



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

Level 8, Terrace Towers  
80 William Street, East Sydney, NSW 2011  
Telephone: (02) 8374 6666  
Fax: (02) 9380 6990

**Ref: FR2007/273-[133N]**

Mr John Ireland  
Honorary Secretary/Treasurer  
ACS 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, 2007**

Our records show the 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*.

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.

**Information on AIRC Website**

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

- [RAO Schedule](#)
- [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 requirements of the RAO Schedule - many of them deal with financial reporting matters.

**Reporting Unit**

Under the provisions of the Registration and Accountability of Organisations Schedule (RAO), Schedule 1 of the *Workplace Relations Act 1996*, 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 use the term "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:

(a) 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

(b) 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 including disclosures related to any recovery of wages activity ; and

(c) Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C) including declarations related to the recovery of wages activity.

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 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)).

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.

### **Contact the Registry**

We encourage you to contact the Registry on (02) 8374 6618 or by e-mail at [belinda.penna@air.gov.au](mailto:belinda.penna@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 procedures but we cannot give you legal or accounting advice.

Yours sincerely

A handwritten signature in black ink, appearing to be 'C. R.' followed by a long horizontal stroke.

For Deputy Industrial Registrar...  
18 July, 2007

**TIMELINE/ PLANNER**

Financial reporting period ending:	/ /	
<b>FIRST MEETING:</b> Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	/ /	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	within a reasonable time of having received the GPFR
Provide full report free of charge to members.  (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or  (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year.  <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ /	
<b>SECOND MEETING:</b> Present full report to:  (a) General Meeting of Members - s266 (1),(2), or  (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ /	within 6 months of end of financial year
	/ /	within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	/ /	within 14 days of meeting

**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?	
	Does the statement contain declarations relating to any recovery of wages activity?	
<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.

[Add the following if any recovery of wages activity has been undertaken during the financial year]

- (f) in relation to recovery of wages activity:
  - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
  - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
  - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
  - (iv) that prior to engaging in any recovery of wages activity, the organization has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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:

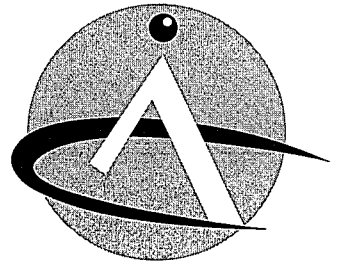
<sup>1</sup>RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(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

The Australian Industrial Registrar  
Level 8, Terrace Towers  
80 William Street  
East Sydney NSW 2011



Dear Sir,

Lodgement

We lodge the Annual Financial Statement for the year ending 30<sup>th</sup> June 2007, together with the Secretary's Certificate and the full Annual Report to the members.

The Annual Return of Information will be lodged by 31<sup>st</sup> March 2008.

Yours Faithfully

Robin Smith  
Administration Manager  
7 November 2007

**AGED & COMMUNITY SERVICES ASSOCIATION OF NSW & ACT**

**Certificate of Secretary or other Authorising Officer**

I, Ian Wilson, being a Director and the President of the Aged & Community Services Association certify:

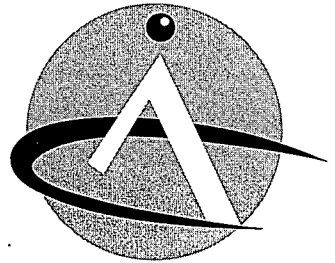
- That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members by mail or email on or before 21<sup>st</sup> September 2007; and
- That the full report was presented to the Annual General Meeting of members of the reporting unit on 9<sup>th</sup> October 2007 in accordance with section 266 of the RAO Schedule.

Signature

A handwritten signature in black ink, appearing to read 'Ian Wilson', followed by a horizontal line.

