



**Australian Government**  
**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9360 6990

**Ref: FR2004/576-[133N]**

Mr John Ireland  
Honorary Secretary/Treasurer  
Aged & Community Services Association of NSW &  
ACT Incorporated  
CEO, Southern Cross Homes Cardinal Gilroy Village  
Barcom Street  
MERRYLANDS NSW 2160

Dear Mr Ireland

**Financial Return - year ending 30 June, 2004**

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

**New legislation**

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO' <sup>1</sup>). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

**The key differences under the new legislation affecting financial returns are:**

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

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<sup>1</sup> Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

## Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as “*reporting units*”. Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

## Industrial Registrar’s Guidelines

The Industrial Registrar’s reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit’s economic support of, or economic dependency on, other reporting units of the organisation.

## Timeline Planner and Checklist

We have attached a Timeline/Planner (Attachment A) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (Attachment B) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar’s Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

## Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at *Attachment C*)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

### **First Meeting (Committee of Management)**

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

### **The Auditor**

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

### **Informing Your Members**

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

## **The Second Meeting - if it is a General Meeting of Members**

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

## **The Second Meeting - if it is a Committee of Management Meeting**

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

## **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2004/576**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

## **Complying with time limits**

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

## **Extensions of Time**

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

## Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

## Contact the Registry

We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at [Peter.McKerrow@air.gov.au](mailto:Peter.McKerrow@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

## Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at [www.airc.gov.au](http://www.airc.gov.au):

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely

Deputy Industrial Registrar

9 August 2004

**Note:** The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

## Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
<b>1</b>	<b>General Purpose Financial Report</b>	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
<b>2</b>	<b>Committee of Management Statement</b>	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
<b>3</b>	<b>Auditor's Report</b>	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
<b>4</b>	<b>Operating Report</b>	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
<b>5</b>	<b>Concise report*</b>	
<b>6</b>	<b>Certificate of Secretary or other Authorised Officer</b>	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

\* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

## Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply\* with the Australian Accounting Standards;
- (b) the financial statements and notes comply\* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view\* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds\* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held\* in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been\* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been\* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been\* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been\* furnished to the member or Registrar; and
  - #(vi) there has been\* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

\* Where compliance or full compliance has not been attained - set out details of non compliance instead.

# Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, *[and the concise report]<sup>2</sup>*, referred to in s268 of the RAO Schedule; and
- that the *[full report **OR** concise report]<sup>3</sup>*, was provided to members on *[insert date]*; and
- that the full report was presented to *[a general meeting of members **OR** the last of a series of general meetings of members **OR** a meeting of the committee of management]<sup>3</sup>* of the reporting unit on *[insert date]*; in accordance with section 266 of the RAO Schedule.

Signature

Date:

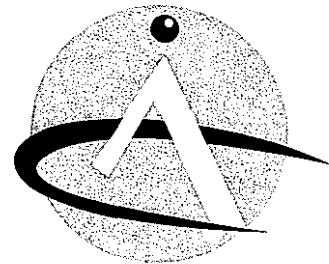
<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*



Aged & Community Services  
Association of NSW & ACT  
Incorporated

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Ashfield NSW 2131  
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EMAIL [mail@agedservices.asn.au](mailto:mail@agedservices.asn.au)  
WEB [www.agedservices.asn.au](http://www.agedservices.asn.au)  
ABN 13 737 853 254

**Aged and Community Services Association  
of NSW & ACT Incorporated**

**Financial Statements 30<sup>th</sup> June 2004**  
**Certificate of Secretary or other Authorised Officer**  
(s268 of Schedule 1B Workplace Relations Act 1996)

I John Ireland, being the Honary Treasurer of the Aged and Community Services Association of NSW & ACT Inc. certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to all members on 29/9/2004 via email and will be posted to members in November 2004.
- that the full report was presented to the Annual General Meeting of members of the reporting unit held on 26<sup>th</sup> October 2004 in accordance with section 266 of the RAO Schedule.

Signature

Date: 5<sup>th</sup> November 2004



AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW & ACT INC

FINANCIAL STATEMENTS  
YEAR ENDED 30<sup>TH</sup> JUNE 2004

CONTENTS

1. General Purpose Financial Report
  - (i) Auditors Report
  - (ii) Statement of Financial Performance
  - (iii) Statement of Financial Position
  - (iv) Statement of Cash Flows
  - (v) Notes to Financial Statements
  - (vi) Board of Directors Statement
2. Operating Report

**AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW & ACT INC.**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS**

**SCOPE**

We have audited the financial report of the Aged and Community Services Association of NSW & ACT Inc. being the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to the Financial Statements for the Year Ended 30 June 2004. The Board is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of Aged and Community Services Association of NSW & ACT Inc.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material mistakes. Our procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with accounting standards and other mandatory professional reporting requirements in Australia, so as to present a view which is consistent with our understanding of the Association's financial position and performance as represented by the results of its operations and its cash flows.

