

# **Independent Living Centre (Tas) Inc.**

## **Financial Statements**

30 June 2009



## INDEPENDENT LIVING CENTRE (TAS) INC

### STATEMENT OF THE COMMITTEE OF MANAGEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

As detailed in Note 1 to the financial statements, the association is not a reporting entity because, in the opinion of the committee, there are unlikely to exist users of the financial statements who are unable to command the preparation of reports tailored so as to satisfy specifically, all of their information needs. Accordingly, this 'special purpose financial report' has been prepared to satisfy the Committee of Management's reporting requirements under the Associations Incorporation Act 1964:

In the opinion of the Committee of Management:

- (a) the accompanying income statement is drawn up so as to give a true and fair view of the result of the Association for the year ended 30 June 2009;
- (b) the accompanying balance sheet is drawn up so as to give a true and fair view of the state of affairs of the Association as at 30 June 2009;
- (c) the accompanying cash flow statement is drawn up so as to give a true and fair view of the cash flows for the year ended 30 June 2009;
- (d) 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 become due and payable.

Signed at Launceston this *16<sup>th</sup>* day of *September* 2009,

In accordance with a resolution of the Committee of Management.

  
.....  
Jay Summers  
Chair Person

**Independent Living Centre Tasmania**

ABN 85 491 229 572

46 Canning Street, Launceston | Tasmania | 7250 | Australia

local call 1300 885 886 | t 03 6334 5899 | f 03 6334 0045 | e [ilc@ilctas.asn.au](mailto:ilc@ilctas.asn.au) | w [www.ilctas.asn.au](http://www.ilctas.asn.au)



BDO Kendalls

BDO Kendalls Audit & Assurance (TAS)  
Level 8, 85 Macquarie St  
Hobart TAS 7000  
GPO Box 1681 Hobart TAS 7001  
Phone 61 3 6234 2499  
Fax 61 3 6234 2392  
aa.hobart@bdo.com.au  
www.bdo.com.au

ABN 69 593 209 343

## **INDEPENDENT LIVING CENTRE (TAS) INC.**

### **Independent Auditor's Report to the members of Independent Living Centre (Tas) Inc.**

#### **Report on the Financial Report**

We have audited the accompanying financial report, being a special purpose financial report of Independent Living Centre (Tas) Inc. (the 'association'), which comprises the balance sheet as at 30 June 2009, the income statement for the year then ended, cash flow statement, a summary of significant accounting policies and other explanatory notes and the Statement of the Committee of Management.

#### **Committee of Management's Responsibility for the Financial Report**

The Committee of Management of the association are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the Associations Incorporation Act (Tasmania) and are appropriate to meet the needs of the members. The Committee of Management's responsibilities also include designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards. These auditing 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 judgment, 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 Committee of Management, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee of Management's financial reporting under the Associations Incorporation Act (Tasmania). We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it is prepared.

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 Australian professional ethical pronouncements.

#### **Auditor's Opinion**

In our opinion, the financial report of Independent Living Centre (Tas) Inc. presents fairly, in all material respects the financial position of Independent Living Centre (Tas) Inc. as of 30 June 2009 and of its performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Associations Incorporation Act (Tasmania).

The rules relating to the administration of the funds of the Association have been observed.

*BDO Kendalls*

**BDO Kendalls Audit & Assurance (Tas)**

*R Byrne*

**Ross Byrne  
Director**

Dated this *17<sup>th</sup>* day of *September* 2009

**INDEPENDENT LIVING CENTRE (TAS) INC**  
**INCOME STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

		2009	2008
		\$	\$
Revenue from ordinary activities	2	702,291	669,539
Occupancy expenses		(69,242)	(65,476)
Administration expenses		<u>(604,675)</u>	<u>(596,325)</u>
<b>NET (DEFICIT)/SURPLUS</b>		<u><u>28,374</u></u>	<u><u>7,738</u></u>