Ian Wilson

Date: 6/ 11/2007



Aged & Community Services  
Association of NSW & ACT  
Incorporated

Declaration by Public Officer

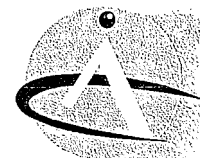
I, Stephen Lowndes declare that in my opinion, for the financial year ending 30<sup>th</sup> June 2007:

- a. the accounts give a true and fair view of all income and expenditure with respect to the fundraising appeals;
- b. the balance sheet gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals; and
- c. the provisions of the Act, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the organisation; and
- d. the internal controls exercised by the organisation are appropriate and effective in accounting for all income received and applied by the organisation from any of its fundraising appeals.

Please note that the Association did not undertake a fundraising appeal during the financial year.

Yours Faithfully

Stephen Lowndes  
CEO and Public Officer  
6 November 2007



Aged & Community Services  
Association of NSW & ACT  
Incorporated

# ACS Financial Report

For the Year Ended 30 June 2007

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# Aged and Community Services Association of NSW & ACT Inc.

## Income Statement

For the year ended 30 June 2007

	NOTE	2007 \$	2006 \$
Revenue	2	3,957,410	3,057,934
Employee benefits expense		(1,638,752)	(1,464,145)
Education programs		(947,108)	(438,633)
Printing and stationery		(122,033)	(148,306)
Subscriptions		(185,616)	(172,545)
Travel		(53,290)	(92,719)
Computer operations		(52,053)	(63,309)
Depreciation and amortisation expenses		(106,498)	(74,018)
Operating lease expense		(254,742)	(205,013)
Telephone		(47,961)	(58,521)
Other expenses		(309,741)	(288,325)
Net Profit from operations		<u>239,616</u>	<u>52,400</u>

# Aged and Community Services Association of NSW & ACT Inc.

## Balance Sheet

As at 30 June 2007

	NOTE	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,294,939	1,756,256
Trade and other Receivables	6	212,932	151,603
Other current assets	7	1,200	0
<b>TOTAL CURRENT ASSETS</b>		<b>1,509,071</b>	<b>1,907,859</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	330,921	378,023
<b>TOTAL NON-CURRENT ASSETS</b>		<b>330,921</b>	<b>378,023</b>
<b>TOTAL ASSETS</b>		<b>1,839,992</b>	<b>2,285,882</b>
<b>CURRENT LIABILITIES</b>			
Trade and other Payables	9	390,521	1,098,513
Provisions	10	144,115	130,380
<b>TOTAL CURRENT LIABILITIES</b>		<b>534,636</b>	<b>1,228,893</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	120,000	111,249
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>120,000</b>	<b>111,249</b>
<b>TOTAL LIABILITIES</b>		<b>654,636</b>	<b>1,340,142</b>
<b>NET ASSETS</b>		<b>1,185,356</b>	<b>945,740</b>
<b>EQUITY</b>			
Retained earnings		1,185,356	945,740
<b>TOTAL EQUITY</b>		<b>1,185,356</b>	<b>945,740</b>

## Statement of Recognised Income and Expense

For the year ended 30 June 2007

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2005	893,340	893,340
Net Profit	52,400	52,400
Balance at 30 June 2006	945,740	945,740
Net Profit	239,616	239,616
Balance at 30 June 2007	1,185,356	1,185,356

## Cash Flow Statement

For the year ended 30 June 2007

	NOTE	2007	2006
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		3,427,614	3,558,594
Payments to suppliers and employees		(3,926,884)	(3,025,565)
Interest received		108,034	76,201
Net cash provided by (used in) operating activities	13(b)	(391,236)	609,230
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed asset purchases		(123,081)	(121,588)
Proceeds on the sale of fixed assets		53,000	0
Net cash provided by (used in) investing activities		(70,081)	(121,588)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash used in financing activities		-	-
Net increase/(decrease) in cash held		(461,317)	487,642
Cash at the beginning of the financial year		1,756,256	1,268,614
Cash at the end of the financial year	13(a)	1,294,939	1,756,256



## Notes to the financial Statements

For the year ended 30 June 2007

### NOTE 1: Statement of Significant Accounting Policies

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

The financial report covers the Aged and Community Services Association of NSW & ACT Inc. as an individual entity.

