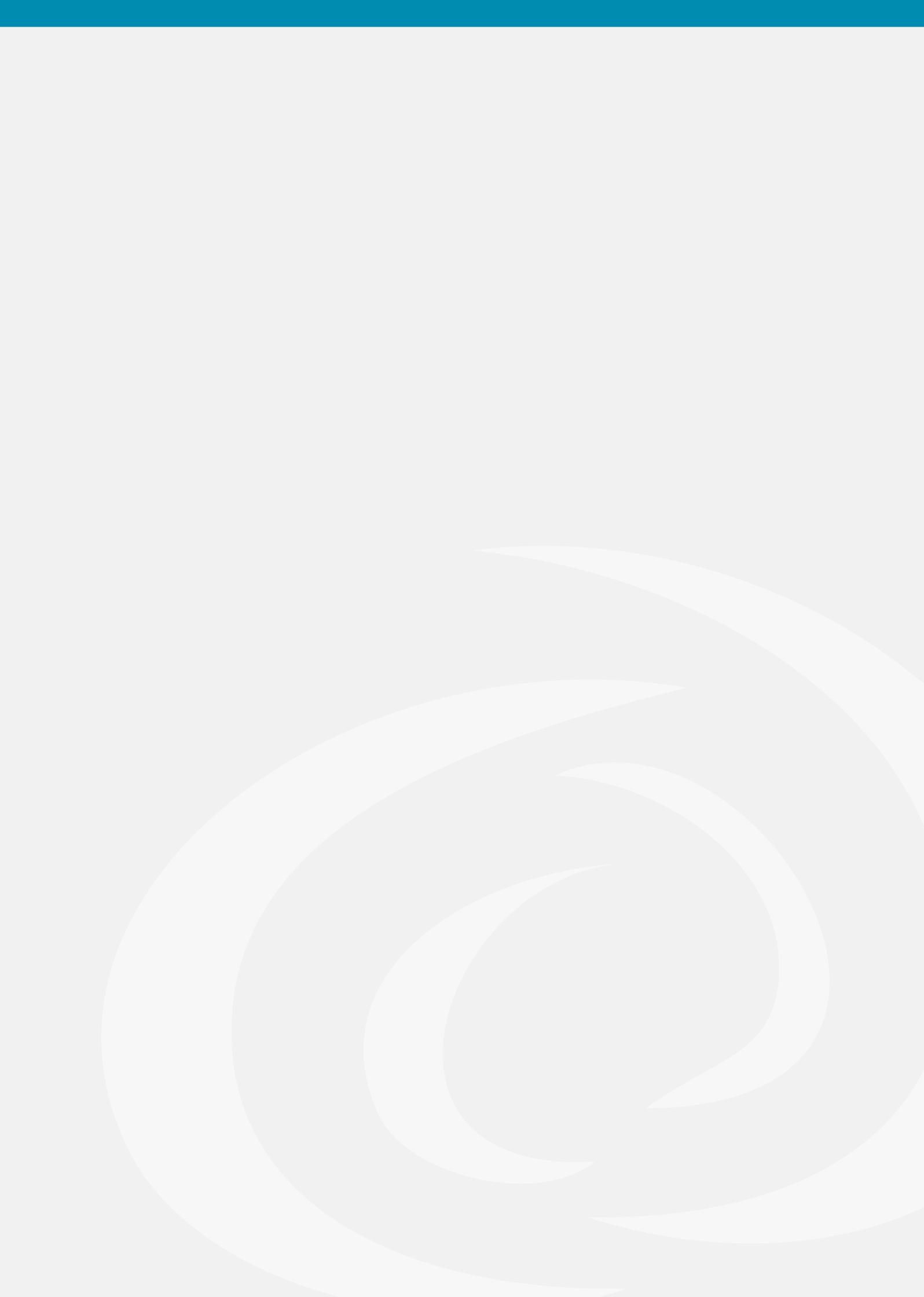




COMMUNITY EMPLOYERS WA

Annual Report  
**2015/2016**



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# Overview of Community Employers WA

## CEWA's objectives are:

- to create the capacity to allow organisations to improve salaries for staff so that they are fair and just;
- to secure a 30% increase in government funding to non-government, not-for-profit community service organisations in Western Australia;
- to ensure vital community services remain viable; and
- to improve the relationship with Government.

