

**INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

		2011	2010
		\$	\$
Revenue from ordinary activities	2	743,363	703,396
Employee benefits expense		(544,436)	(520,834)
Occupancy expenses		(72,875)	(69,977)
Depreciation and amortisation	3	(22,278)	(22,061)
Administration expenses		<u>(110,090)</u>	<u>(96,354)</u>
<i>OPERATING SURPLUS/(DEFICIT)</i>		<u>(6,316)</u>	<u>(5,830)</u>
Non-Operating Income		30,000	-
Total Comprehensive Income		<u>23,684</u>	<u>(5,830)</u>

INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash assets	3	348,042	302,516
Trade and other receivables	4	6,511	2,194
Other assets	5	1,597	2,119
TOTAL CURRENT ASSETS		<u>356,150</u>	<u>306,829</u>
NON CURRENT-ASSETS			
Property, plant and equipment	6	62,436	82,841
TOTAL NON-CURRENT ASSETS		<u>62,436</u>	<u>82,841</u>
TOTAL ASSETS		<u>418,586</u>	<u>389,670</u>
CURRENT LIABILITIES			
Payables	7	71,484	71,588
Provisions	8	54,516	43,350
TOTAL CURRENT LIABILITIES		<u>126,000</u>	<u>114,938</u>
NON-CURRENT LIABILITIES			
Provisions	8	11,738	17,568
TOTAL NON-CURRENT LIABILITIES		<u>11,738</u>	<u>17,568</u>
TOTAL LIABILITIES		<u>137,738</u>	<u>132,506</u>
NET ASSETS		<u>280,848</u>	<u>257,164</u>
EQUITY			
Building Reserve	9	230,000	230,000
Education Reserve	9	30,000	-
Accumulated funds		20,848	27,164
TOTAL EQUITY		<u>280,848</u>	<u>257,164</u>

**INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF CHANGE IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

	Note	Accumulated Funds \$	Building Reserve \$	Education Reserve \$	Total \$
2010					
Balance at 1 July 2009		262,994	-	-	262,994
Net surplus/deficit for year		(5,830)			(5,830)
Transfers		(230,000)	230,000		-
Balance at 30 June 2010		<u>27,164</u>	<u>230,000</u>	<u>-</u>	<u>257,164</u>
2011					
Balance at 1 July 2010		27,164	230,000	-	257,164
Net surplus/deficit for year		23,684			23,684
Transfers		(30,000)	-	30,000	-
Balance at 30 June 2011		<u>20,848</u>	<u>230,000</u>	<u>30,000</u>	<u>280,848</u>

**INDEPENDENT LIVING CENTRE (TAS) INC
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	2010 \$
Cash Flows from Operating Activities			
Cash Receipts from Grants		702,271	675,242
Cash Receipts from Customers		45,437	18,124
Cash Payments to Suppliers and Employees		<u>(720,109)</u>	<u>(672,139)</u>
Cash Generated from Operations		27,599	21,227
Interest Received		19,800	15,610
Net Cash from Operating Activities	10	<u>47,399</u>	<u>36,837</u>
 Cash Flows from Investing Activities			
Proceeds from Sales of Assets		-	-
Purchase of Plant and Equipment		(1,873)	(5,749)
Purchase of Motor Vehicles		-	-
Purchase of Leasehold Improvements		<u>-</u>	<u>-</u>
Net Cash from Investing Activities		<u>(1,873)</u>	<u>(5,749)</u>
 Cash Flows from Financing Activities			
Net Cash from Financing Activities		<u>\$ -</u>	<u>\$ -</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		45,526	31,088
Cash and Cash Equivalents at Beginning of period		<u>302,515</u>	<u>271,427</u>
Cash and Cash Equivalents at End of Period	3	<u><u>348,041</u></u>	<u><u>302,515</u></u>

INDEPENDENT LIVING CENTRE (TAS) INC
NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

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 FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

(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 FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

