The Uniting Church in Australia - Queensland Synod UnitingCare Community

Financial Statements

For the year ended 30 June 2014

The Uniting Church in Australia - Queensland Synod UnitingCare Community

Contents

The Uniting Church in Australia - Queensland Synod
UnitingCare Community

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2014

	Note	2014 $000s	2013 $000s
Revenue			
Revenue	3	171,955	175,009
Other income	3	2,610	1,237
Total revenue		**174,565**	**176,246**
Expenses			
Communications and utilities expense		(3,680)	(3,751)
Consulting and professional fees		(1,257)	(1,749)
Depreciation and amortisation expense	4(a)	(3,536)	(3,389)
Salaries and employee expenses		(131,523)	(132,248)
Repairs and maintenance expense		(1,546)	(1,981)
Supplies and services expense		(2,982)	(2,787)
Property expenses		(11,961)	(11,752)
Loss on sale of fixed assets		-	(214)
Other expenses	4(b)	(18,433)	(17,705)
Total expenses		**(174,918)**	**(175,576)**
(Deficit)/surplus for the year		**(353)**	**670**
Other comprehensive income		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**(353)**	**670**

The Uniting Church in Australia - Queensland Synod UnitingCare Community

Statement of financial position

At 30 June 2014

	Note	2014 $000s	2013 $000s
ASSETS			
Current assets			
Cash and cash equivalents	6	30,550	33,643
Trade and other receivables	7	2,740	2,660
Inventories	8	462	483
Other assets	9	3,481	3,184
Total current assets		**37,233**	**39,970**
Non-current assets			
Property, plant and equipment	10	49,345	50,398
Intangible assets	11	356	610
Other assets	9	3,143	1,133
Total non-current assets		**52,844**	**52,141**
TOTAL ASSETS		**90,077**	**92,111**
LIABILITIES			
Current liabilities			
Trade and other payables	12	6,590	8,548
Employee benefits and other provisions	13	12,338	11,592
Other liabilities	14	11,938	12,034
Total current liabilities		**30,866**	**32,174**
Non-current liabilities			
Employee benefits and other provisions	13	3,029	3,402
Total non-current liabilities		**3,029**	**3,402**
TOTAL LIABILITIES		**33,895**	**35,576**
NET ASSETS		**56,182**	**56,535**
FUNDS			
Accumulated funds		56,182	56,535
TOTAL FUNDS		**56,182**	**56,535**

The Uniting Church in Australia - Queensland Synod UnitingCare Community

Statement of changes in funds

For the year ended 30 June 2014

	Accumulated funds $000s
Balance at 1 July 2012	55,865
Surplus for the year	670
Balance at 30 June 2013	**56,535**
Deficit for the year	(353)
Balance at 30 June 2014	**56,182**

The accompanying notes form part of these financial statements.

The Uniting Church in Australia - Queensland Synod
UnitingCare Community

Statement of cash flows

For the year ended 30 June 2014

	Note	2014 $000s	2013 $000s
Cash flows from operating activities			
Receipts from clients, funding and others		188,309	182,596
Payments to suppliers and employees		(187,410)	(172,513)
Interest received		790	902
Net cash inflow/(outflow) from operating activities	18	**1,689**	**10,985**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		151	107
Payments for property, plant and equipment		(2,514)	(4,291)
Payments for intangible assets		(81)	(580)
Payments to related parties		(2,338)	(1,314)
Net cash inflow/(outflow) from investing activities		**(4,782)**	**(6,078)**
Cash flows from financing activities		-	-
Net cash inflow/(outflow) from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(3,093)	4,907
Cash and cash equivalents at beginning of the year		33,643	28,736
Cash and cash equivalents at end of the year	6	**30,550**	**33,643**

1 Summary of significant accounting policies

(a) General Information

UnitingCare Community is an unincorporated not-for-profit organisation established by the Uniting Church in Australia - Queensland Synod. The Uniting Church in Australia - Queensland Synod has appointed the Board of UnitingCare Queensland to govern its health and community services activities. Legal title to all property beneficially utilised in the services provided by UnitingCare Community is held in trust by the Uniting Church in Australia Property Trust (Q.), a body incorporated by statute and domiciled in Australia.

The registered office of the Uniting Church in Australia Property Trust (Q.) is:
The Uniting Church in Australia - Queensland Synod
60 Bayliss Street
Auchenflower QLD 4066

UnitingCare Community operates from 117 Gipps Street, Fortitude Valley, Queensland 4006.

(b) Statement of compliance

These financial statements are a general purpose financial statement prepared in accordance with Australian Accounting Standards (AASBs), adopted by the Australian Accounting Standards Board (AASB). In some circumstances, where permitted under the AASBs, the entity has elected to apply certain exemptions available to not-for-profit entities.

The financial statements of UnitingCare Community for the year ended 30 June 2014 were approved by the Board of UnitingCare Queensland on 21 October 2014.