CEWA's operations are solely funded by its member organisations, which demonstrates both the commitment of these organisations and the importance they place on achieving CEWA's objectives. CEWA is registered as an Employer Organisation by the Industrial Relations Commission of Western Australia, under the provisions of the Industrial Relations Act 1979.

Community Employers WA seeks to collaborate and cooperate with existing peak and other representative bodies which have aims and objectives similar to CEWA. It is not a peak body. CEWA represents over 130 not for profit community service organisations across WA.

## Vision

The effective and efficient provision of sustainable Community Services in Western Australia, that are recognised as innovative, vital and diverse by Government and the Community, and are funded appropriately.

## Mission

Community Employers WA represents not for profit employer members engaged in the delivery of Community Services across Western Australia.

## Meetings

The following Meetings were held, in accordance with the Rules of CEWA, Sections 10.1 and 14.2:

### Annual General Meeting:

19 November 2015

### Board Meetings:

20 August 2015

22 October 2015

10 December 2015

18 February 2016

20 April 2016

16 June 2016

## Board Members

### President, Co-Chair *Appointed 23/11/2010*

Tony Pietropiccolo AM, *Centrecare*

### Secretary, Co-Chair *Appointed 23/11/2010*

Chris Hall, *MercyCare*

### Treasurer *Appointed 23/11/2010*

Tricia Murray, *Wanslea Family Services*

### Board Member *Resigned 31/3/2016*

Sue Ash AO, *UnitingCare West*

### Board Member *Resigned 18/2/2016*

Joe Calleja, *Richmond Wellbeing*

### Board Member *Appointed 19/11/2015*

Neil Hamilton, *Accordwest*

### Board Member *Resigned 30/10/2015*

Bev Jowle, *South Coastal Women's Health Service*

### Board Member *Appointed 23/11/2010*

Ross Kyrwood, *YMCA Perth*

### Board Member *Appointed 20/11/2014*

Sheila McHale, *Palmerston Association*

### Board Member *Appointed 19/11/2015*

Ashley Reid, *Ngala*

### Board Member *Appointed 15/6/2015*

Gordon Trewern, *Nulsen*

### Co-opted Member *Appointed 14/4/2011*

Irina Cattalini, *WACOSS*

### Co-opted Member *Appointed 16/6/2016*

Neil Guard, *Richmond Wellbeing*

## Chairpersons' Report

**Over the past 12 months, the not for profit (NFP) sector has edged closer to what are arguably fundamental changes which will reshape the breadth and diversity of NFP service providers across the community services sector in Western Australia.**

CEWA has again been very involved in key employer issues and has continued to actively advocate on behalf of members for the sustainability of services. Issues such as the increasing move to individualised funding in areas additional to disability services, the impact of the Equal Remuneration Order and the Federal Government's Productivity Commission Inquiry into increasing competition in the delivery of human services, are but three examples of the challenges being faced by employers.

In the Federal environment, there continues to be ongoing pressure from the Commonwealth to adopt an investment approach to reduce the cost of social services. Whilst we acknowledge the focus on economic drivers, we are acutely concerned with the potential unintended consequences of removing support for many of the vulnerable and marginalised in our communities. Throughout the year CEWA has sought to actively raise awareness with the Commonwealth of the importance in taking a holistic civil society perspective to the provision of services and the added benefits which not for profits bring to the delivery of social services. Our ongoing work with the Productivity Commission Inquiry and in meetings with the Federal Treasurer and other government representatives, have provided an opportunity to highlight members' concerns.

Whilst the withdrawal of the government's position to repeal the ACNC did provide clarity around the future regulatory environment, CEWA continues to advocate for a focus on minimising the administrative burden and red tape in what is a highly trusted and supported sector. The breadth of compliance requirements faced by many employers is already extensive, and with financial resources under increasing pressure, it is important that we balance the benefits of increased regulation and reporting against the costs.

Sustainability of services continues to be at the core of CEWA's objectives, and we are well aware of the concerns many NFP boards face in staying viable and true to their missions. In September 2015, CEWA held a major forum for members titled "Shaping the Future for Sustainability". The attendance by over 100 leading sector board members and CEO's demonstrated the importance of this issue for many, with lengthy discussions and excellent feedback on the value of the forum.

