

**ALZHEIMER'S  
AUSTRALIA NSW  
SUMMARY  
FINANCIAL  
STATEMENTS  
2013–14**

## SUMMARY FINANCIAL STATEMENTS

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	2	12,780,260	10,195,632
Employee benefits expense		(8,228,829)	(6,776,509)
Depreciation and amortisation	3	(463,238)	(421,270)
Partnership payments		(106,912)	(86,980)
Property expenses		(568,746)	(475,158)
Administrative expenses		(516,263)	(336,846)
Special event expenses		(171,413)	(26,818)
Information technology expenses		(89,762)	(229,681)
Direct program expenses		(714,785)	(712,277)
Advertising		(420,674)	(424,444)
Travel and Accommodation		(316,189)	(248,633)
Surplus/(Loss) on sale of investments		105,317	(313,131)
Other expenses		(310,289)	(264,031)
Write-back of impairment of investments upon sale		167,665	109,120
Surplus/ (deficit) before income tax expense		1,146,142	(11,026)
Income tax expense		-	-
Net Surplus/ (deficit) after income tax		1,146,142	(11,026)
Other comprehensive income for the year		5,381	388,812
Total comprehensive income attributable to members of the entity		1,151,523	377,786

## SUMMARY FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,366,693	2,053,801
Trade and other receivables		474,339	642,022
Financial assets	5	9,181,283	8,990,557
Other current assets		32,953	82,863
<b>TOTAL CURRENT ASSETS</b>		<b>13,055,268</b>	<b>11,769,243</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	5	-	525,137
Property, plant and equipment	6	3,145,598	3,242,274
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,145,598</b>	<b>3,767,411</b>
<b>TOTAL ASSETS</b>		<b>16,200,866</b>	<b>15,536,654</b>
<b>CURRENT LIABILITIES</b>			
Deferred income	7	3,601,899	3,767,554
Trade and other payables	8	799,665	511,373
Short-term provisions	9	956,497	698,183
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,358,061</b>	<b>4,977,110</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred income	7	-	863,875
Long-term provisions	9	82,488	86,875
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>82,488</b>	<b>950,750</b>
<b>TOTAL LIABILITIES</b>		<b>5,440,549</b>	<b>5,927,860</b>
<b>NET ASSETS</b>		<b>10,760,317</b>	<b>9,608,794</b>
<b>MEMBERS' FUNDS</b>			
Investment revaluation reserve		-	(5,381)
Accumulated surplus		10,760,317	9,614,175
<b>TOTAL MEMBERS' FUNDS</b>		<b>10,760,317</b>	<b>9,608,794</b>

## SUMMARY FINANCIAL STATEMENTS

### STATEMENT OF CHANGES IN MEMBERS' FUNDS FOR THE YEAR ENDED 30 JUNE 2014

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	2014 \$	2013 \$
<b>Investment Revaluation Reserve</b>		
Balance at the beginning of the financial year	(5,381)	(394,193)
Reversal of impairment of financial assets upon disposal	(167,665)	(109,120)
Revaluation Increments	173,046	497,932
Balance at the end of the financial year	<u>-</u>	<u>(5,381)</u>
<b>Accumulated Surplus</b>		
Retained surplus at the beginning of the financial year	9,614,175	9,625,201
Net surplus for the year attributable to members	1,146,142	(11,026)
Retained Surplus at the end of the financial year	<u>10,760,317</u>	<u>9,614,175</u>
<b>Total Members' Funds</b>		
Balance at the beginning of the financial year	9,608,794	9,231,008
Total comprehensive income for the year attributable to members	1,151,523	377,786
Balance at the end of the financial year	<u>10,760,317</u>	<u>9,608,794</u>

## SUMMARY FINANCIAL STATEMENTS

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Government and other grants received (gross of GST)		8,570,449	7,739,769
Other receipts (gross of GST)		2,085,157	2,014,168
Other investment income		298,528	214,245
Interest received		270,812	386,352
Payments to suppliers and employees (gross of GST)		<u>(11,280,504)</u>	<u>(10,481,268)</u>
<b>Net cash generated from operating activities</b>		<u>(55,558)</u>	<u>(126,734)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(493,656)	(218,665)
Proceeds from sale of property, plant and equipment		142,341	17,600
Proceeds from sale of investments		9,394,654	1,520,743
Payments for investments		<u>(8,781,880)</u>	<u>(1,378,862)</u>
<b>Net cash used in investing activities</b>		<u>261,459</u>	<u>(59,184)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Bequests received		<u>1,106,991</u>	<u>299,240</u>
<b>Net cash generated by financing activities</b>		<u>1,106,991</u>	<u>299,240</u>
Net (decrease)/increase in cash held		1,312,892	113,322
Cash at the beginning of the financial year		<u>2,053,801</u>	<u>1,940,479</u>
<b>Cash at the end of the financial year</b>	4	<u><u>3,366,693</u></u>	<u><u>2,053,801</u></u>

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

### NOTE 1 : BASIS OF PREPARATION OF THE SUMMARY FINANCIAL STATEMENTS

The Summary Financial Statements have been prepared from the audited financial report for the year ended 30 June 2014. The audited financial report for the year ended 30 June 2014 is available on request from Alzheimer's Australia NSW receptionist.

