Council on the Ageing Queensland

ABN 13 465 280 311

Annual Report 30 June 2017

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2017.

Directors
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Peter Howells (Chair)
Neale Condon (Deputy Chair)
Maree McMahon
Stephen Ring (resigned at 2016 AGM)
Robyn Robinson
Linda Rosenman
Margaret Sugden

Vision: Ageing in Australia is a time of possibility, opportunity and influence.

Strategy
1. To promote the World Health Organisation (WHO) Age-friendly Cities and Communities initiative to enhance the lives of people as they age
2. To work collaboratively with older people, community organisations, government and business to develop and deliver appropriate services
3. To provide evidenced-based information to enable older people to make well-informed decisions
4. To work collaboratively with other COTAs to develop a valued, responsive and sustainable organisation.

Principal activities
COTA Queensland is the Seniors Peak organisation advancing the rights, interests and influence of people as they age in Queensland. Key activities during the financial year focused on providing effective policy advice, building the capability of non-government organisations providing programs to older people, community education and the coordination of Seniors Week.

The underlying surplus was $47,775 for 2017 compared to $104,843 for 2016 (excluding the net cost of the IFA conference of $105,086).

Performance measures
The company measures its performance in the agreed services being delivered on time, within budget and to agreed specifications and through stakeholder satisfaction.

Information on directors

Name:	**Peter Howells**
Title:	**Chair**
Qualifications:	**BA, MBA, GAICD, CAHRI**
Experience and expertise:	Peter is an independent business consultant specialising in providing Human Resources advice and project support to clients ranging from the corporate to the public sector and across a range of industries including professional services, finance and resources. He has held senior HR corporate roles for over 20 years. He has lead HR teams in the Retail Banking and Funds Management sectors, developing solutions and resolving issues to support high performing workplaces. He has been actively involved in industry and professional bodies such as the Australian Human Resources Institute and the Financial Institutions Remuneration Group (FIRG). Peter was Chairman of the FIRG management committee from 2006 to 2009. Peter embarked on his career in HR after studying psychology and anthropology at the University of Queensland. He also obtained an MBA from Griffith University. Peter is a Graduate Member, Australian Institute of Company Directors and a Certified Professional Australian Human Resources Institute.

Name:	**Neale Condon**
Title:	**Deputy Chair**
Qualifications:	**B.Bus., LLB, GAICD**
Experience and expertise:	Neale is an experienced Company Director, CEO and General Manager. He is a certified Transition Planning Consultant and also consults in corporate governance. Neale has worked mainly in the services sector and held specific responsibilities for Finance, Strategy and Corporate Governance. Neale has held senior leadership roles in non-profit companies in Health and Aged Care. In his role as Director of Finance and Corporate Services with Holy Spirit Hospital he was a key contributor to the successful planning, construction, commissioning and management of the Holy Spirit Northside Private Hospital in Brisbane. Neale is a former Director of Smart Services Cooperative Research Centre Pty Ltd. He is also on the Board of Insurance and Membership Services Limited. He holds Bachelor Degrees in Business and Law, and is a Graduate of the Australian Institute of Company Directors.

Name:	**Maree McMahon**
Title:	**Non-Executive Director/Chair, Finance & Risk Committee**
Qualifications:	**B.Bus., FAICD, FCPA**
Experience and expertise:	Maree is an experienced Executive Manager with over 25 years leading large finance and support services teams through transformational change in Queensland-based listed and global companies in the mining, financial services and construction industries. More recently, Maree has held senior leadership positions in Queensland-based Not for Profit organisations in the health and community services sector. Maree is currently an Executive Manager at Uniting Care Queensland, a large mission based health and community services organization with over 16000 staff and 9000 volunteers operating in Queensland and the Northern Territory. Throughout her career, Maree has also been an active Fellow member of CPA Australia, serving on the Queensland Divisional Council and Executive Committee as the Queensland Divisional President for 2016. As a Fellow member of the Australian Institute of Company Directors, Maree also brings over 15 years of experience serving on boards and committees.