At a State level, CEWA has remained active in building good working relationships between government departments and the sector. Throughout much of the year, CEWA had five board

members on the Partnership Forum - Ashley Reid, Gordon Trewern, Irina Cattalini, Chris Hall and Sue Ash. As one of the key linkages between the NFP sector and Directors' General, the Partnership Forum has an important role in working through strategic issues and the Delivering Community Services in Partnership Policy. Chris Hall recently stepped down from the Partnership Forum and we would like to thank him for his significant contributions over the past four years as a founding member. CEWA is also well represented on the Funding and Contracting working group through our Executive Director John Bouffler's role as Co-Chair. The working group plays an important role in developing and implementing the action plans overseen by the Partnership Forum and in advocating and building relationships with many of the senior personnel in the departmental bureaucracy.

CEWA's work in keeping members informed of NFP employer issues across the sector is an area which we know is of tangible benefit to CEO's and boards. Research projects undertaken through the year included updating the salary survey and the forecast financial impact of the Equal Remuneration Order, with the output being very helpful for various stakeholders.

Looking ahead, the outcome of the March 2017 State election will be important in determining the future direction of support for community services and the NFP sector. CEWA will seek to advocate for the services provided by NFP employers and will also be focused on several other areas including the Productivity Commission inquiry, the work of the Partnership Forum and the much discussed co-design of services. We are also somewhat cautious with the move to consortia models and will be keen for the benefits of this approach to be assessed and evidence based.

CEWA's financial position for the year was satisfactory and we are appreciative of the support shown by members in the call for contributions which again reaffirmed the need for the advocacy and representation work we are undertaking on behalf of NFP employers. We had 5 new members join and now have 132 employer members. The governance of CEWA remains sound and our external auditors provided an unqualified opinion on the accounts.

The Board of CEWA has again been very supportive and we would like to express our thanks to all members. During the year both Joe Calleja and Sue Ash retired from the board – both Joe and Sue have been instrumental with CEWA's evolution from the early days and we are very grateful for their outstanding contributions. New board members appointed to fill casual vacancies in 2015-16 were Ashley Reid, Neil Hamilton and Neil Guard. And we thank them for joining us.

To our Executive Director, John Bouffler, we extend our thanks for his leadership of CEWA. Advocacy can be challenging in many ways

and for those involved in representative bodies, they will appreciate the difficulties in navigating pathways for change. John continues to undertake this with strong commitment and a preparedness to engage openly and constructively.

In closing, we thank our members both for the work you do in supporting the marginalized and vulnerable in our communities, and also for your support of CEWA. Together let us keep striving for the key objectives CEWA was founded on, in the knowledge that we can and are making a difference.



**Tony Pietropiccolo AM**

Co-Chair  
President



**Chris Hall**

Co-Chair  
Secretary

## Executive Director's Report

**As many would appreciate, it is hard to believe it has been 12 months since I wrote my last report – one can't but help wondering where the year has gone.**

The past year has been another busy one, focusing on CEWA's key objectives. Evidence of pressure on the sustainability of services continued to grow through the year, starting with the initial defunding of financial counselling services in metropolitan Perth. Fortunately, this stance was partially reversed due to significant pressure from CEWA and many stakeholders. This ill-considered unilateral decision, demonstrated the work we all need to do in clearly highlighting the positive evidence based outcomes from various services and the importance of building strong relationships with Government and the Opposition.

In September 2015, CEWA held our largest ever forum for members on "Shaping the Future for Sustainability", supported by both the Australian Institute of Management and Grant Thornton. Our guest speakers, Robyn Kruk, Sue Ash, John Barrington and John Poynton, provided a great platform for discussion and key messages on what needs to be done more broadly to sustain service provision in Western Australia.

In the second quarter, CEWA was closely involved in providing advocacy on the State government's decision to amend the long standing Wage Indexation Policy, with numerous meetings, submissions and detailed analysis of the implications. Whilst in a low wage growth environment, the change may be somewhat benign, it remains of concern that over time, the move to a CPI based setting is likely to impact on sustainability and service provision.