(c) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with AASBs requires the use of certain critical accounting estimates. It also requires the Board and management to exercise judgements in the process of applying the accounting policies. The Board and management are responsible for the development, selection and disclosure of critical accounting policies and estimates and their ongoing application. The estimates and judgements that have a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year are:

Estimated useful life of property, plant and equipment
The estimated useful lives of property, plant and equipment are assessed annually. This assessment takes into consideration legislative and safety requirements and plans to ensure continued compliance therewith. The estimated useful lives reflect existing redevelopment plans which are also subject to review based on requirements and cost. Future changes to the redevelopment program may impact on the assessment of useful lives with a corresponding impact on depreciation expense in future periods.

Inventories
Inventories are valued at the lower of cost and net realisable value. The net realisable value of inventory is the estimated selling price in the ordinary course of business less estimated costs to sell. The key assumptions are the variables affecting the selling prices and costs to sell, including judgements on market conditions and inventory condition.

1 Summary of significant accounting policies (continued)

(c) Critical accounting judgements and key sources of estimation uncertainty (continued)

Employee benefits
Management judgement is applied in determining the following key assumptions used in the calculation of long service leave and annual leave at the end of the reporting period:

- future increases in wages and salaries;
- future on-cost rates; and
- experience of employee departures and period of service.

Refer to note 1(o) for further details on the key management judgements used in the calculation of long service leave and annual leave.

Grant funding
UnitingCare Community has received a number of government grants during the year. Once the Group has been notified of the successful outcome of a grant application, the terms and conditions of each grant are reviewed to determine whether the funds relate to a reciprocal grant (i.e. payment for services rendered) in which case it is accounted for under AASB 118 *Revenue* or a non-reciprocal grant in which case it is accounted for under AASB 1004 *Contributions*. Where there is a return obligation for grant funding provided, grant revenue is deferred in the Statement of financial position and is recognised as deferred income and released to the Statement of profit or loss and other comprehensive income as the obligations are satisfied.

(d) Income taxes

No provision for income tax has been made as UnitingCare Queensland and its agencies are exempt from taxation under Division 50 of the *Income Tax Assessment Act (1997)* and have been so endorsed by the Commissioner of Taxation.

(e) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the ATO. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Contingencies and commitments are also disclosed net of GST payable or recoverable. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows within the receipts from clients, funding and others and payments to suppliers and employees.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the revenue received or to be received cannot be measured reliably, there is a risk of return of goods or there is continuing management involvement with the goods. Revenues are recognised at fair value of the consideration received or receivable. Fee revenue is recognised when the service is provided.

1 Summary of significant accounting policies (continued)

(f) Revenue recognition (continued)

Rendering of services
Revenue from services rendered is recognised in the statement of profit or loss and other comprehensive income in proportion to the stage of completion of the transaction at the end of the annual reporting period to the extent that it is probable that the economic benefits will flow to the entity and that revenue can be reliably measured. The stage of completion is assessed by reference to the stage of work performed. Key services include Counselling, Child and Family Care, Crisis Support Services, Disability Services, Out of Home Care, Social Inclusion Services and Families in Transition Services.

Government grants
Government grants are not recognised until there is reasonable assurance that the organisation will comply with the conditions attaching to them and the grants will be received. Government grants that are reciprocal in nature are recognised when the service is provided. A reciprocal transfer generally arises when a return obligation exists to the funding provider. Where there is a return obligation, revenue is deferred in the statement of financial position and is recognised as deferred income and released to the statement of profit or loss and other comprehensive income as the obligations are satisfied. Grants that compensate for the cost of an asset are recognised in the statement of comprehensive income immediately when control is obtained and can be measured reliably.

Rental income
Rental income is accounted for on a straight-line basis over the term of the rental agreement.

Sale of goods
Sale of goods revenue is recognised when the control of the goods has been passed to the buyer.

Interest income
Interest income is recognised as it 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. This 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.

Donations and fundraising
Income from donations and fundraising are recognised in the year in which they are received.

Donation and fundraising monies are recognised as an asset and revenue when control of the contribution is gained. In instances where these monies are not able to be spent for the intended purpose and as a result, there arises an obligation to repay, a subsequent offsetting expense and liability is recorded.

(g) Expenses

Finance costs
Finance costs comprise interest payable on borrowings calculated using the effective interest method. Finance costs include:

- interest on bank overdrafts and short-term and long-term borrowings;
- amortisation of discounts or premiums relating to borrowings;
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings; and
- finance charges in respect of finance leases recognised in accordance with AASB117 Leases.

1 Summary of significant accounting policies (continued)

(g) Expenses (continued)

Finance costs are expensed as incurred and included in net financing costs unless directly attributable to the acquisition or construction of a qualifying asset and then capitalised as part of the cost of that asset. The interest expense component of finance lease payments is recognised in the statement of profit or loss and other comprehensive income using the effective interest method.

Leases
A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased non-current assets and operating leases under which the lessor effectively retains substantially all such risks and benefits.

