

COUNCIL ON THE AGEING (WA) INCORPORATED

FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2011**

COUNCIL ON THE AGEING (WA) INCORPORATED

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2011

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COUNCIL ON THE AGEING (WA) INCORPORATED

DIRECTORS' REPORT

Your directors submit the financial report of Council on the Ageing (WA) Incorporated for the financial year ended 30 June 2011.

Directors

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

Bob Kucera
Bob Ziegler
Bob Raisbeck
Judy Hogben
Ann Zubrick
Frank Schaper
Bettine Heathcote
Shelley Whitaker
Ken Marston

Principal Activities

The principal activities of the Council during the financial year were to promote and protect the well-being of members and to deliver better outcomes for people aged 50 and over.

Significant Changes

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

Operating Result

The loss for the year amounted to \$ 56,278. (2010: profit of \$ 122,965)

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

.....
Director
Robert Charles (Bob) Kucera

.....
Director
Robert Edward (Bob) Ziegler

Dated this 6th day of October 2011.

COUNCIL ON THE AGEING (WA) INCORPORATED

STATEMENT BY THE BOARD OF DIRECTORS

In the opinion of the Board of Directors of the Council on the Ageing (WA) Incorporated (the Council):

- (i) The Council is not a reporting entity and therefore there is no requirement to apply Australian Accounting Standards (including the Australian Accounting Interpretation) in the preparation of this special purposed financial report which has been prepared in accordance with the accounting policies described in Note 1 to the financial statements;
- (ii) The financial report presents a true and fair view of the financial position of the Council at 30 June 2011 and the result of its operations for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements;
- (iii) The operations of the Council has been carried out in accordance with its Constitution; and
- (iv) At the date of this statement, there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Board by:

DIRECTOR

Robert Charles (Bob) Kucera

DIRECTOR

Robert Edward (Bob) Ziegler

Dated this 6th day of October 2011.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COUNCIL ON THE AGEING (WA) INCORPORATED

We have audited the accompanying financial report, being a special purpose financial report, of Council on the Ageing (WA) Incorporated, which comprises the directors' report, the balance sheet as at 30 June 2011, the income statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the board of directors.

Board of Directors' Responsibility for the Financial Report

The board of directors of the Council 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 1987 of WA 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. We have 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 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 judgement, 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 of the financial report that gives a true and fair view, 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 board's financial reporting under the Associations Incorporation Act 1987 of WA. 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.

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 presents fairly, in all material respects, the financial position of Council on the Ageing (WA) Incorporated as at 30 June 2011 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporation Act 1987.

**MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100**

**A MACRI
PARTNER**

**PERTH
DATED THIS DAY OF OCTOBER 2011.**

COUNCIL ON THE AGEING (WA) INCORPORATED

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010
		\$	\$
Revenue		711,269	874,829
Employee benefits expense		(375,105)	(337,899)
Depreciation and amortisation expense		(6,224)	(8,320)
Project direct cost		(137,937)	(163,970)
Membership services		(39,490)	(27,626)
Gift card purchases		(29,450)	(44,650)
COTA news & levy		(21,703)	(36,680)
Office rent		(35,370)	(32,035)
Senior week cost		(51,879)	(53,568)
Other expenses		(70,389)	(47,116)
Profit/(Loss) for the year		<u>(56,278)</u>	<u>122,965</u>

The accompanying notes form part of these financial statements.

COUNCIL ON THE AGEING (WA) INCORPORATED

BALANCE SHEET

AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	2	446,937	513,665
Trade and other receivables	3	101,443	49,006
		<hr/>	<hr/>
		548,380	562,671
NON-CURRENT ASSETS			
Property, plant and equipment	4	28,492	34,716
		<hr/>	<hr/>
TOTAL ASSETS		<u>576,872</u>	<u>597,387</u>
CURRENT LIABILITIES			
Trade and other payables	5	105,584	54,151
Borrowings	6	-	27,049
Provisions	7	32,213	14,979
		<hr/>	<hr/>
		137,797	96,179
NON-CURRENT LIABILITIES			
Provisions	7	9,830	15,685
		<hr/>	<hr/>
TOTAL LIABILITIES		<u>147,627</u>	<u>111,864</u>
NET ASSETS		<u>429,245</u>	<u>485,523</u>
MEMBERS' FUNDS			
Retained Profits		<hr/>	<hr/>
		429,245	485,523
TOTAL MEMBERS' FUNDS	8	<u>429,245</u>	<u>485,523</u>

The accompanying notes form part of these financial statements.

COUNCIL ON THE AGEING (WA) INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1987 of WA. The Board of Directors has determined that the Council is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

(a) Property, plant and equipment

Property, plant and equipment is included at cost.

All assets are depreciated over their useful lives to the Council commencing from the time the asset is held ready for use.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Impairment of Assets

At the end of each reporting period, the Council reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists the recoverable amount of the asset being the higher of the assets fair value less cost to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying values over its recoverable amount is expensed to the income statement.

(c) Employee entitlements

The amounts expected to be paid to employees for their pro-rata entitlements to long service and annual leave are accrued annually at current pay rates having regard to experience of employees' departures and period of service.

COUNCIL ON THE AGEING (WA) INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- (d) Accounting for revenue

Government funding

The Council's advocacy activities are supported by grants received from the federal, state and local governments. Grants received on the condition that specified services are delivered, or conditions are fulfilled, are considered reciprocal. Such grants are initially recognised as a liability and revenue is recognised as services are performed or conditions fulfilled. Revenue from non-reciprocal grants including those relating to the acquisition of assets, is recognised when received.

