

CARERS ACT LIMITED

ABN 99 732 929 957

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

CARERS ACT LIMITED
Directors' report
For the year ended 30 June 2017

The Directors present their report together with the financial report of Carers ACT Limited for the period 1 July 2016 through 30 June 2017.

DIRECTORS

The directors of the company at any time during or since the end of the financial year are:

Name and Title	Experience, special responsibilities and occupation*
Richard Bialkowski, Non-Executive Chairman	<ul style="list-style-type: none"> • Extensive experience as a non-executive director, CEO and company secretary of a broad range of not for profit ACT and national organisations covering primary health care, community aged care and disability services, and social assistance services. • Member of the Board since Nov 2007 and Board Chair since Feb 2012.
Brian Joyce, Non-Executive Director	<ul style="list-style-type: none"> • As a former Commonwealth senior manager and as Principal of a small Canberra consulting business, Brian brings experience on a range of management and organisational issues. He has served on the Board since December 2000. • Vice Chairman and Secretary of the Board
Robert Cotton, Non-Executive Director Resigned: 29 June 2017	<ul style="list-style-type: none"> • Bob has extensive public sector leadership, management and diplomacy experience • He has experience as carer and has been on the Board since 2004 • Treasurer; Chairman of the Finance and Risk Committee
Brett Walker, Non-Executive Director Resigned: 28 February 2017	<ul style="list-style-type: none"> • Brett has over 30 years of experience as a commercial lawyer and business executive in the public and private sectors • He has a special interest in respite care and has been on the Board since December 2005 • Brett resigned from the Board In August 2016 however in November 2016 agreed to extend his tenure until February 2017 to allow time for a replacement Board member to be recruited.
Antony Stinziani, Non-Executive Director	<ul style="list-style-type: none"> • Antony has over 25 years of experience in ICT across numerous government agencies and is also a member of the AICD • He has a keen interest in Carers' issues through personal experience with family and close friends. • Antony has been on the Board since 2013
Bridget Larsen, Non-Executive Director Appointed: 22 November 2016	<ul style="list-style-type: none"> • Bridget has over 20 years of experience as a lawyer and policy manager in private and not for profit organisations. • She has a special interest in disability care and was on the Board from 2008 and resigned in February 2016 and re-joined in November 2016.
Barbara Causon, Non-Executive Director	<ul style="list-style-type: none"> • Barbara is an Aboriginal woman and long-term carer and sits on the ACT Disability Expert Panel. • Barbara is a senior executive officer in the Commonwealth Government, Public Service Medal recipient and has been on the Board since 2013
Bruce, Mackay, Non-Executive Director	<ul style="list-style-type: none"> • Bruce has worked in marketing and advertising for his entire professional career and headed Canberra's largest Advertising Agency for over 20 years. Bruce provides invaluable marketing communication advice to the Board. • Bruce has been on the Board since 2007

* Board appointments include Carers ACT as an association and a company limited by guarantee.

CARERS ACT LIMITED
Directors' report
For the year ended 30 June 2017

COMPANY SECRETARY
Michele Galvin appointed 20 October 2015

DIRECTORS MEETINGS

The number of meetings attended by each Director during the time the director held office during the year ended 30 June 2017 was:

DIRECTORS MEETINGS		
Name	Attended	Eligible to attend
Richard Bialkowski	7	7
Brian Joyce	6	7
Robert Cotton Resigned: 29 June 2017	6	6
Brett Walker Resigned: 28 February 2017	2	2
Antony Stinziani	6	7
Bridget Larsen Joined: 22 November 2016	4	4
Barbara Causon	4	7
Bruce Mackay	6	7

PRINCIPAL ACTIVITIES

The principal activity during the period 1 July 2016 to 30 June 2017 was provision of a range of services and supports to unpaid family and friend carers as well as a range of respite and community engagement programs for people who need care such as people with dementia and people with disability.

Objectives

The Principal Objects of the company are:

To work to ensure that carers enjoy improved outcomes – in health, wellbeing, resilience and financial security; and that recognition of caring as a shared responsibility of family, community, business and government is promoted.

The company may provide other services as the Board may determine from time to time, provided that those services are ancillary to the company's Principal Objects.