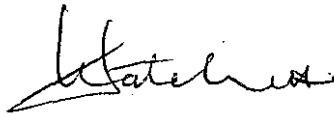
The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

In our opinion,

- (a) The financial report presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, of the financial position of the Aged and Community Services Association of NSW & ACT Inc as at 30<sup>th</sup> June 2004 and the results of its operations and its cash flows.
- (b) The Association maintained satisfactory accounting records in relation to the year ended 30th June, 2004 including records of the sources and nature of income (including income from members) and records of the nature & purposes of the expenditure of the Association.
- (c) We were provided with all the information and explanations as requested from the officers or employees of the Association.

BYRONS  
CHARTERED ACCOUNTANTS  
62 Burwood Rd,  
Burwood NSW



DATED: 7th September 2004  
JEFFREY MATCHETT  
PARTNER  
Registered Company Auditor

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW AND ACT INC.

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED  
30 JUNE 2004**

	NOTE	2004 \$	2003 \$
Revenue from ordinary activities	2	2,423,859	2,402,897
Employee benefits expense		(1,080,993)	(973,190)
Education programs		(547,999)	(521,676)
Printing and stationery		(164,701)	(182,224)
Subscriptions		(126,135)	(110,683)
Travel		(96,847)	(93,571)
Computer operations		(84,035)	(58,172)
Depreciation expense		(67,490)	(55,784)
Operating lease expense		(53,293)	(41,543)
Other expenses from ordinary activities		(194,069)	(242,968)
Net Profit from ordinary activities	9	<u>8,297</u>	<u>123,086</u>

The accompanying notes form part of this financial report.

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW AND ACT INC.

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2004

	NOTE	2004 \$	2003 \$
CURRENT ASSETS			
Cash assets	4	1,152,515	1,463,819
Receivables	5	112,050	50,383
TOTAL CURRENT ASSETS		<u>1,264,565</u>	<u>1,514,202</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	317,399	229,633
TOTAL NON-CURRENT ASSETS		<u>317,399</u>	<u>229,633</u>
TOTAL ASSETS		<u>1,581,964</u>	<u>1,743,835</u>
CURRENT LIABILITIES			
Payables	7	546,328	735,819
Provisions	8	105,041	90,768
TOTAL CURRENT LIABILITIES		<u>651,369</u>	<u>826,587</u>
NON-CURRENT LIABILITIES			
Provisions	8	69,753	64,703
TOTAL NON-CURRENT LIABILITIES		<u>69,753</u>	<u>64,703</u>
TOTAL LIABILITIES		<u>721,122</u>	<u>891,290</u>
NET ASSETS		<u>860,842</u>	<u>852,545</u>
EQUITY			
Retained profits	9	860,842	852,545
TOTAL EQUITY		<u>860,842</u>	<u>852,545</u>

The accompanying notes form part of this financial report.

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW AND ACT INC.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED  
30 JUNE 2004**

	NOTE	2004 \$	2003 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members		1,095,453	1,803,699
Other		116,395	158,568
Payments to suppliers and employees		(1,443,121)	(1,401,000)
Interest received		72,176	69,460
Net cash provided by (used in) operating activities	12(b)	(159,097)	630,727
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed asset purchases		(326,818)	(208,735)
Proceeds on the sale of fixed assets		174,611	149,502
Net cash provided by (used in) investing activities		(152,207)	(59,233)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash used in financing activities		-	-
Net increase/(decrease) in cash held		(311,304)	571,494
Cash at the beginning of the financial year		1,463,819	892,325
Cash at the end of the financial year	12(a)	1,152,515	1,463,819

The accompanying notes form part of this financial report.

**AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW & ACT INC.**

**NOTES TO THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2004**

**NOTE 1: Statement of Significant Accounting Policies**

The financial report is a general purpose financial report prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1984.

The Aged and Community Services Association of NSW & ACT Inc. is an association incorporated in New South Wales under the Associations Incorporation Act 1984.

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 expect where specifically stated, current valuations of non-current assets.