**INDEPENDENT LIVING CENTRE (TAS) INC**

**BALANCE SHEET  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
<b>CURRENT ASSETS</b>			
Cash assets	3	271,427	281,310
Trade and other receivables	4	506	2,522
Other assets	5	<u>667</u>	<u>1,913</u>
<b>TOTAL CURRENT ASSETS</b>		<u>272,600</u>	<u>285,745</u>
<b>NON CURRENT-ASSETS</b>			
Property, plant and equipment	6	<u>99,154</u>	<u>68,536</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>99,154</u>	<u>68,536</u>
<b>TOTAL ASSETS</b>		<u>371,754</u>	<u>354,281</u>
<b>CURRENT LIABILITIES</b>			
Payables	7	58,010	87,257
Provisions	8	<u>36,051</u>	<u>26,159</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>94,061</u>	<u>113,416</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	<u>14,699</u>	<u>6,245</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>14,699</u>	<u>6,245</u>
<b>TOTAL LIABILITIES</b>		<u>108,760</u>	<u>119,661</u>
<b>NET ASSETS</b>		<u>262,994</u>	<u>234,620</u>
<b>EQUITY</b>			
Accumulated funds	9	<u>262,994</u>	<u>234,620</u>

**INDEPENDENT LIVING CENTRE (TAS) INC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	Inflows (Outflows)	2008 \$
<b>Cash Flows from Operating Activities</b>				
Cash Receipts from Grants		617,753		604,707
Cash Receipts from Customers		22,022		66,523
Cash Payments to Suppliers and Employees		<u>(602,202)</u>		<u>(633,055)</u>
Cash Generated from Operations		37,573		38,175
Interest Received		<u>20,881</u>		<u>22,281</u>
<b>Net Cash from Operating Activities</b>	<b>10</b>		58,454	60,456
 <b>Cash Flows from Investing Activities</b>				
Proceeds from Sales of Assets		15,500		
Purchase of Plant and Equipment		(18,415)		(4,894)
Purchase of Motor Vehicles		(61,672)		
Purchase of Leasehold Improvements		<u>(3,750)</u>		
<b>Net Cash from Investing Activities</b>			(68,337)	(4,894)
 <b>Cash Flows from Financing Activities</b>				
<b>Net Cash from Financing Activities</b>			<u>\$ -</u>	<u>\$ -</u>
 Net Increase/(Decrease) in Cash and Cash Equivalents				
			(9,883)	55,562
Cash and Cash Equivalents at Beginning of period			<u>281,310</u>	<u>225,748</u>
Cash and Cash Equivalents at End of Period	<b>3</b>		271,427	281,310

## 1. SUMMARY OF ACCOUNTING POLICIES

### Financial Reporting Framework

The association is not a reporting entity because in the opinion of the Committee of Management there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report' has been prepared to satisfy the committee's reporting requirements under the Associations Incorporation Act 1964.

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

The financial report has been prepared in accordance with the following accounting standards:

- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1031 Materiality
- AASB 120 Accounting for Grant Income

### Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### (a) Contributions

Contributions are recognised immediately as income when the expense that relates to the contribution has been incurred.

The Independent Living Centre (Tas) Inc. has three significant sources of contributions.

- (i) Government Grants and subsidies received in relation to working expenditures for disability services home and community care services and technology projects.  
Unexpended grants are included as a liability until expended.
- (ii) Monetary donations are recognised as income when received.
- (iii) Other ad hoc grants are recognised as income when they are expended.

#### (b) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages, salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.



**INDEPENDENT LIVING CENTRE (TAS) INC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

**(c) Interest Revenue**

Interest revenue is brought to account on an accrual basis.

**(d) Cash & Cash Equivalents**

This balance comprises cash on hand, cash in bank and amounts on deposit.

**(e) Payables**

Trade payables and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

**(f) Receivables**

Trade and other receivables are measured at amortised cost.

**(g) 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

**(h) Comparative Figures**

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures presented for the current financial year.

**(i) Income Tax**

The association is currently not liable for income tax, in accordance with Section 50-5 of the Income Tax Assessment Act (as amended).

