

**ALZHEIMER'S AUSTRALIA
INCORPORATED
ABN 79 625 582 771**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2015**

**ALZHEIMER'S AUSTRALIA INCORPORATED
ABN 79 625 582 771**

BOARD REPORT

Your Board Members submit the financial report of Alzheimer's Australia Incorporated (the Association) for the financial year ended 30 June 2015.

Board Members

The names of Board Members throughout the year and at the date of this report are:

Graeme Samuel	President (appointed July 2014) VIC Representative (resigned July 2014)
Craig Masarei	Vice President & WA Representative (appointed December 2014)
Richard Cooper	Treasurer (resigned July 2015) & TAS Representative
William Bass	Treasurer (appointed July 2015) & QLD Representative
Jerry Ellis	Secretary & NSW Representative
Carol Bennett	Chief Executive Officer (appointed December 2014)
Glenn Rees	Chief Executive Officer (resigned December 2014)
Greg Fraser	ACT Representative
Brian Roche	Vice President & WA Representative (resigned December 2014)
Vicki Krause	NT Representative
Tony Newman	SA Representative
Neil Samuel	VIC Representative (appointed July 2014)
Ita Buttrose	President (resigned July 2014)

Principal Activities

The principal activities of the organisation during the financial year were:

- to represent the interests of our consumers at a national level to the Commonwealth Government and with organisations that have similar interests;
- co-ordination of national projects, advocacy, promotion and advice to Government; and
- disseminating information about Alzheimer's disease and dementia research.

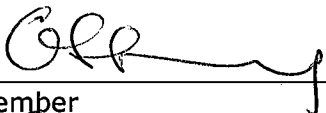
Significant Changes

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

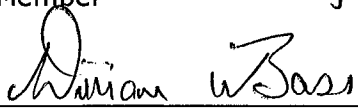
Operating Result

The operating surplus for the financial year ended 30 June 2015 was \$467,464 (2014: operating deficit \$108,440).

Signed in accordance with a resolution of the Board Members.



Board Member



Board Member

Dated this 14 day of November 2015.

ALZHEIMER'S AUSTRALIA INCORPORATED
ABN 79 625 582 771

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
Revenue	2	25,642,599	19,629,990
Depreciation expense		(89,916)	(74,546)
Employee benefits expense		(3,148,096)	(2,665,925)
Program costs		(6,465,656)	(3,000,546)
Program distributions		(15,184,186)	(13,610,268)
Operating lease expense		(52,385)	(42,091)
Other expenses		<u>(234,896)</u>	<u>(345,054)</u>
Surplus / (deficit) from operations		<u>467,464</u>	<u>(108,440)</u>
Other comprehensive income			
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>467,464</u>	<u>(108,440)</u>
Total comprehensive income attributable to members of the entity		<u>467,464</u>	<u>(108,440)</u>

The accompanying notes form part of these financial statements.

ALZHEIMER'S AUSTRALIA INCORPORATED
ABN 79 625 582 771

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	4,889,733	6,650,881
Financial assets	5	1,225,738	3,553,523
Trade and other receivables	6	207,669	200,079
Other current assets	7	<u>21,833</u>	<u>39,358</u>
TOTAL CURRENT ASSETS		<u>6,344,973</u>	<u>10,443,841</u>
NON-CURRENT ASSETS			
Plant and equipment	8	<u>262,947</u>	<u>255,920</u>
TOTAL NON-CURRENT ASSETS		<u>262,947</u>	<u>255,920</u>
TOTAL ASSETS		<u>6,607,920</u>	<u>10,699,761</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	1,586,019	493,309
Other liabilities	10	3,088,755	8,631,667
Provisions	11	<u>79,437</u>	<u>170,538</u>
TOTAL CURRENT LIABILITIES		<u>4,754,211</u>	<u>9,295,514</u>
NON-CURRENT LIABILITIES			
Provisions	11	<u>12,796</u>	<u>22,126</u>
TOTAL NON-CURRENT LIABILITIES		<u>12,796</u>	<u>22,126</u>
TOTAL LIABILITIES		<u>4,767,007</u>	<u>9,317,640</u>
NET ASSETS		<u>1,840,913</u>	<u>1,382,121</u>
EQUITY			
Asset revaluation reserve	16	-	8,672
Retained earnings		<u>1,840,913</u>	<u>1,373,449</u>
TOTAL EQUITY		<u>1,840,913</u>	<u>1,382,121</u>

The accompanying notes form part of these financial statements.