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

**Property, Plant and Equipment**

Property, plant and equipment are measured on the cost basis. The carrying amount is reviewed by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

**Depreciation**

Depreciation is calculated on the straight-line basis so as to write off the net cost of each fixed asset during its effective working life. The depreciation rates used for each class of assets are:

Motor Vehicles	10%
Leasehold improvements	20%
Office Equipment, Furniture & Fittings	20%
Computers	33%

**Employee Entitlements**

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

**Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction in the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

**Income Tax**

The Association is exempt from income tax.

**Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the 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 part of an item of expense. Receivables and Payables in the Statement of Financial Position are shown inclusive of GST.

**Adoption of Australian Equivalents to International Financial Reporting Standards**

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for the financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the end of the current financial year.

The directors are assessing the significance of these changes and are preparing for their implementation.

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW AND ACT INC.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 June 2004

	2004 \$	2003 \$
<b>NOTE 2: Revenue</b>		
- members subscriptions	1,262,546	1,295,144
- education services	969,536	856,418
- consultancy	29,034	33,536
- net project income	19,316	13,143
- sale of publications	63,582	25,485
- other	4,620	103,425
	<u>2,348,634</u>	<u>2,327,151</u>
<b>Non-operating activities</b>		
- interest received	72,176	69,460
- net profit on disposal of plant and equipment	3,049	6,286
	<u>75,225</u>	<u>75,746</u>
<b>Total Revenue</b>	<u>2,423,859</u>	<u>2,402,897</u>

**NOTE 3: Profit from Ordinary Activities**

Profit from ordinary activities has been determined after:

**Expenses**

Remuneration of auditor

- audit or review services	7,000	6,000
- other services	4,810	7,600
<b>Total</b>	<u>11,810</u>	<u>13,600</u>

**NOTE 4: Cash Assets**

Cash on hand	800	800
Cash at bank	60,009	419,791
Cash on deposit	1,091,706	1,043,228
	<u>1,152,515</u>	<u>1,463,819</u>

**NOTE 5: Receivables**

Trade debtors	117,050	55,383
Allowance for doubtful debts	(5,000)	(5,000)
	<u>112,050</u>	<u>50,383</u>

**NOTE 6: Property, Plant and Equipment**

Leasehold improvements - at cost	158,323	91,280
Less accumulated depreciation	(96,826)	(82,152)
	<u>61,497</u>	<u>9,128</u>
Office equipment, furniture and fittings - at cost	111,252	195,755
Less accumulated depreciation	(58,167)	(147,938)
	<u>53,085</u>	<u>47,817</u>
Motor vehicles - at cost	218,743	184,285
Less accumulated depreciation	(15,926)	(11,597)
	<u>202,817</u>	<u>172,688</u>
	<u>317,399</u>	<u>229,633</u>

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW AND ACT INC.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2004

	2004	2003
	\$	\$

(a) Movements in carrying amounts

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

	Leasehold Improvements \$	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at the beginning of year	9,128	47,817	172,688	229,633
Additions	67,043	41,031	218,744	326,818
Disposals	-	(8,061)	(163,501)	(171,562)
Depreciation expense	(14,674)	(27,702)	(25,114)	(67,490)
Carrying amount at the end of year	61,497	53,085	202,817	317,399

NOTE 7: Payables

CURRENT

Trade creditors and accruals	184,740	153,419
Subscriptions received in advance	9,776	337,829
Seminars income received in advance	134,304	113,561
Project funding received in advance	217,508	131,010
	546,328	735,819

NOTE 8: Provisions

CURRENT

Employee benefits	105,041	90,768
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NON-CURRENT

Employee benefits	69,753	64,703
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Aggregate employee benefits liability	174,794	155,471
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Number of employees at year end (Full time equivalents)	17	17
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NOTE 9: Retained Profits

Retained profits at the beginning of the financial year	852,545	729,459
Net profit attributable to the association	8,297	123,086
Retained profits at the end of the financial year	860,842	852,545

NOTE 10: Leasing Commitments

(a) Operating Lease Commitments

Being for rent of office and telephone system

Payable:

- not later than 1 year	55,296	8,850
- later than 1 year but not later than 5 years	75,654	-
- later than 5 years	-	-
	130,950	8,850

The property lease is a non-cancelable lease with a three year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by CPI. An option exists to renew the lease at the end of the three year term for two additional terms of three years.

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW AND ACT INC.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2004

**NOTE 11: Segment Reporting**

The Association operates predominantly in one business and geographical segment, being in the not-for-profit aged and community services sector providing services to members in NSW and the ACT.

