

**The Council on the Ageing  
(Western Australia) Incorporated**

ABN: 79 970 893 100

**SPECIAL PURPOSE FINANCIAL REPORT**  
For the Year Ended 30 June 2016

# **The Council on the Ageing (Western Australia) Incorporated**

ABN: 79 970 893 100

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For the Year Ended 30 June 2016

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# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Corporate Governance Statement

For the Year Ended 30 June 2016

The Council on the Ageing (Western Australia) Incorporated provides services, advocacy and advice to advance the rights, needs and interests of older Western Australians.

The Council on the Ageing (Western Australia) Incorporated is governed by a Board of Directors and is comprised of a President, Vice President and ten Directors as at 30 June 2016.

The Board of Directors governs The Council on the Ageing (Western Australia) Incorporated in accordance with its Constitution and its Board Policies. The Board of Directors sets its strategic direction, gives leadership, governs itself, works effectively and consistently, ensures that its fiduciary responsibilities are met and holds its Chief Executive accountable for operational matters.

The Council on the Ageing (Western Australia) Incorporated Board of Directors is comprised of not less than six (6) nor more than nine (9) people, all of whom are elected, and up to three (3) co-opted members. The Chief Executive is an additional Director of the Board without a deliberative vote.

The elected Directors elect the Executive consisting of the President, Vice President and two other Board Directors. The President can only serve for 3 consecutive years in this office. General members are elected as Directors for three (3) year terms and shall serve no more than two (2) consecutive terms in office without permission for extension from the members. Details of Directors who served on the Board during the 2015-2016 financial year are as follows:

Judy Hogben	elected in 2008	President from 2014 Member of Executive and Finance Committee
Bettine Heathcote AM	last elected in 2013	Vice President - Previous President - Chair of the Policy Council - Life Member 2011 - Member of Executive Committee
Gerri Clay	elected in 2012	Member of Executive
John Hanley	elected in 2014 resigned January 2016	Chair of Finance Committee until resignation in January 2016
Ronald Regan	co-opted to Finance Committee in September 2015 - filled casual vacancy January 2016	Chair of Finance Committee and Member of Executive from January 2016
Bob Raisbeck	elected in 2010	Member of Finance Committee
Hon Bob Kucera APM JP	co-opted to the Board in 2008 elected to the Board in 2009	Director Previous President
Shelley Whitaker	elected in 2008	Director
Marie Moloney	elected 2014	Director
Lilly Cvijic APM	elected 2014	Director
Helen Moorhead	co-opted February 2016	Director
Luke Garswood	co-opted May 2016	Director
Jacquie Thomson	co-opted May 2016	Director

# **The Council on the Ageing (Western Australia) Incorporated**

ABN: 79 970 893 100

## **Corporate Governance Statement**

For the Year Ended 30 June 2016

The Chief Executive of The Council on the Ageing (Western Australia) Incorporated is Ms Trish Langdon. She attends all Board Meetings and sits on the Executive and Finance Committee

Under the Constitution the Board is required to meet at least four (4) times a year. However, it is the current policy of the Board to meet at least eight (8) times a year.

The Board's key responsibilities include:

Exercising the authority given to it by its Constitution;

Ensuring compliance with relevant legislation;

Maintaining governance and holding its Chief Executive Officer accountable for all operational matters;

Being accountable for The Council on the Ageing (Western Australia) Incorporated's overall performance;

Ensuring that The Council on the Ageing (Western Australia) Incorporated is solvent and able to meet its financial obligations as and when they become due;

Being responsible for Board development, succession planning and its own performance and processes;

Setting The Council on the Ageing (Western Australia) Incorporated's strategic direction and progressing an annual work plan and agenda consistent with that direction;

Exercising due diligence, fiduciary responsibility and ensuring that risk is identified and managed appropriately; and

Being responsible for affixing the Common Seal according to its Constitution.