Strategy for achieving the objectives

To achieve its Principal Objects the company will be an organisation of and for carers and will:

- a) provide services and support for carers and the people they care for;
- b) encourage carers to identify themselves as carers and to recognise and be aware of their own individual needs;
- c) increase public awareness of carers' needs, caring issues and promote community social responsibility towards caring;
- d) advocate for and with carers to provide evidence based advice to government, employers, potential partners and other key stakeholders on caring issues;
- e) participate in policy, research, planning, implementation and evaluation of activities relevant to carers issues; and
- f) maintain and account for a funding base sufficient to further these objects.

PERFORMANCE MEASURES

The company measures its performance in both the value of services funded and provided to carers and the people they care for, and the number of services delivered. One of the key performance measures are funds distributed against revenue and the total number of services provided. The company also undertakes a client satisfaction survey which measures client outcomes.

OPERATING RESULTS

The profit from ordinary activities amounted to \$27,485 (2016: \$37,472). The company is an income tax exempt institution.

DIVIDENDS

The company is prohibited by its Constitution from paying dividends.

CHANGE IN STATE OF AFFAIRS

There were no significant changes in the nature of the company's principal activities during this period.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not been any matter or circumstance subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future years.

FUTURE DEVELOPMENTS

Future developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

STRUCTURE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each director is required to contribute \$1 each towards meeting any outstanding obligation of the company. As at 30 June 2017 the total amount that the directors of the company are liable to contribute if the company is wound up is \$6.

AUDITOR'S INDEPENDENCE DECLARATION

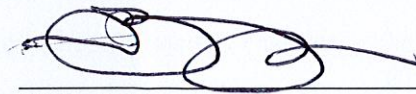
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Richard Blalkowski
Chairman



Brian Joyce
Director

29 August 2017

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Carers ACT Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM Australia Partners

RSM AUSTRALIA PARTNERSA handwritten signature in black ink, appearing to read 'Rodney Miller'.

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Date: 29 August 2017

CARERS ACT LIMITED
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For the year ended 30 June 2017

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CARERS ACT LIMITED
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	2017	2016
		\$	\$
Revenue	3	7,852,225	9,201,506
Expenses			
Brokerage expenses		(1,505,274)	(1,855,515)
Program running expenses		(694,757)	(548,378)
Depreciation and amortisation expense	4	(182,540)	(115,580)
Impairment loss	4	(312,032)	-
Employee benefits expense		(4,091,752)	(4,915,858)
Rental expense		(238,932)	(291,208)
Other expenses	4	(799,453)	(1,437,495)
Total expenses		<u>(7,824,740)</u>	<u>(9,164,034)</u>
Surplus for the year		<u>27,485</u>	<u>37,472</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u><u>27,485</u></u>	<u><u>37,472</u></u>

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

CARERS ACT LIMITED
Statement of financial position
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	5	3,049,579	872,745
Trade and other receivables	6	59,808	146,957
Prepayments	7	65,889	80,799
Other assets	8	-	1,895
Other financial assets	9	-	1,251,808
TOTAL CURRENT ASSETS		<u>3,175,276</u>	<u>2,354,204</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	124,666	195,145
Intangible assets	11	150,170	562,809
TOTAL NON-CURRENT ASSETS		<u>274,836</u>	<u>757,954</u>
TOTAL ASSETS		<u>3,450,112</u>	<u>3,112,158</u>
CURRENT LIABILITIES			
Trade and other payables	12	711,192	626,812
Employee provisions	13	251,534	253,290
Deferred income	14	386,102	158,257
TOTAL CURRENT LIABILITIES		<u>1,348,828</u>	<u>1,038,359</u>
TOTAL LIABILITIES		<u>1,348,828</u>	<u>1,038,359</u>
NET ASSETS		<u>2,101,284</u>	<u>2,073,799</u>
EQUITY			
Retained surpluses		1,630,739	1,061,945
Shaw building reserve		-	94,298
Employee entitlement reserve		470,545	378,870
Capacity improvement reserve		-	400,000
Facility improvement reserve		-	138,686
TOTAL EQUITY		<u>2,101,284</u>	<u>2,073,799</u>

