

**ASSOCIATION FOR THE BLIND  
OF WESTERN AUSTRALIA INC**

**ABN 11 157 291 960**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30 JUNE 2013**

# ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC

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### **Entity**

This financial report is prepared in Australian Dollars and covers the Association for the Blind of Western Australia (Incorporated), an entity incorporated under the Associations Incorporation Act (1987) of Western Australia.

### **Registered Office**

61 Kitchener Avenue, Victoria Park, Western Australia 6100

ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC

STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Revenue from continuing operations	2	13,302,474	9,283,975
<b>Total Revenue</b>		<b>13,302,474</b>	<b>9,283,975</b>
Costs of sales		(1,518,991)	(1,653,176)
Employee benefits expense		(6,623,394)	(5,935,413)
Rent, rates and property		(523,277)	(402,311)
Community education and fund raising expenses		(189,175)	(200,945)
Vehicle and transport costs		(160,425)	(163,067)
Depreciation and amortisation expense	3	(869,987)	(909,407)
Computer and communications costs		(290,217)	(227,293)
Office expenses		(268,880)	(281,344)
Service delivery expenses		(203,909)	(180,793)
Finance costs	3	(94,891)	(109,904)
Write off assets		(482,173)	-
Other expenses		(472,021)	(278,921)
<b>Surplus / (deficit) from operations</b>		<b>1,605,134</b>	<b>(1,058,599)</b>
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income for the year, net of tax</b>		<b>1,605,134</b>	<b>(1,058,599)</b>
<b>Surplus/(deficit) attributable to the members of the entity</b>		<b>1,605,134</b>	<b>(1,058,599)</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes set out on pages 6 to 23.

**ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013**

	Notes	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,084,173	1,787,710
Trade and other receivables	5	444,643	171,332
Inventories	6	119,336	171,333
<b>Total Current Assets</b>		<b>3,648,152</b>	<b>2,130,375</b>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	7	14,760,025	15,971,260
<b>Total Non-current Assets</b>		<b>14,760,025</b>	<b>15,971,260</b>
<b>Total Assets</b>		<b>18,408,177</b>	<b>18,101,635</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	1,940,806	1,673,023
Provisions	9	427,346	353,085
<b>Total Current Liabilities</b>		<b>2,368,152</b>	<b>2,026,108</b>
<b>NON CURRENT LIABILITIES</b>			
Borrowings	11	-	1,600,000
Provisions	10	127,503	168,139
<b>Total Non-current Liabilities</b>		<b>127,503</b>	<b>1,768,139</b>
<b>Total Liabilities</b>		<b>2,495,655</b>	<b>3,794,247</b>
<b>NET ASSETS</b>		<b>15,912,522</b>	<b>14,307,388</b>
<b>EQUITY</b>			
Accumulated surpluses		15,912,522	14,307,388
<b>TOTAL EQUITY</b>		<b>15,912,522</b>	<b>14,307,388</b>

The above statement of financial position should be read in conjunction with the accompanying notes set out on pages 6 to 23.

ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
Retained surplus at the beginning of the financial year	14,307,388	15,365,987
Net (deficit) / surplus attributable to the Association's ongoing activities for the year	1,605,134	(1,058,599)
<b>Retained surplus at the end of the financial year</b>	<b>15,912,522</b>	<b>14,307,388</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes set out on pages 6 to 23.

ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from governments (exclusive of goods and services tax)		5,014,602	3,677,545
Receipts from customers (exclusive of goods and services tax)		2,138,814	2,384,333
Bequests and fund raising		5,876,956	2,846,181
Other operating income		931,319	696,731
Interest received		38,133	25,208
Payments to suppliers and employees		(10,958,382)	(9,452,330)
<b>Net cash inflow from operating activities</b>		<b>3,041,442</b>	<b>177,668</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(505,516)	(339,956)
Proceeds from sale of property, plant and equipment		360,537	390,884
<b>Net cash (outflow) from investing activities</b>		<b>(144,979)</b>	<b>50,928</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Borrowings repaid		(1,600,000)	-
<b>Net cash (outflow) / inflow from financing activities</b>		<b>(1,600,000)</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents		<b>1,296,463</b>	<b>228,596</b>
Cash and cash equivalents at the beginning of the financial year		1,787,710	1,559,114
Cash and cash equivalents at the end of the financial year	4	<b>3,084,173</b>	<b>1,787,710</b>

The above statement of cash flows should be read in conjunction with the accompanying notes set out on pages 6 to 23.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

**1. Summary of Significant Accounting Policies**

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

**(a) Basis of Preparation**

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, and the Associations Incorporation Act 1987.

