time cleaner at the caravan park where I live in exchange for free rent, as well as working 25 hours a week for Quell-Clean. I start at 4 am and have finished my working day by

A photograph of two women standing together against a solid blue background. The woman on the left is older, with short white hair and glasses, wearing a dark jacket. She has her arm around the shoulder of the woman on the right. The woman on the right is younger, with blonde hair pulled back, wearing a light purple zip-up sweatshirt. Both women are smiling warmly at the camera.

## Dale Craig

I now have the  
ideal lifestyle  
and I can buy  
what I want  
without thinking  
about the cost.

9am, and I earn nearly as much working 25 hours a week as I did in my previous full time job."

"I can buy what I want, like a decent piece of steak, without thinking about the cost. I can have a cappuccino and enjoy the beautiful foreshore scenery. I have time to spend in my garden, socialise and visit my family, and I enjoy good health."

"I work 6 mornings a week, and can have time off if I want. I don't get paid to have time off, but that's my choice. I can basically work as much or as little as I want as long as I tell the boss."

"Dave and Jacqui Clarson are brilliant employers. If you do the right thing by them they'll do the right thing by you. As Dave said "good workers – we keep them happy." They are extremely approachable and open employers, and they run a nice family business."

## Amy Elliot

Work for the Dole  
Program participant

"I can now say that I have worked as part of a team and that I have

learnt to be responsible – like turning up to work on time which is really important when you're part of a team. "It's not just you that you let down." I now feel confident enough to work alone if I have to and to make decisions by myself so that the projects can be completed on time. This has helped me develop my leadership skills with others."

"There were so many different projects that we worked on its hard to name them all, but the most memorable would have to be involvement in the children's workshops for the crab fest, there were hundreds of kids who wanted to make these papier maché fish. Because it was windy, paper was getting blown about and it seemed that every kid wanted to make one! It was frantic and challenging, but I showed them how to make them and paint them. It was actually great fun!"

"Before starting the Work for the Dole program, I had heaps of trouble getting motivated in the mornings and would just watch TV and hang around at home. It was so boring. After starting WFD I found that I looked forward to work. Now I am doing training in

retail and keeping myself busy. I feel a lot happier."

## Deanna Vogel

Work for the Dole  
Program participant

"As a person who was unemployed, I was unsure of what the Work for the Dole program was, what I would be doing and how it could help me. Like a lot of people in my situation I really didn't have a very positive attitude towards the program. However, as a Work for the Dole participant in Community First Inc.'s Visual Arts program I have changed my outlook, and it has given a new meaning to Work for the Dole for me."

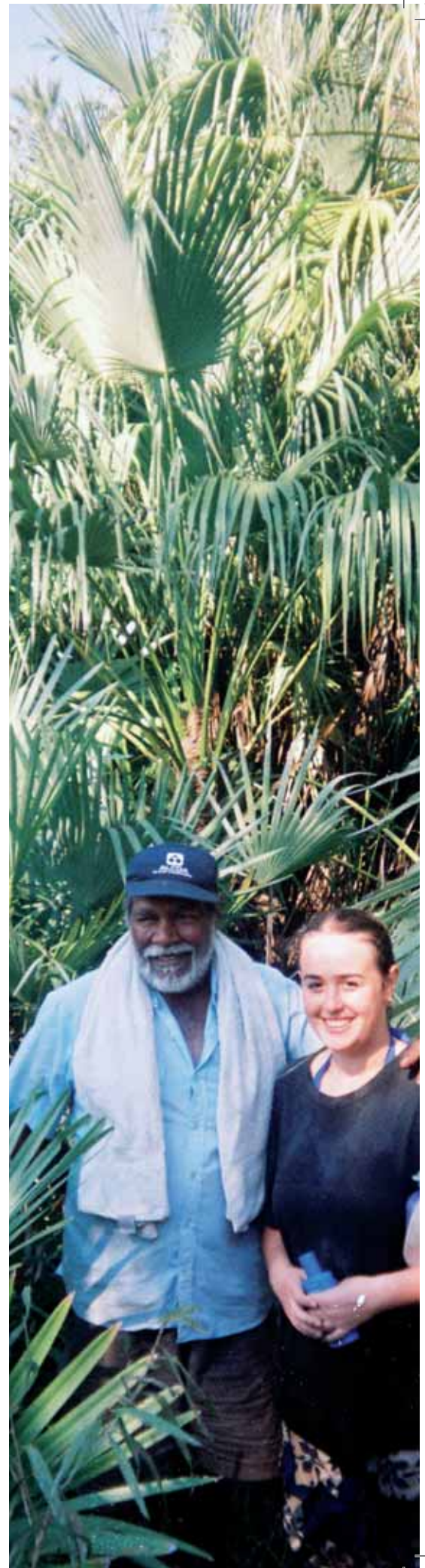
"I see it now as a valuable tool in helping me improve my self esteem, setting personal goals and rising to meet the challenges that I face. Before participating I felt bad about myself and would not want to get up and face another day of being unemployed and doing nothing much. Now I am feeling encouraged about gaining employment in the future."

"I am developing important work ethics thanks to the mentorship of

supervisor Darren Whiffler. He has been inspirational with his 'hands on' approach to the varied projects that the Visual Arts program has been involved with and has done an outstanding job of creating a harmonious workplace with his 'can do' attitude. With the patience and respect he shows me and the other participants, I have been able to learn many new skills which I feel are transferable and will be a benefit and help for me to re-enter the workforce. The incentive of the training credits I will receive to improve my situation through further training is a bonus to the sense of achievement I am experiencing through being involved with a program that is positively focused on community involvement."