The above statement of financial position should be read in conjunction with the accompanying notes

CARERS ACT LIMITED
Statement of changes in equity
For the year ended 30 June 2017

	Retained surpluses	Shaw building reserve	Employee entitlement reserve	Capacity improvement reserve	Facility improvement reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2015	913,786	176,935	586,160	220,760	138,686	2,036,327
Operating result for the period	37,472	-	-	-	-	37,472
Transfer of reserve	110,687	(82,637)	(207,290)	179,240	-	-
Balance as at 30 June 2016	1,061,945	94,298	378,870	400,000	138,686	2,073,799
Operating result for the period	27,485	-	-	-	-	27,485
Transfer of reserve	541,309	(94,298)	91,675	(400,000)	(138,686)	-
Balance as at 30 June 2017	1,630,739	-	470,545	-	-	2,101,284

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

CARERS ACT LIMITED
Statement of cash flows
For the year ended 30 June 2017

	Note	2017	2016
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Government grants received		7,596,407	8,700,053
Other income		1,093,092	1,356,716
Payments to suppliers and employees		(7,784,926)	(9,854,906)
Interest received		31,907	38,837
Net cash from operating activities	20	<u>936,480</u>	<u>240,700</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment		(11,454)	(431,101)
Net cash used in investing activities		<u>(11,454)</u>	<u>(431,101)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Redeemed fixed term deposits		1,251,808	98,192
Net cash used in financing activities		<u>1,251,808</u>	<u>98,192</u>
Net increase/(decrease) in cash held		2,176,834	(92,209)
Cash at beginning of financial year		872,745	964,954
Cash at end of financial year	5	<u><u>3,049,579</u></u>	<u><u>872,745</u></u>

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

CARERS ACT LIMITED
Notes to the financial statements
30 June 2017

General information

The financial statements cover Carers ACT Limited as an individual entity. The financial statements are presented in Australian dollars, which is Carers ACT Limited's functional and presentation currency.

Carers ACT Limited is a not-for-profit unlisted public company limited by guarantee.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2017. The directors have the power to amend and reissue the financial statements.

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.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

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 and fundraising are recognised when received or receivable.

Donations

Donations are recognised at the time the funds are received.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Note 1. Significant accounting policies (continued)

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 classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 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 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 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.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

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 a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer equipment	2.5 years (40% straight line method)
Motor vehicles	4 years (25% straight line method)
Office equipment and furniture	4 years (25% straight line method)
Intangible assets	5 years (20% straight line method)

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 profit or loss.

Note 1. Significant accounting policies (continued)

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 loss 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 wholly within 12 months of the reporting date 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 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. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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 principal 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 interests. 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.

Note 1. Significant accounting policies (continued)

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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2017. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The company will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the company.

Note 1. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted (continued)

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the company.

AASB 1058 Income of Not-for-Profit Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 1004 Contributions and clarifies the treatment of the receipt of income by not-for-profit entities. Income received where there is an associated performance obligation should be recognised in line with the principles of AASB 15, whereas donations with no future obligation may be recognised immediately. In cases where assets or services that were received below market value, such assets or services should be recognised at fair value. When an entity receives volunteer services and can reliably measure the fair value of those services, the entity may elect to recognise the services as an asset (provided the relevant asset recognition criteria are met) or an expense. Local governments, government departments, general government sectors (GGs) and whole of governments are required to recognise volunteer services if they would have been purchased if not provided voluntarily and the fair value of those services can be measured reliably. The company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the company.

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.

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 and finite life intangible assets. 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.

CARERS ACT LIMITED
Notes to the financial statements
30 June 2016

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Impairment of non-financial assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. During the year, there is an impairment of \$312,032 on intangible assets. Refer to the respective note.

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.

