



FairWork  
Commission

11 November 2016

Ms Illana Halliday  
Chief Executive Officer  
Aged & Community Services NSW & ACT  
[mail@acs.asn.au](mailto:mail@acs.asn.au)

CC: Stuart Hutcheon, StewartBrown, by email [info@stewartbrown.com.au](mailto:info@stewartbrown.com.au)

Dear Ms Halliday,

**Aged & Community Services NSW & ACT  
Financial Report for the year ended 30 June 2016 - [FR2016/293]**

I acknowledge receipt of the financial report of the Aged & Community Services NSW & ACT. The documents were lodged with the Fair Work Commission on 21 October 2016. Further information to correct an error in the Designated Officer's Certificate was supplied by the organisation on 10 November 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8656 4698 or via email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Kind regards

**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

**FAIR WORK COMMISSION**

Tel: 03 8656 4698  
Fax: 03 9655 0410  
[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

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**Aged & Community Services NSW & ACT**

s.268 *Fair Work (Registered Organisations) Act 2009*

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER'**

Certificate for the period ended 30 June 2016

I Vivienne Allanson being the President of Aged & Community Services NSW & ACT certify:

- that the documents lodged herewith are copies of the full report for Aged & Community Services NSW & ACT for the period ended 30 June 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report* was provided to members of the reporting unit on 19 September 2016; and
- that the full report was presented to a *meeting of the committee of management* of the reporting unit on 11 October, 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer



Name of prescribed designated officer:

**Vivienne Allanson**

Title of prescribed designated officer: **President of the Board of Directors**

Dated: 09 November 2016

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Regulation 162 of the Fair Work (Registered Organisations) Regulations 2009 defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) 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.



Aged & Community  
Services NSW & ACT

12 October 2016

Ms Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch  
Fair Work Commission  
11 Exhibition Street,  
MELBOURNE VICTORIA 3000



Dear Ms Kyriakidis

**RE LODGEMENT OF FINANCIAL Report – [FR2016/293]  
FAIR WORK (Registered Organisations) Act 2009 (RO ACT) – AGED &  
COMMUNITY SERVICES NSW & ACT**

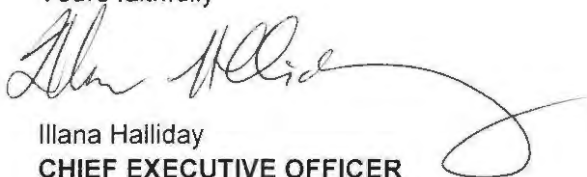
In accordance with s.268 of the Fair Work (Registered Organisations) Act 2009 (the RO Act). This company is required to lodge with the Commission within 14 days after presentation to the meeting.


The following financial reporting steps have been finalised and lodged accordingly:

1. Financial Report prepared as a (GPFR) and an Operating Report (section 253 & 254) of the reporting guidelines and the Australian Accounting Standards (AASB).
2. The GPFR and the Operating Report have been prepared and approved by the auditor (section 256).
3. Distributed the financial report to members – the members have been provided with a full report free of charge (section 265(6)).
4. The full report has been presented to a General Meeting of ACS, NSW & ACT within 6 months after the end of the financial year 30 June, 2016 (section 266).
5. Lodged the full report and Designated Officers Certificate with the Commission within 14 days of the meeting at which the financial reports were presented.
6. A statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year 30 June, 2016 (section 237) is attached.

Should you require anything further please don't hesitate to contact Mira Sandré, Office Manager on 02 8754 0400.

Yours faithfully

  
Illana Halliday  
CHIEF EXECUTIVE OFFICER

  
Vivienne Allanson  
PRESIDENT

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ABN 13 737 853 254 • ACN 124 322 916

**Aged & Community Services NSW & ACT**

s.268 *Fair Work (Registered Organisations) Act 2009*

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER<sup>1</sup>**

Certificate for the period ended 30 June 2016

I Vivienne Allanson being the President of Aged & Community Services NSW & ACT certify:

- that the documents lodged herewith are copies of the full report for Aged & Community Services NSW & ACT for the period ended 30 June 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report* was provided to members of the reporting unit on 19 November 2016; and
- that the full report was presented to a *meeting of the committee of management* of the reporting unit on 11 October, 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer



Name of prescribed designated officer: **Vivienne Allanson**

Title of prescribed designated officer: **President of the Board of Directors**

Dated: 12 October 2016

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<sup>1</sup> Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) 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.