The financial statements are presented in Australian Dollars which is the Company's functional and presentational currency.

The financial statements, specific disclosures and other information included in the summary financial statements are derived from and are consistent with the full financial statements of Alzheimer's Australia NSW. The summary financial statements cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Alzheimer's Australia NSW as the full financial report.

The accounting policies have been consistently applied to Alzheimer's Australia NSW and are consistent with those of the financial year in their entirety.

	2014 \$	2013 \$
<b>NOTE 2: REVENUE</b>		
<b>Operating activities</b>		
- State/Federal government grants	8,045,982	6,710,711
- Non-government grants	668,521	514,799
- State/Federal capital grants	253,726	11,100
- Donations, appeals and corporate sponsorship	1,304,437	1,355,169
- Special events - fundraising	175,958	90,113
- In Memoriam	111,713	133,699
- Membership fees	50,559	50,573
- Sales of goods	3,450	16,031
- Consultation and course fee income	433,447	359,320
- Rental income	23,972	34,043
- Other revenue	16,917	16,004
	<u>11,088,682</u>	<u>9,291,562</u>
<b>Non-operating activities</b>		
- Bequests	1,106,991	299,240
- Interest received	270,812	386,352
- Other investment income	298,528	214,245
- Gain on disposal of non-current assets	15,247	4,233
	<u>1,691,578</u>	<u>904,070</u>
Total Revenue	<u>12,780,260</u>	<u>10,195,632</u>

NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
<b>NOTE 3 : SURPLUS/(DEFICIT) FOR THE YEAR</b>		
<b>Expenses</b>		
- Depreciation and Amortisation:		
Buildings	133,291	137,109
Deferred Lease Charges	5,923	5,923
Leasehold Improvements	95,062	100,457
Furniture and equipment	141,144	109,402
Motor vehicles	87,818	68,379
Total Depreciation and Amortisation	<u>463,238</u>	<u>421,270</u>
- Amounts set aside as a provision for employee entitlements	253,927	196,203
- Employee superannuation expense	689,758	530,538
- Rental expense	384,621	315,747

**NOTE 4: CASH AND CASH EQUIVALENTS**

**CURRENT**

Cash on hand	3,950	3,550
Cash at bank	622,637	360,521
At call accounts	2,706,052	1,511,404
Cash management accounts	34,054	178,326
	<u>3,366,693</u>	<u>2,053,801</u>

**NOTE 5: FINANCIAL ASSETS**

**CURRENT**

Investments in listed corporations - at fair value	-	3,267,805
Managed Funds - at fair value		
Cash Fund Term Deposit	3,012,332	-
Growth Fund	5,099,802	-
Monthly income fund - at fair value	2,870	10,035
Term deposits - at fair value	1,001,935	5,648,374
Fixed term securities - at cost	64,344	64,343
	<u>9,181,283</u>	<u>8,990,557</u>