The association is incorporated in New South Wales under the Associations Incorporation Act 1984.

The financial report complies with all the Australian equivalents to International Financial Reporting Standards (AIFRS)

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.

### Reporting Basis and Conventions

The financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and liabilities for which the fair value basis of accounting has been applied.

### Accounting Policies

#### Property, Plant and Equipment

Property, plant and equipment are measured on the cost basis less depreciation and impairment losses. 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 Vehicle for the 2006 year	10%
Motor Vehicles for the 2007 year	20%
Leasehold improvements	20%
Office Equipment, Furniture & Fittings	20%
Computer	33%

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.

#### 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, have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. 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.

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

### 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.

### Financial Instruments

#### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

#### Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

#### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

#### Impairment of Assets

At each reporting date, the association reviews the carrying costs of its tangible and intangible 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 the costs to sell the value-in-use, expensed to the income statement.

Where it is not possible to estimate the recoverable amount of the individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

### 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.

### Critical Accounting Estimates and Judgements

The Board members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

### Key Estimates – Impairment

The association assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

	2007	2006
	\$	\$
<b>NOTE 2: Revenue</b>		
Operating activities		
– members subscriptions	1,583,569	1,471,179
– education services	1,916,263	1,058,799
– consultancy	201,950	143,856
– net project income	0	109,693
– sale of publications	13,284	24,161
– income from service contract	107,249	139,803
– interest received	108,034	76,201
– other	27,061	34,242
	<u>3,957,410</u>	<u>3,057,934</u>

## NOTE 3: Profit

Profit from ordinary activities has been determined after:

Expenses		
Rental expenses on operating expenses	254,742	205,013
Remuneration of auditor		
– audit or review services	9,300	8,700
– other services	4,000	4,420
Total	<u>13,300</u>	<u>13,120</u>
Net loss on disposal of plant and equipment	10,685	4,960

## NOTE 4: Key Management Personnel Compensation

The directors of the Association do not receive any remuneration, but only reimbursement of expenses.

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

### NOTE 5: Cash and Cash Equivalents

	2007	2006
	\$	\$
Cash on hand	1,140	940
Cash at bank	14,632	604,013
Cash on deposit	1,279,167	1,151,303
	<u>1,294,939</u>	<u>1,756,256</u>

Included in cash on deposit, are amounts totalling \$232,560 which have been placed with the association's bankers as guarantees for rent and e-commerce transactions.

### NOTE 6: Trade and Other Receivables

Trade debtors	220,560	157,603
Allowance for doubtful debts	(7,628)	(6,000)
	<u>212,932</u>	<u>151,603</u>

### NOTE 7: Other Current Assets

Prepayments	1,200	0
	<u>1,200</u>	<u>0</u>

### NOTE 8: Property, Plant and Equipment

Leasehold improvements – at cost	67,460	67,460
Less accumulated depreciation	(44,856)	(31,364)
	<u>22,604</u>	<u>36,096</u>
Office equipment, furniture and fittings – at cost	260,225	222,451
Less accumulated depreciation	(141,876)	(97,862)
	<u>118,349</u>	<u>124,589</u>
Motor vehicles – at cost	238,200	244,954
Less accumulated depreciation	(48,232)	(27,616)
	<u>189,968</u>	<u>217,338</u>
	<u>330,921</u>	<u>378,023</u>

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

### NOTE 8: Property, Plant and Equipment (*continued*)

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	36,096	124,589	217,338	378,023
Additions	0	37,774	85,307	123,081
Disposals	0	0	(63,685)	(63,685)
Depreciation expense	(13,492)	(44,014)	(48,992)	(106,498)
Carrying amount at the end of year	22,604	118,349	189,968	330,921

2007	2006
\$	\$

### NOTE 9: Trade and Other Payables

#### CURRENT

Trade creditors and accruals	204,333	316,006
Subscriptions received in advance	40,881	315,330
Seminars income received in advance	80,005	185,651
Project funding received in advance	65,302	281,526
	<u>390,521</u>	<u>1,098,513</u>