During the year CEWA undertook two important research projects – the first an update of the wage differentials between NFP employees and government sector staff, and the second on the financial impact of the Equal Remuneration Order (ERO). Unfortunately there remains a wage gap on average of between 18-25%, notwithstanding the payments made by the government in 2011 and 2013. With the ERO, our case study of 12 mainstream NFP organisations, demonstrated that over the next 4 years, salary increases will range between 16-33%, and with minimal indexation from the State Government and potentially none from the Commonwealth. CEWA has presented the ERO study findings to the Partnership Forum and has shared them with various stakeholders across the sector. We are continuing to advocate on the issue and are working with WACOSS and the Curtin University NFP initiative to broaden the forecasting of the implications the obligations will have on service provision going forward.

CEWA continues to be active with the Funding and Contracting Working Group through my role as Co-Chair, which provides the sector and CEO representatives with key advocacy opportunities with various government agencies. The working group is actively involved in evaluating the effectiveness of the Delivering Community Services in Partnership Policy, in actioning the Strategic Directions set by the Partnership Forum and in discussing key issues between the NFP sector and government.

We have also represented members on concerns with the Corrective Services tenders and before year end, had some success in extending the timeframes for responses.

We have noted an increasing trend by some government departments in encouraging consortia bids for tenders. At one level, we are concerned with the lack of evidence based analysis of the benefits of such a move. Whilst we understand that there are some synergies in joined up services, particularly in regional locations, it is a fundamental change for many service providers and has the likelihood of creating a greater administrative burden for some, and less work. It is an area we are watching with much interest.

CEWA continues to be active in attending many forums, round table discussions and meetings with government representatives, members and other sector stakeholders. We supported WACOSS at their annual conference through facilitation roles and maintain good relationships with many peak bodies.

UnitingCare West continues to kindly host CEWA and our thanks to Sue Ash AO and the team for their support. Wanslea has looked after our finances for several years and our thanks again go to Tricia Murray, Helen Mo and Cherrin Cai for their patience and expertise. We have had several changes to our Board over the past 12 months, and I would echo the comments made by the Co-Chairs, particularly in thanking Sue Ash AO and Joe Calleja for their support and contributions since CEWA was founded. The Board of CEWA is a highly committed and insightful group, and the NFP community services sector is very fortunate to have their extensive knowledge and wisdom to tap into. I remain very appreciative of your support of myself and CEWA and especially of the support from Tony Pietropiccolo and Chris Hall.

As I write this report, I note that CEWA has already been busy since year end with advocacy work around the adult justice services tender process and timeframes through the Department of Corrective Services, and with the Productivity Commission Inquiry into human services' preliminary findings report. In the current year, we believe the sector will be challenged in many areas including more government expenditure constraints, increased demand for services and the continued rollout of the NDIS. In the lead up to the State election, CEWA will keep advocating with both the Government and the Opposition on the key role of the NFP sector and the sustainability of services to support the marginalised and vulnerable.

We look forward to continuing to work with members as we strive to achieve the effective and efficient provision of sustainable services.



**John Bouffler**  
Executive Director

# Financial Statement and Auditor's Report

## STATEMENT OF RECEIPTS AND PAYMENTS FOR 12 MONTHS ENDING 30 JUNE 2016

	This Reporting Period	Same Period Last Year
	Ended: 30/06/16	Ended: 30/06/15
	\$	\$
OPENING BALANCE	95,978	73,600
RECEIPTS		
Contributions	95,750	130,405
Membership fees	70	60
Forum	7,530	-
TOTAL RECEIPTS	103,350	130,465
PAYMENTS		
Salaries and related costs	100,709	105,459
Forum expenses	5,040	
Other expenses	2,210	2,628
TOTAL PAYMENTS	107,959	108,087
CLOSING BALANCE	91,369	95,978

I hereby certify, to the best of my knowledge, information and belief, the information provided above is a true and fair reflection of the organisation's service activity during this period.

Signature: 

Name: Tricia Murray

Position: Treasurer

Date: 20/10/16

## Community Employers WA

### Statement by the Board

The Board has determined that Community Employers WA ("CEWA") is not a reporting entity and that this special purpose financial statement should be prepared in accordance with the accounting policies described in Note 1 to the financial statement.

