

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

Financial Report
For the year ended 30 June 2015

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 2015.

Officers

The following persons were officers of 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

Board Members

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

Cathy Mead	Lynette Moore
Graeme Bird	Bob Barron
Gary Henry	Ian Jungwirth
Mike Lescai	Regina Perton (to February 2015)
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 \$15,698.

Signed on behalf of the Officers.



.....
Graeme Bird (Treasurer)

Dated this 12th day of November 2015

Council on the Ageing (Vic) Inc.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Revenue	2	2,555,541	2,511,410
Employee benefits expense		(1,478,679)	(1,519,349)
Depreciation & Amortisation		(16,421)	(18,794)
Transport costs		(42,387)	(46,400)
Project costs		(728,543)	(608,545)
Office and Administration Expenses		(159,402)	(178,502)
Lease expenses		(115,629)	(99,666)
Other expenses from ordinary activities		(30,178)	(32,094)
Current Year Surplus/(Deficit)		(15,698)	8,060

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 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	3	1,834,611	1,567,993
Trade and other receivables	4	15,350	32,653
Other current assets	5	55,077	21,973
TOTAL CURRENT ASSETS		1,905,038	1,622,619
NON-CURRENT ASSETS			
Property, plant and equipment	6	28,108	37,661
TOTAL NON-CURRENT ASSETS		28,108	37,661
TOTAL ASSETS		1,933,146	1,660,280
CURRENT LIABILITIES			
Trade and other payables	7	143,427	114,776
Short term provisions	8	169,667	134,368
Grants received in advance	9	770,472	523,688
TOTAL CURRENT LIABILITIES		1,083,566	772,832
NON-CURRENT LIABILITIES			
Long term provisions	8	40,515	62,686
TOTAL NON-CURRENT LIABILITIES		40,515	62,686
TOTAL LIABILITIES		1,124,081	835,518
TOTAL MEMBERS FUNDS		809,065	824,762

These statements should be read in conjunction with the attached notes

Council on the Ageing (Vic) Inc.

STATEMENT OF CHANGES IN EQUITY

2014	Cash based reserves \$	Fixed asset reserves \$	TOTAL \$
Members funds as at 1 July 2013	772,205	44,497	816,702
Fixed Asset increment/(decrement)	-	(6,836)	(6,836)
Cash reserves increment/(decrement)	14,896	-	14,896
Members funds as at 30 June 2014	787,101	37,661	824,762
2015			
Members funds as at 1 July 2014	787,101	37,661	824,762
Fixed Asset increment/(decrement)	-	(9,552)	(9,552)
Cash reserves increment/(decrement)	(6,145)	-	(6,145)
Members funds as at 30 June 2015	780,956	28,109	809,065

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 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating and project grants		2,420,510	2,106,566
Other receipts		344,276	364,740
Interest Received		53,887	59,112
Payments to Suppliers and Employees		(2,544,977)	(2,536,069)
Net cash provided by operating activities	10 b	273,696	(5,651)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant & equipment		-	-
Purchase of property, plant & equipment		(7,078)	(11,958)
Net increase in investing activities		(7,078)	(11,958)
Net increase / (decrease) in cash held		266,618	(17,609)
Cash at the beginning of the year		1,567,993	1,585,602
	10 a	1,834,611	1,567,993

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 2015

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 adopted early.

Basis of preparation

In the Committee's 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.

Grants

Council on the Ageing (Vic) Inc.

General operating support grants, from the Department of Health and Human Services 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 accrued 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 is 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 2015

	Note	2015 \$	2014 \$
Note 2: Revenue			
Operating Activities			
- Program fees		13,600	22,091
- Membership, commissions and sales		296,704	307,502
- Investment income	2 (a)	53,887	59,112
- Grant income		2,173,725	2,096,009
- Other revenue	2 (b)	17,835	26,696
- Loss on Disposal of Assets		(210)	-
		2,555,541	2,511,410
		2,555,541	2,511,410
(a) Interest from other persons		53,887	59,112
(b) Other sundry income		17,835	26,696
Note 3: Current Assets - Cash and Cash Equivalents			
Cash on hand		500	500
Cash at bank		1,834,111	1,567,493
		1,834,611	1,567,993
		1,834,611	1,567,993
Note 4: Current Assets - Trade and Other Receivables			
CURRENT			
Trade receivables		15,350	32,653
		15,350	32,653
		15,350	32,653
Note 5: Current Assets - Other Assets			
CURRENT			
Accrued income		17,166	15,999
Prepayments		37,911	5,974
		55,077	21,973
		55,077	21,973