"I am very grateful to Darren for being so helpful and I believe he is doing well above what is expected of him as the Visual Arts supervisor. For example, he has organised a children's art workshop at this year's Crab Festival at which I will be working with two other participants. The Mandurah City Council will pay us for this work, and we will also gain some excellent work experience which will

be a positive entry on our résumé. It is planned that the success of this workshop will lead to other such activities of its kind as it will be used as an example to market the concept to venues and festivals throughout WA. The opportunity to be involved in a project like this is very exciting, and it gives me a great sense of satisfaction."





**Visual Arts Program**

## TREASURER'S REPORT

In common with all not-for-profit organisations, Community First Inc. must generate modest surpluses to fund necessary investment in new programs and equipment in the future. To this end, Community First Inc.'s financial performance during the 2005/06 year exceeded budget expectations, despite gross income for the period at \$5479386 being less than expected and less than the previous year. This positive result was achieved by the adoption of a rigorous operating efficiency program leading to a surplus of \$400122 which represents 7% of income. Additional detail is provided in the "General Purpose" standard audited accounts which follow.

Community First Inc.'s major customer is the Australian Government Department of Employment and Workplace Relations (DEWR). In the execution of its responsibilities, DEWR contracts organisations such as Community First Inc. under its Employment Services program to facilitate the placement of unemployed persons into work. The 2005/06 financial year saw a boom in the Western Australian economy, unprecedented skills shortages and

plummeting unemployment rates. Whilst an excellent socio-economic outcome, the shortage of job-ready clients constrains Job Network contractors' incomes whilst they are still required to offer high levels of service, infrastructure and staffing. This situation is and will continue to present challenges.

Community First Inc. is a high-performing organisation in relation to its client outcomes, its internal management processes, and its structured control systems. This result has been attained by the CEO and her staff who must be commended for their efforts.

A standing Audit, Compliance and Risk Management committee monitors financial performance, risk and compliance aspects of the operation, providing advice and recommendations to the Board. Identified risk areas are regularly probed to ensure that amelioration controls are adequate. As in previous years, the committee is mindful of an increasingly complex contractual and statutory/regulatory environment, including the requirement to produce reports that comply with the Australian equivalents of the International

Financial Reporting Standards. I gratefully acknowledge the input and dedication of committee members.

For the third year, Community First Inc. has included a "triple bottom line" report utilising the United Nations sponsored Global Reporting Initiative sustainability guidelines which augments the financial data provided.

It has been a privilege to work with Community First Inc.'s talented professional team that is dedicated to improving opportunities for and ultimately the quality of life of our clients.

David Winter FAICD, FIMC

Treasurer

# TRIPLE BOTTOM LINE REPORT

## Economic Outcomes

2005/2006 Community First Inc. delivered its primary sources of income from the Department of Workplace Relations, JOB futures National, Western Australian Department of Education and Training.

2005/06 figures come from the auditors report.

## Environmental Outcomes

Community First Inc. has addressed environmental challenges within the wider community through its Work for the Dole activities and Peel Activity Centre. The organisation established an environmental committee that focused on improving environmental efficiencies. The environmental committee achievements included environmental awareness and training for staff, participation in local events such as Clean Up Australia Day, recycling ink cartridges, and the reduction of chemical and paper consumption.

## Social Outcomes

Community First Inc. conducts its business as a responsible, not-for-profit organisation within the community. Community First Inc. supports the UN Universal Declaration of Human Rights and aims to apply its principles throughout its business operations. Community First Inc. is committed to the elimination of unlawful discrimination and to the promotion of equality of opportunity for all customers/ partners, stakeholders and other interested parties in all its functions. The aim of the policy is to ensure that all are treated equally, irrespective of race, colour, nationality, ethnic origin, gender, sexual orientation, marital or parental status, age, disability, political or religious belief or socio-economic class or spent criminal convictions.

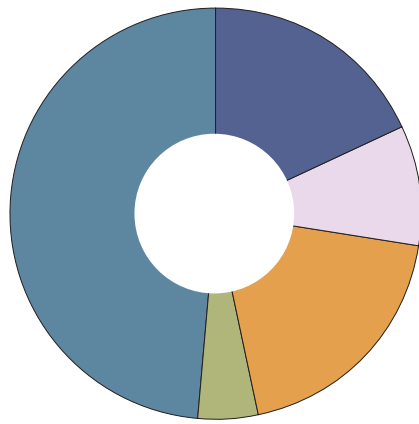
Contracts secured and funds received, have enabled Community First Inc. to provide the following services to the community;

- Job Placement Services
- Job Search Support
- Intensive Support
- Intensive Support- Mutual Obligation
- Intensive Support Customised Assistance
- Personal Support Program
- Work for the Dole programs
- Respite through Peel Activity Centre
- Fee for service training
- Cultural Trax to the Future program

Economic Performance Indicators:	2005/06	2004/05
Revenues from ordinary activities	\$ 5 479 386	\$ 5 905 442
Total payroll and benefits	\$ 2 908 352	\$ 2 955 952
Interest paid on borrowings	\$ 90 521	\$ 49 083
Increase/decrease in retained earnings	\$ 400 122	\$ 230 681

