

**Council on the
Ageing (Vic) Inc**

Financial Report
For the year ended 30 June
2016

Council on the Ageing (Vic) Inc.

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Council on the Ageing (Vic) Inc.

OFFICER'S REPORT

The officers present their report, together with the financial statements of Council on the Ageing (Vic) Inc. for the financial year ended 30 June 2016.

Officers

The following persons were officers of the Council on the Ageing (Vic) Inc. during the whole of the financial year and up to the date of this report, unless otherwise stated:

Cathy Mead - President
Lynette Moore - Deputy President
Graeme Bird - Treasurer

Committee Members

The following persons were officers of the Council on the Ageing (Vic) Inc. during the whole of the financial year and up to the date of this report, unless otherwise stated:

Cathy Mead	Lynette Moore
Graeme Bird	Robert Barron (to Nov 15)
Sylvia Geddes (from Feb 16)	Gary Henry
Mike Lescai	Robert Yung

Principal Activities

The principal activities of the association during the financial year were to provide services to older people, with a focus on people who are disadvantaged.

Significant Changes

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

Operating Result

The deficit from ordinary activities amounted to \$37,527

Signed on behalf of the Officers.



.....
Graeme Bird (Treasurer)

Dated this day of November 2016

Council on the Ageing (Vic) Inc.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Revenue	2	2,783,757	2,555,541
Employee benefits expense		(1,693,891)	(1,478,679)
Depreciation & Amortisation		(15,022)	(16,421)
Transport costs		(35,157)	(42,387)
Project costs		(633,462)	(728,543)
Conference costs		(101,422)	(28,025)
Office and Administration Expenses		(191,171)	(131,377)
Lease expenses		(124,053)	(115,629)
Other expenses from ordinary activities		(27,106)	(30,178)
Current Year Surplus/(Deficit)		(37,527)	(15,698)

These statements should be read in conjunction with the attached notes

Council on the Ageing (Vic) Inc.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	3	1,887,535	1,834,611
Trade and other receivables	4	1,272	15,350
Other current assets	5	17,443	55,077
TOTAL CURRENT ASSETS		1,906,250	1,905,038
NON-CURRENT ASSETS			
Property, plant and equipment	6	36,592	28,108
TOTAL NON-CURRENT ASSETS		36,592	28,108
TOTAL ASSETS		1,942,842	1,933,146
CURRENT LIABILITIES			
Trade and other payables	7	83,532	143,427
Short term provisions	8	176,483	169,667
Grants received in advance	9	854,160	770,472
TOTAL CURRENT LIABILITIES		1,114,175	1,083,566
NON-CURRENT LIABILITIES			
Long term provisions	8	57,130	40,515
TOTAL NON-CURRENT LIABILITIES		57,130	40,515
TOTAL LIABILITIES		1,171,305	1,124,081
TOTAL MEMBERS FUNDS		771,537	809,065

These statements should be read in conjunction with the attached notes

Council on the Ageing (Vic) Inc.

STATEMENT OF CHANGES IN EQUITY

2015	Cash based reserves \$	Fixed asset reserves \$	TOTAL \$
Members funds as at 1 July 2014	824,762	-	824,762
Fixed Asset increment/(decrement)	-	(9,552)	(9,552)
Cash reserves increment/(decrement)	(15,698)	-	(15,698)
Members funds as at 30 June 2015	809,064	(9,553)	799,511
2016			
Members funds as at 1 July 2015	809,064	(9,552)	799,511
Fixed Asset increment/(decrement)	-	288,563	288,563
Cash reserves increment/(decrement)	(37,527)	-	(37,527)
Members funds as at 30 June 2016	771,537	279,010	1,050,546

These statements should be read in conjunction with the attached notes

Council on the Ageing (Vic) Inc.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating and project grants		2,491,848	2,420,510
Other receipts		348,201	344,276
Interest Received		46,251	53,887
Payments to Suppliers and Employees		(2,809,869)	(2,544,977)
Net cash provided by operating activities	10 b	<u>76,431</u>	<u>273,696</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(23,508)	(7,078)
Net increase in investing activities		<u>(23,508)</u>	<u>(7,078)</u>
Net increase / (decrease) in cash held		52,924	266,618
Cash at the beginning of the year		1,834,611	1,567,993
	10 a	<u>1,887,535</u>	<u>1,834,611</u>

These statements should be read in conjunction with the attached notes

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The incorporated association has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

In the Committees' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Associations Incorporation Reform Act 2012. The committee has determined that the accounting policies adopted are appropriate to meet the needs of the members of Council on the Ageing (Vic).