Leases of property, plant and equipment are classified as finance leases where UnitingCare Community has substantially all the risks and rewards of ownership. Finance leases are capitalised at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit or loss and other comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefits of incentives are recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Repairs and maintenance
Plant and equipment is serviced on a regular basis. The costs of maintenance are charged as expenses as incurred, except where they relate to a material replacement of a component of an asset, in which case the costs are capitalised and depreciated in accordance with note 1(k). Other routine operating maintenance, repair and minor renewal costs are charged as expenses as incurred.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short-term bills and call deposits. Cash and cash equivalents are carried at face value of the amounts deposited or drawn.

(i) Financial assets

Financial assets are recognised when UnitingCare Community becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through statement of profit or loss and other comprehensive income) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through statement of profit or loss and other comprehensive income are recognised immediately in surplus or deficit.

1 Summary of significant accounting policies (continued)

(i) Financial assets (continued)

Loans and receivables
Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "trade and other receivables". Trade and other receivables are measured at amortised cost using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

Impairment of financial assets
Financial assets, other than those at fair value through statement of profit or loss and other comprehensive income, are assessed for indicators of impairment at the end of each annual reporting period. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually, are in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include UnitingCare Community past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the surplus or deficit.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are re-classified to surplus or deficit in the period.

For financial assets measured at amortised cost, if in a subsequent period, the amount of the impairment loss decreases the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus or deficit to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, impairment losses previously recognised in surplus or deficit are not reversed through surplus or deficit. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of accumulated funds. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through surplus or deficit if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

1 Summary of significant accounting policies (continued)

(i) Financial assets (continued)

De-recognition of financial assets
UnitingCare Community derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If UnitingCare Community neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, they recognise its retained interest in the asset and an associated liability for amounts it may have to pay.

If UnitingCare Community retains substantially all the risks and rewards of ownership of a transferred financial asset, they continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in surplus or deficit.

(j) Inventories

Inventories of supplies held for future use are valued at the lower of cost and net realisable value. Costs are assigned to inventories by the method most appropriate to each particular class of inventory, with all categories being valued on a weighted average cost basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

(k) Property, plant and equipment

Freehold land is held at cost and not depreciated. Buildings are carried in the statement of financial position at cost less any subsequent accumulated depreciation and any impairment losses.

Items of property, plant and equipment are stated at cost or deemed cost, resulting from transition to the Australian Equivalents to International Financial Reporting Standards (AIFRS) or at fair value where gifted to the Uniting Church in Australia Property Trust (Q.) less accumulated depreciation and impairment losses. The cost of self constructed assets includes the cost of materials, direct labour, the initial estimate (where relevant) of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

All items of property, plant and equipment with a cost less than $1,000 are charged directly to the statement of profit or loss and other comprehensive income.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs
The subsequent costs of replacing an item of property, plant and equipment are recognised in the carrying value of the asset when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the organisation and the cost of the item can be measured reliably. All other costs are recognised in the statement of profit or loss and other comprehensive income as an expense as incurred.

1 Summary of significant accounting policies (continued)

(k) Property, plant and equipment (continued)

Carrying value
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.

Depreciation
With the exception of freehold land, depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The expected useful lives are as follows:

Class of Asset	
Buildings and building improvements	Up to 40 years
Plant and equipment	5 to 10 years
Motor vehicles	4 to 10 years

Assets are depreciated from the date of acquisition or in respect of internally constructed assets, from the time an asset is completed and held ready for use. The residual value, the useful life and the depreciation method applied to an asset are re-assessed at least annually. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation is expensed in the statement of profit or loss and other comprehensive income.

(l) Impairment of assets

The carrying amounts of assets are reviewed at the end of each annual reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at the end of each annual reporting period.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the surplus or deficit.

Impairment losses recognised in respect of cash generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro-rata basis.

Reversal of impairment losses
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 recoverable amount.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1 Summary of Significant Accounting Policies (continued)

(m) Intangible assets

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the statement of comprehensive income as an expense when incurred. Annual software licensing costs are recognised in the statement of profit or loss and other comprehensive income as an expense when incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and sufficient resources exist to complete development.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The expenditure capitalised includes the cost of materials (including the perpetual license to use software), direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the statement of comprehensive income as an expense when incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Capitalised development costs are recorded as intangible assets and amortised from a point at which the asset is ready for use on a straight-line basis over its useful life, which varies from two to eight years.

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

(n) Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

(o) Employee benefits

Wages and salaries

Liabilities for wages and salaries (including non-monetary benefits) expected to be settled within twelve months of the end of the annual reporting period, are recognised in respect of employees' services up to the end of the annual reporting period. They are carried at nominal value where the liability is expected to be settled within twelve months.

1 Summary of significant accounting policies (continued)

(o) Employee benefits (continued)

Annual leave and long service leave
A liability is recognised for benefits accruing to employees in respect of annual leave and long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date

Employee benefit on-costs
Employee benefit on-costs are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

Sick leave
Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(p) Provisions

Provisions are recognised when UnitingCare Community has a present obligation (legal or constructive) as a result of a past event, it is probable that UnitingCare Community 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 end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits require to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(q) Business streams

A business stream is a distinguishable component of UnitingCare Community that is engaged in providing products or services (business information), or in providing products or services within a particular economic environment (geographic information), which is subject to risks and rewards that are different from those of other streams.

