

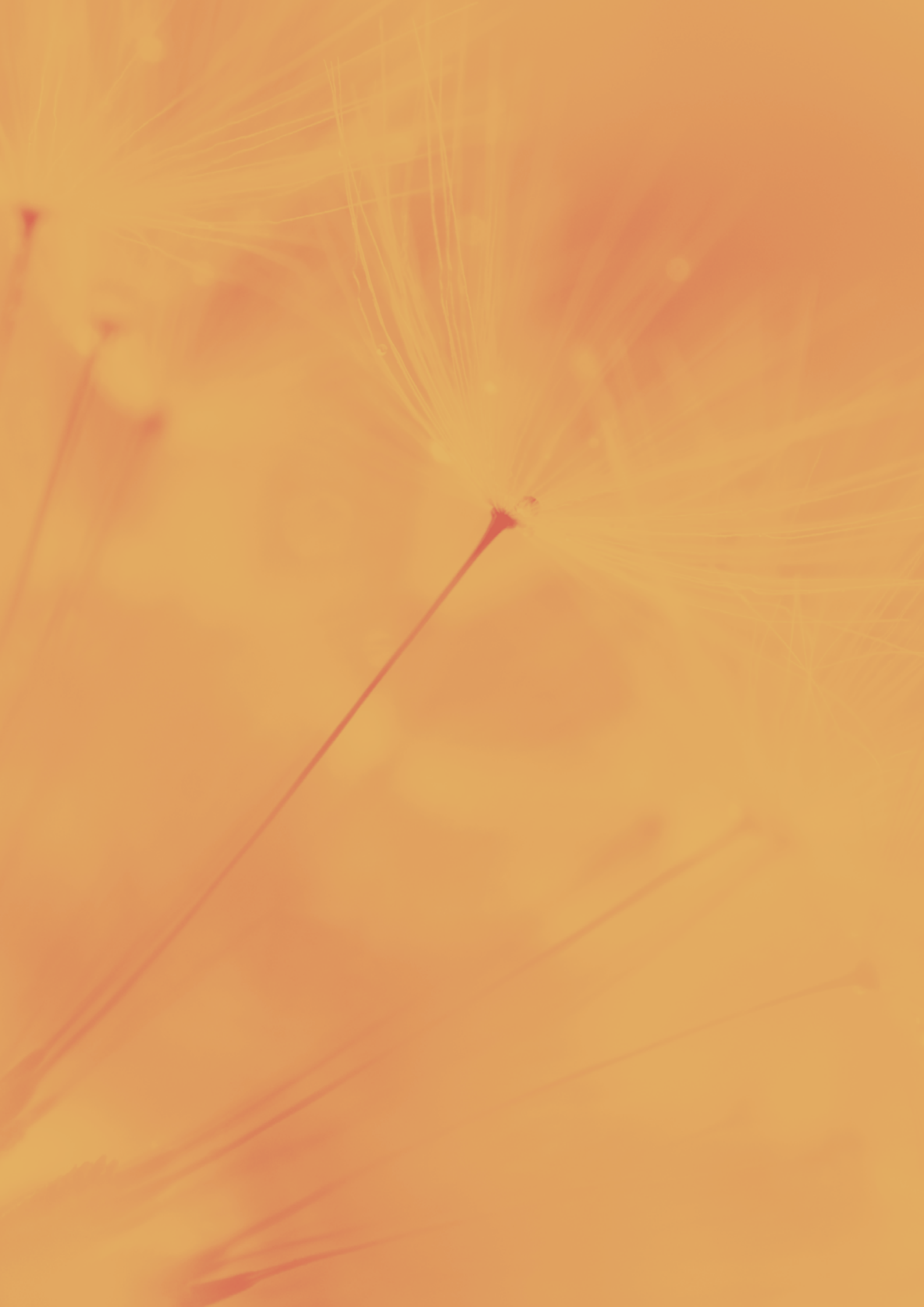


• a strong  
*voice*

financial report 2014-15

For the financial year ended 30 June 2015  
ABN 19 488 136 200





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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF QUEENSLAND AGED AND DISABILITY ADVOCACY INC.**

We have audited the special purpose financial report of Queensland Aged and Disability Advocacy Inc., comprising the Income Statements, Statement of Changes in Equity, Balance Sheet, Statement of Cash Flows, Notes to and Forming Part of the Accounts and the Directors' Declaration for the year ended 30 June 2015.