	2004	2003
	\$	\$

**NOTE 12: Cash Flow Information**

**(a) Reconciliation of Cash**

Cash on hand	800	800
Cash at bank	60,009	419,791
Cash on deposit	1,091,706	1,043,228
	<u>1,152,515</u>	<u>1,463,819</u>

**(b) Reconciliation of Net Cash provided by Operating Activities to Profit from Ordinary Activities**

Profit from ordinary activities	8,297	123,086
Non-cash flows in profit from ordinary activities:		
Depreciation	67,490	55,784
Net profit on disposal of plant and equipment	(3,049)	(6,286)
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(61,667)	32,362
Increase/(Decrease) in creditors, accruals and income in advance	(189,491)	391,373
Increase/(Decrease) in provisions	19,323	34,408
Net cash provided by operating activities	<u>(159,097)</u>	<u>630,727</u>

(c) The association has no credit stand-by or financing facilities in place.

(d) There were no non-cash financing or investing activities during the period

**NOTE 13: Financial Instruments**

**(a) Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

**(b) Net Fair Values**

The net fair values of assets and liabilities approximate their carrying value

**NOTE 14: Association Details**

The principal place of business of the association is:  
Aged and Community Services Association of NSW  
and ACT Inc.  
Level 1, 391 Liverpool Road  
Ashfield NSW 2131

AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW & ACT INC

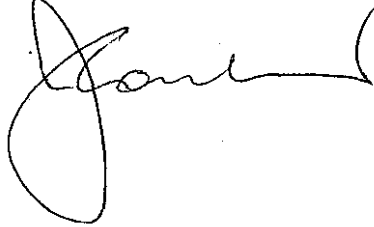
Board of Directors Statement

On 7<sup>th</sup> September, 2004 the Board of Directors of the Aged and Community Services Association of NSW & ACT Inc. passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30<sup>th</sup> June 2004.

The Board declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the board of management were held in accordance with the rules of the organisation; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) No requests for information have been made by any member of the reporting unit, or the Registrar under section 272 of the RAO Schedule.
  - (v) This report is made in accordance with a resolution of the Board made on the 7<sup>th</sup> September 2004.

For the Board of Directors:



John Cowland

Title of Office held:

President

Signature:

Date: 7<sup>th</sup> September 2004

## AGED AND COMMUNITY SERVICES ASSOCIATION OF NSW & ACT INC.

### Operating Report

On behalf of the Directors we submit the operating report for the year ending 30<sup>th</sup> June 2004.

#### Principal Activities

- The principal activities are detailed in the annual report attached to this report and provided to all members of the Association 21 days prior to the Annual General Meeting.
- The principal activities are:
  1. Representing as the peak body and registered employers association, religious, charitable and community based not-for-profit providers of aged and community care services in NSW and ACT. ACS also offers services to for-profit organisations through our Industry Advice Scheme.
  2. Offering members a range of services, including policy and advice on best practice in the areas of industrial relations, human resource management, clinical care, organisational change and financial management. This covers the full range of issues for residential aged care, community care and retirement villages.
  3. Offering as a registered training organisation an extensive training program, ensuring member organisations and their staff are able to upgrade skills and keep abreast of ongoing changes in aged and community care.
  4. Offering advice and encouragement to members to help them achieve best practice in compliance with the legislation governing aged and community care, including the Aged Care Act 1997, NSW Retirement Villages Act 1999 and ACT Code of Practice for Retirement Villages.
- There has been no significant change in the nature of the Association's principal activities from the previous year.

The following information is required to be disclosed in this report:

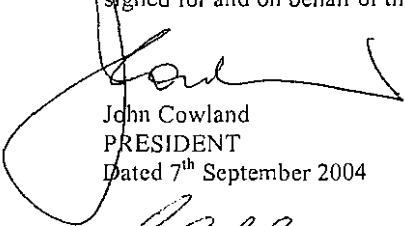
1. A report has been kept of all moneys collected of the Association and all moneys so collected have been credited to the bank accounts of the Association.
2. Before any expenditure was incurred by the Association, approval for such expenditure was obtained.
3. If any payment was made out of any fund for a purpose other than the purpose for which the fund was operated, such payment was approved.
4. No loans or other financial benefits were granted to persons holding office in the Association.
5. The register of members of the Association was maintained in accordance with the Workplace Relations Act 1996.
6. The Association at the end of the financial year had 300 members.
7. During the financial year to which the accounts relate, meetings of the Board were held in accordance with the Rules of the Association.
8. During the financial year to which the accounts relate, records of the Association or other documents have been made available to members of the Association as required, in accordance with any law or the Rules of the Association.
  - Note to Members  
Section 272 of the RAO Schedule of the Workplace Relations Act 1996, requires the reporting entity to supply duly requested information to members.

