

Disability Advocacy & Complaints Service of SA Inc

Financial Report for the Year Ended 30 June 2015

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 2015.

Board Members

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

Phillip Beddall	Andrew Kyprianou (resigned 24 th March 2015)
John Inglis	Sharon Wark (appointed 30 th June 2015)
David Egege	Kara Birch (appointed 24 th March 2015)
Marissa Brown	
Liz Forsyth	

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 2015 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 other than those disclosed at Note 11 to the financial statements.

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 2015 amounted to \$17,854 (2014: \$26,132 loss).

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



Phillip Beddall



Liz Forsyth

Dated this ^{20th} day of September 2015

Disability Advocacy & Complaints Service of SA Inc
Financial report for the year ended 30 June 2015

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

	Note	2015	2014
		\$	\$
Revenue	2	423,217	412,613
Salaries, wages & employee costs		(333,021)	(322,729)
Audit		(5,500)	(2,300)
Depreciation		-	-
Motor vehicle expenses		(10,617)	(11,636)
Rent		(32,369)	(31,848)
Other operating expenses	2	(59,564)	(70,232)
Current year deficit before income tax		(17,854)	(26,132)
Income tax expense		-	-
Net current year deficit		(17,854)	(26,132)
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 deficit attributable to members of the entity		(17,854)	(26,132)
Total comprehensive loss attributable to members of the entity		(17,854)	(26,132)

The accompanying notes form part of these financial statements.

Disability Advocacy & Complaints Service of SA Inc
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	3	16,127	36,560
GST receivable		5,216	3,328
Prepayments		2,708	-
TOTAL CURRENT ASSETS		24,051	39,888
NON-CURRENT ASSETS			
Property, plant and equipment	4	-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		24,051	39,888
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	5	15,579	14,230
Employee provisions	6	59,157	58,489
TOTAL CURRENT LIABILITIES		74,736	72,719
TOTAL LIABILITIES		74,736	72,719
NET ASSETS		(50,685)	(32,831)
EQUITY			
Retained losses		(50,685)	(32,831)
TOTAL EQUITY		(50,685)	(32,831)

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 2015

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2013	(6,699)	(6,699)
Comprehensive income		
Net deficit for the year	(26,132)	(26,132)
Other comprehensive income for the year	-	-
Total comprehensive loss attributable to members of the entity	(32,831)	(32,831)
Balance at 30 June 2014	(32,831)	(32,831)
Balance at 1 July 2014		
Comprehensive income		
Net deficit for the year	(17,854)	(17,854)
Other comprehensive income for the year	-	-
Total comprehensive loss attributable to members of the entity	(17,854)	(17,854)
Balance at 30 June 2015	(50,685)	(50,685)

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 2015

	Note	2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from grants		462,721	448,488
Interest received		2,186	2,888
Other receipts		393	2,008
Payments to suppliers and employees		(449,842)	(434,705)
Net GST (paid) / received		(35,888)	(29,909)
Net cash (used in)/provided by operating activities	10	<u>(20,430)</u>	<u>(11,230)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash used in investing activities		-	-
Net (decrease)/increase in cash held		(20,433)	(11,230)
Cash on hand at beginning of financial year		36,560	47,790
Cash on hand at end of financial year	3	<u>16,127</u>	<u>36,560</u>

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 2015

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 and the Australian Charities and Not-for-profits Commission Act 2012. 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 2015 of \$17,582, a loss for the year ended 30 June 2014 of \$26,132 and a loss for the year ended 30 June 2013 of \$26,873.
- 2) The Statement of Financial Position reported net assets of \$50,685 (deficit) as at 30 June 2015 and net assets of \$32,831 (deficit) as at 30 June 2014. Net assets as at 30 June 2013 were \$6,699 (deficit).
- 3) As at 30 June 2015, current provisions for employee entitlements of \$59,157 exceeded cash and cash equivalents of \$16,127.
- 4) Government funding has been secured until 30 June 2016. Funding for the 2016/17 financial year has not yet been secured.
- 5) The future operations of the Association are dependent upon 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 2015