#### **The Responsibility of the Board of Directors for the Financial Report**

The Board of Directors is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Association's constitution and the Associations Incorporation Act 1981 and is appropriate to meet the needs of the members. The Board of Directors' responsibility also includes such internal control as the officers determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Board of 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 professional accounting bodies.

#### **Opinion**

In our opinion, the financial report presents fairly in all material respects the financial position of the Queensland Aged and Disability Advocacy Inc. at 30 June 2015, and of its financial performance for the year ended on that date

#### **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Queensland Aged and Disability Advocacy Inc. to meet the requirements of the Associations Incorporation Act 1981. As a result, the financial report may not be suitable for another purpose.



**Chris Booker FCA**  
**Registered Company Auditor**

**25 August 2015**  
**Brisbane**

	2015		2014
	\$		\$
<b>INCOME</b>			
HACC Funding - Recurrent	1,490,977		1,427,854
HACC Funding - Non-Recurrent	-		42,184
HACC Funding - Non-Recurrent Rollover	-		40,773
NACAP Funding - Recurrent	575,277		565,105
Less: Transferred to Unexpended Grants Carried Forward	-		-
Legal Aid - Recurrent	123,202		119,289
Legal Aid - Recurrent rollover	-		7,582
Legal Aid - Non-Recurrent Rollover	-		22,951
Legal Aid - Non-Recurrent	-		20,000
Less: Transferred to Unexpended Grants Carried Forward	-		(20,000)
Community Care - Recurrent	528,626		511,987
GCBF Non-Recurrent	-		15,182
Less: Transferred to Unexpended Grants Carried Forward	-		-
Attorney-General's Department	-		3,974
Attorney-General Rollover	-		-
James Cook University	5,339		21,357
James Cook University Rollover	16,940		-
Less: Transfer provision for unexpended funds	-		(16,940)
Partners 4 Health	16,746		30,984
Partners 4 Health Rollover	14,469		-
Less: Transferred to Unexpended Grants	-		(14,469)
Queensland Disability Network	23,493		-
Queensland Disability Network Rollover	-		-
mhWISE Contribution ACCS	-		10,000
Fees - Workshops etc	54,412		63,176
Less: Expenditure carried forward	-		(25,057)
Membership Fees	177		318
Miscellaneous Income	2,200		-
Miscellaneous Income Rollover	31,000		-
Profit/(Loss) on Sale - Fixed Assets	-		-
DJAG Penalties Enforcement	5,100		5,100
DJAG Penalties Rollover	-		-
Interest Income	14,883		16,336
<b>TOTAL INCOME</b>	<b>2,902,841</b>		<b>2,847,686</b>
<b>EXPENSES</b>			
<b>Staffing</b>			
Salary & Oncosts - Advocates	1,515,393		1,509,469
Salary & Oncosts - Admin	655,896		668,227
Salary & Wages - CEO	-		-
Salary & Oncosts - Other	4,582	2,175,871	3,924
	<u>4,582</u>		<u>3,924</u>
<b>Travel</b>			
Motor Vehicle Expenses	81,955		87,669
Advocates Travel	42,625		73,285
Admin Travel	4,684		3,381
Other Travel	3,908	133,172	-
	<u>3,908</u>		<u>-</u>

See auditor's report and accompanying notes to financial statements.