**NON-CURRENT**

Term deposits - at fair value	-	525,137
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NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
<b>NOTE 6: PROPERTY, PLANT AND EQUIPMENT</b>		
<i>Land and Buildings</i>		
Freehold land - at deemed cost	440,000	440,000
Leasehold land - at cost	296,167	296,167
Less: accumulated amortisation	(115,562)	(109,639)
	<u>180,605</u>	<u>186,528</u>
<b>Total Land</b>	<u><u>620,605</u></u>	<u><u>626,528</u></u>
<b>Buildings:</b>		
On Freehold land - at deemed cost	738,638	738,638
Less: accumulated depreciation	(178,781)	(148,411)
	<u>559,857</u>	<u>590,227</u>
On Leasehold land - at cost	2,209,823	2,209,823
Less: accumulated depreciation	(1,097,755)	(994,834)
	<u>1,112,068</u>	<u>1,214,989</u>
<b>Total Buildings</b>	<u><u>1,671,925</u></u>	<u><u>1,805,216</u></u>
<i>Total Land and Buildings</i>	<u><u>2,292,530</u></u>	<u><u>2,431,744</u></u>
<b>Leasehold Improvements:</b>		
Leasehold improvements - at cost	494,633	494,633
Less: accumulated amortisation	(432,523)	(337,461)
<b>Total Leasehold Improvements</b>	<u><u>62,110</u></u>	<u><u>157,172</u></u>
<b>Furniture and equipment:</b>		
Furniture and equipment - at cost	1,115,476	873,722
Less: accumulated depreciation	(654,603)	(513,459)
	<u>460,873</u>	<u>360,263</u>
<b>Motor vehicles:</b>		
Motor vehicles - at cost	602,539	506,205
Less: accumulated depreciation	(272,454)	(213,110)
	<u>330,085</u>	<u>293,095</u>
<i>Total property, plant and equipment</i>	<u><u>3,145,598</u></u>	<u><u>3,242,274</u></u>
<b>NOTE 7: DEFERRED INCOME</b>		
<b>CURRENT</b>		
Deferred income - Grants and monies in advance	<u><u>3,601,899</u></u>	<u><u>3,767,554</u></u>
<b>NON-CURRENT</b>		
Deferred income - Grants and monies in advance	<u><u>-</u></u>	<u><u>863,875</u></u>
<b>NOTE 8: TRADE AND OTHER PAYABLES</b>		
<b>CURRENT</b>		
Trade payables	110,960	81,519
Sundry payables and accruals	688,705	429,854
	<u><u>799,665</u></u>	<u><u>511,373</u></u>



NOTES TO THE SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$	
<b>NOTE 9: PROVISIONS</b>			
<b>Reconciliation of movements in carrying amounts of provisions</b>			
	Current	Non-Current	Total
	\$	\$	\$
Opening balance at beginning of the year	698,183	86,875	785,058
Additional provisions raised during the year	674,242	(4,387)	669,855
Amounts used	<u>(415,928)</u>	<u>-</u>	<u>(415,928)</u>
Closing balance at end of the year	<u>956,497</u>	<u>82,488</u>	<u>1,038,985</u>
	<b>No.</b>	<b>No.</b>	
Number of employees at year end	<u>116</u>	<u>103</u>	

**NOTE 10: ADDITIONAL INFORMATION FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991 OF NSW**

Reportable fundraising refers to "fundraising appeal" as referred to and defined in sections 3, 4 and 5 of the *Charitable Fundraising Act 1991*.

Non-reportable fundraising refers to all other fundraising income which is not included under these sections of the *Charitable Fundraising Act 1991*.

**(a) Details of aggregate gross income and total expenses in fundraising appeals**

Gross proceeds:		
Donations	588,453	517,527
Special events	<u>148,384</u>	<u>279,637</u>
Gross proceeds from fundraising appeals	<u>736,837</u>	<u>797,164</u>
Total expenditure:		
Donations	210,470	179,138
Special events	<u>53,276</u>	<u>77,186</u>
Total costs of fundraising appeals	<u>263,746</u>	<u>256,324</u>
Net surplus from fundraising appeals	<u>473,091</u>	<u>540,840</u>

**(b) Application of funds for charitable purposes**

During the year the entity achieved a net surplus of \$473,091 (2013: \$540,840) from fundraising activities defined under the Charitable Fundraising Act. This surplus contributed towards funding the following program operating deficits:

- Community education, awareness and social research	500,299	546,430
- Policy and advocacy	215,115	150,057
- Helpline and counselling	71,327	60,707
- Media, Library and information services	310,816	276,944

**(c) Fundraising appeals conducted during the financial year**

During both the 2013/2014 and the 2012/2013 financial years direct mail appeals were held in September (Spring), November (Christmas), March (Easter) and May (Tax appeal). In addition acquisition appeals were conducted in September and May.

**NOTE 10: ADDITIONAL INFORMATION FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991 OF NSW (Continued)**

**(d) Gross comparisons including fundraising not covered by the Charitable Fundraising Act**

	<b>Cost</b>	<b>Income</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>%</b>	<b>%</b>
Total cost of reportable fundraising/Gross proceeds from reportable fundraising	263,746	736,837	36%	32%
<i>Non-reportable:</i>				
Bequests	153,788	1,106,991	14%	3%
Other Donations	517,164	937,155	55%	76%
Other Fundraising	198,505	209,917	95%	38%
Total cost of all fundraising/Gross proceeds from all fundraising	1,133,203	2,990,900	38%	45%

**(e) Gross comparisons of monetary figures and percentages**

	<b>Cost</b>	<b>Expenditure/ Income</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>	<b>%</b>	<b>%</b>
Total cost of reportable fundraising/ Gross proceeds from reportable fundraising	263,746	736,837	36%	32%
Net surplus from reportable fundraising/ Gross proceeds from reportable fundraising	473,091	736,837	64%	68%

*NB: Reportable fundraising excludes donations from members, unsolicited donations and bequests.*

**(f) Service delivery cost ratios**

*Expenditure ratio*

= Total cost of services/Total operating Expenditure

	9,025,242	11,907,100	76%	74%
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*Income ratio*

= Total cost of services/Total operating Income

	9,025,242	11,673,269	77%	74%
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*NB: Operating income excludes bequests and realised investment gains/losses.*

*NB: Cost of services includes all costs related to providing services to people living with dementia.*

**NOTE 11: EVENTS SUBSEQUENT TO REPORTING DATE**

There have been no material events that have occurred subsequent to the balance date that would significantly affect the accounts of the company.