# ACS 2015-2016 FINANCIAL REPORT





# DIRECTORS' OPERATING REPORT

## AS AT 30 JUNE 2016

Aged & Community Services NSW & ACT is registered as a company limited by guarantee and not having a share capital under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*. The Directors present the financial report of Aged & Community Services NSW & ACT for the year ended 30 June 2016 and report as follows:

### NAMES OF DIRECTORS

The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.

Ms Vivienne Allanson (*President*)  
Mr Paul Sadler  
Mr Paul McMahon (*appointed October 2015*)  
Mr Philip Armstrong (*resigned October 2015*)  
Mr Rob Freeman  
Mr David Goodhew  
Ms Sue Thomson (*appointed October 2015*)  
Ms Jenni Allan (*appointed February 2016*)  
Mr Ross Low  
Mr David Maher  
Mr Raad Richards  
Mr Mark Warwick Sewell  
Mr Alexander Shaw  
Mr Stephen Teulan  
Mr Ron Thompson  
Mr Stephen Walkerden (*resigned October 2015*)  
Ms Alexandra Zammit  
Ms Helen Wilson (*resigned December 2015*)

The Directors were in office for the whole of the financial year unless otherwise stated.

### PRINCIPAL ACTIVITIES

ACS is a registered industrial organisation of employers who are aged and community care providers in the non-profit, charitable sector. As a representative organisation ACS represents members' views politically at a Commonwealth and State level, either directly in its own right or indirectly via Aged and Community Services Australia (ACSA).

There has been no significant change in the nature of the company's principal activities from the previous year.

### OPERATING RESULT

The operating result of the company for the financial year was an operating deficit of \$69,920 (2015: surplus \$17,091).

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the company during the financial year.



# DIRECTORS' OPERATING REPORT

AS AT 30 JUNE 2016

## MEETINGS OF DIRECTORS

The number of meetings each Director was eligible to attend and actually attended during the financial year is summarised as follows:

Name	Eligible	Attended	Name	Eligible	Attended
Ms Vivienne Allanson	7	5	Mr Ross Low	7	6
Mr Paul Sadler	7	7	Mr Stephen Walkerden	2	2
Mr Alexander Shaw	7	3	Mr Steve Teulan	7	6
Mr David Goodhew	7	5	Ms Alexandra Zammit	7	5
Mr David Maher	7	5	Mrs Helen Wilson	7	4
Mr Mark Sewell	7	5	Ms Jenni Allan	4	4
Mr Philip Armstrong	2	2	Ms Sue Thomson	5	3
Mr Raad Richards	7	5	Mr Paul McMahon	5	3
Mr Rob Freeman	7	6	Mr Ron Thompson	7	5

## OTHER INFORMATION

In compliance with S254(2) of the *Fair Work (Registered Organisations) Act 2009* and Regulation 159 of the *Fair Work (Registered Organisations) Regulations 2009*, the Directors provide the following additional information:

1. The company at the end of the financial year had 291 members.
2. The company had 35 employees at the end of the financial year.
3. The Superannuation affairs of the company are conducted by Independent fund managers on behalf of the employees. No Director, officer or member of the company has any involvement with the company's Superannuation. Employees choose their own superannuation fund.
4. Members have the right to resign from the company at any time by furnishing written notice. This right means the company's rules meet the requirements of S174 of the *Fair Work (Registered Organisations) Act 2009*.



Vivienne Allanson  
President



David Maher  
Director

5 September 2016



# STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	9,724,669	4,082,914
Trade and other receivables	7	977,433	1,421,359
<i>Total current assets</i>		<u>10,702,102</u>	<u>5,504,273</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	388,437	224,013
<i>Total non-current assets</i>		<u>388,437</u>	<u>224,013</u>
<b>TOTAL ASSETS</b>		<u>11,090,539</u>	<u>5,728,286</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	9	7,807,610	2,384,591
Provisions	10	147,902	122,665
<i>Total current liabilities</i>		<u>7,955,512</u>	<u>2,507,256</u>
<b>Non-current liabilities</b>			
Provisions	10	23,272	39,355
<i>Total non-current liabilities</i>		<u>23,272</u>	<u>39,355</u>
<b>TOTAL LIABILITIES</b>		<u>7,978,784</u>	<u>2,546,611</u>
<b>NET ASSETS</b>		<u>3,111,755</u>	<u>3,181,675</u>
<b>EQUITY</b>			
Accumulated funds		<u>3,111,755</u>	<u>3,181,675</u>
<b>TOTAL EQUITY</b>		<u>3,111,755</u>	<u>3,181,675</u>