## Profit and loss statement Year ended 30 June 2015

	2015		2014
	\$		\$
<b>Premises/Accommodation</b>			
Rates - 121 Copperfield	3,984		3,788
Insurance - 121 Copperfield	3,404		3,129
Rent/Outgoings	36,337		35,134
Regional Office Rent	59,697		61,909
Repair & Maintenance Building	58,135		4,721
Electricity	13,257		11,983
Cleaning	10,544		8,890
Pest Control & Security	2,232	187,590	1,947
	<u>2,232</u>		<u>1,947</u>
<b>Equipment, Furniture, IT etc.</b>			
Leasing/Hire Charges - Plant & Equipment	26,336		24,218
Repair & Maintenance - Plant & Equipment	11,868		5,695
Depreciation - Computer System	4,402		4,402
Minor Office Equipment	37,428		7,949
Minor Assets Under \$10 000	46,101		881
Loss on Disposal of Fixed Assets	-	126,135	-
	<u>-</u>		<u>-</u>
<b>Promotion</b>			
Advertising & Promotions	30,471	30,471	92,494
	<u>30,471</u>		<u>92,494</u>
<b>Communication</b>			
Printing & Stationery	8,407		17,480
Postage & Freight	14,396		11,599
Telephone	35,681		34,992
Information Technology	50,134	108,618	107,101
	<u>50,134</u>		<u>107,101</u>
<b>Contracted Services</b>			
Bank A/c Fees & Taxes	1,658		3,270
Interest Paid	8		-
Credit Card Management Fees	927		941
Insurance	8,839		8,229
Audit Fees	7,900		7,600
Legal Fees	9,839		450
ISO Audit Fees	5,482		5,110
Consulting Fees	29,070		27,592
Memberships	5,391		3,258
Management Committee Expenses	1,823		8,301
Subscriptions & Publications	1,694		1,878
Advocate Services	57,462		7,557
Catering General/Venue Hire	11,085	141,178	17,136
	<u>11,085</u>		<u>17,136</u>
<b>Other Expenses</b>			
Distribution of profits - J V Partner ACCS	16,688		8,142
Distribution of profits - QADA carried forward	12,763		8,142
Miscellaneous Expenses	-		370
Return of unspent funds	9,623		-
Rounding adjustment	(2)	39,072	(1)
	<u>(2)</u>		<u>(1)</u>
<b>TOTAL EXPENDITURE</b>		<u>2,942,107</u>	<u>2,892,242</u>
<b>PROFIT (LOSS) FOR THE PERIOD</b>		<u>(39,266)</u>	<u>(44,556)</u>

See auditor's report and accompanying notes to financial statements.

	<b>Retained Earnings (Accumulated Deficit)</b>	<b>Total</b>
<b>Beginning Balance, 1 July, 2013</b>	1,019,118	1,019,118
Net income	(44,556)	(44,556)
Asset purchases expensed transferred to balance sheet	-	-
<b>Ending Balance, 30 June, 2014</b>	974,562	974,562
Net income	(39,266)	(39,266)
Asset purchases expensed transferred to balance sheet	-	-
<b>Ending Balance, 30 June, 2015</b>	<b>935,296</b>	<b>935,296</b>

See auditor's report and accompanying notes to financial statements.

	Note	2015	2014
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	884,034	823,728
Trade and other receivables	3	18,941	21,118
Other assets - prepayments	4	8,662	5,931
<b>TOTAL CURRENT ASSETS</b>		<u>911,637</u>	<u>850,777</u>
<b>NON-CURRENT ASSETS</b>			
Other financial asset Term Deposits		85,014	82,652
Plant and equipment		486,026	521,686
<b>TOTAL NON-CURRENT ASSETS</b>		<u>571,040</u>	<u>604,338</u>
<b>TOTAL ASSETS</b>		<u>1,482,677</u>	<u>1,455,115</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	194,640	141,342
Short term provisions - employee benefits (annual leave)		108,376	112,717
Provision for deferred expenditure - motor vehicles		65,473	65,473
Unexpended grants carried forward	7	94,357	76,466
<b>TOTAL CURRENT LIABILITIES</b>		<u>462,846</u>	<u>395,998</u>
<b>NON-CURRENT LIABILITIES</b>			
Long term provisions - employee benefits (LSL)		84,535	84,555
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>84,535</u>	<u>84,555</u>
<b>TOTAL LIABILITIES</b>		<u>547,381</u>	<u>480,553</u>
<b>NET ASSETS</b>		<u>935,296</u>	<u>974,562</u>
<b>EQUITY</b>			
Retained Surpluses		935,296	974,562
<b>TOTAL EQUITY</b>		<u>935,296</u>	<u>974,562</u>
<b>TOTAL EQUITY</b>		<u>935,296</u>	<u>974,562</u>

See auditor's report and accompanying notes to financial statements.