Name: **Stephen Ring**
Title: **Non-Executive Director**
Qualifications: **B.Ec. (Hons), BA, MBA, FCA, GAICD.**
Experience and expertise: Stephen has more than 20 years experience in finance and management in the commercial sector in a range of industries including banking and investment advisory, agriculture, construction supplies, real estate, travel, water infrastructure and marine. With a strong background from the accounting profession Stephen's managerial experience has been gained primarily in strategic and senior management positions and encompasses all areas of financial management from strategic financial re-organisation, change management to business modelling and business strategy. Internationally Stephen has worked in Papua New Guinea as Head of Finance for Westpac Bank and General Manager of Westpac Travel and has undertaken industry feasibility assessments in Africa.
Stephen holds an MBA from the University of Queensland and is a Graduate of the Australian Institute of Company Directors

Name: **Robyn Robinson**
Title: **Non-Executive Director**
Qualifications: **B.Sc. Dip.C.Sc., MSc., GAICD.**
Experience and expertise: Robyn worked in executive and senior management roles within the electricity industry in Queensland for over 20 years. She has an extensive background in IT management, business performance improvement and managing organisational change. Currently Robyn works as an independent consultant advising energy industry bodies on energy consumer policy issues and stakeholder engagement. Robyn has qualifications in science and IT, and holds a Master of Science Degree in Operations Research. She is a Graduate of the Australian Institute of Company Directors. In addition to her role on the Board of COTA Queensland, Robyn is President of the Redland District Committee on the Ageing and Chair of the Redland Seniors Network. She is a former director of the Donald Simpson Community Centre.

Name: **Linda Rosenman**
Title: **Non-Executive Director**
Qualifications: **BA, Dip. Soc. Work, MSW, PhD, GAICD**
Experience and expertise: Professor Linda Rosenman has worked in academic and senior management positions at Universities in Queensland, across Australia and in the USA. She has researched, published and presented widely on economic security, superannuation and women, financial abuse and intergenerational financial relationships and has a long history of serving on and chairing boards and ministerial committees in the education, human services and ageing sectors.
Linda has a BA, Dip. Social Work, MSW and PhD and is a Graduate of the Australian Institute of Company Directors.

Name: **Margaret Sugden**
Title: **Non Executive Director/Chair, Policy committee**
Qualifications: **M.App.Fin, GAICD.**
Experience and expertise: Margaret is a retired Managing Director, Investment Services at QIC, which is one of Australia's largest institutional fund managers with a blend of public and private sector clients. She has extensive experience in strategic and tactical planning and thinking, relationship and change management, advocacy and support, and direction of product management, performance measurement and marketing strategies.
Margaret is also Chair of the Queensland Community Foundation Management Company and a Governor on the QCF Board of Governors. QCF is renowned as one of Queensland's leading charitable organisations bringing together community, business, education and government leaders to further philanthropic causes across the State.
Margaret has a Masters of Applied Finance and is a Graduate of the Australian Institute of Company Directors.

Chief Executive and Company Secretary
Mark Tucker-Evans, Chief Executive, who has the role of company secretary since 12 June 2014, has over 30 years' experience as a Chief Executive of industry and professional associations. Mark has extensive Board experience and is currently Chair, Health Consumers Queensland, Institute for Healthy Communities Australia Ltd and Institute for Healthy Communities Australia Certification Pty Ltd. He is a former Assistant Commissioner, Health Quality & Complaints Commission, Chair of QCOSS and director of ACOSS.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Full Board		Policy Committee		Finance and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Peter Howells	6	6				
Neale Condon	6	6			2	2
Maree McMahon	5	6			4	4
Stephen Ring*	1	2			1	2
Robyn Robinson	5	6	1	1	3	4
Linda Rosenman	6	6				
Margaret Sugden	5	6	1	1		

Policy Committee
In addition to the two directors the Policy Committee includes volunteers who advise on policy issues.