2 Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for certain non-current assets and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as value in use in AASB 136.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(a) Standards and Interpretations affecting the reported results or financial position

In the current year UnitingCare Community has applied a number of new and revised accounting standards issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2013.

AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	UnitingCare Community has applied the amendments to AASB 7 'Disclosures – Offsetting Financial Assets and Financial Liabilities' for the first time in the current year. The amendments to AASB 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement. The amendments have been applied retrospectively. As UnitingCare Community does not have any offsetting arrangements in place, the application of this amendment does not have any material impact on the financial statements.

2 Basis of preparation (continued)

(a) Standards and Interpretations affecting the reported results or financial position (continued)

AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'	The Annual Improvements to AASBs 2009 - 2011 have made a number of amendments to AASBs. The amendments that are relevant to UnitingCare Community are the amendments to AASB 101 regarding when a statement of financial position as at the beginning of the preceding period (third statement of financial position) and the related notes are required to be presented. The amendments specify that a third statement of financial position is required when a) an entity applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position. The amendments specify that related notes are not required to accompany the third statement of financial position.
AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'	In the current year, UnitingCare Community has applied AASB 119 (as revised in 2011) 'Employee Benefits' and the related consequential amendments for the first time. AASB 119 (as revised in 2011) changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. As UnitingCare Community does not have any defined benefit obligations in place, the application of this amendment does not have any material impact on the financial statements.

2 Basis of preparation (continued)

(a) Standards and Interpretations affecting the reported results or financial position (continued)

AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	UnitingCare Community has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of AASB 13 is broad; the fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other AASBs require or permit fair value measurements and disclosures about fair value measurements, except for share based payment transactions that are within the scope of AASB 2 'Share-based Payment', leasing transactions that are within the scope of AASB 117 'Leases', and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes). AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements. AASB 13 requires prospective application from 1 July 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by AASB 13 for the 2013 comparative period (please see note 15(g) for the 2014 disclosures). Other than the additional disclosures, the application of AASB 13 does not have any material impact on the amounts recognised in the financial statements.

2 Basis of preparation (continued)

(b) Standards and Interpretations in issue but not yet adopted

At the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective. Initial application of the following Standards will not affect any of the amounts recognised in the financial statements but in some instances will change the disclosures presently made in relation to the general purpose financial statement.

Standard / Interpretation and the relevant amending standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ended
AASB9 Financial Instruments	1 January 2017	30 June 2018
AASB 1031 'Materiality' (2013)	1 January 2014	30 June 2015
AASB 2012-3 Amendments to Australian Accounting standards – Offsetting Financial Assets and Financial Liabilities	1 January 2014	30 June 2015
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015
AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments'	1 January 2014	30 June 2015
INT 21 'Levies'	1 January 2014	30 June 2015

At the date of authorisation of the financial statements, the following IASB Standards and IFRIC Interpretations were also in issue but not yet effective, although Australian equivalent Standards and Interpretations have not yet been issued.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)	1 January 2016	30 June 2017
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	1 January 2016	30 June 2017
IFRS 15 'Revenue from Contracts with Customers'	1 January 2017	30 June 2018

2 Basis of preparation (continued)

(b) Standards and Interpretations in issue but not yet adopted (continued)

The potential effect of the revised Standards/Interpretations on UnitingCare Community financial statements has not yet been determined.

The financial statements have been prepared on an accruals basis of accounting and include the assumption that UnitingCare Community will continue to operate as a going concern. The historical cost convention has been applied, except for the revaluation of certain non-current assets and financial instruments. Cost is based on fair values of the consideration given in exchange for assets.

The comparative figures have been reclassified to ensure consistency with the classification of expenses in the UnitingCare Queensland Group consolidated financial statements.

	2014 $000s	2013 $000s
3 Revenue		
Revenue		
Grants and subsidies revenue	113,237	119,388
Fundraising and donation revenue	523	1,223
Rental revenue	910	995
Revenue from community service fees	13,633	10,987
Sale of goods	42,862	41,514
Interest income		
Uniting Church Investment Services	746	866
Other	44	36
Total revenue	**171,955**	**175,009**
Other income		
Capital contribution from clients	-	-
Capital grants from Government	-	-
Donations for capital acquisitions	-	-
Bequests	1,837	131
Gain on sale of fixed assets	306	-
Sundry income	467	1,106
Total other income	**2,610**	**1,237**

4 (Deficit)/surplus for the year

The (deficit)/surplus for the year has been arrived at after charging:

	2014 $000s	2013 $000s
(a) Depreciation and amortisation expense		
Depreciation	3,201	3,047
Amortisation	335	342
Total depreciation and amortisation Expense	**3,536**	**3,389**

Note the variance between note 4(a) (depreciation expense) and note 10 of $nil (2013: $102,000). This relates to the accounting treatment of grant funded assets whereby the depreciation expense is recorded against the grant funding liability on the balance sheet. This treatment has been adjusted from 1 June 2013.