The accompanying notes form part of these financial statements



# STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
<b>Revenue</b>	4	5,489,110	4,843,386
<b>Other income</b>	4	6,764	13,742
		<u>5,495,874</u>	<u>4,857,128</u>
<b>Expenses</b>			
Staff costs		(2,117,233)	(2,092,061)
Administration expenses		(877,407)	(705,316)
Consultancy		(56,696)	(33,255)
Research and development		(20,000)	-
Depreciation and amortisation	5	(117,988)	(115,903)
Events		(434,966)	(395,230)
Learning Centre expenses		(208,388)	(211,282)
Office accommodation		(281,852)	(273,380)
Project expenses		(1,132,157)	(710,595)
Subscriptions		(319,107)	(303,015)
		<u>(5,565,794)</u>	<u>(4,840,037)</u>
<b>Surplus (deficit) before income tax</b>		(69,920)	17,091
Income tax expense		-	-
<b>Surplus (deficit) for the year</b>		(69,920)	17,091
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income (deficit) for the year</b>		<u><u>(69,920)</u></u>	<u><u>17,091</u></u>

The accompanying notes form part of these financial statements



# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Accumulated Funds \$	Total \$
<b>Balance at 1 July 2014</b>	3,164,584	3,164,584
<b>Comprehensive income</b>		
Surplus for the year	17,091	17,091
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<u>17,091</u>	<u>17,091</u>
<b>Balance at 30 June 2015</b>	<u>3,181,675</u>	<u>3,181,675</u>
<b>Balance at 1 July 2015</b>	3,181,675	3,181,675
<b>Comprehensive income</b>		
Surplus (deficit) for the year	(69,920)	(69,920)
Other comprehensive income	-	-
<b>Total comprehensive income (deficit) for the year</b>	<u>(69,920)</u>	<u>(69,920)</u>
<b>Balance at 30 June 2016</b>	<u>3,111,755</u>	<u>3,111,755</u>

The accompanying notes form part of these financial statements



# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
<b>Cash flows from operating activities</b>			
Receipts from customers and government		12,228,482	4,689,336
Payments to suppliers and employees		(6,432,532)	(5,165,133)
Interest received		121,453	123,298
<i>Net cash flows from operating activities</i>	12	<u>5,917,403</u>	<u>(352,499)</u>
<b>Cash flows from investing activities</b>			
Proceeds from sale of property, plant and equipment		32,614	25,050
Purchase of property, plant and equipment		(308,262)	(65,313)
<i>Net cash flows from investing activities</i>		<u>(275,648)</u>	<u>(40,263)</u>
Net increase (decrease) in cash and cash equivalents		5,641,755	(392,762)
Cash and cash equivalents at the beginning of the financial year		<u>4,082,914</u>	<u>4,475,676</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>9,724,669</u></u>	<u><u>4,082,914</u></u>

The accompanying notes form part of these financial statements



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

### Note 1 - Reporting entity

The financial report is for the Aged & Community Services NSW & ACT as an individual entity and domiciled in Australia. The company is registered as a company limited by guarantee and not having share capital under the provisions of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements were approved by the Board of Directors on 5 September 2016.

### Note 2 - Basis of preparation

#### **Statement of compliance**

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board, the requirements of the *Australian Charities and Not-for-profits Commission Regulation 2013* and *Fair Work (Registered Organisations) Act 2009*. In accordance with the reporting requirements of the *Fair Work (Registered Organisations) Act 2009*, the company is deemed to be a Tier 1 entity applying full IFRS recognition, measurement and disclosure.

The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions.