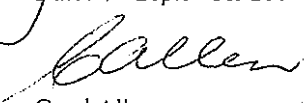
9. The Association had 17 employees at the end of the financial year.
10. The Superannuation affairs of the Association is conducted by independent fund managers on behalf of the employees. No director, officer or member of the Association has any involvement with the Association's Superannuation. Employees choose their own superannuation funds.
11. Members have the right to resign from the Association at any time, by furnishing written notice. This right means the Association rules meet the requirements of S174 of the Workplace Relations Act 1996.
12. Membership of the Board of Directors during the year are:

**Board Member**

Mr John Cowland (President)	Full 12 months
Mr John Ireland (Treasurer)	Full 12 months
Ms Carol Allen (Snr Vice-President)	Full 12 months
Mr Ian Wilson (Jnr Vice-President)	Full 12 months
Mr Bruce Alcorn	Appointed March 9 <sup>th</sup> 2004
Ms Sue Irvine	Full 12 months
Mr Graham Fear	Full 12 months
Mr Brian Dooley	Resigned 3 <sup>rd</sup> February 2004
Mr Rex Leighton	Full 12 months
Mr Denis Byron	Full 12 months
Mr John Baremans	Full 12 months
Mr Elwyn Townsend	Full 12 months
Mr Steve Walkerden	Full 12 months
Mr Errol Curran	Full 12 months
Dr June Heinrich	Full 12 months
Ms Pauline Armour	Elected October 2003
Mr Michael Barry	Elected October 2003
Mr Don Murchie	To October 2003
Ms Lorraine Poulos	To October 2003

This report is made in accordance with a resolution of the Board made on 7<sup>th</sup> September 2004 and is signed for and on behalf of the Board by:

  
John Cowland  
PRESIDENT  
Dated 7<sup>th</sup> September 2004

  
Carol Allen  
SENIOR VICE PRESIDENT  
Dated 7<sup>th</sup> September 2004



**Australian Government**  
**Australian Industrial Registry**

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990  
Email: [sydney@air.gov.au](mailto:sydney@air.gov.au)

Mr John Ireland  
Hon Treasurer  
Aged & Community Services Association of NSW & ACT Incorporated  
Level 1, 391 Liverpool Road  
ASHFIELD NSW 2131

Dear Mr Ireland

**Financial Return - year ending 30 June 2004 (FR2004/576)**

I refer to the documents lodged in the Registry on 4 November 2004. The documents have been filed; however, I draw your attention to the following matters by way of information when preparing the Association's next financial return.

Notice Required by s272(5) of the RAO Schedule<sup>1</sup>

This notice should be included in the general purpose financial report (GPFR) but appears to have been omitted. There is a paraphrased reference to it in paragraph 8 of the operating report. This, however does not satisfy the requirements of s272(5). Please note the text of the notice must be inserted in full in the GPFR.

Operating Report

Part of this report (paragraphs 1 to 8) appear to reflect the text of the former "committee of management certificate" which was formerly required under the now repealed financial reporting provisions of the Act. It is not necessary to replicate this in the operating report.

Right of Members to Resign

The reference to s174 of the "Workplace Relations Act" is incorrect. The relevant provision is s174 of the RAO Schedule. The Act and the Schedule are separately numbered..

For clarity, you may wish to consider describing members' right to resign as follows:

Members have the right to resign from the Association in accordance with Rule [insert the relevant rule reference] of the Association's rules.

Auditor's opinion

The "audit opinion" in the auditor's report has been expressed in the terms of the former provisions of the Act. Section 257 of the RAO Schedule now stipulates the matters on which the auditor is required to express an opinion. You may wish to bring this to the attention of the auditor.

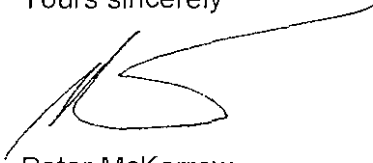
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<sup>1</sup> The Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) (the RAO Schedule)

Financial Return for year ending 30 June 2003 (FR2003/347)

In reviewing the Association's 30 June 2004 financial return, it appeared that the Registry had not formally acknowledged receipt and filing of the return for the year ending 30 June 2003. Please accept my apologies for overlooking this. This return has now also been filed.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'P' followed by a horizontal line that curves upwards and then back down to the baseline.

Peter McKerrow  
for Deputy Industrial Registrar

9 February 2005