NOTE 2: INCOME AND EXPENSES

	2015	2014
	\$	\$
Income:		
Recurring grant income	416,093	407,717
One-off grant income	4,545	-
Interest	2,186	2,888
Sundry income	393	2,008
Total income	423,217	412,613
Other operating expenses:		
Advertising	470	625
Bank charges	115	184
Cleaning	3,533	5,083
Committee expenses	908	1,234
Computer expenses	1,472	5,483
Conference fees	49	-
Consultancy fees	6,638	10,889
Client expenses	229	22
Council rates	3,034	2,808
Electricity and gas	4,380	4,125
Insurance	4,804	8,786
Interest expenses	777	695
Photocopier	3,599	3,619
Postage	915	968
QA expenses	5,994	-
Repairs and maintenance	1,184	1,370
Security	681	670
Staff amenities	1,098	1,127
Staff development	192	827
Staff training	3,581	5,166
Stationery	1,854	1,991
Statutory fees and charges	555	-
Subscriptions	1,360	1,741
Sundry expenses	45	50
Telephone	10,636	11,206
Website expenses	181	404
Water rates	1,280	1,149
	59,564	70,232

Disability Advocacy & Complaints Service of SA Inc

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

NOTE 3: CASH ON HAND	2015	2014
	\$	\$
Operating cash account	1,853	5,746
Express saver account	14,074	30,614
Petty cash	200	200
	<u>16,127</u>	<u>36,560</u>

NOTE 4: PROPERTY, PLANT AND EQUIPMENT	2015	2014
	\$	\$
Furniture and Fittings:		
At cost	46,136	46,136
Accumulated depreciation	(46,136)	(46,136)
Total leasehold improvements	<u>-</u>	<u>-</u>
Total property, plant and equipment	<u>-</u>	<u>-</u>

NOTE 5: ACCOUNTS PAYABLE AND OTHER PAYABLES	2015	2014
	\$	\$
CURRENT		
Unsecured liabilities:		
Sundry creditors	4,809	5,155
Payroll liabilities	10,770	9,075
	<u>15,579</u>	<u>14,230</u>

NOTE 6: EMPLOYEE PROVISIONS	2015	2014
	\$	\$
CURRENT		
Annual leave	27,468	31,943
Long service leave	31,689	26,546
	<u>59,157</u>	<u>58,489</u>

Disability Advocacy & Complaints Service of SA Inc

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

NOTE 7: CAPITAL AND LEASING COMMITMENTS

	2015	2014
	\$	\$

The Association has no finance lease commitments or capital commitments at 30 June 2015.

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	10,170
- between 12 months and 5 years	-	10,170
	<u>10,170</u>	<u>20,340</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	5,968	8,655
- between 12 months and 5 years	-	-
	<u>5,968</u>	<u>8,655</u>

The property lease commitment is an operating lease which is renewable on a monthly basis, with rent payable monthly in advance and reviewed annually for CPI changes. The entity is moving into new premises in August 2015 (refer note 9 below)..

NOTE 8: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Association has no contingent liabilities at 30 June 2015.

NOTE 9: EVENTS AFTER THE REPORTING PERIOD

The Association has entered into a rental lease agreement at 2, 29 High Street Kensington SA 5068 for a period of two year commencing 24 August 2015. The total future rental commitment is \$21,251 per annum for two years.

The Board is not aware of any other 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 2015

NOTE 10: CASH FLOW INFORMATION	2015	2014
	\$	\$
Reconciliation of cash flow from operating activities with net current year deficit		
Current year deficit	(17,582)	(26,132)
Cash flows excluded from current year deficit		
Non-cash flows in current year deficit:		
– depreciation expense	-	-
Changes in assets and liabilities:		
– (increase) / decrease in GST receivable	(2,160)	139
– (increase) / decrease in prepayments	(2,708)	-
– increase/(decrease) in accounts payable and other payables	1,349	4,760
– Increase/(decrease) in employee provisions	671	10,003
Net cash (used in)/provided by operating activities	(20,430)	(11,230)

NOTE 11: RELATED PARTY TRANSACTIONS

No member of the Board of Management received a benefit, or became entitled to receive a benefit from the Association during the year (2014: \$nil), with the exception of the Executive Director who is also an employee of the Association. The Executive Director receives remuneration based on his employment contract with the Association.

NOTE 12: 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. Gives a true and fair view of the financial position of Disability Advocacy and Complaints Service of SA Inc as at 30 June 2015 and its performance in accordance with the accounting policies described in Note 1 to the financial statements.
2. The financial statements and notes satisfy the requirements of 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 is able to pay all of its debts as and when they become due and payable.
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 signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission regulations 2013:

Chairperson.....

Phillip Beddall

Treasurer.....

Sharon Wark

Dated this ^{22nd} day of September 2015