#### **Basis of measurement**

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### **Comparatives**

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the company has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

#### **Critical accounting estimates and judgements**

The company evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

#### Key estimates

##### **Impairment**

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

##### **Estimation of useful lives of assets**

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

#### **New and revised standards that are effective for these financial statements**

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2015, however none are expected to significantly impact the Association's financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

### **Note 3 - Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### ***Income Tax***

The company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### ***Goods and Services Tax (GST)***

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

#### ***Revenue recognition***

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

##### ***Member's subscriptions***

The subscription fee paid by members of the company entitles member organisations to receive services at prices lower than those charged to non-members and access to a variety of free services and publications. Income from membership fees is recognised on a basis that reflects the timing, nature and value of the benefits provided.

##### ***Grants (including government grants) and donations***

Income arising from the contribution of an asset (including cash) is recognised when the following conditions have been satisfied:

- (a) the company obtains control of the contribution or the right to receive the contribution;
- (b) it is probable that the economic benefits comprising the contribution will flow to the company; and
- (c) the amount of the contribution can be measured reliably at the fair value of the consideration received.

##### ***Sale of goods and services***

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

##### ***Interest***

Revenue from interest is recognised on an accruals basis.

##### ***Cash and cash equivalents***

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

### Note 3 - Significant accounting policies (continued)

#### **Trade receivables**

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less a provision for impairment. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

#### **Property, plant and equipment**

##### Recognition and measurement

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

##### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

##### Depreciation

The depreciable amount of all property, plant and equipment and capitalised lease assets is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation effective life used for each class of depreciable assets is:

Motor vehicles	5 years
Leasehold improvements	5 years
Office equipment, furniture and fittings	5 years
Computer equipment	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. 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.

#### **Impairment of assets**

At each reporting date, the company 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, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. Where it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment losses are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

### Note 3 - Significant accounting policies (continued)

#### **Financial instruments**

The company's financial instruments consist only of deposits with banks, accounts receivable and accounts payable.

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the company commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

#### Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

#### *Loans and receivables*

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in receivables in current assets in the statement of financial position, except for those with maturities greater than 12 months after the end of the reporting period which are classified as non-current assets.

#### *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

#### Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

### Note 3 - Significant accounting policies (continued)

#### *Financial instruments (continued)*

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

#### Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### *Trade and other payables*

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

#### *Income received in advance*

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

#### *Unexpended grants*

The company receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete these projects. It is the policy of the company to treat grant monies as revenue in advance in the statement of financial position where the company is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

#### *Employee benefits*

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

## Note 3 - Significant accounting policies (continued)

### ***Provisions***

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

### ***Fair value of assets and liabilities***

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the company at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the company's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.



## FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<b>Note 4 - Revenue and other income</b>		
<b>Revenue</b>		
Members subscriptions	2,155,355	2,021,997
Courses income	474,431	531,345
Events income	748,248	806,184
Projects income	1,497,344	844,831
Consultancy income	395,426	429,408
Industrial services income	50,235	60,214
Other operating revenue	46,618	22,793
	<u>5,367,657</u>	<u>4,716,772</u>
<b>Other revenue</b>		
Interest income	121,453	126,614
	<u>121,453</u>	<u>126,614</u>
<i>Total revenue</i>	<u>5,489,110</u>	<u>4,843,386</u>
<b>Other income</b>		
Net gain on the disposal of property, plant and equipment	6,764	13,742
<i>Total other income</i>	<u>6,764</u>	<u>13,742</u>
<i>Total revenue and other income</i>	<u>5,495,874</u>	<u>4,857,128</u>
<b>Note 5 - Expenses</b>		
<b>Depreciation and amortisation</b>		
Leasehold improvements	15,345	10,515
Plant and equipment	59,081	65,332
Motor vehicles	43,562	40,056
<i>Total depreciation and amortisation</i>	<u>117,988</u>	<u>115,903</u>
Provision for impairment - doubtful debts	(3,000)	-
Rental expenses relating to operating leases	229,588	216,667
Remuneration of Auditors ( <i>StewartBrown, Chartered Accountants</i> )		
Audit of the financial statements	12,200	11,700
Business consultancy and advisory services	90,043	120,286
	<u>102,243</u>	<u>131,986</u>
<b>Note 6 - Cash and cash equivalents</b>		
Cash at bank and on hand	6,754,393	1,154,837
Short term bank deposits	2,970,276	2,928,077
<i>Total cash and cash equivalents</i>	<u>9,724,669</u>	<u>4,082,914</u>