The directors have determined that the Association for the Blind of Western Australia (Incorporated) is permitted to apply the Tier 2 reporting requirements (Australian Accounting Standards – Reduced Disclosure Requirements) as set out in AASB 1053 Application of Tiers of Australian Accounting Standards because it is a not-for-profit private sector entity that does not have public accountability. As such, the directors have early adopted AASB 1053 and AASB 2010-2 Amendments to Australian Accounting Standards Arising from Reduced Disclosure Requirements from 1 July 2010.

AASB 1053 and AASB 2010-2 only mandatorily apply to annual reporting periods commencing on or after 1 July 2013. The early adoption of AASB 1053 and AASB 2010-2 has had no impact on amounts recognised in the financial statements and related notes because it merely requires less disclosures for these general purpose financial statements, which have been prepared using Australian Accounting Standards - Reduced Disclosure Requirements, than if these financial statements were prepared using Australian Accounting Standards.

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Association's accounting policies. There are no areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The financial statements were prepared on a going concern basis which assumes continuity of business activity, realisation of assets and settlement of liabilities in the ordinary course of business. The Association's viability is dependent on generating operating surpluses, continuing financial support by governments and the community and external borrowings or realisation of assets. The Board is of the opinion that the basis upon which the financial statements are presented is appropriate.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The policies have been consistently applied, unless otherwise stated.

**(b) Revenue Recognition**

Revenue from the sale of goods and services is recognised upon the delivery of the goods or services to customers, and when it is probable that the economic benefit will flow to the Association. Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from bequests and donations is not brought to account until the Association is virtually certain of the income and of compliance with all attached conditions, if any.

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Association will comply with all attached conditions.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

Grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Grants relating to the purchase of plant and equipment or redevelopment of land and buildings are credited to the statement of comprehensive income.

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

**(c) Income Tax**

The Association is exempt from payment of income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

**(d) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor and not the Association as lessee, are charged as expenses in the periods in which they are incurred.

Lease income from operating leases where the Association is a lessor is recognised in income on a straight-line basis over the lease term.

**(e) Impairment of Assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**(f) Cash and Cash Equivalents**

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**(g) Trade and Other Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is established when there is objective evidence that the Association will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted if the effect of the discounting is immaterial.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

The amount of the impairment loss is recognised in the statement of comprehensive income within costs of sales. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

**(h) Inventories**

Finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(i) Property Plant and Equipment**

Land and buildings are shown at cost or valuation, less subsequent depreciation for buildings.

All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. Repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited to other reserves in members' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first charged

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FOR THE YEAR ENDED 30 JUNE 2013**

against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the statement of comprehensive income. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of comprehensive income and depreciation based on the asset's original cost, net of tax, is transferred from the property, plant and equipment revaluation reserve to retained earnings.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 years
Equipment Funded by Grants	1 year
Loan Equipment	1 year
Motor Vehicles	5 years
Plant and Equipment	5 years
IT Systems	3 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When re-valued assets are sold, it is Association policy to transfer the amounts included in other reserves in respect of those assets to accumulated surpluses.

**(j) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

**(k) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount is recognised in the statement of comprehensive income over the period of the borrowing using the effective interest method.

**(l) Provisions**

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

**(m) Employee Benefits**

*Wages and salaries and annual leave*

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

*Long service leave*

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and the probability of employees reaching the required period of service to take long service leave.

**(n) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the

**NOTES TO THE FINANCIAL STATEMENTS  
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taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 Australian Taxation Office 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 taxation authority, are presented as operating cash flows.

**(o) Rounding of Amounts**

Amounts in the financial report have been rounded off to the nearest dollar.

**(p) Comparative Figures**

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

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>2. Revenue From Continuing Operations</b>		
Continuing activities		
Fundraising income, donations and bequests	5,876,956	2,846,179
Commonwealth Government funding	1,307,918	1,113,794
State and Local Government funding	3,047,830	2,254,554
Telephone and technology sales	2,175,858	2,329,131
Interest received	38,133	25,208
Profit on disposal of property, plant and equipment	9,125	18,378
Other income	846,654	696,731
	<b><u>13,302,474</u></b>	<b><u>9,283,975</u></b>

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>3. Expenses</b>		
The (deficit)/surplus from operations includes the following specific expenses:		
Depreciation		
Depreciation of motor vehicles, plant and equipment	470,784	507,750
Depreciation of buildings	399,202	401,657
Total depreciation	<u>869,986</u>	<u>909,407</u>
Finance costs		
Interest and finance charges	<u>94,891</u>	<u>109,904</u>
Rental expenses relating to operating leases		
Minimum lease payments	<u>50,199</u>	<u>40,230</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>4. Cash and Cash Equivalents</b>		
Cash at bank	1,277,354	1,357,819
Cash on hand	4,050	4,050
Deposits	1,802,769	425,841
Total cash and cash equivalents	<b><u>3,084,173</u></b>	<b><u>1,787,710</u></b>