ALZHEIMER'S AUSTRALIA INCORPORATED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Alzheimer's Australia Incorporated		Hazel Hawke Fund	Total
	Retained Earnings	Asset Revaluation Reserve	Retained Earnings	
	\$	\$	\$	\$
Balance at 1 July 2013	1,425,589	8,672	56,300	1,490,561
(Deficit) attributable to members	(72,903)	-	(35,537)	(108,440)
Other comprehensive income	-	-	-	-
Balance at 30 June 2014	<u>1,352,686</u>	<u>8,672</u>	<u>20,763</u>	<u>1,382,121</u>
Surplus attributable to members	417,786	-	49,678	467,464
Other comprehensive income	-	(8,672)	-	(8,672)
Balance at 30 June 2015	<u><u>1,770,472</u></u>	<u><u>-</u></u>	<u><u>70,441</u></u>	<u><u>1,840,913</u></u>

The accompanying notes form part of these financial statements.

ALZHEIMER'S AUSTRALIA INCORPORATED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants, donations and customers		22,011,542	20,977,053
Payments to suppliers and employees		<u>(26,162,914)</u>	<u>(21,432,792)</u>
Net cash used in operating activities		<u>(4,151,372)</u>	<u>(455,739)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipt from / (payments for) financial assets		2,327,784	(1,284,135)
Interest received		159,759	289,245
Purchase of plant and equipment		<u>(97,319)</u>	<u>(128,547)</u>
Net cash provided by / (used in) investing activities		<u>2,390,224</u>	<u>(1,123,437)</u>
Net (decrease) in cash held		(1,761,148)	(1,579,176)
Cash at beginning of financial year		<u>6,650,881</u>	<u>8,230,057</u>
Cash at end of financial year	4	<u><u>4,889,733</u></u>	<u><u>6,650,881</u></u>

The accompanying notes form part of these financial statements.

ALZHEIMER'S AUSTRALIA INCORPORATED
ABN 79 625 582 771

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies

The financial statements were authorised for issue on 14 November 2015 by Board Members of the Association.

Basis of Preparation

Alzheimer's Australia Incorporated applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* and other applicable Australian Accounting Standards – Reduced Disclosure Requirements

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Associations Incorporation Reform Act 2009 (NSW)*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

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

b. Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

b. Plant and Equipment (continued)

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 Association and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life 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 rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office equipment	10%
Computer equipment	20-33%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

d. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

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.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

d. Financial Instruments (continued)

Classification and subsequent measurement

Finance 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 amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(i) *Financial assets at fair value through profit and loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

d. Financial Instruments (continued)

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) *Available-for-sale financial assets*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

d. Financial Instruments (continued)

Impairment

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, 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 to constitute 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.

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 bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Association 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 when the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount 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.

e. Impairment of Assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

e. Impairment of Assets (continued)

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

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

f. Employee Provisions

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and personal leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages, salaries and personal leave are recognised as a part of current liabilities in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

g. Cash and Cash Equivalents

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

h. Trade and Other Receivables

Trade and other receivables 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 method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

i. Revenue and Other Income

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

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

Non-reciprocal grant revenue is recognised in profit or loss when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

Donations and bequests are recognised as revenue when received.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

j. 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.

k. Trade and Other Payables

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

l. Provisions

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

m. Comparative Figures

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

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Statement of Significant Accounting Policies (continued)

n. Fair Value of Assets and Liabilities

The Association measures some of its assets at fair value on a recurring basis.

Fair value is the price the Association 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 entity at reporting date (ie the market that maximises the receipts from the sale of the asset or minimises the payment 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 entity'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 instrument, 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.

o. Key Estimates

Key estimates – Impairment

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

The Association determined conditions of impairment through obtaining market information about the cost of the existing assets in which would cost to purchase at current arm's length market prices.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

p. Key Judgements

Provision for the impairment of receivables

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable from members. The Board has received undertakings from the member debtors that such amounts will be paid and therefore no provision for impairment has been made.

Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the Association expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the Association believes that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
Note 2: Revenue		
Operating activities:		
– operating grants and sponsorships	24,195,450	17,384,846
– donations and bequests	463,279	380,970
– dividends received	13,102	11,928
– member contributions	526,938	1,099,770
– reimbursement of expenses	<u>275,399</u>	<u>463,231</u>
	<u>25,474,168</u>	<u>19,340,745</u>
Non-operating activities:		
– gain on disposal of leasehold assets	8,672	-
– interest received	<u>159,759</u>	<u>289,245</u>
Total Revenue	<u>25,642,599</u>	<u>19,629,990</u>

Note 3: Key Management Personnel Compensation

The totals of remuneration paid to Key Management Personnel (KMP) of the Association during the year are as follows:

Key Management Personnel compensation	<u>334,419</u>	<u>199,818</u>
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Other KMP transactions

For details of other transactions with KMP, refer to Note 15: Related Party Transactions.