Certain balances within cash and cash equivalents are subject to interest rate risk as they earn interest income at variable rates of interest. The company's exposure to interest rate risk on financial assets and liabilities is disclosed in note 16.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<b>Note 7 - Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	691,814	1,038,967
Provision for impairment	-	(3,000)
	<u>691,814</u>	<u>1,035,967</u>
Other receivables	105,886	191,512
Prepayments	179,733	193,880
<i>Total current trade and other receivables</i>	<u><u>977,433</u></u>	<u><u>1,421,359</u></u>
<b>Provision for impairment</b>		
Balance at the beginning of the financial year	3,000	3,000
Increase (decrease) in provision	(3,000)	-
Balance at the end of the financial year	<u><u>-</u></u>	<u><u>3,000</u></u>

### (a) Trade receivables and impairment

Current trade receivables are generally 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired.

### (b) Credit risk

The company's exposure to credit risk is disclosed in note 16.

## **Note 8 - Property, plant and equipment**

	Leasehold Improvements \$	Furniture and Equipment \$	Motor Vehicles \$	Total \$
<b>At 30 June 2015</b>				
Cost	120,036	466,914	198,322	785,272
Accumulated depreciation	(104,691)	(371,766)	(84,802)	(561,259)
<i>Net carrying amount</i>	<u><u>15,345</u></u>	<u><u>95,148</u></u>	<u><u>113,520</u></u>	<u><u>224,013</u></u>
<b>Movements in carrying amounts</b>				
Opening net carrying amount	15,345	95,148	113,520	224,013
Additions	164,040	60,174	84,048	308,262
Disposals	-	-	(25,850)	(25,850)
Depreciation charge for the year	(15,345)	(59,081)	(43,562)	(117,988)
Closing net carrying amount	<u><u>164,040</u></u>	<u><u>96,241</u></u>	<u><u>128,156</u></u>	<u><u>388,437</u></u>
<b>At 30 June 2016</b>				
Cost	284,076	527,088	220,631	1,031,795
Accumulated depreciation	(120,036)	(430,847)	(92,475)	(643,358)
<i>Net carrying amount</i>	<u><u>164,040</u></u>	<u><u>96,241</u></u>	<u><u>128,156</u></u>	<u><u>388,437</u></u>



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

### Note 9 - Trade and other payables

#### Current

	\$	\$
Trade payables	33,938	87,538
Subscriptions received in advance	1,876,735	1,673,666
Project funding received in advance	5,331,931	150,186
Seminars income received in advance	49,254	62,585
Liabilities to employees	268,454	226,179
Other payables	247,298	184,437
<i>Total current trade and other payables</i>	<u>7,807,610</u>	<u>2,384,591</u>

#### Liquidity risk

The company's exposure to liquidity risk related to trade and other payables is disclosed in note 16.

### Note 10 - Provisions

#### Current

Employee entitlements - long service leave	147,902	122,665
<i>Total current provisions</i>	<u>147,902</u>	<u>122,665</u>

#### Non-current

Employee entitlements - long service leave	23,272	39,355
<i>Total non-current provisions</i>	<u>23,272</u>	<u>39,355</u>

### Note 11 - Key management personnel

The aggregate amount of compensation was paid to key personnel in respect to the following categories of remuneration:

Short term employee benefits	480,753	454,719
Post-employment benefits	44,467	41,270
Other long-term benefits	1,452	6,968
	<u>526,672</u>	<u>502,957</u>

### Note 12 - Cash flow information

#### (a) Reconciliation of net profit after tax to net cash flows from operations

Surplus (deficit) after income tax	(69,920)	17,091
<i>Adjustments for:</i>		
Depreciation and amortisation	117,988	115,903
Provision of impairment	(3,000)	-
Net loss (gain) on disposal of property, plant and equipment	(6,764)	(13,742)
<i>Changes in assets and liabilities</i>		
(Increase) decrease in trade and other receivables	432,779	(368,772)
(Increase) decrease in prepayments	14,147	(118,412)
(Decrease) increase in trade and other payables	9,261	4,271
(Decrease) increase in income in advance	5,371,483	4,203
(Decrease) increase in employee liabilities	42,275	27,675
(Decrease) increase in provisions	9,154	(20,716)
Net cash from operating activities	<u>5,917,403</u>	<u>(352,499)</u>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

2016  
\$

2015  
\$

## Note 13 - Commitments

### *Operating lease commitments*

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	339,816	287,063
Later than one year but not later than five years	1,407,222	165,623
	<u>1,747,038</u>	<u>452,686</u>

(i) A new property lease was entered into effective from July 2016 and is a non-cancellable lease expiring in June 2021, with rent payable monthly in advance. An option exists to renew the lease at the end of the term for an additional terms of five years. The lease allows for subletting.

