

Disability Advocacy & Complaints Service of SA Inc

Financial Report for the Year Ended 30 June 2014

BOARD OF MANAGEMENT'S REPORT

Your Board of Management submit the financial report of Disability Advocacy & Complaints Service of SA Inc for the financial year ended 30 June 2014.

Board Members

The names of board members throughout the year and at the date of this report are:

Phillip Beddall	Cher Nicholson (resigned prior to 2013 AGM)
John Inglis	Colin Moyle (resigned prior to 2014 AGM)
David Egege	Debra Snelson (resigned prior to 2014 AGM)
Marissa Brown	Mel Leckie (resigned prior to 2014 AGM)
Liz Forsyth	Malcolm Tulloch (resigned prior to 2013 AGM)
Andrew Kyprianou	Anne Smith (resigned prior to 2013 AGM)

Members of the Board have been in office since the start of the year unless otherwise stated. No other officer of the Association has received directly or indirectly from the association any payment or other benefit of a pecuniary value.

At no time during the year ended 30 June 2014 has any officer or related firm or body corporate, received or become entitled to receive a benefit arising from a contract between the officer, firm or body corporate and the association.

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Principal Activities

The principal activities of the association during the financial year were to provide services to assist individuals with a disability to resolve disability-related grievances and complaints.

Significant Changes

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

Operating Result

The loss for the year ending 30 June 2014 amounted to \$26,132 (2013: \$26,873 loss).

Signed in accordance with a resolution of the members of the Board.

Phillip Beddall

Andrew Kyprianou

Dated this day of September 2014

Disability Advocacy & Complaints Service of SA Inc

Financial report for the year ended 30 June 2014

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014	2013
		\$	\$
Revenue	2	412,613	414,685
Salaries, wages & employee costs		(322,729)	(289,761)
Audit		(2,300)	(2,200)
Depreciation		-	(1,070)
Motor vehicle expenses		(11,636)	(17,292)
Rent		(31,848)	(33,018)
Other operating expenses	2	(70,232)	(98,217)
Current year surplus before income tax		(26,132)	(26,873)
Income tax expense		-	-
Net current year surplus		(26,132)	(26,873)
Other comprehensive income			
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		-	-
Net current year surplus attributable to members of the entity		(26,132)	(26,873)
Total comprehensive income attributable to members of the entity		(26,132)	(26,873)

The accompanying notes form part of these financial statements.

Disability Advocacy & Complaints Service of SA Inc

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014	2013
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	36,560	47,790
GST receivable		3,328	3,467
TOTAL CURRENT ASSETS		39,888	51,257
NON-CURRENT ASSETS			
Property, plant and equipment	4	-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		39,888	51,257
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	5	14,230	9,470
Employee provisions	6	58,489	48,486
TOTAL CURRENT LIABILITIES		72,719	36,502
TOTAL LIABILITIES		72,719	57,956
NET ASSETS		(32,831)	(6,699)
EQUITY			
Retained losses		(32,831)	(6,699)
TOTAL EQUITY		(32,831)	(6,699)

The accompanying notes form part of these financial statements.

Disability Advocacy & Complaints Service of SA Inc

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2012	20,174	20,174
Comprehensive income		
Net surplus for the year	(26,873)	(26,873)
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	(26,873)	(26,873)
Balance at 30 June 2013	(6,699)	(6,699)
Balance at 1 July 2013		
Comprehensive income		
Net surplus for the year	(26,132)	(26,132)
Other comprehensive income for the year	-	-
Total comprehensive income attributable to members of the entity	(26,132)	(26,132)
Balance at 30 June 2014	(32,831)	(32,831)

The accompanying notes form part of these financial statements.