Environmental Performance Indicators:	2005/06	2004/05
Energy use (electrical and gas)	149 148 units	135 835 units
Motor vehicle fuel use	62 445 litres	85 683 litres
Water consumption	5 694 kilolitres	7 624 kilolitres
Incidents and fines for non-compliance with Environmental regulations/laws	zero	zero

Social Performance Indicators:	2005/06	2004/05
Number of persons assisted to find employment	2668	2969
Number of persons prepared to find employment	1739	1810
Number of persons receiving job search training	450	467
Number of persons placed into Jobs through Job Placement Office	502	



Number of persons:

- Under 21
- Non-English speaking background
- Mature Aged
- Aboriginal/Torres Straight Islander
- Disability Assisted

Workforce Numbers	2005/06	2004/05
Full time	44	46
Part time	10	18
Casual	7	12

	2005/06	2004/05
The net employment creation ratio:	1:50.73	1:45.63
Percentage of employees represented by union organisations	4.91%	4.4%
Sick leave	3086.73hrs	3331.59hrs
Workers' Compensation claims:	3	2

## Community Contribution

"Upon joining Community First Inc. in 2004, I thought of having a once-a-month casual clothes day to raise money for the local community. The staff would donate a gold coin and this was donated in turn to a worthwhile cause."

"The casual clothes day worked really well and ideas came in for other fundraising opportunities. I put forward a proposal to Management recommending the appointment of a charity coordinator at each site. My proposal was accepted and I was appointed Charities Coordinator in Mandurah and Kaye Wallace was appointed to the position in Bunbury."

"I love being the Charities Coordinator as it is a great feeling to lead and encourage our organisation and staff to raise money to help people less fortunate than ourselves."

"I feel it also creates a great team spirit around the office. Most members of staff join in on our

fundraising activities and events whether they are sausage sizzles or charity walks!"

– Joanne Mallinder

"I enjoy fundraising for charities as I have always been very community-minded. When my children were young, I would always volunteer to help out at their schools and also coached sports teams. My big involvement in charity work stems from the fact my sister died of bowel cancer 14 years ago when she was just 36 years old."

"I have been on many voluntary committees including sporting bodies. My achievements include being on the City of Bunbury Committee for the 2000 Olympic Torch Relay and being Co-ordinator of the South West Junior Hockey Championships for 13 years. I have collected for the cancer foundation and Give a Can – Give a Damn (Rotary). For the past two years, I have been on The Bunbury Op Shop Ball Committee, and this year we raised \$14 000 for Bunbury Palliative Care at St John of God Hospital."

"I was pleased to have Community First Inc. involved with Telethon and it was very satisfying to see staff members volunteer their own time to participate in a variety of Telethon activities."

"Without community spirit many organisations would close through lack of funding. We live in the 'Lucky Country' but some people are not as lucky as us!"

– Kaye Wallace

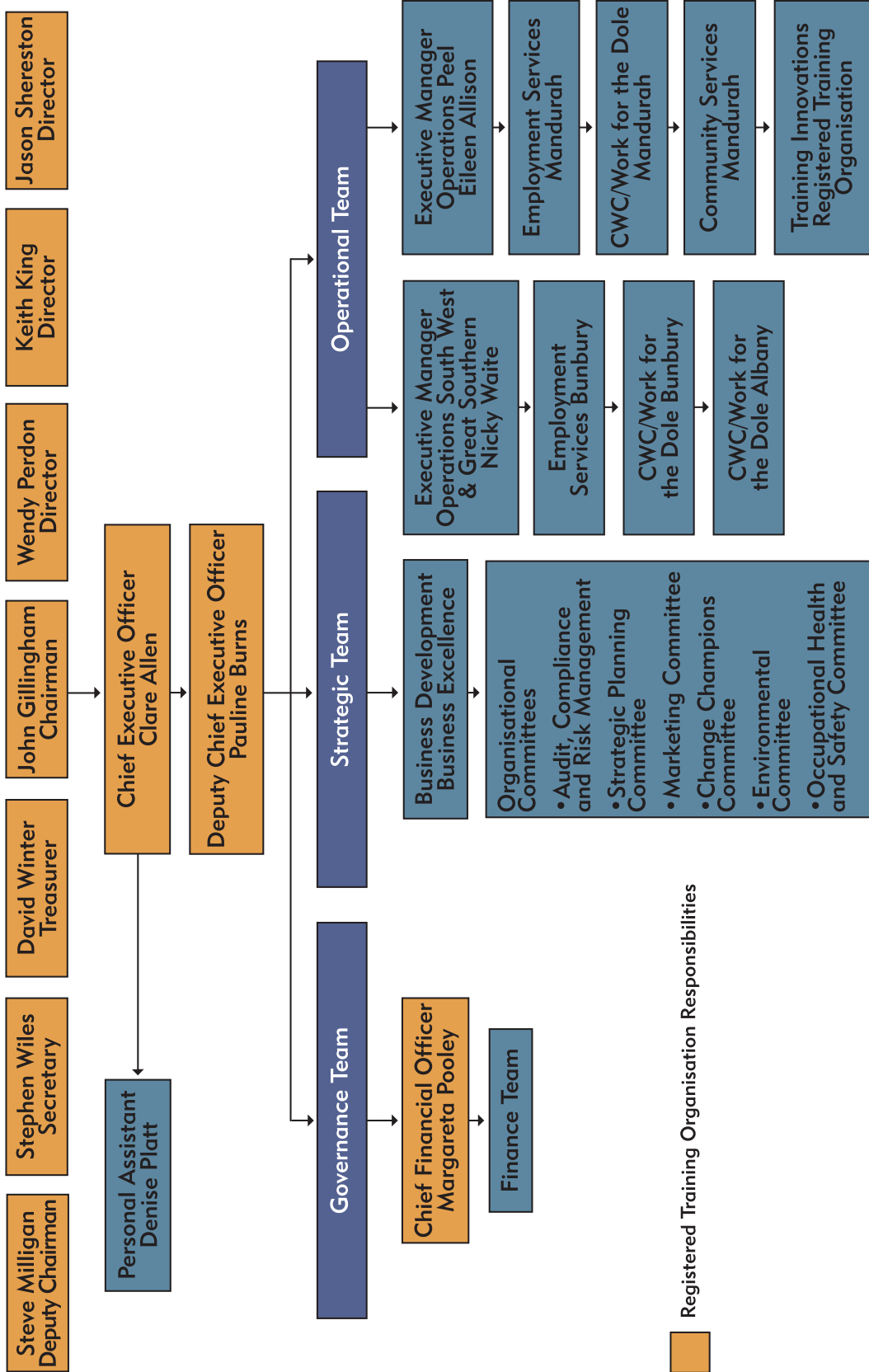
Fundraising Outcomes	
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Jeans for Genes	\$160.00
Daffodil Day	\$150.00
The Holden Family Donation	\$72.35
Bandanna Day	\$156.00
Sponsored Walk HACC	\$157.10
Mandurah Island Challenge Walk	\$90.00
World's Greatest Shave	\$1295.00
Telethon Loud Shirt Day	\$70.00
Australia's Biggest Morning Tea	\$75.50
Telethon	\$1205.60