	2014	2013
	$000s	**$000s**

4 (Deficit)/surplus for the year (continued)

(b) Other expenses

Other expenses include:

	2014	2013
Bad and doubtful debts	(25)	62
Administrative expenses	10,765	10,867
Client expenses	5,745	4,843
Childcare centre expenses	150	107
Business expenses	1,738	1,780
Fundraising expenses	60	46
	18,433	**17,705**

5 Auditor's remuneration

	2014	2013
Audit Fees	164	159
Total auditor's remuneration	**164**	**159**

The auditor for UnitingCare Community is Deloitte Touche Tohmatsu.

6 Cash and cash equivalents

	2014	2013
Cash on hand	78	159
Cash at bank	2,937	3,278
Deposits - Uniting Church Investment Services	27,535	30,206
Total cash and cash equivalents	**30,550**	**33,643**

Reconciliation of cash

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

	2014	2013
Cash and cash equivalents	30,550	33,643
Total	**30,550**	**33,643**

	2014	2013
	$000s	$000s

7 Trade and other receivables

	2014 $000s	2013 $000s
Trade receivables	1,693	2,663
Other receivables	1,081	61
Allowance for impairment of trade receivables	(34)	(64)
Total trade and other receivables	**2,740**	**2,660**

An allowance has been made for estimated irrecoverable trade receivable amounts arising from the past sale of goods and rendering of services. The organisation has provided for receivables from an analysis of debtors over 90 days that have been individually assessed as being unlikely to be recovered based on the status of current communications between the organisation and the debtor.

(a) Ageing of past due but not impaired

	2014 $000s	2013 $000s
60 - 90 days	32	25
90 + days	94	50
Total	**126**	**75**
Average age (days)	31	23

(b) Movement in allowance for impairment of receivables

	2014 $000s	2013 $000s
Balance at beginning of the financial year	64	63
Amounts written off during the year as uncollectible	(24)	(3)
Amounts written back/(provided) during the year for doubtful debts	(6)	4
Balance at end of the financial year	**34**	**64**

8 Inventories

	2014 $000s	2013 $000s
Current		
ICT inventory	-	63
Retail inventory	462	420
	462	**483**

The cost of inventories recognised as an expense during the year in respect of continuing operations was $1,119,568 (2013: $1,015,642).

The Uniting Church in Australia - Queensland Synod
UnitingCare Community

Notes to the financial statements

For the year ended 30 June 2014

	2014	2013
	$000s	$000s
9 Other assets		
Current		
Prepayments	2,074	1,981
Accrued income	376	501
Deposits - Uniting Church Investment Services	521	521
Intra-entity loan	510	181
Total other current assets	**3,481**	**3,184**
Non-current		
Intra-entity loan	3,143	1,133
Total other non-current assets	**3,143**	**1,133**
10 Property, plant and equipment		
Capital works in progress		
At cost	23	842
Total capital works in progress	**23**	**842**
Freehold land		
At cost	20,981	21,080
Total freehold land	**20,981**	**21,080**
Buildings and improvements		
At cost	31,085	28,260
Less: accumulated depreciation	(6,849)	(5,001)
Total buildings and improvements	**24,236**	**23,259**

	2014	2013
	$000s	**$000s**
10 Property, plant and equipment (continued)		
Plant and equipment		
At cost	13,670	15,472
Less: accumulated depreciation	(11,673)	(12,451)
Total plant and equipment	**1,997**	**3,021**
Motor vehicles		
At cost	5,353	5,358
Less: accumulated depreciation	(3,245)	(3,162)
Total motor vehicles	**2,108**	**2,196**
Total property, plant and equipment	**49,345**	**50,398**

10 Property, plant and equipment (continued)

Movements in carrying amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year is as follows:

	Capital works in progress	Land	Buildings and improvements	Plant and equipment	Motor vehicles	Total
	$000s	$000s	$000s	$000s	$000s	$000s
2013						
Balance at beginning of the year	1,337	21,220	20,400	4,331	2,187	**49,475**
Additions	-	-	3,796	604	701	**5,101**
Disposals	(495)	(140)	(87)	(17)	(77)	**(816)**
Transfers	-	-	(3)	(210)	-	**(213)**
Depreciation expense	-	-	(847)	(1,687)	(615)	**(3,149)**
Carrying amount at end of the year	**842**	**21,080**	**23,259**	**3,021**	**2,196**	**50,398**
2014						
Balance at beginning of the year	842	21,080	23,259	3,021	2,196	**50,398**
Additions	23	-	1,115	827	628	**2,593**
Disposals	-	(99)	(83)	(18)	(99)	**(299)**
Transfers	(842)	-	1,131	(435)	-	**(146)**
Depreciation expense	-	-	(1,186)	(1,398)	(617)	**(3,201)**
Carrying amount at end of the year	**23**	**20,981**	**24,236**	**1,997**	**2,108**	**49,345**

Legal title to all property beneficially utilised in the services of the organisation is held in trust by the Uniting Church in Australia Property Trust (Q.)