Disability Advocacy & Complaints Service of SA Inc

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014	2013
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants		448,488	434,198
Interest received		2,888	4,866
Other receipts		2,008	-
Payments to suppliers and employees		(434,705)	(453,614)
Net GST (paid) / received		(29,909)	(26,059)
Net cash (used in)/provided by operating activities	10	(11,230)	(40,609)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash used in investing activities		-	-
Net (decrease)/increase in cash held		(11,230)	(40,609)
Cash on hand at beginning of financial year		47,790	88,399
Cash on hand at end of financial year	3	36,560	47,790

The accompanying notes form part of these financial statements.

Disability Advocacy & Complaints Service of SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1985. The Board has determined that the association is not a reporting entity.

In order to satisfy Division 60 of the Australian Charities Not-For-Profit Commission Act 2012 the financial report has been prepared in accordance with the following Australian Accounting Standards:

- AASB 101, Presentation of Financial Statements
- AASB 107, Statement of Cash Flows
- AASB 108, Accounting Policies, Changes in Accounting Estimates and Errors,
- AASB 1048, Interpretation of Standards
- AASB 1054, Australian Additional Disclosures

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Income Tax

The association is exempt from income tax pursuant to section 50-40 of the Income Tax Assessment Act 1997.

b. Plant and Equipment

Plant and equipment is measured on the cost basis and are therefore carried at cost less accumulated depreciation.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit or loss when the item is derecognised.

c. Leases

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

d. Employee Provisions

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting periods. Employee Benefits have been measured at the amounts expected to be paid when the liability is settled.

The entity provides for long service leave once an employee reaches seven years' service.

e. Cash on Hand

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

f. Revenue and Other Income

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

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

Interest revenue is recognised when it is received.

Disability Advocacy & Complaints Service of SA Inc

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

g. Goods and Services Tax (GST)

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

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

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

h. Comparative Figures

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

Where the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period is presented in addition to the minimum comparative financial statements.

i. Accounts Payable and Other Payables

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

j. Economic Dependency and Going Concern

The financial report has been prepared on a going concern basis. However your attention is drawn to the following matters:

- 1) The Association incurred a loss for the year ended 30 June 2014 of \$26,132, a loss for the year ended 30 June 2013 of \$26,873 and a profit for the year ended 30 June 2012 of \$229.
- 2) The Statement of Financial Position reported net assets of \$32,831 (deficit) as at 30 June 2014 and net assets of \$6,699 (deficit) as at 30 June 2013. Net assets as at 30 June 2012 were \$20,174 (surplus).
- 3) As at 30 June 2014, current provisions for employee entitlements of \$58,489 exceeded cash and cash equivalents of \$36,560.
- 4) Government funding has been secured until 30 June 2015. Funding for the 2015/16 financial year is going out for tender and it is uncertain whether the entity will receive this funding.
- 5) The future operations of the Association are dependent upon either the successful negotiation of future government funding to cover staff salaries and appropriately managing costs and cash flow.

The financial statements do not include any adjustments relating to recoverability and classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Association not be able to continue as a going concern.

Disability Advocacy & Complaints Service of SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2: INCOME AND EXPENSES	2014	2013
	\$	\$
Income:		
Reoccurring grant income	407,717	394,725
One-off grant income	-	15,094
Interest	2,888	4,866
Sundry income	2,008	-
Total income	412,613	414,685
Other operating expenses:		
Advertising	625	3,235
Bank charges	184	71
Cleaning	5,083	4,649
Committee expenses	1,234	3,452
Computer expenses	5,483	5,030
Conference fees	-	911
Consultancy fees	10,889	13,661
Client expenses	22	98
Council rates	2,808	2,778
Electricity and gas	4,125	3,783
Insurance	8,786	8,852
Interest expenses	695	681
Photocopier	3,619	3,706
Postage	968	833
QA expenses	-	15,168
Repairs and maintenance	1,370	2,690
Security	670	844
Staff amenities	1,127	1,311
Staff development	827	653
Staff training	5,166	5,255
Stationery	1,991	2,724
Statutory fees and charges	-	493
Subscriptions	1,741	1,808
Sundry expenses	50	332
Telephone	11,206	13,277
Website expenses	404	658
Water rates	1,149	1,264
	70,232	98,217