**(j) Liability of Members**

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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008**

**2. NOTE TO THE INCOME STATEMENT**

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

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Operating Revenue</b>		
Fees	1,423	3,736
Grant Income	624,801	570,703
Other Grant Income	24,461	10,000
Room Hire	165	7,151
Subscriptions	458	580
Sundry	20,306	28,610
Workshop Fees Charged	-	236
Donations	9,796	26,242
Interest	20,881	22,281
	<u>702,291</u>	<u>669,539</u>
	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>(b) Expenses</b>		
Depreciation		
Leasehold Improvements	18,813	16,686
Plant and Equipment	1,614	4,253
Computer Equipment	10,839	3,197
Motor Vehicles	8,330	3,322
Tech Equipment	10,265	8,093
	<u>49,861</u>	<u>35,551</u>

**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	9,435	(3,054)
Commonwealth Cheque Account	-	541
Tasmanian Perpetual Trustees Cash Management	2,619	87,852
Tasmanian Perpetual Trustees Term Investment	259,273	195,871
Cash on Hand	100	100
	<u>271,427</u>	<u>281,310</u>

**INDEPENDENT LIVING CENTRE (TAS) INC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

**4. TRADE AND OTHER RECEIVABLES**

Trade receivables	<u>506</u>	<u>2,522</u>
-------------------	------------	--------------

**5. OTHER ASSETS**

Prepayments	<u>667</u>	<u>1,913</u>
-------------	------------	--------------

**6. PROPERTY, PLANT AND EQUIPMENT - AT COST**

Leasehold Improvements	71,603	67,853
Accumulated Depreciation	<u>(52,790)</u>	<u>(33,977)</u>
	<u>18,813</u>	<u>33,876</u>

Plant and Equipment	48,470	47,680
Accumulated Depreciation	<u>(40,388)</u>	<u>(38,774)</u>
	<u>8,082</u>	<u>8,906</u>

Motor Vehicles	61,672	34,668
Accumulated Depreciation	<u>(6,130)</u>	<u>(23,225)</u>
	<u>55,542</u>	<u>11,443</u>

Computer Equipment	51,038	30,781
Accumulated Depreciation	<u>(34,331)</u>	<u>(23,492)</u>
	<u>16,707</u>	<u>7,289</u>

Plant and Equipment Tech	32,602	29,349
Accumulated Depreciation	<u>(32,592)</u>	<u>(22,327)</u>
	<u>10</u>	<u>7,022</u>

Total Property Plant and Equipment	<u>99,154</u>	<u>68,536</u>
------------------------------------	---------------	---------------

**7. PAYABLES**

Trade Creditors	4,926	1,585
GST & PAYG Payable	13,093	11,393
Unexpended Grants	22,260	41,308
Accrued expenses	13,364	13,137
CBA Mastercard	-	2,515
Bendigo Bank Mastercard	(483)	8
Other Grants/Income received in Advance	<u>4,850</u>	<u>17,311</u>
	<u>58,010</u>	<u>87,257</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

**8. PROVISIONS**

**Current**

Annual Leave	<u>36,051</u>	<u>26,159</u>
--------------	---------------	---------------

**Non-Current**

Long Service Leave	<u>14,699</u>	<u>6,245</u>
--------------------	---------------	--------------

**9. ACCUMULATED FUNDS**

Balance at Beginning of Financial Year	234,620	252,497
Net (Deficit)/Surplus	28,374	7,738
Change in Accounting Policy	<u>-</u>	<u>(25,615)</u>
Balance at End of Financial Year	<u>262,994</u>	<u>234,620</u>

**10. NOTE TO THE CASH FLOW STATEMENT**

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

Surplus for the Year	28,374	7,738
Non-cash flows in profit from ordinary activities		
- Gain on disposal of assets	(6,257)	-
- Depreciation	49,861	35,551
- Donation of Software	(5,885)	-
- Provisions for staff entitlements	<u>18,346</u>	<u>18,789</u>
	84,439	62,078
Changes in assets and liabilities		
- Decrease/(Increase) in trade receivables	2,016	(32)
- Decrease/(Increase) in prepayments	1,246	(513)
- Increase/(Decrease) in trade and other payables	<u>(29,247)</u>	<u>(1,077)</u>
<b>Cash from operating activities</b>	<b>58,454</b>	<b>60,456</b>