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>5. Trade and Other Receivables</b>		
Trade receivables	320,393	171,826
Less: Provision for impairment of receivables	(66,388)	(70,734)
	<b><u>254,005</u></b>	<b><u>101,092</u></b>
Prepayments	108,653	66,825
Other receivables	81,985	3,415
	<b><u>444,643</u></b>	<b><u>171,332</u></b>

**(a) Impaired trade receivables**

As at 30 June 2013 current trade receivables of the Association with a nominal value of \$8,769 (2012 - \$12,533) were impaired. The amount of the provision was \$66,388 (2012 - \$70,734). The individually impaired receivables relate to amounts overdue by more than three months. A portion of the receivables is expected to be recovered.

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The ageing of these receivables is as follows:

	<b>2013</b>	<b>2012</b>
	\$	\$
3 to 6 months	8,769	12,533

Movements in the provision for impairment of receivables are as follows:

	<b>2013</b>	<b>2012</b>
	\$	\$
At 1 July	70,734	58,177
Provision for impairment recognised during the year	-	22,332
Receivables written off during the year as uncollectible	(4,345)	(9,775)
Total provision for impairment of receivables	<b><u>66,389</u></b>	<b><u>70,734</u></b>

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

**(b) Past due but not impaired**

As of 30 June 2013, trade receivables of \$31,651 (2012- \$45,505) were past due but not impaired. These relate to customers and clients for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	<b>2013</b>	<b>2012</b>
	\$	\$
1 to 3 months	31,651	35,104
3 to 6 months	-	10,401
	<b><u>31,651</u></b>	<b><u>45,505</u></b>

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
<b>6. Inventories</b>		
Finished goods	132,620	178,533
Provision for impairment of inventories	(13,284)	(7,200)
	<u>119,336</u>	<u>171,333</u>

Inventories recognised as an expense during the year to 30 June 2013 amounted to \$1,007,807 (2012: \$1,115,193).

	2013	2012
	\$	\$
<b>7. Property, Plant and Equipment</b>		
Land and buildings		
At valuation	1,974,462	1,974,462
At cost	14,927,671	15,197,151
Less: accumulated depreciation	(2,674,573)	(2,372,075)
	<u>14,227,560</u>	<u>14,799,538</u>
Plant, furniture & equipment at cost	1,470,112	2,214,359
Less: accumulated depreciation	(1,279,883)	(1,341,666)
	<u>190,229</u>	<u>872,693</u>
Motor vehicles at cost	527,478	475,280
Less: accumulated depreciation	(185,242)	(176,251)
	<u>342,236</u>	<u>299,029</u>
	<u>14,760,025</u>	<u>15,971,260</u>

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FOR THE YEAR ENDED 30 JUNE 2013**

Movements in the carrying amount for each class of property, plant and equipment between the beginning and the end of the financial year are:

	Land and Buildings \$	Plant and Equipment \$	Motor Vehicles \$	Total \$
Opening net book amount	14,799,538	872,693	299,029	15,971,260
Additions	-	20,469	439,091	459,560
Disposals	(172,776)	(309,397)	(318,636)	(800,809)
Depreciation expense	(399,202)	(393,536)	(77,248)	(869,986)
Closing net book amount	<u>14,227,560</u>	<u>190,229</u>	<u>342,236</u>	<u>14,760,025</u>

The building redevelopment undertaken by the Association in 2007 was partially funded by Lotterywest. As a consequence the Association has entered into a Deed of Trust granting Lotterywest an equitable interest in the property at 61 Kitchener Avenue, Victoria Park, Western Australia and limiting the use of the building to benevolent and charitable purposes. The Deed of Trust expires in May 2028.

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>8. Trade and Other Payables</b>		
Trade payables	159,670	120,465
Income received in advance	925,099	722,118
Sundry payables	421,472	406,622
Employee benefits – annual leave	434,565	423,818
	<u><b>1,940,806</b></u>	<u><b>1,673,023</b></u>

The entire accrual for annual leave is presented as current, since the Association does not have an unconditional right to defer settlement. However, based on past experience, the Association does not expect all

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employees to take the full amount of accrued leave within the next 12 months.