**NOTE 12: DISCUSSION AND ANALYSIS OF THE SUMMARY FINANCIAL STATEMENTS**

**Information on Alzheimer's Australia NSW Summary Financial Statements.**

The discussion and analysis is provided to assist members in understanding the summary financial statements. The discussion and analysis is based on Alzheimer's Australia NSW financial statements and the information contained in the summary financial statements has been derived from the full 2014 Financial Report of Alzheimer's Australia NSW.

**Statement of Comprehensive Income**

The surplus from ordinary activities after income tax for the year of \$1,146,142 was a \$1,157,169 increase from the deficit in the previous financial year. The main contributing factors to this result were:

- (a) an increase in bequest income of \$807,751 to \$1,106,991,
- (b) State/Federal and non-government grants increased by \$1,488,993 to \$8,714,503,
- (c) capital grants from both government and non-government sources increased by \$242,626 to \$253,726,
- (d) proceeds on sale of investments increased by \$418,448 to \$313,131, and
- (e) write-back of impairment of investments upon sale of \$167,665 compared to \$109,120 in the previous year.

These factors were partly offset by increases in operating expenses, including an increase in employee benefit expense of \$1,452,320.

State and Federal Government grants received increased by 19.9% to \$8,045,982. The percentage of government grants to total revenue, excluding bequests and loss on sale of investments, of 68.2% compares to 67.8% for 2012/2013 and 67.4% for 2011/2012. The increase in grant revenue reflected the awarding of new recurrent grants and non-recurrent grants which commenced during the financial year.

**Statement of Financial Position**

Total assets increase of \$664,212 was mainly attributable to an increase in Cash and cash equivalents of \$1,312,892 which was partly offset by a reduction in the value of Financial assets and Trade and other receivables.

Total liabilities decrease of \$487,311 was mainly attributable to a decrease in government and non-government grants received in advance of \$1,029,530 which was partly offset by an increase in the Provision for employee benefits and Trade and other payables.

**Statement of Cash Flows**

Cash flows showed an increase of \$1,312,892 due mainly to cash inflows from the receipts of Bequests.

## INDEPENDENT AUDITOR'S REPORT

To the members of Alzheimer's Australia NSW

### Report on the Concise Financial Report

We have audited the accompanying concise financial report of Alzheimer's Australia NSW which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and related notes, derived from the audited financial report of Alzheimer's Australia NSW for the year ended 30 June 2014. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

#### Management's Responsibility for the Concise Financial Report

The directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, the *Corporations Act 2001* and the *Charitable Fundraising Act 1991*, and for such internal control as the directors determine are necessary to enable the preparation of the concise financial report.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our procedures which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Alzheimer's Australia NSW for the year ended 30 June 2014. We expressed an unmodified opinion on that financial report in our report dated 23 September 2014. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with



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

#### **Independence**

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Alzheimer's Australia NSW would be in the same terms if it had been given to the directors as at the time of this auditor's report.

#### **Opinion**

In our opinion, the concise financial report of Alzheimer's Australia NSW for the year ended 30 June 2014 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

**BDO East Coast Partnership**

A handwritten signature in black ink, appearing to read 'John Bresolin'. Above the signature is a small, stylized 'BDO' logo. The signature is written over a large, faint circular watermark or background mark.

**John Bresolin**  
**Partner**

Sydney

5 November 2014

# CONTACT US

## OUR OFFICES

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Coffs Harbour: 02 6651 7101  
Tweed Heads: 07 5523 0731  
Central Coast\*: 02 9805 0100

### SYDNEY REGION

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St George/Sutherland\*: 02 9531 1928  
Blacktown\*: 02 9805 0100

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### SOUTHERN NSW

Bega: 02 6492 6158  
Moruya: 02 4474 3843  
Cooma\*: 02 6452 3961  
Canberra: 02 6241 0881  
Moss Vale: 02 4869 5651  
Wagga Wagga: 02 6932 3095  
Wollongong\*: 02 9805 0100

### WESTERN NSW

Orange: 02 6369 7164

\* Younger Onset Dementia Key Worker locations

Alzheimer's Australia NSW  
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