Winding up
If any surplus remains following the winding up of the corporation, the surplus will not be paid to our distributed amongst Members, but will be given or transferred to another entity which is:
(a) an organisation with similar purposes which is not carried on for profit or gain of its individual members;
(b) required to apply its profits (if any) or other income in promoting objects similar to those of the Corporation; and
(c) endorsed as a deductible gift recipient under sub-division 30-BA of the ITAA,
such entity to be determined by the Members at or before the winding up and in default, by application to the Supreme Court of Queensland for determination.

Subsequent events
No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated group, the results of those operations or the state of affairs of the consolidated group in future financial years.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not for profits Commission Act 2012* is set out on the following page.

This report is made in accordance with a resolution of directors, pursuant to the *Australian Charities and Not for profits Commission Act 2012*.

On behalf of the directors

Peter Howells
Director
Brisbane, 25 October 2017

Maree McMahon
Director

Brisbane, 25 October 2017

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Council on the Ageing Queensland Ltd

ABN 13 456 280 311

Auditor's Independence Declaration
To the Directors of Council on the Ageing Queensland Ltd

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act* 2012, as lead auditor for the audit of Council on the Ageing Queensland Ltd for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, during the year then ended 30 June 2017, there have been:

a. no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act* 2012 in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

Hanrick Curran Audit

Hanrick Curran Audit Pty Ltd
Authorised Audit Company: 338599

Michael Georghiou
Director

Brisbane, 3 November 2017

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Statement of surplus and deficit and other comprehensive income
For the year ended 30 June 2017

	Note		
Revenue	3	1,273,564	1,213,164
Expenses			
Consultancy Services		(30,101)	(17,000)
Employee benefits expense	4	(722,671)	(670,058)
Depreciation expense	4	(10,102)	(14,013)
Deficit on disposal of assets	9	(3,791)	-
Office expenses		(179,093)	(145,679)
Seminars & Conferences		(25,639)	(134,983)
Marketing		(74,413)	(53,578)
Other expenses	5	(179,979)	(178,096)
Surplus/(Deficit) before income tax expense		47,775	(243)
Income tax expense		-	-
Surplus/(Deficit) after income tax expense for the year attributable to the members of Council on the Ageing Queensland		47,775	(243)
Total comprehensive income for the year attributable to the members of Council on the Ageing Queensland		47,775	(243)

The above statement of surplus or deficit and other comprehensive income should be read in conjunction with the accompanying notes

Council on the Ageing Queensland
Statement of financial position
As at 30 June 2017
30 June 2017

	Note		
Assets			
Current assets			
Cash and cash equivalents	6	858,652	830,636
Trade and other receivables	7	130,768	161,598
Other	8	6,013	5,428
Total current assets		995,433	997,662
Non-current assets			
Property, plant and equipment	9	1,309,723	1,323,616
Investments		5	5
Total non-current assets		1,309,728	1,323,621
Total assets		2,305,161	2,321,283
Liabilities			
Current liabilities			
Trade and other payables	10	37,362	29,315
Employee benefits	11	70,627	78,319
Other	12	152,066	217,909
Total current liabilities		260,055	325,543
Non-current liabilities			
Employee benefits	11	7,861	6,270
Other	13	400,000	400,000
Total non-current liabilities		407,861	406,270
Total liabilities		667,916	731,813
Net assets		1,637,245	1,589,470
Equity			
Retained earnings		1,637,245	1,589,470
Total equity		1,637,245	1,589,470

Council on the Ageing Queensland
Statement of changes in equity
For the year ended 30 June 2017

	Retained surplus $	Total equity $
Balance at 1 July 2015	1,589,713	1,589,713
Surplus/(Deficit) for the year	(243)	(243)
Total comprehensive income for the year	(243)	(243)
Balance at 30 June 2016	1,589,470	1,589,740

	Retained surplus $	Total equity $
Balance at 1 July 2016	1,589,470	1,589,470
Surplus/(Deficit) for the year	47,775	47,775
Total comprehensive income for the year	47,775	47,775
Balance at 30 June 2017	1,637,245	1,637,245