### NOTE 10: Provisions

#### CURRENT

Accrued annual leave		
Opening balance at beginning of year	130,380	120,905
Net additional provisions raised during the year	13,735	9,475
Balance at end of year	<u>144,115</u>	<u>130,380</u>

#### NON-CURRENT

Long Service Leave		
Opening balance at beginning of year	111,249	89,841
Net additional provisions raised during the year	8,751	21,408
Balance at end of year	<u>120,000</u>	<u>111,249</u>

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

2007	2006
\$	\$

### NOTE 11: Capital and Leasing Commitments

#### (a) Operating Lease Commitments

Non-cancelable operating leases contracted for  
but not capitalized in the financial statements

Payable:

– not later than 1 year	273,824	286,589
– later than 1 year but not later than 5 years	658,257	932,082
– later than 5 years	–	–
	932,081	1,218,671

The property lease commenced in November 2005 and is a non-cancelable lease with a five 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 five year term for two additional terms of five years. The lease allows for subletting.

### NOTE 12: 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.

2007	2006
\$	\$

### NOTE 13: Cash Flow Information

#### (a) Reconciliation of Cash

Cash on hand	1,140	940
Cash at bank	14,632	604,013
Cash on deposit	1,279,167	1,151,303
	1,294,939	1,756,256

# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

	2007	2006
	\$	\$
(b) Reconciliation of Net Cash provided by		
Operating Activities to Profit from Ordinary		
Activities		
Profit from ordinary activities	239,616	52,400
Non-cash flows in profit from ordinary activities:		
Depreciation	106,498	74,018
Net( profit)/loss on disposal of plant and equipment	10,685	4,960
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	(61,329)	(68,640)
(Increase)/Decrease in Prepayments	(1,200)	34,263
Increase/(Decrease) in creditors, accruals and	(707,992)	512,229
income in advance		
Increase/(Decrease) in provisions	22,486	0
Net cash provided by operating activities	(391,236)	609,230

(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 14: Financial Instruments

#### (a) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized 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.

#### (c) Interest Rate Risk

The Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate%		Floating Interest Rate		Fixed Interest Rate	
	2007	2006	2007	2006	2007	2006
			\$	\$	\$	\$
Financial						
Assets						
Cash and cash	5.72%	5.01%	1,294,939	1,756,256	nil	nil
equivalents						



# Aged and Community Services Association of NSW & ACT Inc.

## Notes to the financial Statements

For the year ended 30 June 2007

### NOTE 15: Accounting Policy Amendments

The following Australian Accounting Standards issued or amended are applicable to the association but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Outline of Amendment	Application date of standard	Application date for Group
AASB 2005-10 Amendments to Australian Accounting Standards			
Standards Affected			
AASB 1 First time adoption of AIFRS	The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial Instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard.	1.1.2007	1.7.2007
AASB 4 Insurance Contracts			
AASB 101 Presentation of Financial Statements			
AASB 114 Segment Reporting			
AASB 117 Leases			
AASB 133 Earnings per Share			
AASB 1023 General Insurance Contracts			
AASB 1038 Life Insurance Contracts			
AASB 139 Financial Instruments: Recognition and Measurement			
AASB 7 Financial Instruments: Disclosures			
Standards Affected			
AASB 132 Financial Instruments: Disclosure and Presentation	As above.	1.1.2007	1.7.2007

### NOTE 16: Association Details

The registered office and principal place of business of the association is:

Aged and Community Services Association of NSW and ACT Inc.

Level 3 , 9 Blaxland Road

Rhodes NSW 2138

## Board of Directors Statement

On 4 September 2007, 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 June 2007.

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;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
  - (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: and
  - (v) This report is made in accordance with a resolution of the Board made on the 5 September 2007.

For the Board of Directors:

Ian Wilson  
President



Date: 4 September 2007

## Independent Audit Report to the Members

### Report on the Financial Report

We have audited the accompanying financial report of the Aged and Community Services Association of NSW & ACT Inc. which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by the Board of Directors.