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality' and AASB 1048 'Interpretation and Application of Standards' as appropriate for not-for-profit oriented entities. These financial statements do not conform with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Council on the Ageing (Vic) Inc.

Grants

General operating support grants, from the Department of Health are made on an annual basis and are fully brought to account during the financial year. The Association is reliant upon core funding for its continuing operations.

Specific project grants, generally made on a non-surplus or deficit basis, are brought to account over the duration of the project, on the basis of actual costs incurred. Unexpended grants at year end are carried forward in the balance sheet, as a liability to be matched against expenses in future periods.

Where the project period extends beyond year end, an assessment is made at year end as to the progress of projects by comparing actual year to date costs against budgeted year to date costs. Where a significant cost overrun has been incurred, a provision for overrun is raised in the accounts to ensure any significant losses are recognised in the period to which they relate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

No provision for income tax has been raised as the association is exempt from income tax under division 50 of the Income Tax Assessment Act 1997.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Council on the Ageing (Vic) Inc.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Note 2: Revenue			
Operating Activities			
- Program fees		16,864	13,600
- Membership, commissions and sales		241,041	286,407
- Conference income		22,836	10,297
- Investment income	2 (a)	46,251	53,887
- Grant income		2,408,160	2,173,725
- Other revenue	2 (b)	48,605	17,835
- Loss on Disposal of Assets		-	(210)
		2,783,757	2,555,541
(a) Interest from other persons		46,251	53,887
(b) Other sundry income		48,605	17,835
Note 3: Current Assets - Cash and Cash Equivalents			
Cash on hand		500	500
Cash at bank		1,887,035	1,834,111
		1,887,535	1,834,611
Note 4: Current Assets - Trade and Other Receivables			
CURRENT			
Trade receivables		1,272	15,350
		1,272	15,350
Note 5: Current Assets - Other Assets			
CURRENT			
Accrued income		12,388	17,166
Prepayments		5,055	37,911
		17,443	55,077

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Note 6: Non Current Assets - Property Plant and Equipment			
Furniture fixtures and fittings			
At Cost		63,880	56,729
Less Accumulated Depreciation		(53,628)	(51,532)
Total Furniture fixtures and fittings		10,252	5,197
Motor vehicles			
At Cost		82,116	102,145
Less Accumulated Depreciation		(82,116)	(102,145)
Total motor vehicles		-	-
Office equipment			
At Cost		40,911	35,161
Less Accumulated Depreciation - at cost		(34,555)	(31,605)
Total office equipment		6,356	3,556
Computer equipment			
At Cost		126,266	115,661
Less Accumulated Depreciation - at cost		(106,282)	(96,306)
Total computer equipment		19,984	19,355
Total property, plant and equipment		36,592	28,108
Note 7: Current Liabilities -Trade and Other Payables			
CURRENT			
GST		42,576	35,359
Sundry creditors and accruals		11,988	71,101
PAYG Liability		11,159	10,253
Accounts Payable		17,809	26,714
Superannuation		-	-
		83,532	143,427
Note 8: Provisions			
Current Employee Benefits		176,483	169,667
Non Current Employee Benefits		57,130	40,515
		233,613	210,182