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note		
Cash flows from operating activities			
Receipts from members (inclusive of GST)		7,893	9,903
Payments to suppliers and employees (inclusive of GST)		(1,498,644)	(1,097,889)
		(1,490,751)	(1,087,986)
Interest received		18,157	25,068
Donations received		973	1,122
Grants received		1,147,076	995,622
Receipts from others		247,261	134,243
Net cash from operating activities	18	(77,284)	68,069
Cash flows from investing activities			
Payments for property, plant and equipment		-	(898)
Distributions		105,300	154,440
Net cash used in investing activities		105,300	153,542
Cash flows from financing activities			
Loans from banks		-	-
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		28,016	221,611
Cash and cash equivalents at the beginning of the financial year		830,636	609,025
Cash and cash equivalents at the end of the financial year	6	858,652	830,636

The above statement of cash flows should be read in conjunction with the accompanying notes

General information

The financial statements cover Council on the Ageing Queensland as an individual entity. The financial statements are presented in Australian dollars, which is Council on the Ageing Queensland's functional and presentation currency.

Council on the Ageing Queensland is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 October 2017. The directors have the power to amend and reissue the financial statements.

Basis of preparation

Council on the Ageing Queensland applied Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Boards (AASB) and the *Australian Charities and Not for profits Commission Act 2012*. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

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.

Adoption of New and Revised Accounting standards

The Company has adopted all of the new and revised standards and interpretations issues by the Australian Accounting Standards Board (AASB), that are relevant to their operations and effective for the current period.

During the current year, the following standards became mandatory and have been adopted retrospectively by the Company:

- *AASB 2015-1 Annual Improvements (2012- 2014 cycle)*
- *AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure Initiative.*
- *AASB 2015-3 Amendments to Australian Accounting Standards - Withdrawal of AASB 1031 Materiality.*

The accounting policies have been updated to reflect changes in the recognition and measurement of assets, liabilities, income and expenses and the impact of adoption of these standards is discussed below:

AASB 2015-1 Annual Improvements (2012- 2014 cycle). Clarifications are made on AASB 5 – reclassification from held for sale to held for distribution to owners or vice versa is considered as continuation of the plan of disposal; AASB7 clarifies on disclosure requirements for transferred financial assets and offsetting arrangements; AASB 119 confirms that high quality corporate bonds or national government bonds used to determine discount rates must be in the same currency as the benefits paid to employee; AASB 134 clarifies information about cross references in the interim financial report. They have not material impact on the entity

AASB 2015-2 Disclosure Initiative – Amendment to AASB 101. There are no changes to accounting policies covered by this standard, however this amendment provide clarification regarding the disclosure requirements in AASB 101. They have no material impact on the entity.

AASB 1031 Materiality is an interim standard that cross-references to other Standards and the Framework for the Preparation and Presentation of Financial Statements (issued December 2013) that contain guidance on materiality. The AASB is progressively removing references to AASB 1031 in all Standards and Interpretations. The adoption of this standard had no material impact on the reported financial position or performance

New Accounting Standards and Interpretations
The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Company where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6 / AASB 2014-7 /AASB2014-8	30 June 2019	Significant revisions to the classification and measurement of financial assets, reducing the number of categories and simplifying the measurement choices, including the removal of impairment testing of assets measure at fair value.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 15 Revenue from Contracts with Customers	30 June 2019	This standard provides guidance on the recognition of revenue from customers.	The entity has not yet determined the magnitude of any changes which may be needed.
AASB 16 Leases	30 June 2020	Significant revisions to accounting for operational leases on balance sheet by Lessees of property and high value equipment. However, exemptions for short-term leases and leases of low value assets will reduce the impact.	The entity has not yet determined the magnitude of any changes which may be needed.

Revenue recognition
Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue
Events, fundraising and raffles are recognised when received or receivable.

Donations
Donations are recognised at the time the pledge is made.