Note 4: Cash and Cash Equivalents

Cash at bank and on hand	4,889,733	5,622,364
Short-term bank deposits	<u>-</u>	<u>1,028,517</u>
	<u>4,889,733</u>	<u>6,650,881</u>

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>4,889,733</u>	<u>6,650,881</u>
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Note 5: Financial Assets

Held-to-maturity investments	<u>1,225,738</u>	<u>3,553,523</u>
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	NOTE	2015 \$	2014 \$
Note 6: Trade and Other Receivables			
CURRENT			
Trade receivables		28,314	134,712
Accrued interest		57,447	52,905
Sundry debtors		9,771	12,462
GST receivable		<u>112,137</u>	<u>-</u>
		<u>207,669</u>	<u>200,079</u>
Financial assets classified as loans and receivables			
Trade receivables		207,669	200,079
Less: GST receivable		<u>(112,137)</u>	<u>-</u>
Financial assets classified as loans and receivables	17	<u>95,532</u>	<u>200,079</u>
Note 7: Other Current Assets			
CURRENT			
Undeposited funds		-	8,267
Prepayments		<u>21,833</u>	<u>31,091</u>
		<u>21,833</u>	<u>39,358</u>
Note 8: Plant and Equipment			
Office Equipment at cost		36,850	38,162
Less accumulated depreciation		<u>(12,183)</u>	<u>(9,368)</u>
		<u>24,667</u>	<u>28,794</u>
Computer Equipment at cost		517,927	420,969
Less accumulated depreciation and impairment		<u>(279,647)</u>	<u>(193,843)</u>
		<u>238,280</u>	<u>227,126</u>
Leasehold Improvements at valuation		-	26,015
Less accumulated depreciation		<u>-</u>	<u>(26,015)</u>
		<u>-</u>	<u>-</u>
Total Plant and Equipment		<u>262,947</u>	<u>255,920</u>

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 8: Plant and Equipment (continued)

Movements in carrying amounts

Movements in carrying amounts for each class of Plant and Equipment between the beginning and the end of the current financial year.

	Office Equipment	Computer Equipment	Leasehold Improvement	Total
	\$	\$	\$	\$
Balance at 1 July 2014	28,794	227,126	-	255,920
Additions	-	97,320	-	97,320
Disposals	(1,312)	(363)	(26,015)	(27,690)
Depreciation write back	935	363	26,015	27,313
Depreciation expense	(3,751)	(86,165)	-	(89,916)
Carrying amount at 30 June 2015	<u>24,666</u>	<u>238,281</u>	-	<u>262,947</u>

NOTE	2015	2014
	\$	\$

Note 9: Trade and Other Payables

CURRENT		
Trade payables	439,777	459,917
Accrued expenses	1,146,242	21,019
GST payable	-	12,373
	<u>1,586,019</u>	<u>493,309</u>

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables	1,586,019	493,309
GST payable	-	(12,373)
Financial liabilities as trade and other payables	17 <u>1,586,019</u>	<u>480,936</u>

Collateral pledged

No collateral has been pledged for any of the trade and other payable balances.

Note 10: Other Liabilities

CURRENT		
Unexpended sponsorship income	988,589	937,457
Other unexpended income	963,144	295,583
Unexpended grants (Department of Health)	<u>1,137,022</u>	<u>7,398,627</u>
	<u>3,088,755</u>	<u>8,631,667</u>

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
Note 11: Provisions		
CURRENT		
- Provision for annual leave entitlements	<u>79,437</u>	<u>170,538</u>
	<u>79,437</u>	<u>170,538</u>
NON-CURRENT		
- Provision for long service leave entitlements	<u>12,796</u>	<u>22,126</u>
	<u>12,796</u>	<u>22,126</u>
	<u><u>92,233</u></u>	<u><u>192,664</u></u>

Analysis of employee provisions

	Annual leave	Long service leave	Total
	\$	\$	\$
Opening balance at 1 July 2014	170,538	22,126	192,664
Net increase / (decrease)	<u>(91,101)</u>	<u>(9,330)</u>	<u>(100,431)</u>
Balance at 30 June 2015	<u><u>79,437</u></u>	<u><u>12,796</u></u>	<u><u>92,233</u></u>

