

ACT Disability Aged & Carer Advocacy Service Inc

ABN 15 750 251 576

Financial Report For The Year Ended 30 June 2018

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BOARD'S REPORT

Your board members submit the financial report of the ACT Disability & Aged Carer Advocacy Service Incorporated for the financial year ended 30 June 2018.

Board Members

The names of board members throughout the year and at the date of this report are:

Stephen Still (Chairperson)
Andrew Cameron
Alana Fraser
Coleen Box (Public Officer)
Cassandra Webeck
John Sands
Dominic Cookman
Kym Duggan
Sean Fitzgerald – Resigned 27/02/2018
Margot Harker – Appointed 12/06/2018

Principal Activities

The principal activities of the association during the year were promoting and protecting the rights of people with disabilities, of people who are ageing and of those who care for them.

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The operating result for the association amounted to a surplus of \$52,355 (2017: surplus \$67,813).

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

(Chairperson)

(Treasurer)

Dated this day of 2018

Statement of Profit and Loss
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Income			
National Disability Advocacy Program		244,101	229,754
Community Assistance and Support		342,316	-
Home & Community Care		-	538,717
National Aged Care Advocacy Program		399,411	156,688
Mental Health Consumer Advocacy		142,562	125,760
External merits review and development		-	200,000
Link and Learn		42,814	116,816
Summer Foundation		-	11,250
NDIS Disability and Carer Support Program		236,000	39,000
Respect Know Act		226,280	-
ACT business investment package		-	34,670
Interest received		5,371	6,167
Membership income/donations		24	1,042
Co-ordination of supports		152,451	143,919
Contribution for motor vehicles		19,289	15,028
Community Services Directorate Arts ACT		7,000	1,000
Other ADACAS income		72,156	32,118
		<u>1,889,775</u>	<u>1,651,929</u>
Expenditure			
Advertising		(31,864)	(23,824)
AGM, meetings and conferences		(11,796)	(16,084)
Audit fees		(5,200)	(3,100)
Consultant fees		(9,293)	(6,935)
Depreciation		(44,486)	(29,830)
Equipment purchase and maintenance		(18,035)	(10,949)
Insurance		(21,845)	(16,652)
Net Profit/(Loss) on disposal of assets		(6,299)	900
Motor vehicle travel and mileage		(44,254)	(48,246)
Office supplies/stationery and general expenses		(29,177)	(19,584)
Prof fees/governance/memberships		(3,571)	(2,929)
Rent		(58,541)	(52,140)
Salaries and staff benefits		(1,358,135)	(1,131,670)
Staff developments/support supervision		(15,109)	(17,665)
Staff leave provisions		(3,142)	(52,383)
Superannuation		(121,899)	(104,259)
System monitoring and development		(28,086)	(26,829)
Telephone/computer and internet		(26,688)	(21,938)
		<u>1,837,420</u>	<u>1,584,118</u>
Surplus for the year		<u>52,355</u>	<u>67,813</u>

The accompanying notes form part of these financial statements.

Statement of Financial Position
30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	777,163	423,629
Trade and other receivables	3	<u>68,484</u>	<u>92,478</u>
TOTAL CURRENT ASSETS		<u>845,647</u>	<u>516,107</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	<u>190,616</u>	<u>111,743</u>
TOTAL NON-CURRENT ASSETS		<u>190,616</u>	<u>111,743</u>
TOTAL ASSETS		<u>1,036,263</u>	<u>627,850</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	120,920	85,448
Employee provisions	6	100,902	119,156
Unexpended grants	7	<u>357,108</u>	<u>18,268</u>
TOTAL CURRENT LIABILITIES		<u>578,930</u>	<u>222,872</u>
TOTAL LIABILITIES		<u>578,930</u>	<u>222,872</u>
NET ASSETS		<u>457,333</u>	<u>404,978</u>
EQUITY			
Accumulated funds		<u>457,333</u>	<u>404,978</u>
TOTAL MEMBERS' FUNDS		<u>457,333</u>	<u>404,978</u>

The accompanying notes form part of these financial statements

Statement of Changes in Equity
For the Year Ended 30 June 2018

	Note	Accumulated Funds \$	Total \$
Balance at 1 July 2016		337,165	337,165
Comprehensive income			
Net surplus for the year		67,813	67,813
Balance at 30 June 2017		<u>404,978</u>	<u>404,978</u>
Balance at 1 July 2017		404,978	404,978
Comprehensive income			
Net surplus for the year		52,355	52,355
Balance at 30 June 2018		<u><u>457,333</u></u>	<u><u>457,333</u></u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		2,456,388	1,697,478
Interest received		5,371	6,167
Payments to suppliers and employees		<u>(1,985,098)</u>	<u>(1,650,690)</u>
Net cash provided by operating activities		<u>476,661</u>	<u>52,955</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment		1,849	8,250
Purchase of property, plant and equipment		<u>(124,976)</u>	<u>(43,770)</u>
Net cash (used by) investing activities		<u>(123,127)</u>	<u>(35,520)</u>
Net increase in cash and cash equivalents held		353,534	17,435
Cash and cash equivalents on hand at beginning of financial year		423,629	406,194
Cash and cash equivalents on hand at end of financial year	2	<u>777,163</u>	<u>423,629</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2018

Note 1 Summary of Significant Accounting Policies

The financial report covers ACT Disability Aged & Carer Advocacy Service Inc (the association) as an individual entity. ACT Disability Aged & Carer Inc is a not-for-profit association incorporated in the Australian Capital Territory under the *Associations Incorporation Act 1991* and the *Australian Charities and Not-for-profits Commission Act 2012*.