### Directors' Responsibility for the Financial Report

The directors of the association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act NSW 1984. This responsibility includes 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

### Independence

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

# Aged and Community Services Association of NSW & ACT Inc.

## Independent Audit Report to the Members continued

### Auditor's Opinion

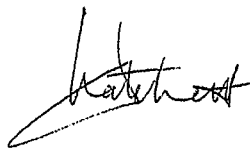
In our opinion:

The financial report of the Aged and Community Services Association of NSW & ACT Inc. is in accordance with the Associations Incorporation Act NSW 1984 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act NSW 1984.

The Association maintained satisfactory accounting records in relation to the year ended 30 June 2007 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.

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

JEFFREY MATCHETT  
PARTNER  
Registered Company Auditor

Dated: 5 September 2007

## Operating Report

On behalf of the Directors we submit the operating report for the year ending 30 June 2007.

### Principal Activities

- The principal activities are detailed in the annual report provided to all members of the Association 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 by 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 297 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 27 employees at the end of the financial year.
10. The Superannuation affairs of the Association are 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 fund.

# Aged and Community Services Association of NSW & ACT Inc.

## Operating Statement continued

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 were:

### Board Members

Mr Ian Wilson (President)	Full 12 months
Mr John Ireland (Treasurer)	Full 12 months
Dr. June Heinrich (Snr. Vice-President)	Full 12 months
Mr Jack Murphy (Jnr. Vice-President)	Full 12 months
Mr Elwyn Townsend (Jnr. Vice President)	Resigned October 2006
Mr John Cowland (President)	Resigned July 2006
Ms Pauline Armour	Full 12 months
Mr Philip Armstrong	Full 12 months
Mr John Baremans	Full 12 months
Mr Denis Byron	Full 12 months
Mr Errol Curran	Resigned March 2007
Ms Wendy Jeskie	Elected October 2005. Resigned April 2007
Dr Stephen Judd	Full 12 months
Mr Kevin Klose	Full 12 months
Mr Rex Leighton	Elected October 2006
Ms Gillian McFee	Appointed October 2006. Full 12 months
Mr Stephen Walkerden	Elected October 2006

This report is made in accordance with a resolution of the Board made on 4 September 2007 and is signed for and on behalf of the Board by:



Ian Wilson  
PRESIDENT

Dated 4 September 2007



John Ireland  
TREASURER

Dated 4 September 2007

## Committee (Board) of Management Statement

On 4 September 2007 the Committee (Board) of Management of Aged & 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 30/6/2007.

The Committee (Board) 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 statement 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 (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) There is only one reporting unit and there are no branches; and
  - (v) No information or request has been made by a member of the reporting unit or by a Registrar duly under Section 272 of the RAO Schedule; and
  - (vi) No orders for inspection of financial records have been made by the Commission under section 273 of the RAO Schedule.
- (f) There has been no recovery of wages activity.

For Committee (Board) of Management:

Ian Wilson

Title of Office held: President



Date: 4 September 2007



Aged & Community Services  
Association of NSW & ACT  
Incorporated

# ACS Annual Report

## 2006 / 2007

[www.agedservices.asn.au](http://www.agedservices.asn.au)





**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

Mr Robin Smith  
Administration Manager  
Aged & Community Services Association of NSW & ACT Incorporated  
PO Box 3124  
RHODES NSW 2138

Dear Mr Smith

**Re: Lodgement of Financial Statements and Accounts –  
Aged & Community Services Association of NSW & ACT Incorporated –  
for year ending 30 June 2007 (FR2007/273)**

I refer to the abovementioned financial statements and accounts which were lodged in the Registry on 8 November 2007.

The legislative requirements appear to have been substantially met and accordingly the documents have been filed. For future reference when preparing next year's return however please note the following.

In the Operating Report, the "Note to Members" regarding section 272 of the RAO Schedule falls short of the requirement [see subsection 272(5)] that the financial report set out subsections 272(1), 272(2) and 272(3) in full.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Kellett', written over a horizontal line.

Stephen Kellett  
Statutory Services Branch

12 November 2007