

ACT Disability Aged & Carer Advocacy Service Inc

ABN 15 750 251 576

Financial Report For The Year Ended 30 June 2017

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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 2017.

Board Members

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

Stephen Still (Chairperson)
Kim Stewart (Treasurer from 1 July 2016 to 25 October 2016)
Andrew Cameron (Treasurer from 26 October 2016 to date)
Alana Fraser
Coleen Box (Public Officer)
Cassandra Webeck (18 April 2017 to date)
John Sands (18 April 2017 to date)
Dominic Cookman
Kym Duggan
Diana Nasr (until 25 October 2016)
Sean Fitzgerald

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 \$67,813 (2016: surplus \$74,346).

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



Stephen Still (Chairperson)



Andrew Cameron (Treasurer)

Dated this

24th

day of

OCTOBER

2017

Statement of Profit and Loss
For the Year Ended 30 June 2017

	Note	2017	2016
		\$	\$
Income			
National Disability Advocacy Program		229,754	199,023
Disability ACT (SDM grant)		-	100,000
Home & Community Care		538,717	527,415
National Aged Care Advocacy Program		156,688	154,524
Mental Health Consumer Advocacy		125,760	126,572
External merits review and development		200,000	98,000
Link and Learn		116,816	85,824
Summer Foundation		11,250	46,000
ACT business investment package		34,670	5,330
Interest received		6,167	9,677
Membership income/donations		1,042	1,578
Co-ordination of supports		143,919	17,761
IDEAS Inc brokerage		-	6,229
Contribution for motor vehicles		15,028	18,165
Comm Serv Dir Arts ACT		1,000	-
Profit on disposal of assets		900	-
Other ADACAS income		71,120	77,486
		<hr/>	<hr/>
		1,652,831	1,473,584
Expenditure			
Advertising		(23,824)	(13,540)
AGM, meetings and conferences		(16,084)	(16,112)
Audit fees		(3,100)	(2,150)
Consultant fees		(6,935)	(41,019)
Depreciation		(29,830)	(22,691)
Equipment purchase and maintenance		(10,949)	(11,623)
Insurance		(16,652)	(15,429)
Loss on disposal of assets		-	(4,106)
Motor vehicle travel and mileage		(48,246)	(49,470)
Office supplies/stationery and general expenses		(19,584)	(32,240)
Prof fees/governance/memberships		(2,929)	(10,624)
Rent		(52,140)	(46,686)
Salaries and staff benefits		(1,131,670)	(950,385)
Staff developments/support supervision		(17,665)	(26,662)
Staff leave provisions		(52,383)	(27,948)
Superannuation		(104,259)	(91,156)
System monitoring and development		(26,829)	(18,225)
Telephone/computer and internet		(21,938)	(19,172)
		<hr/>	<hr/>
		1,585,018	1,399,238
		<hr/>	<hr/>
Surplus for the year		67,813	74,346

The accompanying notes form part of these financial statements.

Statement of Financial Position
30 June 2017

	Note	2017	2016
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	423,629	406,194
Trade and other receivables	3	92,478	48,214
TOTAL CURRENT ASSETS		<u>516,107</u>	<u>454,408</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	111,743	105,153
TOTAL NON-CURRENT ASSETS		<u>111,743</u>	<u>105,153</u>
TOTAL ASSETS		<u>627,850</u>	<u>559,561</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	5	85,448	66,489
Employee provisions	6	119,156	84,334
Unexpended grants	7	18,268	71,573
TOTAL CURRENT LIABILITIES		<u>222,872</u>	<u>222,396</u>
TOTAL LIABILITIES		<u>222,872</u>	<u>222,396</u>
NET ASSETS		<u>404,978</u>	<u>337,165</u>
EQUITY			
Accumulated funds		404,978	337,165
TOTAL MEMBERS' FUNDS		<u>404,978</u>	<u>337,165</u>

The accompanying notes form part of these financial statements

Statement of Changes in Equity
For the Year Ended 30 June 2017

	Note	Accumulated Funds \$	Total \$
Balance at 1 July 2015		262,819	262,819
Comprehensive income			
Net surplus for the year		74,346	74,346
Total other comprehensive income for the year			
Balance at 30 June 2016		<u>337,165</u>	<u>337,165</u>
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>