(ii) Various non-cancellable equipment rental agreements with remaining terms of approximately one to three years from year-end, with rent payable either monthly or quarterly in advance or arrears in equal instalments over the term of the agreements. At the end of the rental term an option exists to either return the goods or renew the agreements.

## Note 14 - Events occurring after balance date

There were no significant events occurring after balance date.

## Note 15 - Related party transactions

### *Directors' remuneration*

In accordance with the company's Constitution, the Directors hold that position in an honorary capacity and thus receive no remuneration or retirement or superannuation benefits for their services.

### *Professional services received by Directors and associates*

Certain Directors are employed by or associated with entity's who are members of the company. These membership services are provided to those entity's on an arms length basis and upon normal commercial terms.

## Note 16 - Financial instruments

### *General*

Note 3 discusses the types of risks associated with the company's financial instruments as well as the policies adopted by the company to manage and monitor those risks and some other qualitative information. The quantitative information presented below complements those earlier disclosures and should be read in conjunction with them.

### *Credit risk*

#### *Exposure to credit risk*

The carrying amount of the company's financial assets represents the maximum credit exposure. The company's maximum exposure to credit risk at the reporting date was:-

	2016 \$	2015 \$
Cash and cash equivalents (refer note 6)	9,722,819	4,082,064
Trade and other receivables (refer note 7)	977,433	1,421,359
	<u>10,700,252</u>	<u>5,503,423</u>



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$

### Note 16 - Financial instruments (continued)

#### **Liquidity risk**

The following are the contractual maturities of financial liabilities, including estimated interest payments. The contractual amounts are expected future payments which have not been discounted.

Trade and other payables	281,236	271,975
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All trade and other payables are expected to be paid within 0 - 3 months and according to the trading terms. No amounts are past due or impaired.

#### **Interest rate risk**

At the reporting date the interest rate profile of the company's interest bearing financial instruments was:-

Cash and cash equivalents	9,722,819	4,082,064
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A change of 1% in interest rates at the reporting date would have increased (decreased) equity and profit or loss by \$97,228 (2015: \$40,821). This analysis assumes that all other variables remain constant.

#### **Fair values**

##### *Fair values compared to carrying amounts*

The fair values of financial assets and liabilities, together with their carrying amounts shown in the statement of financial position, are as follows:

##### Assets carried at amortised cost

Cash and cash equivalents	9,724,669	4,082,914
Trade and other receivables	977,433	1,421,359
	<u>10,702,102</u>	<u>5,504,273</u>

##### Liabilities carried at amortised cost

Trade and other payables	<u>7,807,610</u>	<u>2,384,591</u>
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As at 30 June 2016 the fair value has been assessed to be the same amount as the carrying value. This analysis was the same as at the 2015 balance date. The basis for determining fair value is disclosed in note 3.

#### *Fair value hierarchy*

All financial instruments are carried at amortised cost.

### Note 17 - Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

- A member of the company, or the General Manager of Fair Work Commission, may apply to the company for specified prescribed information in relation to the company to be made available to the person making the application.
- The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the company.
- The company must comply with an application made under subsection (1).



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<b>Note 18 - Additional disclosures required by Fair Work Commission</b>		
<b>Revenue:</b>		
Compulsory levies raised	-	-
Donations/Grants received	-	-
<b>Employee expenses:</b>		
<u>Holders of office</u>		
There are no employee expenses in relation to holders of office.		
<u>Employees other than office holders</u>		
Wages and Salaries	1,525,061	1,442,120
Superannuation	189,816	215,710
Leave and other entitlements	419,703	355,715
Separation and redundancies	496	64,026
Other employee expenses	2,081	14,490
<b>Other expenses:</b>		
Affiliation fees	-	-
Compulsory levies	-	-
Donations/Grants paid	-	-
Employee fees/allowances	-	-
Conference/meeting attendance allowances	-	-
Meeting/conference expenses	-	-
Legal costs	-	-
Penalties under Fair Work (Registered Organisations) Act 2009	-	-
<b>Employee provisions:</b>		
<u>Holders of office</u>		
There are no employee provisions in relation to holders of office.		
<u>Employees other than office holders</u>		
Annual leave	268,454	226,179
Long Service Leave	171,174	162,020
Separation and redundancies	-	-
Other employee provisions	-	-
<b>Other payables:</b>		
Payables in respect of legal costs	-	-



# DIRECTORS' DECLARATION

## FOR THE YEAR ENDED 30 JUNE 2016

On 5 September 2016 the Board of Directors of Aged & Community Services NSW & ACT passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016.