Provision for Employee Benefits

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Association does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements have not yet vested in relation to those employees who have not yet completed the required period of service.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 12: Capital and Leasing Commitments

	2015	2014
	\$	\$
a. Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable — minimum lease payments		
— not later than 12 months	106,999	32,516
— between 12 months and 5 years	396,380	-
	<u>503,379</u>	<u>32,516</u>

Alzheimer's Australia Incorporated has entered a 5 year lease at their current office in Barton ACT. The lease is subject to annual increases of 3% from 1 April each year and the lease is active until 30 March 2020. Alzheimer's Australia Incorporated has also entered into a 5 year lease on a Toshiba photocopier which terminates in September 2018.

Note 13: Contingent Liabilities and Contingent Assets

As at balance date the Association has no known contingent liabilities or contingent assets.

Note 14: Events After Balance Sheet Date

No matters or circumstances have arisen since the end of the financial year to the date of this report that have significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Note 15: Related Party Transactions

Alzheimer's Australia Incorporated provided professional indemnity insurance for the Board Members. In addition two of the Board Members were employees of the Association during the year and received remuneration to the value of \$334,419 (2014: \$199,818) for the financial year ended 30 June 2015.

Note 16: Reserves

Asset revaluation reserve

The asset revaluation reserve records revaluation of assets.

ALZHEIMER'S AUSTRALIA INCORPORATED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 17: Financial Risk Management

The Association's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies of these financial statements, are as follows:

	NOTE	2015	2014
		\$	\$
Financial assets			
Cash and cash equivalents	4	4,889,733	6,650,881
Held to maturity investments	5	1,225,738	3,553,523
Receivables	6	95,532	200,079
		6,221,003	10,404,483
Financial liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	1,586,019	480,936
		1,586,019	480,936

Fair Values

Fair values of held-to-maturity investments are based on maturity value of the term deposit at the end of the reporting period.

Note 18: Association Details

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

Alzheimer's Australia Incorporated
Level 1, AMA House
42 Macquarie Street
Barton, ACT 2600

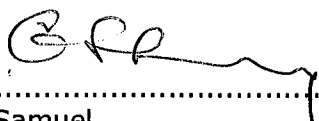
ALZHEIMER'S AUSTRALIA INCORPORATED
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**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION OF
INCORPORATED ASSOCIATION**

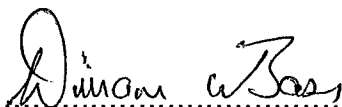
In accordance with a resolution of the committee of Alzheimer's Australia Incorporated, the members of the committee declare that the financial statements as set out on pages 2 to 21:

- present a true and fair view of the financial position of Alzheimer's Australia Incorporated as at 30 June 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the requirements of the *Associations Incorporation Act 2009 (NSW)*; and
- at the date of this statement, there are reasonable grounds to believe that Alzheimer's Australia Incorporated will be able to pay its debts as and when they fall due.

This statement is signed for and on behalf of the committee by:



.....
Graeme Samuel



.....
William Bass

Dated this¹⁴..... day of^{November}..... 2015



p (+61 2) 6140 5800
e admin@bellchambersbarrett.com.au
Level 1, 33 Torrens Street,
Braddon ACT 2612
PO Box 5115, Braddon ACT 2612
ABN 83 600 364 896
bellchambersbarrett.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALZHEIMER'S AUSTRALIA INCORPORATED

Report on the Financial Report

We have audited the accompanying financial report of Alzheimer's Australia Incorporated (the Association), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the board on the annual statements giving a true and fair view of the financial position of the Association.

Board Members' Responsibility for the Financial Report

The Board Members of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 2009 (NSW)* and for such internal control as the board determines 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. 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 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 Association's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



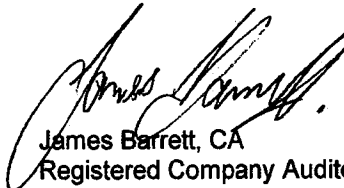
**bellchambers
barrett**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALZHEIMER'S AUSTRALIA INCORPORATED

Opinion

In our opinion, the financial report of Alzheimer's Australia Incorporated is in accordance with the *Associations Incorporation Act 2009 (NSW)*, including:

- (i) giving a true and fair view of the Association's financial position as 30 June 2015 and of its performance for the year ended on that date;
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 2009 (NSW)*; and
- (iii) financial records have been properly kept.


James Barrett, CA
Registered Company Auditor
BellchambersBarrett

Canberra, ACT
Dated this ¹⁴ day of November 2015