The Council on the Ageing (Western Australia) Incorporated's financial statements are audited by Macri Partners

An Annual General Meeting is held annually to present the annual financial statements to the Members of The Council on the Ageing (Western Australia) Incorporated. The next such meeting is scheduled for Tuesday 25 October 2016.

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Board of Directors' Report

For the Year Ended 30 June 2016

The Board of Directors presents the report on The Council on the Ageing (Western Australia) Incorporated for the financial year ended 30 June 2016.

### Directors

The Board of Directors have been in office since the start of the financial year to the date of this report unless otherwise stated in the Corporate Governance Statement.

### Principal activities

The principal activity of the Council during the financial year was the provision of services, advocacy and advice to advance the rights, needs and interests of older Western Australians.

### Significant changes

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

### Operating result

The net deficit of the Council for the financial year ended 30 June 2016 amounted to \$65,577 (2015: restated deficit of \$58,995). Please see Note 21 for an explanation of the prior year restatement.

The Board notes with concern that the Council incurred a significant loss on its operations during the year under review, in part reflecting the abnormal costs associated with the recruitment of a new CEO. Additionally, and in consultation with the Chief Executive, steps have been taken to identify the reasons for such a loss and to institute appropriate corrective measures, where warranted, to minimise incurring such a loss in the current financial year. Such measures have included:

- An external review of our accounting practices
- A thorough evaluation of the sustainability of the programs we are running
- Increasing oversight of our performance on a monthly basis, with a detailed strategic review of the organisations' performance as at 31 December 2015

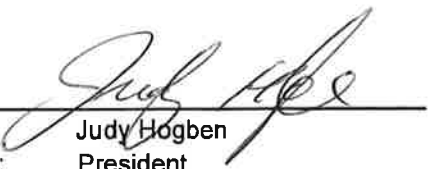
During the period, the Council applied the accounting policies described in Note 1 to these financial statements and complied with the financial reporting requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included.

This report is made in accordance with a resolution of directors, pursuant to the Australian Charities and Not-for-profits Commission Act 2012.

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

  
Name: Judy Hogben  
Position: President  
Date: 11 October 2016

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

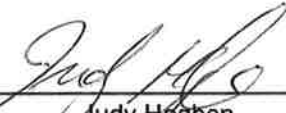
## Statement by the Board of Directors


For the Year Ended 30 June 2016

In the opinion of the Board of Directors of The Council on the Ageing (Western Australia) Incorporated:

- The financial report presents fairly, the financial position of the Council as at 30 June 2016, and of its performance for the year ended on that date, in accordance with the accounting policies described in Note 1 to these financial statements and are compliant with the financial reporting requirements of Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012.
- The operations of the Council have been carried out in accordance with its Constitution.
- 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 for and on behalf of the Board of Directors by:

  
\_\_\_\_\_  
Name: Judy Hogben  
Position: President  
Date: 11 October 2016


  
\_\_\_\_\_  
Name: Ronald Regan  
Position: Chair of the Finance Committee  
Date: 11 October 2016


**AUDITOR'S INDEPENDENCE DECLARATION**

**UNDER THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**  
**TO THE BOARD OF COUNCIL ON THE AGEING (WESTERN AUSTRALIAN) INCORPORATED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been no contraventions of :

- (i) the auditor independence requirements of Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

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

  
\_\_\_\_\_  
**A MACRI  
PARTNER**

**PERTH  
DATED THIS 11<sup>ST</sup> DAY OF OCTOBER 2016.**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF COUNCIL ON THE AGEING (WESTERN AUSTRALIA)**  
**INCORPORATED**

We have audited the accompanying financial report, being a special purpose financial report, of The Council on the Ageing (Western Australia) Incorporated ("the Council"), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, 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 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 has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act 1987 of WA* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), and are appropriate to meet the needs of the members. The board's responsibilities 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 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 Council'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 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.