11 Intangible assets

	Computer software
	$000s
2013	
Opening balance	372
Additions	367
Transfers	213
Amortisation	(342)
Balance at 30 June 2013	**610**
2014	
Opening Balance	610
Additions	73
Disposals	(63)
Transfers	71
Amortisation	(335)
Balance at 30 June 2014	**356**

Intangible assets include all costs incurred in development and customisation of various software programs utilised by UnitingCare Community in its operations.

12 Trade and other payables

	2014 $000s	2013 $000s
Current		
Trade payables	4,753	6,985
Sundry payables and accrued expenses	1,837	1,563
Total trade and other payables	**6,590**	**8,548**

UnitingCare Community has financial risk management policies in place to ensure that payables are paid within the credit framework. The credit framework is determined by the terms of the creditors and interest is not payable when paid within trading terms.

13 Employee benefits and other provisions

	2014 $000s	2013 $000s
Current		
Liability for annual leave	7,011	6,999
Liability for long service leave	5,273	4,514
Other	54	79
Total current employee benefits and other provisions	**12,338**	**11,592**
Non-current		
Liability for long service leave	3,029	3,402
Total non-current employee benefits and other provisions	**3,029**	**3,402**

14 Other current liabilities

	2014 $000s	2013 $000s
Current		
Grant funding liability	11,938	12,034
Total other current liabilities	**11,938**	**12,034**

15 Financial Instruments

(a) Financial risk management objectives

UnitingCare Community activities expose it to a variety of financial risks; market risks (including fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The overall risk management program of UnitingCare Community focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. UnitingCare Community current strategy to meet minimum liquidity requirements is to constantly monitor cash flow through the preparation of monthly cash flow statements and cash flow reconciliations and forecasts.

UnitingCare Community uses the services of Uniting Church Investment Services (UCIS), the treasury arm of The Uniting Church in Australia Property Trust (Q.). Risk management is carried out under policies approved by the Finance Investment Property Board.

(b) Capital risk management

UnitingCare Community manages capital to ensure that the entity will be able to continue as a going concern while maximising the return through optimisation of the debt and equity balance.

Operating cash flows are used to maintain and expand the services assets, as well as to make the routine outflows of tax and repayment of unspent grants. The policy is to borrow centrally, using a variety of borrowing facilities to meet anticipated funding requirements.

(c) Credit risk management

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At the end of the annual reporting period there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(d) Market risk

UnitingCare Community has significant interest-bearing assets however; the income and operating cash flows are not materially exposed to changes in market interest rates.

(e) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out of market positions. Uniting Church Investment Services maintains flexibility in funding by keeping credit lines available.

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the end of the annual reporting period and the periods in which they re-price.

Financial assets

The following table details the maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the liquidity risk management as the liquidity is managed on a net asset and liability basis.

The Uniting Church in Australia - Queensland Synod
UnitingCare Community

Notes to the financial statements

For the year ended 30 June 2014

15 Financial instruments (continued)

Financial assets (continued)

	Effective interest rate	Maturing 1 Year	Maturing 1-2 Years	Maturing > 2 Years	Total
	%	$000s	$000s	$000s	$000s
30 June 2013					
Non-interest bearing available					
Cash and cash equivalents	-	159	-	-	**159**
Receivables	-	2,660	-	-	**2,660**
Intra-entity loan	-	181	125	1,008	**1,314**
Floating interest rate available					
Cash and cash equivalents	2.94	33,484	-	-	**33,484**
Other current assets	3.00	521	-	-	**521**
Total financial assets		**37,005**	**125**	**1,008**	**38,138**
30 June 2014					
Non-interest bearing available					
Cash and cash equivalents	-	78	-	-	**78**
Trade and other receivables	-	2,740	-	-	**2,740**
Intra-entity loan	-	510	652	2,491	**3,653**
Floating interest rate available	-				
Cash and cash equivalents	2.37	30,472	-	-	**30,472**
Other current assets	3.07	521	-	-	**521**
Total financial assets		**34,321**	**652**	**2,491**	**37,464**

15 Financial instruments (continued)

Financial liabilities
The following table details the maturity for its financial liabilities.

	Effective Interest Rate	Maturing 1 Year	Maturing 1-2 Years	Maturing > 2 Years	Total
	%	$000s	$000s	$000s	$000s
30 June 2013					
Non-interest bearing available					
Trade and other payables		8,548	-	-	**8,548**
Other liabilities		12,034	-	-	**12,034**
Total financial liabilities		**20,582**	-	-	**20,582**
30 June 2014					
Non-interest bearing available					
Trade and other payables		6,590	-	-	**6,590**
Other liabilities		11,938	-	-	**11,938**
Total financial liabilities		**18,528**	-	-	**18,528**

(f) Interest rate risk management
UnitingCare Community carries no long-term payables other than operating leases, which are not recognised in the statement of financial position.