	2015	2014
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts	2,901,984	2,815,871
Interest received	14,883	16,336
Less:		
Payments to creditors & ministries	(2,854,191)	(2,767,647)
Interest paid	(8)	-
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>62,668</b>	<b>64,560</b>
<b>Cash flows from investments</b>		
Movement in term deposits	(2,362)	(2,676)
Proceeds of disposal of assets	-	-
Payments for improvements etc.	-	-
<b>TOTAL CASH FLOWS FROM INVESTMENTS</b>	<b>(2,362)</b>	<b>(2,676)</b>
<b>Cash flows from finance activities</b>		
Loans raised/(repaid)	-	-
<b>TOTAL CASH FLOWS FROM FINANCE ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash</b>	<b>60,306</b>	<b>61,884</b>
Cash at beginning of year	823,728	761,844
<b>Net increase/(decrease) in cash</b>	<b>60,306</b>	<b>61,884</b>
Cash at end of year	<b>884,034</b>	<b>823,728</b>

**Notes to Statement of Cash Flows****1. Reconciliation of net operating cash flow to net operating profit:**

<b>Net operating profit/(loss)</b>	(39,266)	(44,556)
Add: depreciation	35,660	43,476
Loss on disposal of asset	-	-
Rounding	-	-
(Increase)/decrease in accounts receivable	14,026	(15,479)
(Increase)/decrease in other receivables	(11,849)	7,742
(Increase)/decrease in prepayments	(2,731)	3,044
Increase/(decrease) in accounts payable	53,298	36,687
Increase/(decrease) in provision for employee benefits	(4,361)	28,486
Increase/(decrease) in provision for deferred expenditure	-	-
Increase/(decrease) in funding repayment liability	17,891	5,160
<b>Cash flows from operating activities</b>	<b>62,668</b>	<b>64,560</b>

**2. Reconciliation of cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and short term deposits at call, net of outstanding bank overdrafts. The cash at the end of the year in the above statement of cash flows represents the cash at bank figure shown in the balance sheet.

See auditor's report and accompanying notes to financial statements.

**Note 1 Summary of Significant Accounting Policies**

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

**(a) Basis of preparation**

The accounts have been prepared on the basis of historical costs and therefore do not take into account changes in the purchasing power of money or, except where specifically stated, current valuations of non-current assets. The accrual and going concern basis have been

In the officers' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the Queensland legislation Associations Incorporation Act 1981 and Associations Incorporation Regulation 1999. The officers have determined that the accounting policies adopted are appropriate to meet the needs of the users. The report has generally been prepared in accordance with the requirements of the Australian Equivalent to International Financial Reporting Standards AASB101 'Presentation of Financial Statements' and AASB107 'Cash Flow Statements'. No other accounting standards have been specifically applied.

The accounting policies adopted are consistent with those of the previous year, unless otherwise noted.

The chart of accounts has been simplified for the entity. Comparative figures have been amended to reflect the current chart of accounts, although the overall result for the prior year has not changed. The financial report is stated in Australian dollars, which is the entity's functional currency.

**(b) Critical Accounting Estimates and Judgments**

The officers evaluate 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 incorporated association.

**(c) Taxation**

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**(d) Revenue and Other Income**

Revenue is recognised when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Contingent rentals are recognised as income in the period when earned.

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Other revenue is recognised when it is received or when the right to receive payment is established.

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

**(e) Cash and Cash Equivalents**

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

**(f) Accounts receivable and other debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. At the end of each reporting period, the entity assesses whether there is objective evidence that a financial asset has been impaired. An asset is deemed impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') has occurred, which has an impact on the estimated future cash flows of the asset(s).