**INDEPENDENT AUDITOR'S REPORT (Continued)**

***Independence***

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

***Auditor's Opinion***

In our opinion, the financial report presents fairly, in all material respects, the financial position of The Council on the Ageing (Western Australia) Incorporated as at 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 and the requirements of *Associations Incorporation Act 1987 of WA* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

***Basis of Accounting and restriction on Distribution***

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Council to meet the requirements of the *Associations Incorporation Act 1987* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.



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

**PERTH  
DATED THIS 11<sup>ST</sup> DAY OF OCTOBER 2016.**



**A MACRI  
PARTNER**



# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2016

	Notes	2016 \$	Restated 2015 \$
Grants	2	246,709	318,430
Contract funding	3	363,700	301,330
Other fees and sponsorships	4	49,618	42,023
Earned revenue	5	30,915	75,317
Commissions and royalties		28,967	30,986
Membership fees		28,146	47,048
Fundraising and donations		5,905	6,804
Interest		12,718	11,598
Other income	6	25,093	38,769
<b>Total revenue from operating activities</b>		<b>791,772</b>	<b>872,305</b>
Employee benefits expenses		(528,882)	(475,675)
Operating expenses	7	(130,037)	(124,708)
Project expenses	8	(124,697)	(210,222)
Accommodation expenses	9	(57,589)	(60,819)
Membership expenses		(10,977)	(21,342)
Other expenses		(19,813)	(21,633)
Depreciation		(4,826)	(11,126)
Insurances		(1,871)	(5,774)
<b>Total expenses from operating activities</b>		<b>(878,691)</b>	<b>(931,299)</b>
<b>Total surplus/(deficit) from operating activities</b>		<b>(86,919)</b>	<b>(58,995)</b>
Capital Grants from LotteryWest		21,343	-
<b>Total surplus /(deficit)</b>		<b>(65,577)</b>	<b>(58,995)</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive Income</b>		<b>(65,577)</b>	<b>(58,995)</b>

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Statement of Financial Position

As at 30 June 2016

	Notes	2016 \$	Restated 2015 \$	Restated 2014 \$
<b>Current assets</b>				
Cash and cash equivalents	10	526,439	721,936	628,875
Trade and other receivables	11	140,250	68,406	62,185
Other current assets		4,000	4,000	10,000
<b>Total current assets</b>		<u>670,689</u>	<u>794,342</u>	<u>701,060</u>
<b>Non-current assets</b>				
Property, plant and equipment	12	45,633	13,773	24,899
<b>Total non-current assets</b>		<u>45,633</u>	<u>13,773</u>	<u>24,899</u>
<b>Total assets</b>		<u>716,322</u>	<u>808,115</u>	<u>725,959</u>
<b>Current liabilities</b>				
Trade and other payables	13	110,214	124,562	74,106
Income in advance	14	259,937	270,705	188,083
Provisions - current	15	48,761	44,971	45,415
<b>Total current liabilities</b>		<u>418,912</u>	<u>440,238</u>	<u>307,603</u>
<b>Non-current liabilities</b>				
Provisions - non current	16	10,470	15,361	6,845
<b>Total non-current liabilities</b>		<u>10,470</u>	<u>15,361</u>	<u>6,845</u>
<b>Total liabilities</b>		<u>429,382</u>	<u>455,599</u>	<u>314,448</u>
<b>Net assets</b>		<u>286,940</u>	<u>352,516</u>	<u>411,511</u>
<b>Equity</b>				
Retained earnings		286,940	352,516	411,511
<b>Total equity</b>		<u>286,940</u>	<u>352,516</u>	<u>411,511</u>

**The Council on the Ageing (Western Australia) Incorporated**  
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**Statement of Changes in Equity**  
 For the Year Ended 30 June 2016