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 General Manager of Fair Work Commission;
- (c) the financial statement and notes give a true and fair view of the financial performance, financial position and cash flows of the company for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the company 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 Directors were held in accordance with the rules of the organisation; and
  - (ii) the financial affairs of the company have been managed in accordance with the rules of the organisation; and
  - (iii) the financial records of the company have been kept and maintained in accordance with the *Australian Charities and Not-for-profits Commission Regulation 2013* and *Fair Work (Registered Organisations) Act 2009*; 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 company or General Manager duly under Section 272 of the *Fair Work (Registered Organisations) Act 2009*; and
  - (vi) no orders for inspection of financial records have been made by the Fair Work Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*.
- (f) there has been no recovery of wages activity.

Signed on behalf of the Board in accordance with a resolution of Directors:



Vivienne Allanson  
President



David Maher  
Director

5 September 2016



# INDEPENDENT AUDITOR'S REPORT

AS AT 30 JUNE 2016



**NSW**  
LEVEL 2 / TOWER 1 / 495 VICTORIA AVE  
CHATSWOOD NSW 2067 / AUSTRALIA  
PO BOX 5515 / CHATSWOOD NSW 2057  
TEL: 61 2 9412 3033  
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**SA**  
LEVEL 1 / 104 FROME STREET  
ADELAIDE SA 5000 / AUSTRALIA  
TEL: 61 8 8229 2280  
FAX: 61 8 8229 2288

## Report on the Financial Report

We have audited the accompanying financial report of the Aged & Community Services NSW & ACT which comprises the statement of financial position as at 30 June 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Directors Declaration.

## Directors' Responsibility for the Financial Report

The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Interpretations and the *Australian Charities and Not-for-profits Commission Act 2012* and *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We 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 Company'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 company'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 the *Australian Charities and Not-for-profits Commission Act 2012* and any applicable code of professional conduct in relation to the audit.

## Auditor's Opinion

In our opinion the financial report of the Aged & Community Services NSW & ACT is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and Interpretations and the *Australian Charities and Not-for-profits Commission Regulation 2013*



# INDEPENDENT AUDITOR'S REPORT

**AS AT 30 JUNE 2016**

## **Report on Other Legal and Regulatory Requirements**

In addition, our audit report has also been prepared for the members of the company in accordance with section 257(5) and section 255 of the *Fair Work (Registered Organisations) Act 2009*. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*. These additional procedures included obtaining an understanding of the internal control structure and associated record keeping and other requirements pursuant to the *Fair Work (Registered Organisations) Act 2009*.

The performance of our statutory audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial report. This review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems.

The audit opinion expressed in this report pursuant to the *Fair Work (Registered Organisations) Act 2009* has been formed on the above basis.

## **Auditor's Opinion**

Pursuant to the requirements of section 257(5) and section 255 of the *Fair Work (Registered Organisations) Act 2009* we report that, in our opinion:

- a) the financial report is presented fairly in accordance with Australian Accounting Standards (including Australian Accounting Interpretations); and
- b) the company maintained satisfactory accounting records in relation to the year ended 30 June 2016 including records of the sources and nature of income (including income from members) and records of the nature & purposes of the expenditure of the company; and
- c) we were provided with all the information and explanations as requested from the officers or employees of the company.

## **Auditor's Declaration**

Pursuant to the requirements of section 255 of the *Fair Work (Registered Organisations) Act 2009*, I declare that:

- a) I am an approved auditor; and
- b) I am a member of Chartered Accountants Australia and New Zealand; and
- c) management's use of the going concern basis of accounting in the preparation of the company's financial statements is appropriate.



**StewartBrown**  
Chartered Accountants



**Stuart Hutcheon**  
Partner  
Registered Company Auditor – 309885

5 September 2016