

Council on the Ageing Queensland Inc

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COUNCIL ON THE AGEING QUEENSLAND INC

I have audited the accompanying financial report, being a special purpose financial report, of Council on the Ageing Queensland Inc (the association), which comprises the committee's report, the balance sheet as at 30 June 2011, the income and expenditure statement for the year then ended, statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of Council on the Ageing Queensland Inc is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Associations Incorporation Act Qld and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that 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 have 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 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 association'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 association'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.

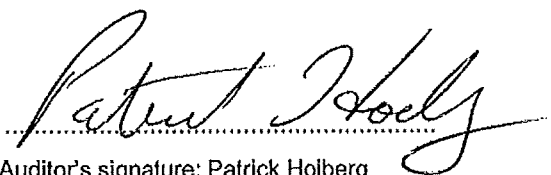
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Council on the Ageing Queensland Inc as at 30 June 2011 and its financial 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 Qld.

Basis of Accounting and Restriction on Distribution

Without modifying my opinion, I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Council on the Ageing Queensland Inc to meet the requirements of Associations Incorporation Act Qld. As a result, the financial report may not be suitable for another purpose.



Auditor's signature: Patrick Holberg

Auditor's address: 108 Wilkie Street, YEERONGPILLY QLD 4105

Dated this 15th day of September 2011

Council on the Ageing Queensland Incorporated
A.B.N. 13 465 280 311
Committee's Report

Your committee members submit the financial report of Council on the Ageing Queensland Incorporated (the association) for the financial year ended 30 June 2012.

Committee Members

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

Madelyn Kelman	Chair Person
Neale Condon	Deputy Chair
Mark Tucker -Evans	Secretary
Stephen Ring	Treasurer
Warren Males	
Peter Howells	
Robyn Robinson	
Margaret Sugden	

Principal Activities

The principal activities of the association during the financial year was to provide research, policy development , advocacy, community education , information for Queensland's seniors.


Significant Changes

No significant change in the nature of these activities occurred during the year.


Operating Result

The net profit amounted to \$116,152. (2011 Loss \$6,830)

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



Madelyn Kelman - President



Stephen Ring - Treasurer

Dated this 18THday of SEPTEMBER2012.

Council on the Ageing Queensland Incorporated
A.B.N. 13 465 280 311
Receipts and payments
For the year ended 30 June 2012

	2012	2011
	\$	\$
Income		
Members' Subscriptions	26,639	29,243
Insurance Commissions	91,785	88,958
Administration fees	-	434
Project Income	924,880	779,951
Sundry Income	8,635	21,399
Donations	66,721	1,977
Interest Received	69,665	71,312
	<u>1,188,325</u>	<u>993,274</u>
 Expenses		
Audit Fees	2,750	2,300
Accounting Fees	18,168	45,325
Administration fees	198	-
Bank Charges	1,458	1,990
Board/Meetings Expenses	4,805	2,308
Body Corporate Fees	7,544	-
Catering and Meals	7,407	6,315
Cleaning	6,610	6,025
Computer Maintenance Software & Support	21,020	14,840
Conference/Seminar Expenses	6,467	1,603
Consultancy Services	50,313	20,488
Depreciation	20,057	21,361
Electricity	8,773	8,333
Insurance	4,545	1,870
Interest Expense	16,679	-
Legal Fees	6,807	1,494
Motor Vehicle	3,657	2,467
COTA Levy	23,474	16,256
Marketing	22,074	5,960
Membership Fulfillment	18,947	19,136
Minor Office Equipment	1,027	-
Other Core Expenses	3,970	1,146
Parking	3,053	5,426
Photocopier	4,694	7,731
Postage and Courier	4,759	6,059
Printing/Stationery	10,224	10,242
Rates	6,463	-
Relocation Expenses	15,003	-
Rent	201,361	179,338
Repairs/Maintenance	231	535
Resource Material	312	(1,910)
Staffing Expenses	641,620	670,267
Subscriptions	2,151	1,892
Sundry Expenses	4,225	736
Telephone/Fax/Internet	9,988	12,391
Travel & Accommodation	21,266	14,833
Venue Hire	5,542	17,883
Volunteer Expenses	6,249	4,034
Website Development Expenses	23,362	34,899
	<u>1,217,253</u>	<u>1,143,573</u>
 Operating Surplus (Deficit)	 <u>(28,928)</u>	 <u>(150,299)</u>

Council on the Ageing Queensland Incorporated
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Receipts and payments
For the year ended 30 June 2012

	2012	2011
	\$	\$
Non-Operating Income		
IMS Distribution	145,080	137,590
<i>Capital Grants</i>	-	6,298
Profit/(Loss) on Sale of Asset	-	(419)
	116,152	(6,830)
Non-Operating Surplus (Deficit)		
	116,152	(6,830)
Net Surplus (Deficit)		
	116,152	(6,830)

Council on the Ageing Queensland Incorporated
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Balance Sheet
As at 30 June 2012