2 Note to the Income Statement

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

	2011	2010
	\$	\$
(a) Operating Revenue		
Fees	2,063	4,029
Grant Income	649,372	645,024
Other Grant Income	54,437	22,950
Room Hire	404	245
Subscriptions	395	550
Sundry	12,684	14,597
Workshop Fees Charged	4,030	336
Donations	178	55
Interest	19,800	15,610
	<u>743,363</u>	<u>703,396</u>
(b) Expenses		
Depreciation		
Leasehold Improvements	5,355	5,354
Plant and Equipment	1,940	1,443
Computer Equipment	8,816	9,097
Motor Vehicles	6,167	6,167
	<u>22,278</u>	<u>22,061</u>
Rental expense on operating leases	51,500	50,219
Key management personnel compensation	96,570	94,616
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	5,668
Tasmanian Perpetual Trustees Cash Management	44,124	33,950
Tasmanian Perpetual Trustees Term Investment	276,699	262,698
Cash on Hand	200	200
	<u>348,042</u>	<u>302,516</u>
4 Trade and Other Receivables		
Trade receivables	<u>6,511</u>	<u>2,194</u>
5 Other Assets		
Prepayments	<u>1,597</u>	<u>2,119</u>

INDEPENDENT LIVING CENTRE (TAS) INC
NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
6 Property, Plant and Equipment at Cost		
Leasehold Improvements	78,819	78,819
Accumulated Depreciation	(68,101)	(62,746)
	10,718	16,073
Plant and Equipment	26,527	25,333
Accumulated Depreciation	(21,517)	(20,131)
	5,010	5,202
Motor Vehicles	61,672	61,672
Accumulated Depreciation	(18,464)	(12,297)
	43,208	49,375
Computer Equipment	95,195	95,070
Accumulated Depreciation	(91,695)	(82,879)
	3,500	12,191
Total Property Plant and Equipment	62,436	82,841
7 Payables		
Trade Creditors	3,932	2,486
GST & PAYG Payable	16,022	14,231
Unexpended Grants	-	2,978
Accrued expenses	18,270	16,343
Bendigo Bank Mastercard	420	4,150
Other Grants/Income received in Advance	32,840	31,400
	71,484	71,588
8. PROVISIONS		
Current		
Annual Leave	45,037	43,350
Long Service Leave	9,479	-
	54,516	43,350
Non-Current		
Long Service Leave	11,738	17,568
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 FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

(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

	2011	2010
	\$	\$
Surplus for the Year	(6,316)	(5,830)
Non-cash flows in profit from ordinary activities		
- Depreciation	22,278	22,061
- Provisions for staff entitlements	5,336	10,168
	<u>21,298</u>	<u>26,399</u>
Changes in assets and liabilities		
- Decrease/(Increase) in trade receivables	(4,317)	(1,688)
- Decrease/(Increase) in prepayments	522	(1,452)
- Increase/(Decrease) in trade and other payables	(104)	13,578
Cash from operating activities	<u>17,399</u>	<u>36,837</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 2011.

c) Financing Facilities

Unsecured credit card facility

Amount used	420	4,150
Amount unused	4,580	850
	<u>5,000</u>	<u>5,000</u>

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 2010/11.

Committee Declaration

For the Year Ended 30 June 2011

In the opinion of the committee the financial report as set out on pages 1 to 8:

1. Presents a true and fair view of the financial position of the association as at 30 June 2011 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:



Jay Summers
Chairman

Date 6 Sep 2011



GARROTT
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the members of Independent Living Centre Tas Inc

We have audited the accompanying financial report of Independent Living Centre Tas Inc, which comprises the statement of financial position as at 30 June 2011, 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 entity 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 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.



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Independence

In conducting our audit, we have complied with the independence requirements of APES 110 *Code of Ethics for Professional Accountants*.

Auditor's Opinion

In our opinion:

- The financial report presents fairly, in accordance with the accounting policies described in Note 1 to the financial statements, the financial position of the Independent Living Centre Tas Inc at 30 June 2011, and of its performance for the year ended;
- We obtained the information we required for the audit and the Independent Living Centre Tas Inc kept proper accounting records and other books during the year ended 30 June 2011; and
- The rules relating to the administration of the funds of the Independent Living Centre Tas Inc have been observed.

Garrott & Garrott
GARROTT & GARROTT
Chartered Accountants

Benjamin Coull
Benjamin Coull
Partner

Launceston

Date: 13 September 2011

