

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2015

**Liability limited by a scheme approved under
Professional Standards Legislation**

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

CONTENTS

Income Statement	1
Balance Sheet	3
Cash Flow Statement	4
Notes to the Financial Statements	5
Statement by Members of the Board	10
Auditor's Report	11

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 \$	2014 \$
INCOME			
Government Funding:			
ADHC: Recurrent		260,711.84	251,902.21
ADHC: Defining Pathways		67,979.74	62,090.26
ADHC: Planning Support		41,819.72	6,756.76
NDIA: DSO Capacity Development		30,671.83	-
		401,183.13	320,749.23
OTHER INCOME			
Interest Received		19,265.56	6,130.14
Members' Contributions		3,644.69	3,254.28
Workshop Income		52,978.50	14,545.44
Other Income		10,753.13	875.85
Community Grants		13,351.55	36,917.69
Donations - Public		100.00	52.50
		100,093.43	61,775.90
		501,276.56	382,525.13
EXPENDITURE			
Advertising		68.18	245.45
Annual Leave Provision		(8,857.96)	1,511.59
Auditor's Remuneration		4,500.00	4,200.00
Bank Charges		849.18	883.35
Bookkeeping Fees		1,582.73	1,364.77
Capital Equipment W/off		6,742.87	-
Computer Expenses		15,421.11	8,524.51
Conferences & Expos		2,500.00	-
Consultancy Fees		19,215.81	2,172.27
Board Expenses		4,435.94	3,324.20
Depreciation		4,207.00	2,964.91
DSO Grant Expenditure		79.51	-
Grant Expenses		35,032.05	21,971.32
Impact Website		14,751.47	5,385.01
Insurance		9,018.43	7,360.84
Long Service Leave		429.51	5,999.85
Permits, Licences & Fees		844.55	665.00
Planning Support Grant Expenditure		14,152.10	-
Postage		1,828.53	1,007.85
Printing & Stationery		5,998.34	11,707.96
Rent		9,610.51	9,332.92
Repairs & Maintenance		65.00	-
Salaries & Wages		260,540.18	197,573.95
Staff Training & Amenities		3,000.00	1,739.04
Strategic Planning		5,189.01	5,189.04
Subscriptions		1,429.03	620.91
Superannuation Contributions - Compulsory		20,948.24	11,899.08

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

Note	2015 \$	2014 \$
Superannuation Contributions - Salary Packaged	20,438.60	35,000.20
Telephone	2,852.09	3,506.56
Travelling & Accommodation Expenses	6,686.13	529.49
Volunteer Expenses	40.10	953.90
Workshop Expenses	10,402.25	1,082.68
	<u>474,000.49</u>	<u>346,716.65</u>
Profit before income tax	<u>27,276.07</u>	<u>35,808.48</u>
Profit for the year	<u>27,276.07</u>	<u>35,808.48</u>
Retained earnings at the beginning of the financial year	<u>86,326.36</u>	<u>50,517.88</u>
Retained earnings at the end of the financial year	<u>113,602.43</u>	<u>86,326.36</u>

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

BALANCE SHEET
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	806,945.29	786,385.45
Trade and other receivables	3	16,951.62	949.62
Prepaid Expenses		894.64	6,228.26
TOTAL CURRENT ASSETS		<u>824,791.55</u>	<u>793,563.33</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	4,889.61	9,096.61
TOTAL NON-CURRENT ASSETS		<u>4,889.61</u>	<u>9,096.61</u>
TOTAL ASSETS		<u>829,681.16</u>	<u>802,659.94</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	5	75,819.13	117,237.45
Unamortised Grants	6	625,844.55	585,110.59
TOTAL CURRENT LIABILITIES		<u>701,663.68</u>	<u>702,348.04</u>
NON-CURRENT LIABILITIES			
Employee benefits	7	14,415.05	13,985.54
TOTAL NON-CURRENT LIABILITIES		<u>14,415.05</u>	<u>13,985.54</u>
TOTAL LIABILITIES		<u>716,078.73</u>	<u>716,333.58</u>
NET ASSETS		<u>113,602.43</u>	<u>86,326.36</u>
MEMBERS' FUNDS			
Retained earnings	8	113,602.43	86,326.36
TOTAL MEMBERS' FUNDS		<u>113,602.43</u>	<u>86,326.36</u>

The accompanying notes form part of these financial statements.

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Government Grants	300,335.31	320,749.23
Receipts from Community Grants, Workshops & Members	20,528.10	61,161.15
Interest Received	19,265.56	6,130.14
GST Payable/(Paid) to ATO	(42,265.13)	57,424.23
Employee Wages & Superannuation	(296,149.55)	(236,795.36)
General administration expenses and direct expenses	<u>(155,575.48)</u>	<u>(89,066.86)</u>
Net cash provided by (used in) operating activities	<u>(153,861.19)</u>	<u>119,602.53</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Unexpended Government Grants	<u>174,421.03</u>	<u>561,222.98</u>
Net cash provided by financing activities	<u>174,421.03</u>	<u>561,222.98</u>
Net increase in cash held	20,559.84	680,825.51
Cash at beginning of financial year	<u>786,385.45</u>	<u>105,559.94</u>
Cash at end of financial year	<u>806,945.29</u>	<u>786,385.45</u>

2

The accompanying notes form part of these financial statements.