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Note 9: Current Liabilities - Grants in Advance			
CURRENT			
Department of Health and Human Services:			
- Minor Capital Work		56,945	38,708
- COTA 50+ Consumer Survey		83,000	-
LLLS - Program Fees		6,000	12,000
Consumer Directed Care- COTA Australia – Home Care Today		16,668	
Home Care Short Course - COTA Australia		4,926	9,156-
Seniors Rights Victoria:			
Department of Health and Human Services		166,239	161,216
Victorian Legal Aid		232,619	161,417
Epilepsy Foundation of Victoria – Tackling Epilepsy in the Later Years			22,000
Equity Trustees (ANZ Trustees Ltd) – Community inclusion – Aged Friendly Victoria		76,462	88,242
Equity Trustee Trustees - The Wicking Trust – Knowledge Management		24,216	87,908
Elder Abuse Outcome Research:			
Lord Mayor's Charitable Foundation		-	34,143
Department of Health and Human Services		-	23,000
State Trustees – Ageing Disability & Mental Health Collaborative Panel		57,782	58,115
State Trustees – Scoping Project		50,725	30,900
Southern Metropolitan Cemeteries Trust – Research Project		30,000	30,000
Victorian Women's Benevolent Trust – Older Women's Safety		19,893	-
RACV Community Foundation – Aged Friendly Training		20,000	-
Miscellaneous		8,685	13,667
		854,160	770,472

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
Note 10: Cash flow Information		
a) Reconciliation of cash		
Cash at the end of the period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on hand	500	500
Cash at Bank	315,714	349,243
At call deposits with financial institutions	1,571,321	1,484,868
	<u>1,887,535</u>	<u>1,834,611</u>
b) Reconciliation surplus after income tax to net cash from operating activities		
Operating surplus	(37,527)	(15,698)
Non cash flows in operating surplus		
Depreciation	15,022	16,421
Loss on disposal of property plant & equipment	-	210
Changes in assets & liabilities		
(Increase) / decrease in receivables	18,856	16,137
(Increase) / decrease in prepayments	32,856	(31,938)
Increase /(decrease) in trade creditors	(59,895)	28,651
Increase /(decrease) in grants in advance	83,688	246,784
Increase /(decrease) in provision for employee entitlements	23,431	13,129
	<u>76,431</u>	<u>273,696</u>
Net cash provided by operating activities	<u>76,431</u>	<u>273,696</u>

11 Association Details

Registered office

The registered office of the association is:

Council on the Ageing (Vic) Inc.
4th Floor Block Arcade
98 Elizabeth Street
Melbourne Victoria 3000

Council on the Ageing (Vic) Inc.

OFFICERS DECLARATION

In the officers' opinion:

the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 of the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Associations Incorporation Reform Act 2012;

the attached financial statements and notes thereto comply with the Accounting Standards as described in note 1 of the financial statements;

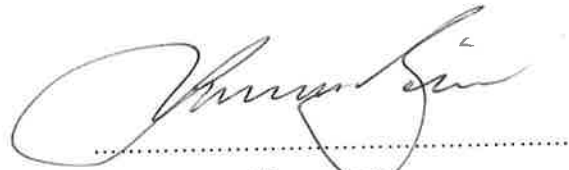
the attached financial statements and notes thereto give a true and fair view of Council on the Ageing (Vic) Inc. financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and

there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the officers



Cathy Mead (President)



Graeme Bird (Treasurer)

Dated this 10th day of November 2016

Dated this 8th day of November 2016

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF COUNCIL ON THE AGEING (VIC) INC.**Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report, of Council on the Ageing (Vic) Inc., which comprises the balance sheet as at 30 June 2016, the Statement of Comprehensive Income, Statement of Cash Flows, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act of Victoria and are appropriate to meet the needs of the members. The committee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 report is free from material misstatement.

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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting under the Associations Incorporation Act of Victoria. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF COUNCIL ON THE AGEING (VIC) INC.

Independence

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

Auditor's Opinion

In our opinion, the financial report of Council on the Ageing (Vic) Inc. presents fairly, in all material respects the financial position of Council on the Ageing (Vic) Inc. as of 30 June 2016 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

RYECROFTS PTY LTD



Terry Vail

Director

Dated this 11th day of November 2016

Council on the Ageing (Vic) Inc.

SUBMISSION OF FINANCIAL STATEMENTS TO ANNUAL GENERAL MEETING

I, Graeme Bird (Treasurer), being a member of the committee of Council on the Ageing (Vic) Inc. certify that:

I attended the annual general meeting of Council on the Ageing (Vic) Inc. on the 23rd day of November 2016 and the financial statements of the association for the year ending on 30 June 2016 were submitted to the members of the association at that annual general meeting.



.....
Graeme Bird (Treasurer)

Dated this 23rd day of November 2016