**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 2009.

**c) Financing Facilities**

Unsecured credit card facility	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Amount used	-	2,523
Amount unused	<u>5,483</u>	<u>5,477</u>
	5,483	8,000

**INDEPENDENT LIVING CENTRE (TAS) INC**  
**DETAILED OPERATING STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
<b>Income</b>		
Car Parking	2,416	2,272
Donations	9,796	26,242
Grants - Disability Service	429,150	393,328
Grant - HACC	195,651	177,375
Interest		
Cheque Account	2,912	261
Cash Management and Investment Accounts	17,969	22,020
Room Hire	165	7,151
Admin Fee Salary Sacrifice	7,895	7,656
Subscription Membership	458	580
Other Grant	24,461	10,000
Professional Fees Charged	1,423	3,736
Sundry	9,995	18,682
Workshop fees charged	-	236
	<u>702,291</u>	<u>669,539</u>
<b>Expenditure</b>		
Depreciation		
Leasehold Improvements	18,813	16,686
Computer System Upgrade	10,839	3,197
Plant and Equipment	1,614	4,253
Motor Vehicles	8,330	3,322
Plant and Equipment Tech	10,265	8,093
Transfer to Provision for Annual Leave	9,892	18,027
Transfer to Provision for Long Service Leave	8,454	762
Advertising	17,810	14,308
Audit Fees	3,050	3,650
Cleaning	982	275
Computer Support/Upgrades	8,842	4,118
Consultancy	2,055	28,323
Electricity	7,326	5,966
Insurance	12,585	12,873
Motor Vehicle Costs	3,228	1,277
Postage, Printing and Stationery	6,897	7,547
Rates and Taxes	8,473	7,999
Rent	49,379	47,709

This detailed operating statement does not form part of the audited financial statements

**INDEPENDENT LIVING CENTRE (TAS) INC**  
**DETAILED OPERATING STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
Repairs and Maintenance	3,700	2,534
Sundry	18,800	39,447
Superannuation	35,789	33,030
Telephone	12,442	11,017
Travel, Meal and Accommodation Costs	11,829	13,859
Wages	402,523	373,529
	<hr/>	<hr/>
	673,917	661,801
	<hr/>	<hr/>
<b>Net (Deficit)/Surplus</b>	<b>28,374</b>	<b>7,738</b>

This detailed operating statement does not form part of the audited financial statements

**INDEPENDENT LIVING CENTRE (TAS) INC.****LIST OF COMMITTEE OF MANAGEMENT MEMBERS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009**

Jay Summers (Chair Person) North West	168 Dial Road PENGUIN TAS 7316
Marguerite Lester (Secretary) North West	3699 Meander Valley Highway EXTON TAS 7303
Kevin Preece (Treasurer) North	33 Hawthorn Road NORWOOD TAS 7250
Margaret Barlow North	Unit 1/1 Nanette Court PROSPECT TAS 7250
Lauren Innes North	13 Denman Road TREVALLYN TAS 7250
James Newton North	27 McDougall Street KINGS MEADOWS TAS 7249
Nick Gee North	55 Glenwood Road RELBIA TAS 7258
Gunter Breier North	157 Opossum Road NORWOOD TAS 7250
Jeff Ridley South	441 Sandy Bay Road SANDY BAY TAS 7005

BDO Kendalls Audit & Assurance (Tas)



Ross Byrne  
Director

Dated this 17<sup>th</sup> day of September 2009

**Independent Living Centre Tasmania**

ABN 85 691 229 572

46 Canning Street, Launceston | Tasmania | 7250 | Australia

local call 1300 885 886 | t 03 6334 5899 | f 03 6334 0045 | e [ilc@ilctas.asn.au](mailto:ilc@ilctas.asn.au) | w [www.ilctas.asn.au](http://www.ilctas.asn.au)