(g) Fair value of financial instruments
The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.
- the fair value of monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts due from customers (reduced for expected credit losses) or due to suppliers. The carrying amounts of financial assets and financial liabilities which have been recognised on the statement of financial position approximate their fair values.

15 Financial instruments (continued)

	Note	Level	Carrying amount 2014 $000s	Fair value 2014 $000s	Carrying amount 2013 $000s	Fair value 2013 $000s
Financial assets						
Cash and cash equivalents	6	1	30,550	30,550	33,643	33,643
Trade and other receivables	7	2	2,740	2,740	2,660	2,660
Intra-entity loan	9	2	3,653	3,653	1,314	1,314
Other assets		2	521	521	521	521
Financial liabilities						
Trade and other payables	12	2	6,590	6,590	8,548	8,548
Other current liabilities	14	2	11,938	11,938	12,034	12,034

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models, with the most significant input being the discount rate that reflects the credit risk of counterparties.

16 Operating lease arrangements

(a) Leasing arrangements

Operating leases relate to leases of property, plant, IT equipment and motor vehicles.

(b) Payments recognised as an expense

	2014 $000s	2013 $000s
Minimum lease payments	11,928	12,539

(c) Non-cancellable operating lease commitments

Non-cancellable operating leases over plant and IT equipment, motor vehicles and premises contracted for but not capitalised in the financial statements are payable as follows:

	2014 $000s	2013 $000s
Minimum lease payments payable		
Not later than 12 months	8,706	9,502
Between 12 months and 5 years	9,736	12,018
	18,442	**21,520**

17 Contingent liabilities

Periodically, the organisation is notified of claims from previous and / or current people who have received services from the Uniting Church or its predecessor Denominations. Although UnitingCare Community and the Uniting Church of Queensland meet with claimants, any payments made to claimants are paid by the Church and/or insurers and not by UnitingCare Community.

The Child Care centres operated by the organisation were built with the assistance of the Commonwealth and State Governments. The terms of the agreement provide that any Government funds for the initial construction cost less 4% of the funds per year must be repaid if the centres were closed down within 25 years from the date of initial use. The organisation has no current intention to close these centres. The contingent liability at 30 June 2014, if the centres were to be closed within the 25 years period, is $369,940 (2013: $429,435).

UnitingCare Community has from time to time received capital grants from both the State and Commonwealth Government. Any unutilised portion may be repayable in circumstances where the asset is sold or its use is discontinued, depending on the specific contractual obligations of each contract.

Other than the above matters, the board is not aware of any other contingent liabilities at the date of this report.

18 Cash flow information

	2014	2013
	$000s	**$000s**
Reconciliation of cash flow from operating activities to operating surplus		
Operating (deficit)/surplus	(353)	670
Cash flows excluded from profit attributable to operating activities		
Adjustments for:		
Depreciation and amortisation expense	3,536	3,389
(Gain)/loss on sale of assets	(306)	214
Decrease/(increase) in trade and other receivables	440	1,640
Decrease/(increase) in inventories	21	54
Decrease/(increase) in other current assets	32	1,236
(Decrease)/increase in trade payables and other current liabilities	(2,054)	1,041
(Decrease)/increase in employee benefits and other provisions	373	2,741
Net cash inflows/(outflows) from operating activities	**1,689**	**10,985**

19 Key management personnel compensation

In addition to their salaries, the organisation provides non-cash benefits to key management personnel. Key management personnel compensation paid to executives included in salaries and employee costs (refer to statement of comprehensive income) are as follows:

	2014	2013
	$000s	$000s
Short-term employee benefits	2,037	2,186
Post-employment benefits	164	170
Termination benefits	387	189
	2,588	**2,545**

Other key management personnel transactions with the organisation or its controlled entities
No key managers, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities.

From time to time, the UnitingCare Queensland Board members or their related entities may purchase goods or services from the organisation. These purchases are on the same terms and conditions as those entered into by employees or customers and are trivial or domestic in nature.

20 Other related party disclosures

(a) Transactions with other related parties
UnitingCare Community is part of the Uniting Church in Australia - Queensland Synod and has a related party relationship with various agencies and departments of the Uniting Church in Australia Property Trust (Q.) including The Department of Finance and Property Services, Uniting Church Investment Services, Uniting Church Insurance, Uniting Church Superannuation and the non-aged care divisions of Wesley Mission Brisbane and Wesley Mission Ipswich.

Related party transactions occur between Uniting Church Investment Services, UnitingCare Queensland, UnitingCare Health, BlueCare and UnitingCare Community.

(b) Transactions and balances with related parties
The Uniting Church in Australia Property Trust (Q.), is the legal entity under which all activities of UnitingCare Queensland are conducted. Certain transactions require the delegated authority of the Property Trust to be completed (that is, land purchase and sales, receipt of bequests, execution of contracts) and neither the Property Trust, the Uniting Church Investment Services nor the Department of Finance and Property Services impose any material charge for the performance of these transactions. Insurance, investment and financing services are also provided through The Uniting Church in Australia - Queensland Synod.