	<b>Retained earnings \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2013</b>	<u>415,647</u>	<u>415,647</u>
Total comprehensive income for the 2014 year previously reported	20,673	20,673
Net effect of change in accounting policy	(24,809)	(24,809)
<b>Balance at 1 July 2014 restated</b>	<u>411,511</u>	<u>411,511</u>
Total comprehensive income for the 2015 year previously reported	(31,836)	(31,836)
Net effect of change in accounting policy	(6,896)	(6,896)
Net effect on correction of errors	(20,263)	(20,263)
<b>Balance at 30 June 2015 restated</b>	<u>352,516</u>	<u>352,516</u>
Total comprehensive income for the 2016 year	(65,577)	(65,577)
<b>Balance at 30 June 2016</b>	<u>286,940</u>	<u>286,940</u>

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Statement of Cash Flows

For the Year Ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Receipts from operations		667,953	978,994
Payments to suppliers and employees		<u>(863,803)</u>	<u>(885,934)</u>
Net cash generated by / (used in) operating activities	17	<u>(195,850)</u>	<u>93,060</u>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(36,686)	-
Capital grant LotteryWest		<u>37,039</u>	<u>-</u>
Net cash generated by / (used in) investing activities		<u>353</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Net cash generated by financing activities		<u>-</u>	<u>-</u>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>		<u>(195,497)</u>	<u>93,060</u>
Cash and cash equivalents at the beginning of the financial year		<u>721,936</u>	<u>628,875</u>
Cash and cash equivalents at the end of the financial year	10	<u>526,439</u>	<u>721,936</u>

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 (A) Basis of preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (WA) 1987 and Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. The Board of Directors has determined that the Council is not a reporting entity and is a not-for-profit entity for financial reporting purposes domiciled in Australia.

As a non reporting entity, the financial statements are prepared in accordance with all of the recognition and measurement requirements of the Accounting Standards and in accordance with the disclosure requirements of those of the Accounting Standards that apply to non-reporting entities. Specifically, the following accounting standards have been applied:

AASB 101 - Presentation of Financial Statements

AASB 107 - Cash Flow Statements

AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031 - Materiality

AASB 1048 - Interpretation of Standards

AASB 1054 - Australian Additional Disclosures

### (B) Significant accounting judgements , estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements.

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) Income Tax

The Association is exempt from income tax under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

#### b) 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 benefits have been measured at the amounts expected to be paid when the liability is settled.

#### c) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### d) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### e) Revenue and Other Income

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

The Council receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the profit or loss.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it is credited.

Gym Fees and membership Fees are billed in advance and are recognised as income as the service obligations are performed.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

### f) 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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

### g) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### h) Events after the reporting period

No significant events occurred after 30 June 2016 and before the signing of the Independent Auditor's Report that have not been appropriately disclosed in these financial statements.

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016	Restated 2015
	\$	\$
<b>2 Grants</b>		
Seniors Week		
Department of Local Government & Communities	50,000	50,000
LotteryWest	50,000	50,000
	<u>100,000</u>	<u>100,000</u>
Seniors Awards		
LotteryWest grant	31,000	70,106
Department of Local Government & Communities	15,000	9,865
Other grant	15,000	-
	<u>61,000</u>	<u>79,971</u>
Office of Multicultural Interests	-	25,000
Lotterywest - Housing Research	-	53,600
Department of Health - Living Longer Living Stronger	-	59,859
Department of Attorney General - Crime & Safety	85,709	-
	<u>246,709</u>	<u>318,430</u>
<b>3 Contract funding</b>		
Department of Commerce Seniors' Housing Centre	309,000	291,080
COTA Australia - Peer Education in Consumer Directed Care	41,800	10,250
COTA Australia - Peer Education in Wellness and Enablement - Step Forward	12,900	-
	<u>363,700</u>	<u>301,330</u>
<b>4 Other fees and sponsorships</b>		
Living Longer Living Stronger awards	-	9,409
Living Longer Living Stronger gym fees	34,618	25,059
Living Longer Living Stronger instructor fees	10,000	7,555
Living Longer Living Stronger sponsorship	5,000	-
	<u>49,618</u>	<u>42,023</u>
<b>5 Earned revenue</b>		
Retirement Seminars	6,634	4,250
WA Active Ageing Conference	-	3,273
Minor Projects	5,674	22,204
UN International Day of Older Persons	-	(409)
Mall Walking Program	18,607	46,000
	<u>30,915</u>	<u>75,317</u>
<b>6 Other income</b>		
Sundry income	8,249	7,163
Gift card sales	13,409	19,316
GST adjustment	-	10,000
Computer classes	3,435	2,290
	<u>25,093</u>	<u>38,769</u>



# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016	Restated 2015
	\$	\$
<b>7 Operating expenses</b>		
Accounting fees	6,830	1,080
Advertising and promotion	9,687	7,188
Audit fees	6,000	5,600
Bank fees	1,365	1,158
Bad debts	4,685	-
Board governance	4,282	1,515
Cleaning and pest control	96	1,361
COTA Australia levy	15,807	(3,305)
Forums and seminars	392	18,033
Legal fees	17,755	-
Office relocation	-	20,568
Postage	6,690	6,327
Staff amenities	4,538	2,315
Staff development	3,129	1,864
Stationery and printing	7,193	24,925
Subscriptions	776	351
Sundry expenses	5,566	2,219
Telephone and internet	5,931	4,616
Training provided by COTA WA	10,597	11,438
Travel - staff	15,227	12,672
Travel - volunteer	2,901	1,669
Electricity	-	2,617
Website	590	497
	<u>130,037</u>	<u>124,708</u>
<b>8 Project expenses</b>		
Living Longer Living Stronger expenses	1,723	13,975
Minor Projects	3,498	4,905
UN International Day of Older Persons	-	2,510
Mall Walking	1,969	12,369
Seniors Awards	32,569	48,460
Seniors Week expenses	84,938	82,885
Seniors Housing Centre expenses	-	45,118
	<u>124,697</u>	<u>210,222</u>
<b>9 Accommodation expenses</b>		
Rent	40,359	42,471
Computer maintenance	16,476	18,219
Office maintenance	754	129
	<u>57,589</u>	<u>60,819</u>
<b>10 Cash and cash equivalents</b>		
Cash at bank	525,939	721,436
Petty cash	500	500
	<u>526,439</u>	<u>721,936</u>

These notes should be read in conjunction with the Independent Auditor's Report.

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016	Restated 2015
	\$	\$
<b>11 Trade and other receivables</b>		
Prepayments	8,758	3,357
Accrued income	-	14,504
Accounts receivable	131,492	50,545
	<u>140,250</u>	<u>68,406</u>
<b>12 Property, plant and equipment</b>		
Office equipment	-	50,094
Less accumulated depreciation	-	(48,546)
	<u>-</u>	<u>1,548</u>
Computer Equipment	42,039	255,973
Less accumulated depreciation	(33,092)	(243,748)
	<u>8,947</u>	<u>12,225</u>
Computer systems work in progress	36,686	-
	<u>45,633</u>	<u>13,773</u>
<b>13 Trade and other payables</b>		
Accounts payable	75,888	77,832
GST liabilities	14,559	23,704
Payroll liabilities	19,767	23,026
	<u>110,214</u>	<u>124,562</u>
<b>14 Income in advance</b>		
Department of Attorney General - Crime & Safety	7,791	-
Gym fees in advance	-	31,705
Department of Local Government and Communities- Seniors Week	50,000	50,000
LotteryWest - Seniors Week	-	50,000
Seniors Awards	15,000	46,000
Volunteer training program	50,000	-
COTA Australia - Peer Education in Consumer Directed Care	13,750	-
Department of Commerce Seniors' Housing Centre	79,250	75,000
Mall Walking project	18,000	18,000
COTA Australia - Peer Education in Wellness and Enablement - Step Forward	10,450	-
Information technology LotteryWest capital grant	15,696	-
	<u>259,937</u>	<u>270,705</u>
<b>15 Provisions - current</b>		
Annual leave	36,165	30,477
Long service leave	12,596	14,494
	<u>48,761</u>	<u>44,971</u>