Membership Fees

Membership fees are recognised in the period that the membership related to.

Fees

Fees charged for the provision of services are recognised when the service is provided.

Donations

Donations are recognised when received.

- (e) Goods and Services Tax (GST)

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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

- (f) Income Tax

The Council is exempt from income tax under the provision of Section 50-5 of the Income Tax Assessment Act 1997, as amended.

- (g) Comparatives

When necessary, comparative figures have been adjusted to conform to changes in the presentation for the current financial year.

COUNCIL ON THE AGEING (WA) INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
2. <u>CASH AND CASH EQUIVALENTS</u>		
Cash on hand	400	400
Cash at bank	104,203	84,652
Term deposits	341,611	417,988
Cash at bank- restricted	723	10,625
	<u>446,937</u>	<u>513,665</u>
3. <u>TRADE AND OTHER RECEIVABLES</u>		
Sundry debtors	91,443	49,006
Other deposit	10,000	-
	<u>101,443</u>	<u>49,006</u>
4. <u>PROPERTY, PLANT AND EQUIPMENT</u>		
Office & Training Equipment - at cost	292,798	292,798
Less: Accumulated Depreciation	<u>(264,306)</u>	<u>(258,082)</u>
	<u>28,492</u>	<u>34,716</u>
Furniture & Fittings - at cost	175,816	175,816
Less: Accumulated Depreciation	<u>(175,816)</u>	<u>(175,816)</u>
	<u>-</u>	<u>-</u>
Total Plant and Equipment	<u>28,492</u>	<u>34,716</u>

COUNCIL ON THE AGEING (WA) INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
5. <u>TRADE AND OTHER PAYABLES</u>		
Trade creditors	37,146	5,131
Accrued expenses	42,698	37,521
GST payable	2,025	11,499
Income received in advance	23,715	-
	<u>105,584</u>	<u>54,151</u>
6. <u>BORROWING</u>		
<u>CURRENT</u>		
Bank Overdraft – unsecured	<u>-</u>	<u>27,049</u>
7. <u>PROVISIONS</u>		
<u>CURRENT</u>		
Annual Leave	20,290	14,979
Long Service Leave	11,923	-
	<u>32,213</u>	<u>14,979</u>
<u>NON-CURRENT</u>		
Long Service Leave	<u>9,830</u>	<u>15,685</u>

COUNCIL ON THE AGEING (WA) INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
8. <u>MEMBERS' FUNDS</u>		
Retained surpluses at beginning of year	485,523	362,558
Net Surplus /(deficit) for the year	(56,278)	122,965
	<hr/>	<hr/>
Retained surpluses at end of year	<u>429,245</u>	<u>485,523</u>

COUNCIL ON THE AGEING (WA) INCORPORATED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	2011	
	\$	\$
REVENUE		
Commissions & Royalties	45,556	47,609
Donations	3,105	19,612
Grants		
-Department of Health	181,818	228,157
-ACCAN	20,000	-
-Lotteries Commission		
Act Belong Commit	-	51,467
Seniors week revenue	89,000	37,615
-Commonwealth/State Grants	-	44,991
-HACC – Community West Inc	34,989	23,493
-Office of Seniors Interests –Seniors Week	25,500	42,045
-Minor Projects	13,697	8,636
-Crime and Safety – Auditor General	-	36,989
-Beyond Blue program	43,750	44,993
Living Longer Living Stronger		
-Gym Fees	14,424	56,545
-Other	21,310	34,587
NPS Qum Project	39,000	40,903
Interest	26,821	21,720
Membership fees	61,200	79,844
Gift card sales	27,427	44,525
Seminar, conference & Forum	43,072	9,809
Sundry Revenue	20,600	1,391
	<hr/>	<hr/>
Total Revenue	711,269	874,829
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COUNCIL ON THE AGEING (WA) INCORPORATED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
EXPENSES		
Accounting fees	348	1,063
Advertising	245	198
Audit fees	5,400	6,500
Bad debts	-	2,985
COTA News	4,063	28,712
COTA Australia levy	17,640	7,968
Depreciation	6,224	8,320
Gift card purchases	29,450	44,650
Electricity and gas	2,403	2,369
Bank charges	1,143	754
Insurance	5,611	5,133
Internet expenses	1,951	3,456
Board expenses	508	2,774
ABC expenses	-	5,008
Office rent	35,370	32,035
Office cleaning	2,023	1,396
Office relocation	15,894	-
Project direct costs		
-LLLS	79,649	108,007
-SQUM	3,881	3,101
-Minor projects	47,202	40,461
-Beyond Blue	5,795	5,409
-Crime projects	1,410	6,992
Membership servicing	39,490	27,626
Printing ,stationary & postage	611	390
Repairs and maintenance	20,544	6,157
Salaries and wages	334,480	310,552
Seminars and conferences	359	2,534
Seniors week grant & expenses	51,879	53,568
	<hr/>	<hr/>
Balance Carried Forward	713,573	718,118

COUNCIL ON THE AGEING (WA) INCORPORATED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
EXPENSES (Cont'd)		
Balance Brought Forward	713,573	718,118
Staff amenities and training	2,267	2,746
Staff leave entitlement provision	11,378	-
Subscriptions	2,207	1,729
Sundry expenses	181	302
Superannuation	29,247	27,347
Telephone and facsimile	-	16
Travel and accommodation	8,446	1,606
Volunteer expenses	248	-
	<hr/>	<hr/>
Total Expenses	<u>767,547</u>	<u>751,864</u>
Net Surplus / (Deficit)	<u>(56,278)</u>	<u>122,965</u>