Internal Fundraising for Community First Inc.	
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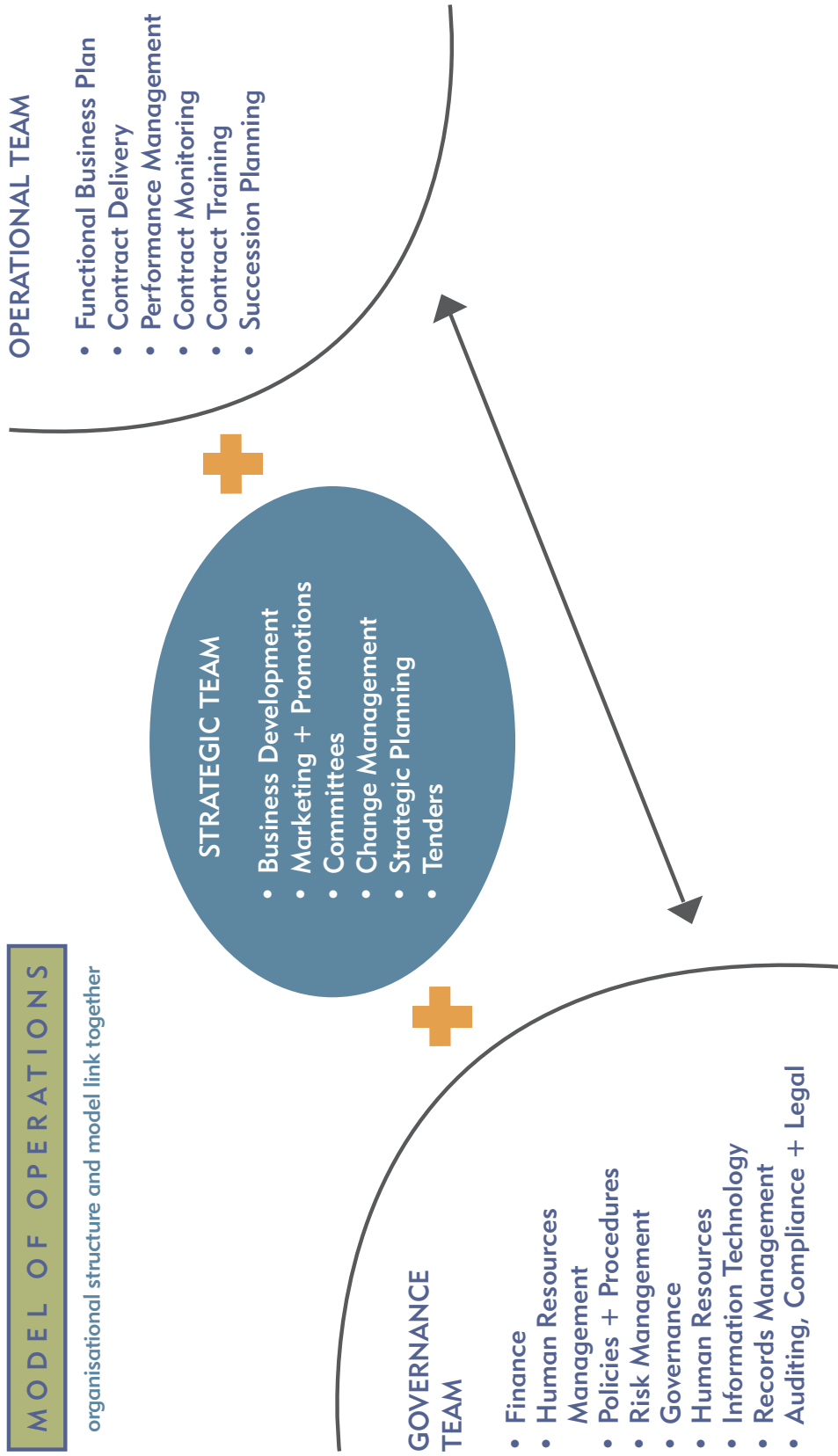
Clothing Sale	\$291.00
Win a Day's Annual Leave	\$130.00
Casual Clothes Day	\$55.75
Variety of fundraising activities	\$490.65
Melbourne Cup Hat Day	\$50.00