	2013	2012
	\$	\$
<b>9. Provisions – Current</b>		
Employee benefits – long service leave	<u>427,346</u>	<u>353,085</u>

The current provision for long service leave includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Association does not have an unconditional right to defer settlement. However, based on past experience, the Association does not expect all employees to take the full amount of accrued long service leave or require payment within the next 12 months.

	2013	2012
	\$	\$
<b>10. Provisions – Non-Current</b>		
Employee benefits – long service leave	<u>127,503</u>	<u>168,139</u>

Average number of employees during the year	128	122
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	2013	2012
	\$	\$
<b>11. Bank Facility</b>		
Borrowings – non-current	-	1,600,000
	<u>-</u>	<u>1,600,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

**12. Key Management Personnel Disclosures**

**(a) Directors**

The following persons were non-executive members of the Board of the Association for the Blind of WA (Inc) during the financial year:

Debbie Schaffer (President and Chairperson)  
Dean Pike (Treasurer)  
David Craig (Vice President)  
David Bevan (Vice President)  
Ian Blackburn (appointed 25/10/12)  
Geoff Cowie (Resigned 20/6/12)  
Jennifer Dawson (appointed 25/10/12)  
Lorraine Driscoll  
Peter Hickson (retired 25/10/12)  
Harry Kleyn  
David Ligovich  
Greg Madson  
Dr. Iain Murray  
Helen Smith  
Lana Thompson

No amounts of remuneration have been paid to Board members during the year.

**(b) Other Key Management Personnel**

<b>Name</b>	<b>Position</b>
Dr CM Allen	Chief Executive Officer (appointed 4/12/12)
Dr MA Crowley	Chief Executive Officer (resigned 4/12/12)
DJ Barnes	Executive Manager Operations (appointed 18/2/13)
CJ Whitelock	Executive Manager Corporate Services
CA Solosy	Executive Manager Quality & People
AC Hagan	Executive Manager Business Development

ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013

**(c) Key Management Personnel Compensation**

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Short term employee benefits	670,192	676,194

**(d) Other Transactions With Key Management Personnel**

Nil.

**13. Related Party Transactions**

There were no related party transactions.

**14. Commitments**

**(a) Capital Commitments**

There are no capital commitments at balance date.

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Lease Commitments (as Lessee)</b>		
Operating lease commitments for offices, office equipment and kennels		
- not later than 1 year	50,164	40,866
- later than 1 year but not later than 5 years	107,235	33,126
	<u><b>157,399</b></u>	<u><b>73,992</b></u>

**15. Events Occurring After the Reporting Date**

No matter or circumstance has arisen subsequent to the reporting date that has significantly affected, or may significantly affect, the

**ASSOCIATION FOR THE BLIND OF WESTERN AUSTRALIA INC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2013**

Association's operations, results or state of affairs in future financial years.

**16. Contingent Liabilities**

There are no known contingent liabilities at balance date.

## STATEMENT BY THE BOARD OF DIRECTORS

In the opinion of the Board of Directors of the Association for the Blind of Western Australia (Inc):

1. The financial statements set out on pages 1 to 23 present fairly the financial position of the Association for the Blind of Western Australia (Inc) as at 30 June 2013 and its performance for the year ended on that date in accordance with the Australian equivalent of International Financial Reporting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1987;
2. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due; and
3. The Association is complying with the Charitable Collections Act (1946) and the Charitable Collections Regulations (1947).

This statement is made in accordance with a resolution of the Board and is signed on behalf of the Board by:



Debbie Schaffer, President



Dean Pike, Treasurer

Dated at Perth this 16<sup>th</sup> day of September 2013

## INDEPENDENT AUDITOR'S REPORT

To the members of The Association for the Blind of Western Australia Inc

### Report on the Financial Report

We have audited the accompanying financial report of Association for the Blind of Western Australia Inc, which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### Directors' Responsibility for the Financial Report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board, and for such internal control as the directors' determine is necessary to enable the preparation and fair presentation 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 about 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 directors, as well as evaluating the overall presentation of the financial report.

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

#### Independence

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



#### Basis for Qualified Opinion

Cash donations are a significant source of revenue for the Association. The Association has determined that it is impracticable to establish control over the collection of cash donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to cash donations had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether cash donations the Association recorded are 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 presents fairly, in all material respects, the financial position of Association for the Blind of Western Australia Inc as at 30 June 2013, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Dean Just', positioned below the printed name.

Dean Just

Director

Perth, 16 September 2013

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF ASSOCIATION FOR THE  
BLIND OF WESTERN AUSTRALIA INC

As lead auditor of Association for the Blind of Western Australia Inc for the year ended 30 June 2013, I  
declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.



Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth, 16 September 2013