

INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

		2012	2011
		\$	\$
Revenue from ordinary activities	2	763,291	743,363
Employee benefits expense		(592,059)	(544,436)
Occupancy expenses		(78,584)	(72,875)
Depreciation and amortisation	3	(19,348)	(22,278)
Administration expenses		<u>(87,320)</u>	<u>(110,090)</u>
OPERATING SURPLUS/(DEFICIT)		<u><u>(14,020)</u></u>	<u><u>(6,316)</u></u>
Non-Operating Income		-	30,000
Total Comprehensive Income		<u><u>(14,020)</u></u>	<u><u>23,684</u></u>

INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash assets	3	338,248	348,042
Trade and other receivables	4	5,338	6,511
Other assets	5	988	1,597
TOTAL CURRENT ASSETS		<u>344,574</u>	<u>356,150</u>
NON CURRENT-ASSETS			
Property, plant and equipment	6	60,522	62,436
TOTAL NON-CURRENT ASSETS		<u>60,522</u>	<u>62,436</u>
TOTAL ASSETS		<u>405,096</u>	<u>418,586</u>
CURRENT LIABILITIES			
Payables	7	54,035	71,484
Provisions	8	58,410	54,516
TOTAL CURRENT LIABILITIES		<u>112,445</u>	<u>126,000</u>
NON-CURRENT LIABILITIES			
Provisions	8	25,823	11,738
TOTAL NON-CURRENT LIABILITIES		<u>25,823</u>	<u>11,738</u>
TOTAL LIABILITIES		<u>138,268</u>	<u>137,738</u>
NET ASSETS		<u>266,828</u>	<u>280,848</u>
EQUITY			
Building Reserve	9	230,000	230,000
Education Reserve	9	30,000	30,000
Accumulated funds		6,828	20,848
TOTAL EQUITY		<u>266,828</u>	<u>280,848</u>

INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF CHANGE IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	Accumulated Funds \$	Building Reserve \$	Education Reserve \$	Total \$
2011					
Balance at 1 July 2010		27,164	230,000	-	257,164
Net surplus/deficit for year		23,684		-	23,684
Transfers		<u>(30,000)</u>	<u>-</u>	<u>30,000</u>	<u>-</u>
Balance at 30 June 2011		<u>20,848</u>	<u>230,000</u>	<u>30,000</u>	<u>280,848</u>
2012					
Balance at 1 July 2011		20,848	230,000	30,000	280,848
Net surplus/deficit for year		(14,020)			(14,020)
Transfers		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 30 June 2012		<u>6,828</u>	<u>230,000</u>	<u>30,000</u>	<u>266,828</u>

INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
Cash Flows from Operating Activities			
Cash Receipts from Grants		691,418	702,271
Cash Receipts from Customers		26,616	45,437
Cash Payments to Suppliers and Employees		<u>(734,454)</u>	<u>(720,109)</u>
Cash Generated from Operations		(16,420)	27,599
Interest Received		24,060	19,800
Net Cash from Operating Activities	10	<u>7,640</u>	<u>47,399</u>
 Cash Flows from Investing Activities			
Proceeds from Sales of Assets		-	-
Purchase of Plant and Equipment		(17,434)	(1,873)
Purchase of Motor Vehicles		-	-
Purchase of Leasehold Improvements		<u>-</u>	<u>-</u>
Net Cash from Investing Activities		<u>(17,434)</u>	<u>(1,873)</u>
 Cash Flows from Financing Activities			
Net Cash from Financing Activities		<u>\$ -</u>	<u>\$ -</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		(9,794)	45,526
Cash and Cash Equivalents at Beginning of period		<u>348,041</u>	<u>302,515</u>
Cash and Cash Equivalents at End of Period	3	<u><u>338,247</u></u>	<u><u>348,041</u></u>

**INDEPENDENT LIVING CENTRE (TAS) INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012**

1 Significant Accounting Policies

The financial report covers Independent Living Centre Tas Inc ("The association") as an individual entity. The association is an association incorporated in Tasmania under the Associations Incorporations Act 1964 and operates as a not for profit entity.

The association has elected to early adopt the pronouncements of AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010 2: Amendments to Australian Accounting Standards arising from the Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2009.

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, the requirements of the Associations Incorporation Act of Tasmania.

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

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(a) Comparative Figures

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

(b) Property, Plant and Equipment

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

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a diminishing value basis over their useful lives commencing from the time the asset is held ready for use.

(c) Cash

Cash includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

**INDEPENDENT LIVING CENTRE (TAS) INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012**

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(e) Income Tax

The association has not adopted the principles of tax effect accounting as it is exempt from income tax under section 50-45 of the Australian Income Tax Assessment Act 1997.

(f) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

(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. 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. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(i) Depreciation

Depreciation is provided on property, plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation:

Computer Systems Upgrade	3 Years
Motor Vehicles	10 Years
Plant and Equipment	3 to 20 Years
Leasehold Improvements	over the remaining life of the current lease agreement

INDEPENDENT LIVING CENTRE (TAS) INC
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

2 Note to the Income Statement

The net (deficit)/surplus includes the following items of revenue and expense:

	2012	2011
	\$	\$
(a) Operating Revenue		
Fees	4,029	2,063
Grant Income	660,939	649,372
Other Grant Income	52,849	54,437
Parental Leave Payments Received	11,830	-
Subscriptions	325	395
Sundry	8,880	13,088
Workshop Fees Charged	-	4,030
Donations	379	178
Interest	24,060	19,800
	<u>763,291</u>	<u>743,363</u>
 (b) Expenses		
Depreciation		
Leasehold Improvements	5,354	5,355
Plant and Equipment	2,759	1,940
Computer Equipment	5,067	8,816
Motor Vehicles	6,168	6,167
	<u>19,348</u>	<u>22,278</u>
Rental expense on operating leases	53,251	51,500
Key management personnel compensation	99,315	96,570
 3 Cash Assets (and Cash Equivalents)		
Cash and cash equivalents in the cash flow statement reconcile to the following balance sheet amounts.		
Bendigo Bank Cheque Account	-	27,019
Bendigo Bank Community Account	10,649	-
Tasmanian Perpetual Trustees Cash Management	34,668	44,124
Tasmanian Perpetual Trustees Term Investment	292,731	276,699
Cash on Hand	200	200
	<u>338,248</u>	<u>348,042</u>
 4 Trade and Other Receivables		
Trade receivables	<u>5,338</u>	<u>6,511</u>
 5 Other Assets		
Prepayments	<u>988</u>	<u>1,597</u>

INDEPENDENT LIVING CENTRE (TAS) INC
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	2012	2011
	\$	\$
6 Property, Plant and Equipment at Cost		
Leasehold Improvements	78,819	78,819
Accumulated Depreciation	<u>(73,455)</u>	<u>(68,101)</u>
	<u>5,364</u>	<u>10,718</u>
Plant and Equipment	27,181	26,527
Accumulated Depreciation	<u>(24,276)</u>	<u>(21,517)</u>
	<u>2,905</u>	<u>5,010</u>
Motor Vehicles	61,672	61,672
Accumulated Depreciation	<u>(24,632)</u>	<u>(18,464)</u>
	<u>37,040</u>	<u>43,208</u>
Computer Equipment	111,975	95,195
Accumulated Depreciation	<u>(96,762)</u>	<u>(91,695)</u>
	<u>15,213</u>	<u>3,500</u>
Total Property Plant and Equipment	<u><u>60,522</u></u>	<u><u>62,436</u></u>
7 Payables		
Trade Creditors	8,004	3,932
GST & PAYG Payable	18,232	16,022
Unexpended Grants	-	-
Accrued expenses	16,894	18,270
Bendigo Bank Mastercard	435	420
Other Grants/Income received in Advance	<u>10,470</u>	<u>32,840</u>
	<u>54,035</u>	<u>71,484</u>
8. PROVISIONS		
Current		
Annual Leave	35,147	45,037
Long Service Leave	<u>23,263</u>	<u>9,479</u>
	<u>58,410</u>	<u>54,516</u>
Non-Current		
Long Service Leave	<u><u>25,823</u></u>	<u><u>11,738</u></u>

9 Reserves

(a) Building Reserve

The building reserve records funds set aside for the future provision of building facilities for the centre, potentially including the acquisition of land and buildings in the centre's own right.

**INDEPENDENT LIVING CENTRE (TAS) INC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012**

(b) Education Reserve

The education reserve was created to designate funds received for the specific purpose of providing educational resources and services to the centre's clients. Funds will be drawn from this reserve as relevant expenditure is incurred in future.

10 Note to the Cash Flow Statement

a) Reconciliation of net cash provided by operating activities to surplus for the year

	2012	2011
	\$	\$
Surplus for the Year	(14,020)	23,684
Non-cash flows in profit from ordinary activities		
- Depreciation	19,348	22,278
- Provisions for staff entitlements	17,979	5,336
	<u>23,307</u>	<u>51,298</u>
Changes in assets and liabilities		
- Decrease/(Increase) in trade receivables	1,173	(4,317)
- Decrease/(Increase) in prepayments	609	522
- Increase/(Decrease) in trade and other payables	(17,449)	(104)
Cash from operating activities	<u>7,640</u>	<u>47,399</u>

b) Non-cash investing and financing activities

Independent Living Centre (Tas) Inc. did not enter into any non-cash investing and financing activities for the year ended 30 June 2012.

c) Financing Facilities

Unsecured credit card facility

Amount used	435	420
Amount unused	<u>4,565</u>	<u>4,580</u>
	5,000	5,000

11 Members Guarantee

The Independent Living Centre (Tas) Inc is incorporated under the Associations Incorporation Act 1964 (as amended). The members are liable in the event of winding up to the amount not exceeding \$2 per member in accordance with the association's constitution.

12 Related Party Transactions

There were no related party transactions for the association during 2011/12.

Independent Living Centre (Tas) Inc

Committee Declaration

For the Year Ended 30 June 2012

In the opinion of the committee the financial report as set out on pages 1 to 4:

1. Presents a true and fair view of the financial position of the association as at 30 June 2012 and its performance for the year ended on that date in accordance with Australian Accounting Standards.
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.

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

Chairman



Dated

21/8/2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDEPENDENT LIVING CENTRE TAS INC

Offices at Hobart, Devonport,
Burnie & Smithton

launceston@whk.com.au
www.whk.com.au

WHK Audit
ABN 55 418 676 841

Report on the Financial Report

We have audited the accompanying financial report of Independent Living Centre Tas Inc, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the committees' declaration.

Committees' Responsibility for the Financial Report

The committee of the Independent Living Centre Tas Inc are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Associations Incorporation Act (Tasmania) 1964 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, 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 APES 110 Code of Ethics for Professional Accountants and Associations Incorporation Act (Tasmania) 1964.

Auditor's Opinion

In our opinion the financial report of Independent Living Centre Tas Inc is in accordance with the Association Incorporations Act (Tasmania) 1964, including:

- Giving a true and fair view of the association's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- Complying with Australian Accounting Standards – Reduced Disclosure Requirements.
- We obtained the information we required for the audit and the Independent Living Centre Tas Inc at 30 June 2012; and
- The rules to the administrations of the funds of the Independent Living Centre Tas Inc have been observed

WHK
WHK



Benjamin Cull
Partner

Launceston

Date: 21 August 2012