#### **In the opinion of the Board:**

The Financial Statements on pages 5 to 6 of the Audited Accounts present fairly, in all material respects, the financial position of CEWA as at 30 June 2016 and the receipts and payments of CEWA for the year ended on that date.

At the date of this statement there are reasonable grounds to believe that CEWA 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:



**Board member: James Christopher Hall**

Date: 20/10/16

**Community Employers WA**

## Secretary Statutory Declaration

REGULATION 79(2) OF THE INDUSTRIAL RELATIONS  
COMMISSION REGULATIONS 2005

I, James Christopher Hall, being the General Secretary of  
Community Employers WA of 456 Hay Street, Perth, sincerely  
declare as follows:

(a) All relevant books and documents in relation to the  
financial affairs of Community Employers WA that were required  
to be provided, were provided.

This declaration is true and I know that it is an offence to make a  
declaration knowing that it is false in a material particular.

This declaration is made under the Oaths, Affidavits and Statutory  
Declarations Act 2005.

Declared at Perth.

Dated: 20/10/16



**James Christopher Hall**

In the presence of:



Signature of authorised witness

**David Holden (CPA)**

Name of authorised witness and qualification as such witness

# Independent Auditor's Report to the members of Community Employers WA

## Report on the Financial Statements

We have audited the accompanying statement of receipts and payments of Community Employers WA for the year ended 30 June 2016, a summary of significant accounting policies and other explanatory information, and statement by the Board (together "the financial statement"). The financial statement has been prepared by the Board using the cash basis of accounting as described in Note 1.

### **The Board's Responsibility for the Financial Statements**

The Board of Community Employers WA is responsible for the preparation and fair presentation of the financial statement and has determined that the basis of preparation described in Note 1, is appropriate to meet the reporting requirements of the rules and the Industrial Relations Act 1979 (WA) and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by the Board, as well as evaluating the overall presentation of the financial statement.

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

## Opinion

In our opinion, the financial statement presents fairly, in all material respects, the cash receipts and payments of Community Employers WA for the year ended 30 June 2016 in accordance with the cash basis of accounting described in Note 1 to the financial statement.

### **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial statement which describes the basis of accounting. The financial statement has been prepared to assist Community Employers WA to meet the reporting requirements of its rules and the Industrial Relations Act 1979 (WA). As a result, the financial statement may not be suitable for another purpose.

### **Report on Compliance with Section 74 of the Industrial Relations Act 1979 (WA)**

We have audited the compliance of the finance officials with the requirements of section 74 of the Industrial Relations Act 1979 (WA). The Board and management of Community Employers WA are responsible for compliance with the requirements of section 74 of the Industrial Relations Act 1979 (WA). Our responsibility is to express an opinion on the compliance of the finance officials with the requirements of section 74 of the Industrial Relations Act 1979 (WA), based on our audit conducted in accordance with Australian Auditing Standards.

## Opinion

In our opinion the finance officials of Community Employers WA have complied with section 74 of the Industrial Relations Act 1979 (WA).



DRY KIRKNESS



B ROTHMAN  
Partner

Date: 20th October 2016

West Perth  
Western Australia

**DRY** / **KIRKNESS**

# Notes to the Financial Statement

## FOR THE YEAR ENDED 30 JUNE 2016

ABN 65 631 915 277

### Summary of Significant Accounting Policies

#### 1 (a) Basis of Preparation

The financial statements are special purpose financial statements that have been prepared in order to satisfy the reporting requirements of the rules and the Industrial Relations Act 1979 (WA). The Board has determined that the entity is not a reporting entity.

The financial statement cover CEWA as an individual entity, a body corporate registered as an organisation of employers under the Industrial Relation Act 1979 (WA).

The financial statements have been prepared on a cash basis of accounting, whereby receipts are recorded when paid, and no assets or liabilities other than cash and bank balances held by Wanslea Family Services Inc on behalf of CEWA are recorded. Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board are not applicable to the cash basis of accounting and therefore have not been applied.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

#### (b) Comparative Figures

Comparatives are consistent with prior years, unless otherwise stated.

#### (b) Income Tax

The principal of mutuality applies to the entity in that income received from members is not assessable and expenditure relating to such income is not deductible. Only non-member income is assessable to income tax. As there is no non-member income, no provision for income tax is required.