	2017	2016
	\$	\$
NOTE 3. REVENUE		
Café income	133,003	103,618
Catering income	-	123,343
Donations	47,986	54,067
Grant income	6,826,598	7,929,291
Interest income	31,907	38,837
Service fee income	746,652	713,061
Other income	66,079	239,289
	<u>7,852,225</u>	<u>9,201,506</u>

NOTE 4. EXPENSES

Surplus before income tax includes the following specific expenses:

Depreciation and amortisation expense

Computer equipment	5,442	26,620
Motor vehicles	7,569	5,514
Office equipment	47,171	39,883
Intangible assets	122,358	43,563
	<u>182,540</u>	<u>115,580</u>

Impairment loss

Computer equipment	4,356	-
Motor vehicles	-	-
Office equipment	17,395	-
Intangible assets	290,281	-
	<u>312,032</u>	<u>-</u>

CARERS ACT Limited
Notes to the financial statements
30 June 2016

	2017	2016
	\$	\$
NOTE 4. EXPENSES (CONTINUED)		
Other expenses		
Overheads	298,987	433,350
IT expenses	274,891	727,019
Training expenses	100,251	100,780
Insurance	44,776	49,718
Audit fees	20,000	24,000
Catering expenses	9,879	38,677
Legal and consultancy fees	16,652	14,790
Miscellaneous	34,017	49,161
	<u>799,453</u>	<u>1,437,495</u>
NOTE 5. CASH AND CASH EQUIVALENTS		
Cash on hand	1,000	964
Cash at bank	3,055,251	857,516
Credit cards	(6,672)	14,265
	<u>3,049,579</u>	<u>872,745</u>
NOTE 6. TRADE AND OTHER RECEIVABLES		
Trade receivables	50,546	126,342
Cost recovery	2,770	19,881
Other receivables	-	734
Government receivables	6,492	-
	<u>59,808</u>	<u>146,957</u>
NOTE 7. PREPAYMENTS		
Prepaid insurance	57,905	63,417
Prepaid expenses	7,771	13,563
Prepaid rent	213	3,819
	<u>65,889</u>	<u>80,799</u>
NOTE 8. OTHER ASSETS		
Gift vouchers	-	1,895
	<u>-</u>	<u>1,895</u>
NOTE 9. OTHER FINANCIAL ASSETS		
Term deposit - Macquarie Bank	-	251,808
Term deposit - Members Equity	-	1,000,000
	<u>-</u>	<u>1,251,808</u>

CARERS ACT LIMITED
Notes to the financial statements
30 June 2017

	2017	2016
	\$	\$
NOTE 10. PLANT AND EQUIPMENT		
Computer equipment - at cost	215,394	215,394
Less: Computer equipment - accumulated depreciation	(215,394)	(205,596)
	<u>-</u>	<u>9,798</u>
Motor vehicles - at cost	46,831	35,377
Less: Motor vehicles - accumulated depreciation	(28,530)	(20,961)
	<u>18,301</u>	<u>14,416</u>
Office equipment - at cost	384,788	384,788
Less: Office equipment - accumulated depreciation	(278,423)	(213,857)
	<u>106,365</u>	<u>170,931</u>
	<u><u>124,666</u></u>	<u><u>195,145</u></u>

Reconciliations

Reconciliation of the written down values on the beginning and end of the current financial year are set up below:

	Computer equipment	Motor vehicles	Office equipment	Total
	\$	\$	\$	\$
Balance at 1 July 2015	34,404	-	90,601	125,005
Additions	2,014	19,930	120,213	142,157
Depreciation expense	(26,620)	(5,514)	(39,883)	(72,017)
	<u>9,798</u>	<u>14,416</u>	<u>170,931</u>	<u>195,145</u>
Balance at 30 June 2016	9,798	14,416	170,931	195,145
Additions	-	11,454	-	11,454
Depreciation expense	(5,442)	(7,569)	(47,171)	(60,182)
Impairment loss	(4,356)	-	(17,395)	(21,751)
	<u><u>-</u></u>	<u><u>18,301</u></u>	<u><u>106,365</u></u>	<u><u>124,666</u></u>
Balance at 30 June 2017	-	18,301	106,365	124,666

CARERS ACT LIMITED
Notes to the financial statements
30 June 2017

	2017	2016
	\$	\$
NOTE 11. INTANGIBLE ASSETS		
In-house software - at cost	316,053	316,053
Less: In-house software - accumulated depreciation	(316,053)	(316,053)
	<u>-</u>	<u>-</u>
Data centre - at cost	611,791	611,791
Less: Data centre - accumulated amortisation and impairment	(461,621)	(48,982)
	<u>150,170</u>	<u>562,809</u>
	 <u>150,170</u>	 <u>562,809</u>