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Note 6: Non Current Assets - Property Plant and Equipment			
Furniture fixtures and fittings			
At Cost		56,729	57,767
Less Accumulated Depreciation		(51,532)	(50,992)
Total Furniture fixtures and fittings		5,197	6,775
Motor vehicles			
At Cost		102,145	102,145
Less Accumulated Depreciation		(102,145)	(102,145)
Total motor vehicles		-	-
Office equipment			
At Cost		35,161	33,054
Less Accumulated Depreciation - at cost		(31,605)	(30,834)
Total office equipment		3,556	2,220
Computer equipment			
At Cost		115,661	118,381
Less Accumulated Depreciation - at cost		(96,306)	(89,715)
Total computer equipment		19,355	28,666
Total property, plant and equipment		28,108	37,661
Note 7: Current Liabilities -Trade and Other Payables			
CURRENT			
GST		35,359	22,075
Sundry creditors and accruals		71,101	11,146
PAYG Liability		10,253	9,201
Accounts Payable		26,714	71,807
Superannuation		-	547
		143,427	114,776
Note 8: Provisions			
Current Employee Benefits		169,667	134,368
Non Current Employee Benefits		40,515	62,686
		210,182	197,054

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Note 9: Current Liabilities - Grants in Advance			
CURRENT			
Department of Health and Human Services:			
- Active Service Model		-	42,030
- Minor Capital Work		38,708	38,371
- Active Ageing Network		-	46,288
Lord Mayor's Charitable Foundation – Age Friendly		-	35,800
LLLS - Program Fees		12,000	12,000
Sport & Rec Vic - Pathways to Health - 2014		-	12,371
Consumer Directed Care - COTA Australia – Home Care Today		-	17,086
Home Care Short Course - COTA Australia		9,156	-
Seniors Rights Victoria:			
Department of Health and Human Services		161,216	130,848
Victorian Legal Aid		161,417	126,753
Epilepsy Foundation of Victoria – Tackling Epilepsy In the Later Years		22,000	25,200
Equity Trustees (ANZ Trustees Ltd) – Community inclusion – Aged Friendly Victoria		88,242	-
Equity Trustee Trustees - The Wicking Trust – Knowledge Management		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 – Yr 1 + Yr 2		58,115	35,000
State Trustees – Scoping Project		30,900	-
Southern Metropolitan Cemeteries Trust – Research Project		30,000	-
Miscellaneous		13,667	1,941
		770,472	523,688

Council on the Ageing (Vic) Inc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$	2014 \$
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	349,243	83,372
At call deposits with financial institutions	1,484,868	1,484,121
	<u>1,834,611</u>	<u>1,567,993</u>
b) Reconciliation surplus after income tax to net cash from operating activities		
Operating surplus	(15,698)	8,060
Non cash flows in operating surplus		
Depreciation	16,421	18,794
Loss on disposal of property plant & equipment	210	-
Changes in assets & liabilities		
(Increase) / decrease in receivables	16,137	8,451
(Increase) / decrease in prepayments	(31,938)	3,617
Increase /(decrease) in trade creditors	28,651	(73,480)
Increase /(decrease) in grants in advance	246,784	10,557
Increase /(decrease) in provision for employee entitlements	13,129	18,350
Net cash provided by operating activities	<u>273,696</u>	<u>(5,651)</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 2015 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 12th day of November 2015

Dated this 12th day of November 2015

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 2015, 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.

Board's Responsibility for the Financial Report

The Board 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 Board'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 2015 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 18th day of November 2015