# ORGANISATIONAL CHART



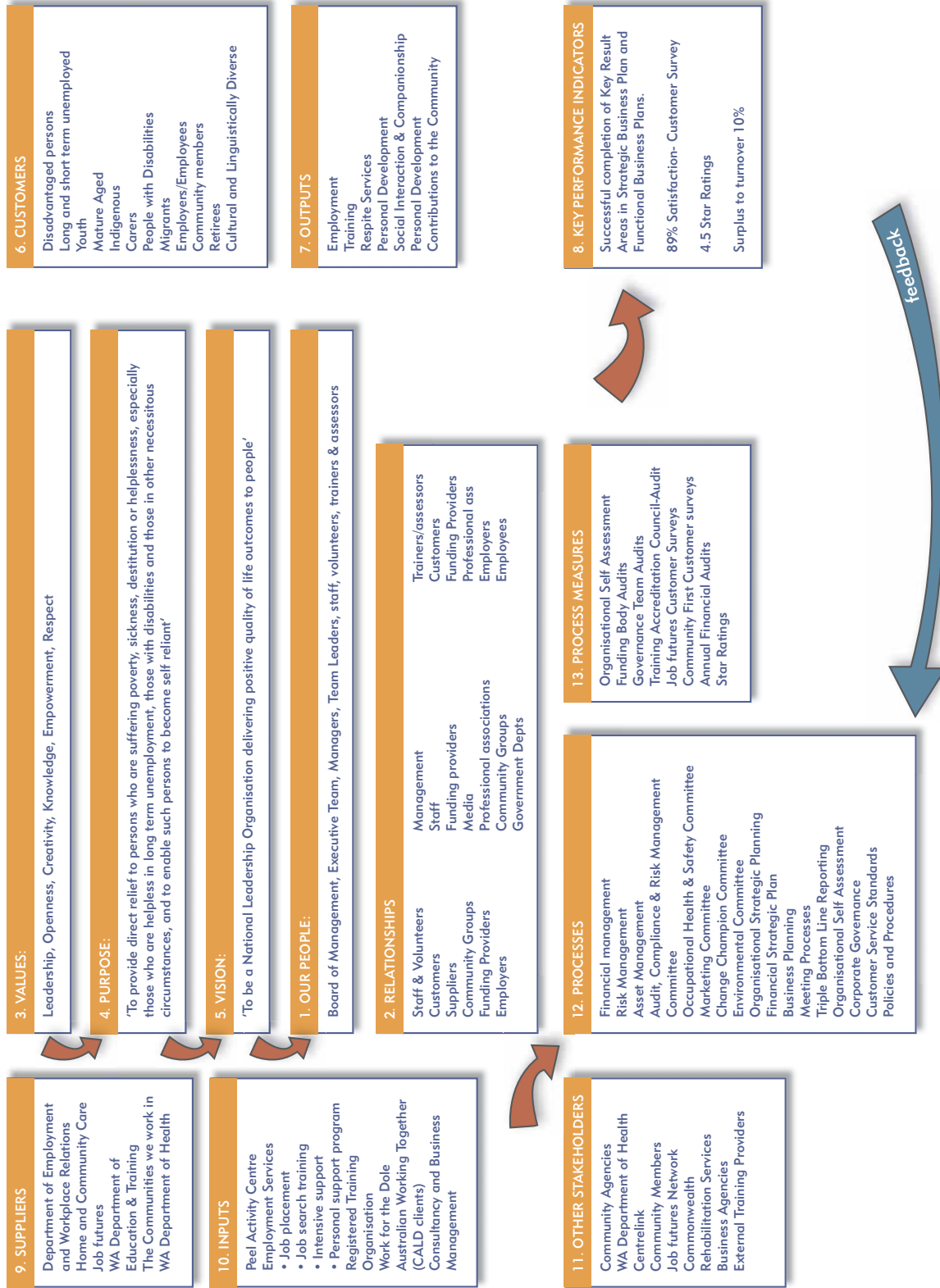
Registered Training Organisation Responsibilities