Interest
Interest revenue is recognised when it is received or receivable.
Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are classified under short term borrowing in current liabilities on the statement of financial position.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on either a straight-line basis or reducing balance method to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Furniture and Fittings	10-15 years
Office equipment	3-7 years
Motor vehicles	5-7 years
Computer equipment	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to surplus or deficit.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment deficit is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Comparative Figures
Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year

Economic Dependence
Council on the Ageing Queensland is dependent on the Department of Communities Child Safety & Disability Services and the Department of Social Services for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Departments will not continue to support Council on the Ageing Queensland.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through surplus or deficit' in which case transaction costs are expensed to surplus or deficit immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method.*

(iv) *Financial assets at fair value through surplus or deficit*

Financial assets are classified at 'fair value through surplus or deficit' when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (i.e. gains or losses) being recognised in surplus or deficit

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment deficits are recognised in surplus or deficit. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to surplus or deficit at this point.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party, whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in surplus or deficit.

No impairment has been recognised in respect of the company's financial instruments.

Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

"Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Key Judgements

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Key Estimates

Employee benefits provision
As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2017 $	2016 $
Other revenue		
Members Subscriptions	7,176	9,003
Insurance Commissions	60,439	69,005
Project Income	1,050,292	916,463
Sundry Income	15,415	38,062
Donations	973	1,122
Interest	25,194	25,068
IMS Distribution	114,075	154,440
Revenue	1,273,564	1,213,163

Note 4. Expenses

	2017 $	2016 $
Employee Benefits Expense		
Wages and Salary	643,571	594,613
Other Employee related expenses	17,982	23,976
Superannuation expense		
Defined contribution superannuation expense	61,118	51,469
Employee Benefits Expense	722,671	670,058
Depreciation	10,102	14,013

Note 5. Other Expenses

	2017 $	2016 $
COTA Australia Levy	24,263	24,919
Resource Material	37,459	63
Volunteer Expenses	48,390	3,901
Other	48,195	119,053
Travel	21,672	30,160
Other Expenses	179,979	178,096

Note 6. Current assets – cash and cash equivalents

	2017 $	2016 $
Cash on hand	2	239
Cash at bank	565,748	387,643
Cash on deposit	292,902	442,754
	858,652	830,636

Note 7. Current assets – trade and other receivables

	2017 $	2016 $
Trade receivables	7,397	7,087
BAS receivable	2,258	-
Other receivables	15,813	49,211
IMS receivable	105,300	105,300
	130,768	161,598

Note 8. Current assets – other

	2017 $	2016 $
Prepayments	6,013	5,428
	6,013	5,428

Note 9. Non-current assets – property, plant and equipment

	2017 $	2016 $
Land and buildings – at cost	1,274,894	1,274,894
Less: Accumulated depreciation	•	•
	1,274,894	1,274,894
Office Equipment – at cost	11,219	28,886
Less: Accumulated depreciation	(10,449)	(23,923)
	770	4,963
Furniture and Fittings – at cost	26,439	26,439
Less: Accumulated depreciation	(17,487)	(16,295)
	8,952	10,144
Motor vehicles – at cost	28,555	28,555
Less: Accumulated depreciation	(19,627)	(16,646)
	8,928	11,909
Computer equipment – at cost	43,487	55,561
Less: Accumulated depreciation	(27,308)	(33,855)
	16,179	21,706
	1,309,723	1,323,616

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land and buildings $	Office Equipment $	Furniture and Fittings $	Motor vehicles $	Computer equipment $	Total $
Balance at 1 July 2016	1,274,894	4,963	10,144	11,909	21,706	1,323,616
Additions	-	-	-	-	-	-
Disposals	•	2,948	-	-	843	3,791
Depreciation expense	•	1,245	1,192	2,981	4,684	10,102
Balance at 30 June 2017	1,274,894	770	8,952	8,928	16,179	1,309,723

Note 10. Current liabilities - trade and other payables

	2017 $	2016 $
Trade payables	14,020	4,127
BAS payable	-	5,900
Other payables	23,342	19,288
	37,362	29,315

Note 11. Employee benefits

	2017 $	2016 $
CURRENT		
Employee benefits		
Short term benefits	42,995	52,936
Other long term benefits	27,632	25,383
	70,627	78,319
NON- CURRENT		
Other long term benefits	7,861	6,270