20 Other related party disclosures (continued)

(c) Transactions and balances with related parties (continued)

	2014	2013
	$000s	$000s
Uniting Church in Australia – Queensland Synod		
Chaplains fees paid to Synod for chaplaincy services	(445)	(374)
Insurance premiums paid	(1,022)	(1,001)
Personal injury payments	(2)	-
Land tax payments	(125)	-
Legal fees	(44)	-
Annual service fee	(1)	-
Net payables owed	(1)	(21)
Uniting Church Investment Services		
Interest revenue received	746	866
Cash on deposit at the end of the annual reporting period	28,056	30,727
UnitingCare Queensland		
Administration fee	(631)	(618)
Audit administration fee	(161)	(90)
Procurement contribution	(355)	(268)
Shared services contribution	(75)	(104)
ICT contribution	(2,989)	(1,939)
HR & Payroll service level agreement	102	18
Net receivables owed	918	1,141
Intra-entity loan	3,653	1,314
BlueCare		
Fleet management fee	-	(37)
Property service level agreement	(212)	(195)
Net rent	47	(6)
Monitoring fees personal alarms	39	30
Net client support	(36)	(7)
Medical supplies, visits & training	(1)	(3)
Young carers activity	51	-
Emergency respite	6	-
Net receivables/(payables) owed	12	(56)
UnitingCare Health		
Net (payable) owed	(3)	-

21 Economic dependency

UnitingCare Community is dependent on both State and Commonwealth Government subsidies and grants to fund its operations. The continued support and funding of community care programs and facilities by the Federal Government is subject to regular reviews and accreditation requirements.

22 Events after the end of the reporting period

No other matters or occurrences have come to attention since the financial year end up to the present time which would materially affect the financial statements or disclosures therein.

The Uniting Church in Australia - Queensland Synod
UnitingCare Community

Declaration by the Board of UnitingCare Queensland

For the year ended 30 June 2014

The Board of UnitingCare Queensland declares that:

(a) the financial statements and notes set out on pages 1 to 34:

i. comply with the *Australian Charities and Not-for-profits Commission Act 2012* including compliance with Australian Accounting Standards and mandatory professional reporting requirements; and
ii. give a true and fair view of the financial position of UnitingCare Community as at 30 June 2014 and of its performance as represented by the results of its operations and its cash flows, for the financial year ended on that date; and

(b) there are reasonable grounds to believe that UnitingCare Community will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board.

Dated this 21st day of October 2014

Craig Barke, Chair
UnitingCare Queensland Board

Maree Blake, Chair
UnitingCare Queensland Audit, Risk and Compliance Committee

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Level 25
123 Eagle Street

Riverside Centre
Brisbane QLD 4000
GPO Box 1463
Brisbane QLD 4001 Australia

DX: 115
Tel: +61 (0) 7 3308 7000
Fax: +61 (7) 3308 7001
www.deloitte.com.au

The Chairman
UnitingCare Queensland Board
Level 5, 193 North Quay
Brisbane
Qld 4000

21 October 2014

Dear Craig

The Uniting Church in Australia – Queensland Synod, UnitingCare Community

In accordance with Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, I am pleased to provide the following declaration of independence to the Board of The Uniting Church in Australia – Queensland Synod, UnitingCare Community.

As lead audit partner for the audit of the financial statements of The Uniting Church in Australia – Queensland Synod, UnitingCare Community for the financial year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

R G Saayman
Partner
Chartered Accountants

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Riverside Centre
Level 25
123 Eagle Street
Brisbane QLD 4000
GPO Box 1463
Brisbane QLD 4001 Australia

DX: 115
Tel: +61 (0) 7 3308 7000
Fax: +61 (7) 3308 7004
www.deloitte.com.au

Independent Auditor's Report to the Board of UnitingCare Queensland acting through The Uniting Church in Australia – Queensland Synod, UnitingCare Community

We have audited the accompanying financial report of The Uniting Church in Australia – Queensland Synod, UnitingCare Community ("UnitingCare Community"), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in funds for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by the Board of UnitingCare Queensland (the "Board") as set out on pages 1 to 35.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act'), and for such internal controls as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and 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 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, as well as evaluating the overall presentation of the financial report.

Deloitte.

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

Basis for Qualified Opinion

Donations and fundraising received in cash and cash sale of goods are significant sources of revenue for UnitingCare Community. UnitingCare Community has determined that it is impracticable to establish control over the collection of cash from donations, fundraising and the sale of goods prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to cash from donations, fundraising and the sale of goods had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether cash from donations, fundraising and the sale of goods UnitingCare Community recorded, is complete.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of UnitingCare Community has been prepared in accordance with Division 60 of the ACNC Act, including:

(i) giving a true and fair view of The Uniting Church in Australia – Queensland Synod, UnitingCare Community's financial position as at 30 June 2014 and of its financial performance and cash flows for the year then ended; and

(ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013.*

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

R G Saayman
Partner
Chartered Accountants
Brisbane, 21 October 2014