Disability Advocacy & Complaints Service of SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 3: CASH ON HAND	2014	2013
	\$	\$
Operating cash account	5,746	2,130
Express saver account	30,614	45,460
Petty cash	200	200
	36,560	47,790
	36,560	47,790

NOTE 4: PROPERTY, PLANT AND EQUIPMENT	2014	2013
	\$	\$
Motor Vehicles:		
At cost	26,266	26,266
Accumulated depreciation	(26,266)	(26,266)
	-	-
Furniture and Fittings:		
At cost	46,136	46,136
Accumulated depreciation	(46,136)	(46,136)
Total leasehold improvements	-	-
Total property, plant and equipment	-	-

NOTE 5: ACCOUNTS PAYABLE AND OTHER PAYABLES	2014	2013
	\$	\$
CURRENT		
Unsecured liabilities:		
Sundry creditors	5,155	1,409
Payroll liabilities	9,075	8,061
	14,230	9,470
	14,230	9,470

NOTE 6: EMPLOYEE PROVISIONS	2014	2013
	\$	\$
CURRENT		
Annual leave	31,943	23,780
Long service leave	26,546	24,706
	58,489	48,486
	58,489	48,486

Disability Advocacy & Complaints Service of SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 7: CAPITAL AND LEASING COMMITMENTS	2014	2013
	\$	\$

The Association has no finance lease commitments or capital commitments at 30 June 2014

Operating Lease Commitments

The Association has non-cancellable operating leases in respect of a motor vehicle contract but not capitalised in the financial statements:

Payable:

- not later than 12 months	10,170	-
- between 12 months and 5 years	10,170	-
	<u>20,340</u>	<u>-</u>

The lease agreement is for a three year term with payments fixed for the term of the lease.

The Association has a rental agreement with respect to its office at 470 Marion Road Plympton Park contract but not capitalised in the financial statements:

Payable:

- not later than 12 months	8,655	34,621
- between 12 months and 5 years	-	8,655
	<u>8,655</u>	<u>43,276</u>

The property lease commitment is a non-cancellable operating lease with a 5-year term, with rent payable monthly in advance and reviewed annually for CPI changes. The lease expires on 17 September 2014.

NOTE 8: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Association has no contingent liabilities at 30 June 2014.

NOTE 9: EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant events since the end of the reporting period.

Disability Advocacy & Complaints Service of SA Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 10: CASH FLOW INFORMATION	2014	2013
	\$	\$
Reconciliation of cash flow from operating activities with net current year surplus		
Current year surplus after income tax	(26,132)	(26,874)
Cash flows excluded from current year surplus		
Non-cash flows in current year surplus:		
– depreciation expense	-	-
Changes in assets and liabilities:		
– (increase) / decrease in GST receivable	139	(2,138)
– increase/(decrease) in accounts payable and other payables	4,760	(16,644)
– Increase/(decrease) in employee provisions	10,003	5,047
Net cash (used in)/provided by operating activities	(11,230)	(40,609)

NOTE 11: ASSOCIATION DETAILS

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

Disability Advocacy & Complaints Service of SA Inc

470 Marion Road

Plympton Park SA 5038

Disability Advocacy & Complaints Service of SA Inc

STATEMENT BY MEMBERS OF THE BOARD OF MANAGEMENT

The Board of Management has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Management the financial report as set out on pages 2 to 11:

1. Presents fairly the financial position of Disability Advocacy and Complaints Service of SA Inc as at 30 June 2014 and its performance for the year ended on that date.
2. The financial report of the association is in accordance with the Australian Charities and Not-For-Profit Commissions Act 2012.
3. At the date of this statement, there are reasonable grounds to believe that Disability Advocacy & Complaints Service of SA Inc will be able to pay its debts as and when they fall due.
4. There are no subsidiary body corporates related to the association.
5. The association does not act in any capacity as Trustee.

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

Chairperson.....

Phillip Beddall

Treasurer

Andrew Kyprianou

Dated this day of September 2014