

Aged & Community Services Australia

ABN: 48 609 882 288

Financial Statements

For the Year Ended 30 June 2017

Aged & Community Services Australia

ABN: 48 609 882 288

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For the Year Ended 30 June 2017

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Aged & Community Services Australia

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Statement of Comprehensive Income
For the Year Ended 30 June 2017

	2017
	\$
Revenue	2 3,499,334
Employee benefits expense	(2,510,471)
Consultants	(23,365)
Distribution of membership fees	(892,122)
Other expenses	(5,896)
Surplus for the year	67,480
Other comprehensive income	-
Total comprehensive income for the year	67,480

The accompanying notes form part of these financial statements.

Aged & Community Services Australia

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Statement of Financial Position

As At 30 June 2017

	Note	2017 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3	711,880
Trade and other receivables	4	1,188,034
Other assets	6	<u>80,453</u>
TOTAL CURRENT ASSETS		<u>1,980,367</u>
NON-CURRENT ASSETS		
Property, plant and equipment	5	<u>306,987</u>
TOTAL NON-CURRENT ASSETS		<u>306,987</u>
TOTAL ASSETS		<u>2,287,354</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	7	220,282
Employee benefits	9	629,017
Other liabilities	8	<u>877,489</u>
TOTAL CURRENT LIABILITIES		<u>1,726,788</u>
Employee benefits	9	<u>105,646</u>
TOTAL NON-CURRENT LIABILITIES		<u>105,646</u>
TOTAL LIABILITIES		<u>1,832,434</u>
NET ASSETS		<u>454,920</u>
EQUITY		
Contributed equity		387,440
Retained earnings		<u>67,480</u>
TOTAL EQUITY		<u>454,920</u>

The accompanying notes form part of these financial statements.

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

2017

	Retained Earnings	Contributed Equity	Total
	\$	\$	\$
Balance at 1 July 2016	-	-	-
Surplus for the year	67,480	-	67,480
Contribution of equity	-	387,440	387,440
Balance at 30 June 2017	67,480	387,440	454,920

The accompanying notes form part of these financial statements.

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Statement of Cash Flows
For the Year Ended 30 June 2017

	2017
Note	\$
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from members and states	3,038,667
Other receipts	60,910
Payments to suppliers and employees	(1,495,575)
Distribution of membership fees	(892,122)
Net cash provided by/(used in) operating activities	<u>711,880</u>
Net increase/(decrease) in cash and cash equivalents held	711,880
Cash and cash equivalents at beginning of year	<u>-</u>
Cash and cash equivalents at end of financial year	3 <u>711,880</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2017

The financial report covers Aged & Community Services Australia as an individual entity. Aged & Community Services Australia is a not-for-profit Company, registered and domiciled in Australia.

The functional and presentation currency of Aged & Community Services Australia is Australian dollars.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

The Company was registered on 17 December 2015 and started trading from 1 July 2016.

1 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

(d) Contributions from members, partners and government

Contributions are recognised in the statement of comprehensive income when the entity obtains control of the contribution, it is probable that the economic benefits gained from the contribution will flow to the entity and the amount of the contribution can be measured reliably.

When contributions are received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the contribution is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the contribution is recognised as income on receipt.

(e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Summary of Significant Accounting Policies

(e) Goods and services tax (GST)

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(f) Property, plant and equipment

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

Items of property, plant and equipment transferred for nil or nominal consideration have been recorded at the acquisition date at fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

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

	2017 \$
2 Revenue and Other Income	
Revenue from continuing operations	
- national partners	49,090
- membership	989,870
- national conference	10,820
- State Contributions	2,448,554
- other revenue	1,000
Total Revenue	<u>3,499,334</u>
3 Cash and Cash Equivalents	
Cash at bank and in hand	<u>711,880</u>
	<u>711,880</u>
4 Trade and Other Receivables	
CURRENT	
Trade receivables	597,744
Related party receivables	590,290
Total current trade and other receivables	<u>1,188,034</u>
<p>The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.</p> <p>The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.</p>	
5 Property, plant and equipment	
PLANT AND EQUIPMENT	
Furniture, fixtures and fittings	
At cost	19,154
Total furniture, fixtures and fittings	<u>19,154</u>
Motor vehicles	
At cost	92,042
Total motor vehicles	<u>92,042</u>
Computer software	
At cost	37,533
Total computer software	<u>37,533</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2017

2017

\$

5 Property, plant and equipment

Leasehold improvements	
At cost	<u>158,258</u>
Total improvements	<u>158,258</u>
Total property, plant and equipment	<u>306,987</u>

(a) Movements in Carrying Amounts

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

	Furniture, Fixtures and Fittings	Motor Vehicles	Computer Software	Leasehold improvements	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2017					
Balance at the beginning of year	-	-	-	-	-
Net assets transferred in	19,154	92,042	37,533	158,258	306,987
Balance at the end of the year	<u>19,154</u>	<u>92,042</u>	<u>37,533</u>	<u>158,258</u>	<u>306,987</u>

6 Other Assets

CURRENT	
Prepayments	<u>80,453</u>

7 Trade and Other Payables

Current	
Sundry payables and accrued expenses	<u>220,282</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying amounts are considered to be a reasonable approximation of fair value.

8 Other Liabilities

CURRENT	
Government grants received in advance	136,364
Membership fees received in advance	<u>741,125</u>
Total	<u>877,489</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2017

	2017
	\$
9 Employee Benefits	
Current liabilities	
Long service leave	211,113
Annual leave	417,904
	<u>629,017</u>
Non-current liabilities	
Long service leave	<u>105,646</u>

10 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstandings and obligations of the Company. At 30 June 2017 the number of members was 619.

11 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Aged & Community Services Australia during the year are as follows:

The total remuneration paid to key management personnel of the Company is \$ 311,612.

12 Contingencies

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

13 Events after the end of the Reporting Period

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

14 Statutory Information

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

Aged & Community Services Australia
Level 1
10 Tresiger Court
DEAKIN ACT 2600

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Responsible Persons' Declaration

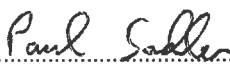
The directors of the Company are the responsible persons and the responsible persons declare that:

1. The financial statements and notes, as set out on pages 1 to 9, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

- (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
- (b) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the entity.

2. In the responsible persons' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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

Director 
Paul Sadler

Director 
John Murray

Dated 31 October 2017

Aged & Community Services Australia

Independent Audit Report to the members of Aged & Community Services Australia

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Aged & Community Services Australia (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the 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 persons' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) that the financial records kept by the company are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards Reduced Disclosure Requirements.

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 Company in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and 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 ethical 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 Management and Those Charged with Governance

Management is 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 and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 the directors 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.

ACCRU MELBOURNE (AUDIT) PTY LTD
Chartered Accountants

G D WINNETT
Director

31 October 2017