# MODEL OF OPERATIONS



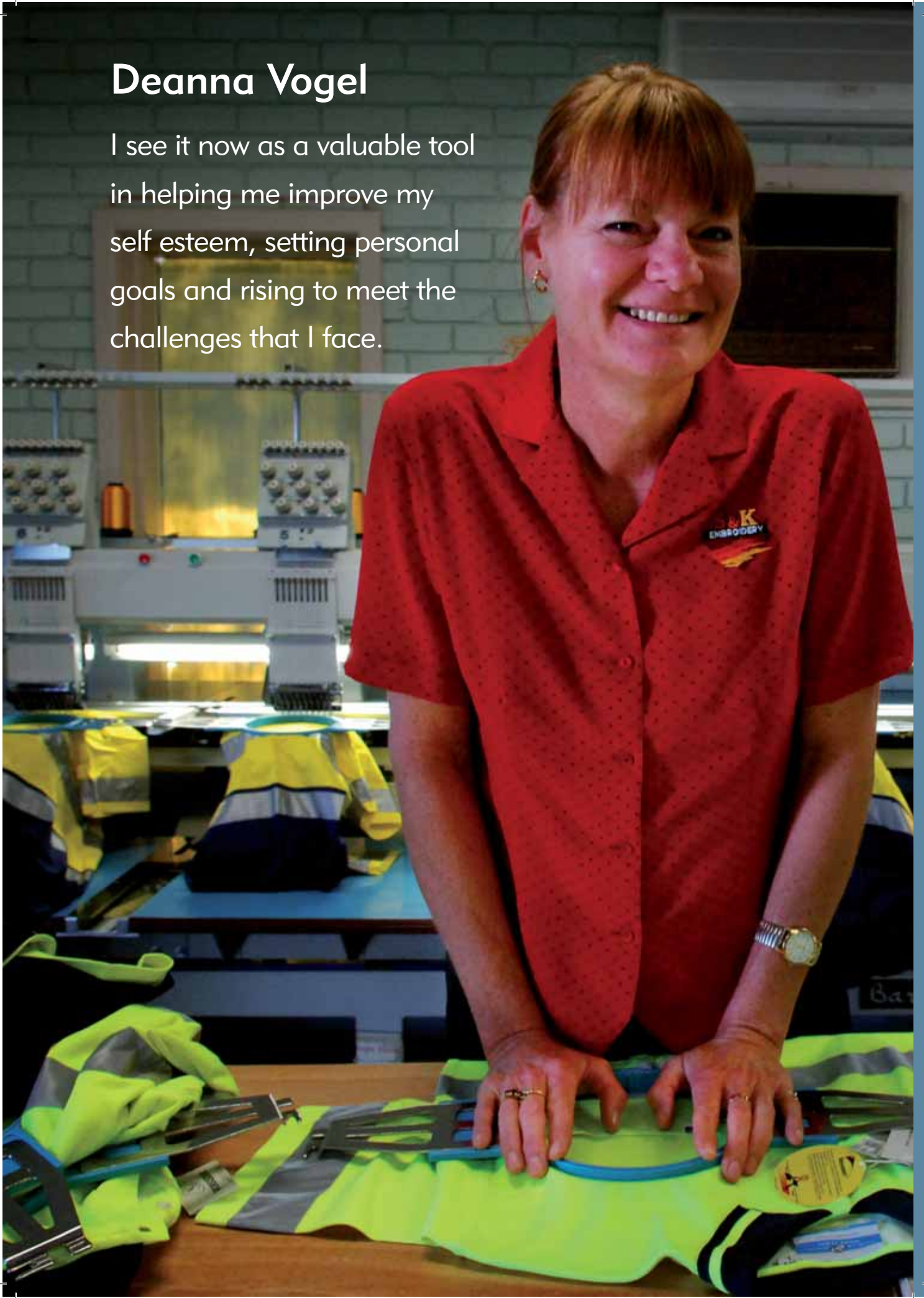
# BUSINESS EXCELLENCE, SYSTEMS VIEW

## Business Excellence, Systems View –Community First Inc.



## Deanna Vogel

I see it now as a valuable tool in helping me improve my self esteem, setting personal goals and rising to meet the challenges that I face.



## FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2006

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## STATEMENT BY THE BOARD OF MANAGEMENT

In the opinion of the Board of Management of the Community First Inc., the financial report as set out on pages 9 to 24:

1. Presents a true and fair view of the financial position of Community First Inc. as at 30 June 2006 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. The operations of Community First Inc. have been carried out in accordance with its Constitution.
3. At the date of this statement, there are reasonable grounds to believe that Community First Inc. will be able to pay its debts as and when they fall due.

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



John Cunningham

Board of Management member

Dated this 13th day of October 2006

# INDEPENDENT AUDIT REPORT

## Scope

The financial report and The Board of Management's responsibility

The financial report comprises the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, accompanying notes to the financial statements, and the statement by the Board of Management for the year ended 30 June 2006.

The Board of Management of Community First Inc. is responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporations Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

## Audit approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of Community First Inc., in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial reports present a true and fair view, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and which is consistent with our understanding of Community First Inc.'s financial position, and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:-

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

## Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

## Audit Opinion

In our opinion, the financial report of Community First Inc. presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of Community First Inc. as at 30 June 2006 and the results of its operations and its cash flows for the year then ended.



R J CAMPBELL CPA  
Partner, Harding & Associates  
7 King William Street, Bayswater WA 6933

Dated this 4th day of October 2006

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006	2005
Revenues from ordinary activities	2	\$ 5 479 386	\$ 5 905 442
Employee benefits expense		(\$ 2 908 352)	(\$ 2 955 952)
Depreciation and amortisation expense		(\$ 1 528 67)	(\$ 256 600)
Borrowing costs expense		(\$ 90 521)	(\$ 49 083)
Other expenses from ordinary activities		(\$ 1 808 717)	(\$ 2 413 126)
Surplus from ordinary activities for the year		\$ 518 929	\$ 230 681
Transfers to Revenue Reserves		(\$ 1 188 07)	—
Income Tax Expense		—	—
<b>TOTAL CHANGES IN EQUITY</b>		<b>\$ 400 122</b>	<b>\$ 230 681</b>