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

	2016	Restated 2015
	\$	\$
<b>16, Provisions - non-current</b>		
Long service leave	10,470	15,361
<b>17 Reconciliation to Cash Flows from Operations</b>		
Net surplus/(deficit) for the year	(65,577)	(58,995)
<b>Non-operating cash flows in net profit</b>		
Capital Grants from LotteryWest	(21,343)	-
Depreciation and amortisation	4,826	11,126
<b>Change in Assets and Liabilities</b>		
(Increase)/decrease in receivables	(86,338)	9,881
(Increase)/decrease in other assets	-	6,000
Increase/(decrease) in payables	(26,318)	116,974
Increase/(decrease) in provisions	(1,101)	8,073
Net cash provided by operating activities	(195,850)	93,060

### 18 Auditor's Remuneration

In the course of the year ended 30 June 2016, the Auditor received the following remuneration

	2016	2015
	\$	\$
Audit fees	6,000	5,600
	6,000	5,600

### 19 Segment information

The Council operates predominantly in one business and geographic segment, being the provision of services, advocacy and advice to advance the rights, needs and interests of older Western Australians

### 20 Events after the reporting period

There have been no events since 30 June 2016 that have had a material effect on the financial statements.

# The Council on the Ageing (Western Australia) Incorporated

ABN: 79 970 893 100

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 21 Restatement of Prior Year

#### Change in accounting policy

The Board of Directors has changed the accounting policy for gym fees to recognise income in the year to which the fees relate. Previously gym fees were recognised as income when billed at the end of the financial year for the next financial year. As a result the gym fees of \$31,705 billed in May 2015 have been accrued as a liability, Gym fees in advance, at 30 June 2015 and brought to income in the year ended 30 June 2016. This change also leads to a reduction of retained earnings at 30 June 2014 in recognising a corresponding liability for Gym fees in advance of \$24,809. The net effect is a reduction in income of \$6,896 with a corresponding increase in liabilities arising from a change in accounting policy for the year ended 30 June 2015.

#### Correction of errors

The Board of Directors has detected at 30 June 2015 that there was an error in accruing the COTA Australia Levy of \$15,737, an error in failing to recognise income in advance for seniors awards of \$46,000 and an error in income in advance related to GST on grants leading to a recognition of other income in a GST adjustment of \$10,000. The net effect arising from the correction of these errors is that income is reduced by \$36,000 with a corresponding increase in liabilities and that expenses are reduced by \$15,737 with a corresponding decrease in liabilities.

As a result, the statement of profit or loss and other comprehensive income and the statement of financial position have been restated for the year ended 30 June 2015 and for 30 June 2014. The effects of above restatements are as follows:

<b>Statement of Financial Position</b>	<b>Reported 2015</b>	<b>Changes</b>	<b>Restated 2015</b>
	\$	\$	\$
Current assets	794,342	-	794,342
Non current assets	13,773	-	13,773
Current liabilities	388,270	51,968	440,238
Non current liabilities	15,361	-	15,361
Net assets	404,484	(51,968)	352,516
Retained Earnings at 30 June 2014	436,320	(24,809)	411,511
Total comprehensive income	(31,836)	(27,159)	(58,995)
Retained earnings at 30 June 2015	404,484	(51,968)	352,516
<b>Statement of profit or loss and other comprehensive income</b>			
Income	915,200	(42,896)	872,304
Expense	947,036	(15,737)	931,299
Net surplus from operations	(31,836)	(27,159)	(58,995)
other comprehensive income	-	-	-
Total comprehensive income	(31,836)	(27,159)	(58,995)

These notes should be read in conjunction with the Independent Auditor's Report.