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

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

1 Summary of Significant Accounting Policies

Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 2009. The board has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of this financial report.

Plant and Equipment

Plant and equipment is carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

Income Tax

The association is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

Economic Dependence

The association is dependent upon the NSW Department of Family & Community Services for the majority of its operating revenue. At the date of this report the department has guaranteed funding up to 30th June 2018 in accordance with its standard 3-year funding agreement.

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

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

Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. 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.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Cash and Cash Equivalents

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

Revenue and Other Income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

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

Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

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

	2015	2014
	\$	\$
2 Cash and Cash Equivalents		
ING Business Optimiser A/c	725,318.09	171,237.18
Westpac Banking Corporation Cheque A/c	30,040.86	563,562.97
Westpac Banking Corporation Reserves A/c	62.44	61.40
Westpac Banking Corporation Gift Fund A/c	1,523.90	1,523.90
ING Term Deposit	50,000.00	50,000.00
	<u>806,945.29</u>	<u>786,385.45</u>
Reconciliation of cash		
Cash and Cash equivalents reported in the cash flow statement are reconciled to the equivalent items in the balance sheet as follows:		
Cash and cash equivalents	<u>806,945.29</u>	<u>786,385.45</u>
	<u>806,945.29</u>	<u>786,385.45</u>
3 Trade and Other Receivables		
Current		
Trade Debtors	16,002.00	-
Input Tax Credits	949.62	949.62
	<u>16,951.62</u>	<u>949.62</u>
4 Property, Plant and Equipment		
Plant & Equipment	25,360.86	25,360.86
Less: Accumulated Depreciation	<u>(20,577.49)</u>	<u>(16,409.49)</u>
	<u>4,783.37</u>	<u>8,951.37</u>
Office Furniture & Equipment	10,009.45	10,009.45
Less: Accumulated Depreciation	<u>(9,903.21)</u>	<u>(9,864.21)</u>
	<u>106.24</u>	<u>145.24</u>
Total Plant and Equipment	<u>4,889.61</u>	<u>9,096.61</u>
Total Property, Plant and Equipment	<u>4,889.61</u>	<u>9,096.61</u>

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702

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

	2015	2014
	\$	\$
5 Accounts Payable and Other Payables		
Current		
Trade Creditors	26,119.45	10,733.63
Income in Advance: Impact Website	-	8,872.00
Other Creditors & Accruals	8,940.06	5,089.74
Superannuation Payable	5,939.70	3,086.55
Prepaid Membership Fees	-	2,586.52
ATO Clearing Account	21,409.87	64,601.00
Provision for Annual Leave	13,410.05	22,268.01
	<u>75,819.13</u>	<u>117,237.45</u>
6 Unamortised Grants		
Current		
Unamortised Grant: ADHC Dementia	-	23,887.61
Unamortised Grant: ADHC Defining Pathways	-	67,979.74
Unamortised Grant: ADHC Planning Support	451,423.52	493,243.24
Unamortised Grant: DSO Capacity Development	174,421.03	-
Total current unamortised grants	<u>625,844.55</u>	<u>585,110.59</u>
Total unamortised grants	<u>625,844.55</u>	<u>585,110.59</u>
7 Employee Benefits		
Non-Current		
Provision for Long Service Leave: Conditional	<u>14,415.05</u>	<u>13,985.54</u>
<p>The conditional long service leave provision relates to employees with between 5 and 10 years' service.</p>		
8 Retained Earnings		
Retained earnings at the beginning of the financial year	86,326.36	50,517.88
Net profit attributable to the association	27,276.07	35,808.48
Retained earnings at the end of the financial year	<u>113,602.43</u>	<u>86,326.36</u>

THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702


STATEMENT BY MEMBERS OF THE BOARD

The board 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 the financial report as set out on pages 1 to 9:

1. Presents a true and fair view of the financial position of The Physical Disability Council of NSW Inc as at 30 June 2015 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that The Physical Disability Council of NSW Inc will be able to pay its debts as and when they fall due.

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

President:  _____

Treasurer:  _____

Dated this 15th day of September 2015

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of The Physical Disability Council of NSW Inc (the association), which comprises the balance sheet as at 30 June 2015, and the income and expenditure statement and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the board.

Board's Responsibility for the Financial Report

The board of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 2009 and for such internal control as the board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I 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 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 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 board, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE PHYSICAL DISABILITY COUNCIL OF NSW INC
26 858 845 702**

Auditor's Opinion

In my opinion:

The financial report of The Physical Disability Council of NSW Inc is in accordance with the Associations Incorporation Act 2009 including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2015 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards.

Basis of Accounting and Restriction on Distribution

Without modifying my opinion, I draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the Associations Incorporation Act 2009 (NSW). As a result, the financial report may not be suitable for another purpose.

Name of Firm: DA Fearnley & Co
Chartered Accountant

Name of Principal:



David Fearnley, B.Ec, FCA.

Address: 30/1 Jordan St Gladesville NSW 2111

Dated this 16th **day of** September 2015