## BALANCE SHEET AS AT 30 JUNE 2006

	Note	2006	2005
<b>CURRENT ASSETS</b>			
Cash assets	4	\$ 589 025	\$ 557 738
Receivables	5	\$ 457 955	\$ 157 792
Other Financial Assets	6	\$ 5 000	\$ 5 000
Other	7	\$ 36 377	\$ 50 796
Plant & Equipment	8	\$ 220 811	\$ 309 693
<b>TOTAL CURRENT ASSETS</b>		<b>\$ 1 309 168</b>	<b>\$ 1 081 019</b>
<b>NON CURRENT ASSETS</b>			
Other Financial Assets	6	—	\$ 5 000
Property, Plant & Equipment	8	\$ 1 433 700	\$ 1 483 393
<b>TOTAL NON CURRENT ASSETS</b>		<b>\$ 1 433 700</b>	<b>\$ 1 488 393</b>
<b>TOTAL ASSETS</b>		<b>\$ 2 742 868</b>	<b>\$ 2 569 412</b>
<b>CURRENT LIABILITIES</b>			
Payables	9	\$ 604 912	\$ 784 201
Interest bearing liabilities	10	\$ 109 249	\$ 114 344
Provisions	11	\$ 155 122	\$ 157 620
<b>TOTAL CURRENT LIABILITIES</b>		<b>\$ 869 283</b>	<b>\$ 1 056 165</b>
<b>NON CURRENT LIABILITIES</b>			
Interest bearing liabilities	10	\$ 229 559	\$ 395 947
Provisions	11	\$ 10 526	\$ 19 950
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>\$ 240 085</b>	<b>\$ 415 897</b>
<b>TOTAL LIABILITIES</b>		<b>\$ 1 109 368</b>	<b>\$ 1 472 062</b>
<b>NET ASSETS</b>		<b>\$ 1 633 500</b>	<b>\$ 1 097 350</b>
<b>EQUITY</b>			
Revenue Reserve	12	\$ 122 307	—
Asset Revaluation Reserve	12	\$ 387 018	\$ 373 297
Retained Earnings	13	\$ 1 124 175	\$ 724 053
<b>TOTAL EQUITY</b>		<b>\$ 1 633 500</b>	<b>\$ 1 097 350</b>

The accompanying notes form part of these financial statements

## STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2006

	EQUITY			TOTAL
	RETAINED EARNINGS	REVENUE RESERVE	ASSET REVALUATION RESERVE	
BALANCE AS AT 30 JUNE 2005	\$ 724 053	—	\$ 373 297	\$ 1 097 350
Surplus / (Loss)	\$ 518 929	—	—	\$ 518 929
Transfer to Legal Costs Reserve	(50 000)	\$ 50 000	—	—
Transfer to Performance Bonus Reserve	(23 807)	\$ 23 807	—	—
Transfer to Community Contribution Reserve	(20 000)	\$ 20 000	—	—
Transfer to Training Reserve	(25 000)	\$ 25 000	—	—
Transfer from Provision for Performance Based Payments	—	\$ 3 500	—	\$ 3 500
Increment to Asset Revaluation Reserve	—	—	\$ 13 721	\$ 13 721
BALANCE AS AT 30 JUNE 2006	\$ 1 124 175	\$ 122 307	\$ 387 018	\$ 1 633 500

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006	2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from operations		\$ 5 280 147	\$ 6 117 146
Payments to suppliers and employees		(\$ 4 777 581)	(\$ 5 295 997)
Interest received		\$ 7 693	\$ 7 798
Interest paid		(\$ 15 755)	(\$ 49 083)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		<b>\$ 494 504</b>	<b>\$ 779 864</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(\$ 190 990)	(\$ 436 440)
Proceeds from sale of property, plant and equipment		\$ 135 597	\$ 33 636
Proceeds from sale of investments		\$ 5 000	\$ 5 000
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(\$ 50 393)</b>	<b>(\$ 397 804)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowing		—	\$ 110 000
Repayment of borrowings		(\$ 72 000)	(\$ 66 834)
Payments for leasing		(\$ 340 824)	(\$ 213 803)
<b>NET CASH PROVIDED BY / USED IN FINANCING ACTIVITIES</b>		<b>(\$ 412 824)</b>	<b>(\$ 170 637)</b>
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>		<b>\$ 31 287</b>	<b>\$ 211 423</b>
<b>CASH AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<b>\$ 557 738</b>	<b>\$ 346 315</b>
<b>CASH AT THE END OF THE FINANCIAL YEAR</b>		<b>\$ 589 025</b>	<b>\$ 557 738</b>

The accompanying notes form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that have been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and other mandatory professional reporting requirements of the Australian Accounting Standard Board and the requirement of the Associations Incorporation Act.

Community First Inc. is an association incorporated in Western Australia under the Association Incorporation Act (1987).