Reconciliations

Reconciliation of the written down values on the beginning and end of the current financial year are set up below:

	In-house software \$	Data Centre \$	Total \$
Balance at 1 July 2015	-	317,428	317,428
Additions	-	288,944	288,944
Depreciation expense	-	(43,563)	(43,563)
	<u>-</u>	<u>562,809</u>	<u>562,809</u>
Balance at 30 June 2016	-	562,809	562,809
Depreciation expense	-	(122,358)	(122,358)
Impairment loss	-	(290,281)	(290,281)
	<u>-</u>	<u>150,170</u>	<u>150,170</u>
Balance at 30 June 2017	<u>-</u>	<u>150,170</u>	<u>150,170</u>

CARERS ACT LIMITED
Notes to the financial statements
30 June 2017

	2017	2016
	\$	\$
NOTE 12. TRADE AND OTHER PAYABLES		
Trade payables	129,843	67,297
BAS payables	112,361	103,975
Accrued expenditure	425,651	416,451
Accrued wages	43,337	39,089
	<u>711,192</u>	<u>626,812</u>

NOTE 13. EMPLOYEE PROVISIONS		
Annual leave provision	184,681	212,497
Long service leave provision	42,086	25,921
Other employee benefits	24,767	14,872
	<u>251,534</u>	<u>253,290</u>

NOTE 14. DEFFERED INCOME		
Grant rollover	24,922	-
Grant in advance	361,180	158,257
	<u>386,102</u>	<u>158,257</u>

NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to key management personnel of the company is set out below:

Salaries and other short term benefits	260,784	453,673
Superannuation	24,775	43,099
	<u>285,559</u>	<u>496,772</u>

NOTE 16. REMUNERATION OF AUDITORS

Audit fees	<u>20,000</u>	<u>24,000</u>
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NOTE 17. CONTINGENT LIABILITIES

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

NOTE 18. LEASE COMMITMENTS

Less than one year	20,831	-
Within two to five years	41,662	-
	<u>62,493</u>	<u>-</u>

NOTE 19. 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.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

	2017	2016
	\$	\$
NOTE 20. RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES		
Surplus for the year	27,485	37,472
Non-cash components		
Add : Depreciation & Amortisation	182,540	115,580
Add : Impairment loss	312,032	-
Changes in assets and liabilities:		
(Increase)/Decrease in receivables	87,149	(22,167)
(Increase)/Decrease in other assets	16,805	12,263
(Increase)/Decrease in inventories	-	4,210
Increase/(Decrease) in creditors & accruals	84,380	30,337
Increase/(Decrease) in provision	(1,756)	(39,252)
Increase/(Decrease) in deferred income	227,845	102,257
Net cash provided by operating activities	<u>936,480</u>	<u>240,700</u>

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.

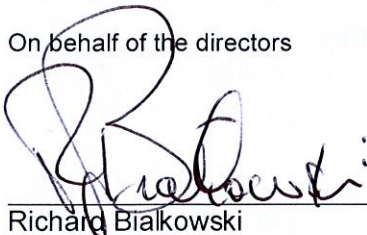
CARERS ACT LIMITED
Directors' declaration
30 June 2017

In the directors' opinion:

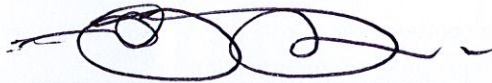
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Australian Charities and Non-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Richard Bialkowski
Chairman



Brian Joyce
Director

29 August 2017

INDEPENDENT AUDITOR'S REPORT To the Members of Carers ACT Limited

Opinion

We have audited the financial report of Carers ACT Limited ("the entity"), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of Carers ACT Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Regime and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Carers ACT Limited in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Carers ACT Limited's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profit Commission Act 2012*, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing Carers ACT Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Carers ACT Limited or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx>. This description forms part of our auditor's report.

RSM Australia Partners

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to read 'Rodney Miller', with a horizontal line extending to the right.

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Date: 29 August 2017