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 June 2017

	Note	2017	2016
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		1,697,478	1,830,080
Interest received		6,167	9,677
Payments to suppliers and employees		(1,650,690)	(1,645,776)
Net cash provided by operating activities		52,955	193,981
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of property, plant and equipment		8,250	10,436
Purchase of property, plant and equipment		(43,770)	(69,595)
Net cash (used by) investing activities		(35,520)	(59,159)
Net increase in cash and cash equivalents held		17,435	134,822
Cash and cash equivalents on hand at beginning of financial year		406,194	271,372
Cash and cash equivalents on hand at end of financial year	2	423,629	406,194

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2017

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 2017 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 in 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, 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%
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

	2017	2016
	\$	\$
Cash at bank	423,400	405,950
Petty cash	229	244
Total cash and cash equivalents	423,629	406,194

Note 3 Trade and Other Receivables

Prepayments and Accrued Revenue	41,465	28,751
Sundry receivables	44,602	13,345
Bonds and deposits	6,411	6,118
Total current trade and other receivables	92,478	48,214

No impairment of accounts receivable and other debtors was required at 30 June 2017 (2016: \$nil).

Note 4 Property, Plant and Equipment

	2017	2016
	\$	\$
Equipment and fittings		
At cost	85,242	70,744
Accumulated depreciation	(44,147)	(27,842)
	41,095	42,902
Motor vehicles		
At cost	95,831	89,158
Accumulated depreciation	(32,327)	(34,101)
	63,504	55,057
Leasehold improvements		
At cost	7,300	7,300
Accumulated depreciation	(156)	(106)
	7,144	7,194
Total property, plant and equipment	111,743	105,153

Note 5 Trade and Other Payables

	2017	2016
	\$	\$
Trade payables and accruals	66,562	41,638
GST and PAYG payable	18,854	23,658
Other payables	32	1,193
	85,448	66,489

Note 6 Provisions

Employee benefits - annual leave	119,156	84,334
	119,156	84,334

Note 7 Unexpended grants

Link and Learn	18,268	36,903
ACT NDIS	-	34,670
	18,268	71,573

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 Cash flow information

**Reconciliation of operating surplus
with cash flow from operations**

Operating surplus	67,813	74,346
Add/subtract non-cash items		
Depreciation	29,830	22,691
Provision for employee benefits	24,484	-
(Profit)/Loss on sale of assets	(900)	4,107
Operating surplus adjusted for non-cash items	121,227	101,144

Movement in assets and liabilities

Increase/(decrease) in trade and other receivables	(44,264)	6,111
Decrease in trade and other payables	29,297	27,473
(Increase)/decrease in unexpended grants	(53,305)	59,253

Net cash from operations

52,955 193,981

Note 10 Subsequent Events

On 17 October 2017, ADACAS entered into an agreement with the ACT Government to lease office accommodation at the Weston Community Hub. The lease is for 5 years and represents an operating lease commitment of \$298,596.

Other than that, there are no other events which have occurred after balance date that require disclosure in the financial statements.

Note 11 Other Income

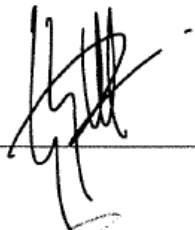
During 2016-17, the Older Persons Advocacy Network (OPAN) Ltd was created. During its start-up phase for OPAN, Fiona May acted in a Managing Director capacity for OPAN, whilst also fulfilling her duties as CEO with ADACAS. This time was contracted out to OPAN and was reimbursed based upon an agreed hourly rate. This income has been recorded as Other Income within the financial statements.

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 2017, 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 2017 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.



Stephen Still (Chairperson)



Andrew Cameron (Treasurer)

Dated this 24th day of OCTOBER 2017

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 2017, 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.

Vincent's Assurance & Risk Advisory



Peter Sheville

Director

24 October 2017

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Level 7, AMP Tower, 1 Hobart Place, Canberra ACT 2600 t 61.2 6274 3400 f 61.2 6274 3499
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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE
ACT DISABILITY AGED & CARER ADVOCACY SERVICES INC**

Report on the Financial Report

Opinion

We have audited the accompanying financial statements, being special purpose financial statements of ACT Disability Aged & Carer Advocacy Service Inc (the association), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the board on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the financial report of ACT Disability Aged & Carer Advocacy Services Inc:

- a) gives a true and fair view of the association's financial position as at 30 June 2017 and of its performance for the year ended on that date;
- b) in accordance with the accounting policies described in Note 1, the provisions of the *Associations Incorporations Act 1991* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- c) has maintained proper accounting records and other records relating to those accounts.

The Board's Responsibility for the Financial Report

The Board of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*, the *Associations Incorporation Act 1991* and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the association 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 and fair presentation of a financial report 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 report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial report 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Vincent's Assurance & Risk Advisory

Peter Sheville
Director

24 October 2017