The financial report has also been prepared on an accrued basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by Community First Inc. in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### (a) First Time Adoption of Australian Equivalents to International Financial Reporting Standards

##### Reconciliation of Equity at 30 June 2004

	GAAP 01/07/2004	Transition Adjustments	AIFRS at 01/07/2004
Equity B/fwd at 1/7/2003	612 465	—	612 465
Surplus / (Loss)	34 406	—	34 406
Equity B/fwd at 30/6/2004	46 871	—	646 871

##### Reconciliation of Equity at 30 June 2005

	GAAP 01/07/2004	Transition Adjustments	AIFRS at 01/07/2004
Equity B/fwd at 1/7/2004	646 871	—	646 871
Asset Revaluation Reserve Increment	373 297	—	373 297
Surplus / (Loss)	230 681	(153 500)	77 181
Equity C/fwd at 30/6/2005	1 250 849	(153 500)	1 097 349
Adjustments: Impairment of Plant & Equipment		(153 500)	

#### (b) Taxation

Community First Inc. is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997. Community First Inc. is also a Public Benevolent Institution and is consequently exempt from Fringe Benefits Tax on fringe benefits paid to employees up to a grossed up limit of \$30 000 per employee.

#### (c) Fund accounting

On occasions Community First Inc. may receive resources restricted for particular purposes. To facilitate observance of these limitations, the financial statements disclose separately those funds which are restricted or designated and those funds which are unrestricted.

- Restricted funds are those funds presently available for use, but expendable only for purposes specified by the donor. Furthermore, if the Board of Management specifies a purpose for the expenditure of funds, where none has been stated by the original donor, such funds are classified as designated funds.
- Unrestricted funds are those funds presently available for use by Community First Inc. at the discretion of the Board of Management.

(d) Revenue

(i) Employment services contracts

Revenue from the employment services contracts is recognised when the claims have been made with the Department of Employment and to match service delivery. Monies received in advance by Community First Inc. are recorded as Deferred Income in Payables in Note 9.

(ii) Other income

Revenue from training and fee for service is recognised when an invoice has been issued. Revenue for work for the dole and management is recognised as it is earned.

(iii) Accounting for grants received

Grants received are accounted for by distinguishing grants between revenue based grants and capital based grants.

- Revenue based grants

These grants are credited to revenue in the same period in which the revenue expenditure to which they relate is charged.

- Capital based grants

These grants are generally received for the acquisition of plant and equipment. The accounting treatment is to initially account for the amount of the grant as income when it is received. However recognition in the income and expenditure statement is deferred until the expenditure in respect of the acquisition of an asset is incurred.

(iv) Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

(e) Property, Plant and Equipment

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

*Cost and valuation*

Plant and equipment is measured on the cost basis and the carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The Strata titled land and building is measured on a fair value basis and at each reporting date, the value is reviewed to ensure it does not differ materially from its fair value. Where necessary, the asset is revalued to reflect its fair value.

*Depreciation*

The depreciable amount of all plant and equipment are depreciated over the useful lives of the assets commencing from the time the asset is held ready for use. For plant and equipment acquired prior to July

2001, the assets are depreciated on a diminishing value method and a straight line method for assets acquired from 1 July 2001.

The depreciation rates used for each class of asset are as follows:

	Depreciation rate
Plant and equipment	10 - 33%
Motor Vehicles	15 - 22.5%

(f) Employee benefits

Provision is made for Community First Inc.'s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits. Contributions made by Community First Inc. to employees' accumulation superannuation funds, are charged as expenses when incurred.

(g) Investments

Investments are measured on the cost basis. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments.

(h) Cash

For the purpose of the statement of cash flows, cash includes deposits at call with banks or financial institutions which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(i) Leases

Leases of plant and equipment, where substantially all the risk and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to Community First Inc., are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that Community First Inc. will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(j) Goods and Services Tax (GST)

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

(k) Short term acquisition of motor vehicles

Community First Inc. has an agreement with a motor vehicle dealership, whereby motor vehicles were acquired on a short term basis. These motor vehicles are owned by Community First Inc. for a maximum of

nine months or 15 000 kilometres. Community First Inc. is responsible for the licensing and comprehensive insurance on these motor vehicles. Community First Inc. also pays a monthly usage fee to the motor vehicle dealership and no surplus or loss on disposal of motor vehicles is recognised by Community First Inc. upon disposal. These motor vehicles have been recorded as current assets and a corresponding current liability has been recognised in the financial report and the monthly usage fee is expensed.

(l) Comparatives

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

18. RELATED PARTY INFORMATION

(a) Members of the Board of Management

The members of the Board of Management and the names of members who served for the whole of the financial year, unless otherwise indicated, are as follows:

John Gillingham (Chairman)	Steve Milligan (Vice Chairman)
David Winter	Stephen Wiles
Jason Shereston	Wendy Perdon
Peter Swift (ceased 23 August 2005)	Keith King

(b) The Board of Management's Remuneration

	2006 / \$	2005 / \$
Honorarium payments to the members of the Board of Management of Community First Inc.	21 295	20 608

(c) Transactions with members of the Board of Management

Transactions with members of the Board of Management that occurred during the year were on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Those transactions were:

<ul style="list-style-type: none"> <li>Motor vehicles purchased by way of finance leases, from Lane Ford, a business that Mr Steve Milligan is a Finance Manager of and in which he has no financial interest.</li> </ul>	30 438	58 020
<ul style="list-style-type: none"> <li>Motor vehicles acquired under a short term facility from Lane Ford, a business that Mr Steve Milligan is a Finance Manager of and in which he has no financial interest.</li> </ul>	417 139	578 447

19. SEGMENT INFORMATION

Community First Inc. operates predominantly in one business and geographical segment, providing community services to disadvantaged people in the Peel and South West Region of Western Australia.

20. COMMUNITY FIRST (INC) DETAILS

The principal place of business of Community First Inc. is:  
 98 Mandurah Terrace  
 Mandurah WA 6210