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 12. Current liabilities - other

	2017 $	2016 $
Income received in advance	144,566	152,062
Accrued Expenses	7,500	65,847
	152,066	217,909

Note 13. Non-Current liabilities - other

	2017 $	2016 $
HACC Interest Free Mortgage	400,000	400,000
	400,000	400,000

Note 14. Auditors' Remuneration

During the year the following fees were paid or payable for services provided by the company's auditor Hanrick Curran Audit Pty Ltd

	2017 $	2016 $
Audit of the financial report	8,000	7,500

Note 15. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2017 $	2016 $
Aggregate compensation	155,640	152,766

Note 16. Contingent liabilities

The company had no contingent liabilities as at 30 June 2017 and 30 June 2016.

Note 17. Commitments

The company had the following commitments for expenditure as at 30 June 2017 and 30 June 2016.

Non-cancellable operating leases contracted for but not recognised in the financial statements

Payable - minimum lease payments:	2018	2017
- not later than 12 months	$ 67,260.00	$ 64,484.90
-between 12 months and five years	$ 33,630.00	$ 100,890.00
-later than five years	-	-
	$ 100,890.00	**$ 165,374.90**

Note 18. Cash Flow Information

Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus	$	$
Net current year surplus	47,775	(243)
Non-cash flows		
Depreciation	10,102	14,013
Loss on disposal of fixed assets	3,791	-
Changes in assets and liabilities		
(Increase)/Decrease in accounts receivable and other debtors	(309)	61,762
(Increase)/Decrease in accrued income	42,172	(41,175)
(Increase)/decrease in prepayments	(585)	164,843
Increase/(Decrease) in accounts payable and other payables	(1,706)	(22,854)
Increase/(Decrease) in employee provisions	(6,102)	23,377
Increase/(Decrease) in accrued expenses	(58,347)	22,786
less investing activities	(114,075)	(154,440)
Net cash from operating activities	(77,284)	68,069

Note 19. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and short-term borrowings.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2017	2016
		$	$
Financial Assets			
Cash and cash equivalents	6	858,652	830,636
Trade and other receivables	7	130,768	161,598
		989,420	992,234
Financial Liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	10	37,362	29,315
- borrowings	13	400,000	400,000
		437,362	429,315

Note 20. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in Note 15.

Transactions with related parties
There were no transactions with related parties during the current and previous financial year other than insurance commissions, sundry consulting fees and the IMS distribution as disclosed in Note 3.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current reporting date other than consulting income owing of $2,074 included in Trade Receivables disclosed at Note 7 (2016: $2,390) and an IMS distribution receivable $8,775 included in the other receivables amount in Note 7.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date other than a loan receivable from IMS as disclosed in Note 7..

Note 21. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 22: Members Guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. It is now governed by the *ACNC Act 2012*. In the event of the company being wound up, ordinary members are required to contribute a maximum of $10 each. Honorary members are not required to contribute. The total amount that members of the company are liable to contribute if the company is wound up is $31,990, based on 3,199 current ordinary members.

Note 23: Company Details

The registered office of the company is:
Council on the Ageing
Level 1, 25 Mary Street
BRISBANE, QLD 4000

The responsible persons' declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity will be able to pay all of its debts as and when they become due and payable.
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

On behalf of the responsible persons

Peter Howells
Director

25 October 2017
Brisbane

Maree McMahon
Director

25 October 2017
Brisbane

Council on the Ageing Queensland Ltd

ABN 13 456 280 311

Independent Auditor's Report

Opinion

We have audited the accompanying financial report, being a general purpose financial report of Council on the Ageing Queensland Ltd, which comprises the statement of financial position as at 30 June 2017, the statement of surplus or deficit and other 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 directors' declaration.

In our opinion the financial report of Council on the Ageing Queensland Ltd is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

b. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulation 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hanrick Curran Audit

Hanrick Curran Audit Pty Ltd
Authorised Audit Company: 338599

Michael Georghiou
Director

Brisbane, 3 November 2017