	2012	2011
	\$	\$
Assets		
Current assets		
Cash at Bank		
Maxi Account	-	273,121
Cheque Account	18,734	116,060
Bank Mecu Cheque Account	14,174	-
Cash Reserve	870	-
Term Deposits	645,862	889,358
Petty Cash Float	400	400
Ambassador Cards on Hand	-	5,510
Debtors	18,158	35,501
Prepayments	8,536	6,587
GST Receivable	7,026	303
Total current assets	713,760	1,326,840
Non-current assets		
Buildings at cost	1,274,894	-
Office Equipment at cost	33,689	33,689
Less Accumulated Depreciation	(21,715)	(19,361)
Furniture & Fittings at cost	45,731	42,405
Less Accumulated Depreciation	(20,746)	(17,796)
Computers & Peripherals at cost	114,243	103,635
Less Accumulated Depreciation	(93,106)	(82,523)
Motor Vehicles at cost	19,522	19,522
Less Accumulated Depreciation	(7,016)	(2,847)
Shares – Bank MECU	5	-
Qualifying Loan	105,300	105,300
Total non-current assets	1,450,804	182,024
Total assets	2,164,561	1,508,864

Council on the Ageing Queensland Incorporated
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Balance Sheet
As at 30 June 2012

	2012	2011
	\$	\$
Liabilities		
Current liabilities		
Accrued Leave	41,738	79,475
Mary Street Mortgage	12,960	-
Other Income Received in Advance	50,394	177,808
Payroll Liabilities	10,692	-
Creditors	24,766	43,352
Total current liabilities	140,550	300,635
Non-current liabilities		
Mary Street Mortgage	297,758	-
HACC Mortgage(Interest free)	400,000	-
Accrued Long Service Leave	20,779	18,907
Total non-current liabilities	718,537	18,907
Total liabilities	859,087	319,542
Net assets	1,305,474	1,189,322
Equity		
Retained surpluses	1,189,322	1,196,152
Current Surpluses	116,152	(6,830)
Total equity	1,305,474	1,189,322

Council on the Ageing Queensland Incorporated
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Cash Flow Statement
As at 30 June 2012

	2012	2011
	\$	\$
Cash Flows From Operating Activities		
Receipts from Members	26,639	29,243
Receipts from Government	797,463	886,274
Interest received	67,469	66,596
Receipts from others	910,947	102,868
Payments to suppliers and employees	<u>(1,252,124)</u>	<u>(1,144,949)</u>
Net cash provided by operating activities	<u>550,394</u>	<u>(59,968)</u>
 Cash Flows From Investing Activities		
Payments for property, plant & equipment	(1,286,329)	(10,521)
Dividend received	137,041	167,127
Payment for share investment	<u>(5)</u>	<u>-</u>
Net cash used in investing activities	<u>(1,149,293)</u>	<u>(156,606)</u>
 Net increase (decrease) in cash held	(598,899)	96,638
Cash and cash equivalents at the beginning of financial year	<u>1,278,939</u>	<u>1,182,301</u>
 Cash and cash equivalents at the end of financial year	<u>680,040</u>	<u>1,278,939</u>

Council on the Ageing Queensland Incorporated
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Notes to the Financial Statements
For the Year ended 30 June 2012

Note 1: Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

In the committee's opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act, 1981 (Queensland).

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 otherwise stated, have been adopted in the preparation of this financial report.

Income tax

By virtue of section 50-5 of the Income Tax Assessment Act (1999) the association is not liable for income tax.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Capital grants are recorded as non-operating income when fully expended in accordance with the funding conditions.

Grant is recognised when the entity obtains control over the funds which is generally at the time of expenditure of the grant funds.

Donation income is recognised when the entity obtains control over the funds which is generally at the time of receipt

Property, Plant and Equipment

Assets purchased with Grant Funding cannot be used for any other purpose than that stated in the funding agreement and cannot be sold or otherwise disposed of without the permission of the funding body, and a contingent liability may exist in relation to any sale proceeds.

Office equipment and Plant and equipment are 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.

Council on the Ageing Queensland Incorporated
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Notes to the Financial Statements
For the Year ended 30 June 2012

Buildings

Buildings are not subject to a depreciation charge as it is anticipated that the value of property will appreciate over its lifetime.

The purchase of the Mary Street property was partially funded by a \$400,000 Capital grant from the Department of Communities. The Department of Communities accepted a 2nd mortgage over the Mary Street property in relation to the granting of these funds. The terms of the grant agreement ensure that the Organisation may not sell or dispose of the Property without prior written consent of Department of Communities. Furthermore this consent may be given subject to the condition that the Organisation repay the amount of the Capital funds provided on sale of the Property.

Based on these conditions and the presence of the second mortgage, the Organisation has recognized the \$400,000 grant as a HACC Mortgage in the non-current liabilities on the Balance Sheet.

Impairment of assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Employee benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the entity has a present (legal or constructive) obligation, as a result of past events, it is probable that the entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

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.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless the GST incurred is not recoverable from the Australian Tax 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 expenses.

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

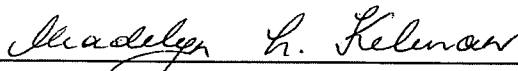
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Statement By Members of the Committee

The committee 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 Committee the financial report as set out on pages 2 to 6:

1. Presents a true and fair view of the financial position of the Council on the Ageing Queensland Incorporated as at 30 June 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Council on the Ageing Queensland Incorporated will be able to pay its debts as and when they fall due.

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



Madelyn Kelman - President



Stephen Ring - Treasurer

Dated this 18THday of SEPTEMBER.....2012.