**(g) Property, plant and Equipment**

Items of property, plant and equipment are recorded at cost and depreciated over their estimated useful lives using the straight line method. Depreciation is calculated as from the date of acquisition. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Motor vehicles	5-7 years
Plant and equipment	3-7 years
Plant and equipment under lease	2-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

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

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### **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.

#### **Accounts payable and other payables**

Accounts payable and other payables represent the liabilities for goods and services received by the incorporated association during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### **Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

**(k) Provisions**

Provisions are recognised when the incorporated association has a present (legal or constructive) obligation as a result of a past event, it is probable the incorporated association will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**(l) Employee Benefits***Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

*Long Service Leave*

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

	2015	2014
	\$	\$
<b>Note 2</b>		
<b>Cash at Bank and On Hand</b>		
Cash on Hand	450	450
Cash at Bank	878,988	819,632
Telstra Business Card	4,596	3,646
<b>Total Cash at bank and On Hand</b>	<u>884,034</u>	<u>823,728</u>
<b>Note 3</b>		
<b>Trade and other receivables</b>		
Deposits	-	-
Accounts Receivable	1,980	16,006
Reimbursable Fringe Benefits	-	-
GST Recoverable	16,961	5,112
<b>Total Trade and other receivables</b>	<u>18,941</u>	<u>21,118</u>
<b>Note 4</b>		
<b>Other Assets - Prepayments</b>		
Prepaid Insurance	4,713	4,367
Prepaid Rent & Motor Vehicle Lease	3,949	1,564
	<u>8,662</u>	<u>5,931</u>

**Note 5 Property Plant & Equipment**

Property - Copperfield Street at Cost	355,138	355,138
Motor Vehicles at Cost	267,471	267,471
Less: Accumulation Depreciation	<u>(142,429)</u>	<u>(111,171)</u>
	<u>125,042</u>	<u>156,300</u>
Computer Systems at Cost	22,008	22,008
Less: Accumulated Depreciation	<u>(16,162)</u>	<u>(11,760)</u>
	<u>5,846</u>	<u>10,248</u>
<b>Total Property Plant &amp; Equipment</b>	<u>486,026</u>	<u>521,686</u>

**Note 6 Trade and other payables**

	2015	2014
Trade Creditors	37,135	5,880
Accrued Expenses	7,900	4,560
Accrued Wages / Fair Work Backpay	130,180	91,838
Provision for Distributed Profits	-	8,142
Provision for Miscellaneous Income	-	12,000
Salary Deductions	22	87
Staff Reimbursement Account	400	-
PAYG Withholding Payable	19,003	18,835
<b>Total Trade and other payables</b>	<u>194,640</u>	<u>141,342</u>

**Note 7 Unexpended Grants etc. Carried Forward**

HACC/DHA penalties enforcement rollover	-	3,300
Department of Justice grants	42,850	16,700
Partners 4 Health	-	14,469
James Cook University	-	16,940
mhWISE/ACCS	-	25,057
QDN	51,507	-
	<u>94,357</u>	<u>76,466</u>

**Note 8 Contingent Liabilities**

The incorporated association had no contingent liabilities as at 30 June 2015 and 30 June 2014 .

**Note 9 Events after the reporting period**

No matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

**BOARD OF MANAGEMENT STATEMENT**

In the opinion of the Board:

- (a) the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements have been prepared for the purposes of complying with Queensland legislation the Associations Incorporation Act 1981 and Associations Incorporation Regulation 1999;
- (b) the attached financial statements and notes thereto comply with the Accounting Standards as described in note 1 to the financial statements;
- (c) the attached financial statements and notes thereto give a true and fair view of the incorporated association's financial position as at 30 June 2015 and of its performance for the financial year ended on the date; and
- (d) there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

Dated at <sup>①</sup> Downsview this 21 day of August 2015

in accordance with a resolution of the board:

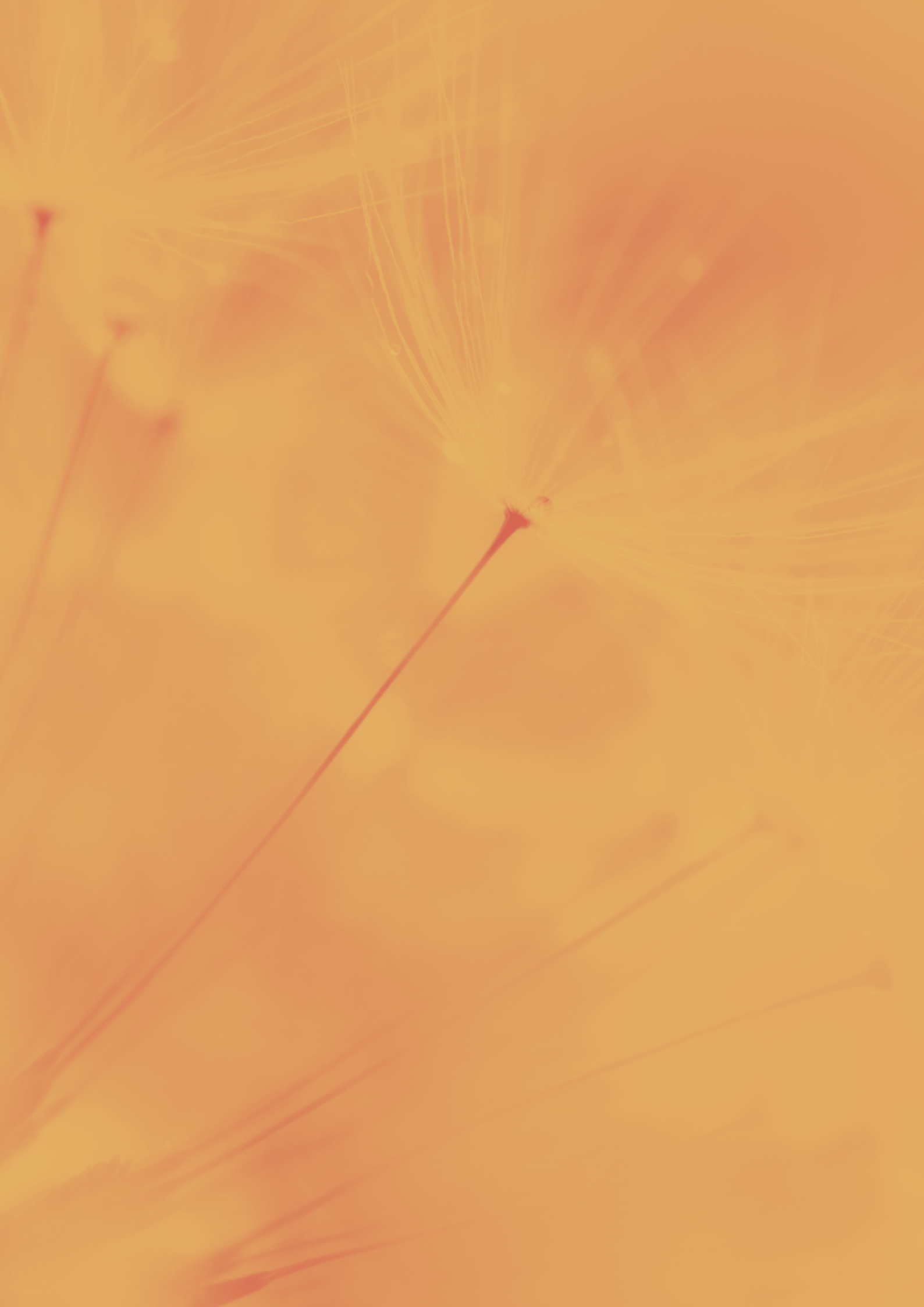
  
Chairperson

  
Secretary/Treasurer

See auditor's report and accompanying notes to financial statements.

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QADA acknowledges the traditional custodians of this land and pays respect to elders, past and present. QADA – Queensland Aged and Disability Advocacy Inc.