#### (c) Revenue and Other Income

##### *Member Contributions*

Member contributions are recognised when received.

##### *Member Subscriptions*

Member subscriptions are recognised when received.

# CEWA Membership List

## AS AT 30 JUNE 2016

Aboriginal Legal Services of WA Inc	Consumers of Mental Health WA	Metropolitan Migrant Resource Centre	Sudbury Community House Association
Accordwest	Continence Advisory Service of WA	MIFWA	Swan City Youth Service
Activ Foundation Inc	Cyrenian House	Mission Australia	Swan Emergency Accommodation
Advocacy South West Inc	Derbarl Yerrigan Health Services Inc	Mosaic Community Care Inc	Technology Assisting Disability WA
Advocare	Employment Law Centre of WA	Multicultural Services Centre of Western Australia Inc	Tenancy WA
Albany Youth Support Association	Escare Inc	National Disability Services WA	The Gowrie (WA) Inc
Alzheimer's Australia WA	Ethnic Communities Council of WA	Ngala Family Resource Centre	The Salvation Army
Anglicare WA Inc	Ethnic Disability Advocacy Centre	Nulsen	The Spiers Centre Inc
Armadale Community Family Centre	Family Support WA Inc	Outcare	The WA Aids Council
Association for Services to Torture & Trauma Survivors (ASeTTS)	Financial Counsellors Association of WA Inc	Palmerston Association Inc	Therapy Focus Inc
Asthma Foundation WA Inc	Fremantle Multicultural Centre Inc	Parkerville Children Youth Care Inc	Uniting Aid
Australian Red Cross WA	Good Samaritan Industries	Pathways Southwest	UnitingCare West
Avivo	Gosnells Women's Health Service	Pat Thomas Memorial Community House Inc.	Uniting Church in the City
Baptistcare	Headwest	Patricia Giles Centre	Valued Independent People Inc
Beehive Industries of WA	Health Consumers Council (WA) Inc	Peel and Rockingham Volunteer Resource Centres	Vincentcare
BJL Connecting Communities	Helping Minds	Peel Community Living	Visibility
Bluesky Community Group	Holyoake The Australian Institute For Alcohol & Drug Addiction Resolutions	People with Disabilities (WA)	Volunteer Task Force Inc.
Brightwater Care Group	Hope Community Services	Relationships Australia (Western Australia) Inc	WA Blue Sky Inc
Bunbury Community Legal Centre	Identity WA	Richmond Wellbeing	WA No Interest Loans Inc.
Burdekin – Youth in Action	Inclusion WA	Rise Network	WANADA
Calvary Youth Services Mandurah Inc	Interchange	Rocky Bay Inc	Wanslea Family Services Inc
Care Options	Ishar Multicultural Women's Health Centre Inc	Ruah Community Services	We Can Community Services
Centacare Employment and Training	Key Assets WA Inc	Sexual Health Quarters	Westcare Inc
Centacare Family Services	Kids Camps Inc	Shelter WA	Western Australian Association for Mental Health
Centrecare Inc	Koolkuna (The Eastern Region Domestic Violence Services Network Inc)	Silver Chain	Western Australian Council of Social Service Inc
Child Inclusive Learning and Development Australia Inc (CHILD Australia)	LAMP Inc	South Coastal Women's Health Services	Women's Council for DFV Services (WA)
CLAN WA	Lifeline WA	South West Refuge Inc	Women's Health Resource Centre
Coeliac Western Australia	Linkwest	Southcare Inc	Women's Health and Family Services
Communicare	Margaret River Community Resource Centre Inc	Southern Cross Care (WA) Inc	Yaandina Family Centre
Community Legal Centres Association (WA)	Meath Care Inc	Southside Care	YACWA
Community Vision Inc	Melville Cares Inc	St Bartholomew's House	YMCA Perth
ConnectGroups	MercyCare	St John of God Outreach Services	Youth Focus
Consumer Credit Legal Service WA Inc		St Patrick's Community Support Centre	Youth Futures WA
		St Vincent de Paul Society	

## Contact Details

**John Bouffler**

Executive Director  
Community Employers WA

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