The principal activities of the association for the year ended 30 June 2018 were promoting and protecting the rights of people with disabilities, of people who are ageing and of those who care for them.

Basis of Preparation

The financial statements are special purpose financial statements that have been prepared in order to satisfy the reporting requirements of the *Associations Incorporation Act 1991* and the *Australian Charities and Not-for-profits Commission Act 2012*. The board has determined the association is not a reporting entity.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

The amounts presented in the financial statements have been rounded to the nearest dollar.

Goods and Services Tax

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 reconsidered as part of the cost acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is disclosed as operating activities.

Income Tax

The association is a non-profit organisation and is exempt from paying income tax under Division 50 of the *Income Tax Assessment Act 1997*.

Revenue

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

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

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

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

Note 1 Summary of Significant Accounting Policies (continued)

Government grants

A number of the association's programs are supported by grants received from the federal, state and local governments.

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

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the association obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the association receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Depreciation

The depreciable amount of all fixed assets, except for the Weston Community Hub Fitout (Straight Line), are depreciated on a diminishing value basis over the asset's useful life to the association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Computers	40%
Phone system	20%
Motor vehicles	22.5%
Air conditioning	20%
Weston Community Hub Fitout	20%
Leasehold improvements	5 to 20% or over its lease term

Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee entitlements expected to be settled within one year, together with any entitlements arising from wages and salaries, annual leave and long service leave that will be settled after one year, have been measured at their nominal amounts.

Unexpended grants

The liability for deferred income is the unexpended amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. These services are usually provided or the conditions are usually fulfilled within twelve months of receipt of the grant. Where the amount is received in respect of services to be provided over a period that exceeds twelve months after the reporting date or the conditions will only be satisfied more than twelve months after the reporting date, the liability is presented as non-current.

Note 2 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash at bank	777,063	423,400
Petty cash	100	229
Total cash and cash equivalents	777,163	423,629

Note 3 Trade and Other Receivables

	2018	2017
	\$	\$
Prepayments and Accrued Revenue	44,339	41,465
Sundry receivables	24,105	44,602
Bonds and deposits	40	6,411
Total current trade and other receivables	68,484	92,478

No impairment of accounts receivable and other debtors was required at 30 June 2018 (2017: \$nil).

Note 4 Property, Plant and Equipment

Equipment and fittings		
At cost	88,454	85,242
Accumulated depreciation	(45,799)	(44,147)
	<u>42,655</u>	<u>41,095</u>
Motor vehicles		
At cost	102,576	95,831
Accumulated depreciation	(25,578)	(32,327)
	<u>76,998</u>	<u>63,504</u>
Leasehold improvements		
At cost		
Accumulated depreciation	7,300	7,300
	(7,300)	(156)
	<u>-</u>	<u>7,144</u>
Weston Community Hub Fitout		
At cost		
Accumulated depreciation	79,813	-
	(8,850)	-
	<u>70,963</u>	<u>-</u>
Total property, plant and equipment	190,616	111,743

Note 5 Trade and Other Payables

Trade payables and accruals	100,003	66,562
GST and PAYG payable	19,971	18,854
Other payables	946	32
	<u>120,920</u>	<u>85,448</u>

Note 6 Provisions

Employee benefits - annual leave	100,902	119,156
	<u>100,902</u>	<u>119,156</u>

Note 7 Unexpended grants

Link and Learn	-	18,268
OPAN Support Decision Making Project	230,750	-
ACT Supported Decision Making Project	30,000	-
Respect Know Act Project	96,358	-
	<u>357,108</u>	<u>18,268</u>

Note 8 Economic Dependency

The Association is dependent on the Commonwealth Government and the ACT Government for the majority of its revenue used to operate the business. At the date of this report the board members have no reason to believe the Commonwealth Government and the ACT Government will not continue to support the association.

Note 9 Subsequent Events

There are no events which have occurred after balance date that require disclosure in the financial statements.

Note 10 Related Party Transactions

Transaction between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Note 11 Key Management Personnel

The totals of remuneration paid to the key management personnel of ADACAS during the year are as follows:

	2018	2017
	\$	\$
Short-term employee benefits	437,925	371,219
Long-term employee benefits	6,777	5,745
Superannuation contribution	40,914	38,262
	485,616	415,226

Note 12 Principal Place of Business

The registered office and principal place of business of the Association is:

ACT Disability Aged & Carer Advocacy Services Incorporated
Weston Community Hub
14/6 Gritten Street
WESTON ACT 2611

STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board Members of the ACT Disability Aged & Carer Advocacy Service Inc (ADACAS):

- a) the financial statements comprising of the statement of financial position as at 30 June 2018, the profit and loss, statement of changes in equity and statement of cash flows for the year then ended, notes comprising of the summary of significant accounting policies and other explanatory information give a true and fair view of the association for the year ended 30 June 2018 and comply with the *Associations Incorporation Act 1991* and the *Australian Charities and Not-for-profits Commission Act 2012*; and
- b) at the date of this statement there are reasonable grounds to believe that ADACAS will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Members of the Board.

(Chairperson)

(Treasurer)

Dated this day of 2018

Auditor's Independence Declaration

To the Board Members of ACT Disability Aged & Carer Advocacy Services Inc

As auditor for the audit of the ACT Disability Aged & Carer Advocacy Services Inc. for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Australian Charities and Not for Profits Commissions Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Vincents

Josie-Marie Lopez

Director

26 October 2018

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Independent Audit Report to the members of ACT Disability Aged & Carer Advocacy Services Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ACT Disability Aged & Carer Advocacy Services Incorporated (the registered entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of ACT Disability Aged & Carer Advocacy Services Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

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Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vincents
Josie-Marie Lopez
Partner

Canberra, 26 October 2018