

**ALZHEIMER'S AUSTRALIA VIC  
ANNUAL REPORT 2015-16  
FULL FINANCIAL REPORT**

# YOU ARE NOT ALONE



# **ALZHEIMER'S AUSTRALIA VIC INC.**

**ABN 14 671 840 186**

**Annual Financial Report**

**30 June 2016**

## **CONTENTS**

<b>Directors' Report .....</b>	<b>2</b>
<b>Auditor's Independence Declaration .....</b>	<b>4</b>
<b>Statement of Profit or Loss and Other Comprehensive Income .....</b>	<b>5</b>
<b>Statement of Financial Position .....</b>	<b>7</b>
<b>Statement of Changes Equity .....</b>	<b>8</b>
<b>Statement of Cash Flows .....</b>	<b>9</b>
<b>Notes to the Financial Statements .....</b>	<b>10</b>
<b>Directors' Declaration .....</b>	<b>23</b>
<b>Independent Auditor's Report .....</b>	<b>24</b>

## Directors' report

The directors present their report for Alzheimer's Australia Vic Inc. for the year ended 30 June 2016.

### Directors

The following persons were board members during the whole of the financial year and up to the date of this report:

- Neil Samuel (Chair);
- Ian Knight (Vice Chair);
- Piera Murone (Treasurer);
- Frauke Tyrrell (Secretary);
- Michael Woodward (Chief Medical Advisor);
- Ian Hicks;
- Helen Sykes;
- Graeme Samuel;
- Jerome Fahrer; and
- Ross Oakley

### Principal activities

The principal activities of the Association during the year were to provide for people with dementia, their careers and those working with them, students and the general community, a range of compassionate support activities and programs, a range of comprehensive information and education activities, community education and translation of research on dementia risk reduction into practice, effective and strategic leadership in co-ordinating advocacy activities, and ensuring sound financial and administrative support.

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Association during the financial year.

### Review of operations and results

The deficit for the year ended 30 June 2016 amounted to \$1,017,059 (2015: deficit \$257,242). In addition, the entity had net assets of \$13,990,563 as at 30 June 2016 (2015: \$10,832,085).

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of the entity during the financial year.

### Matters subsequent to the end of the financial year

Subsequent to year-end the directors have agreed to merge the Victorian Association's operations with its affiliated Associations around Australia to form a national body, subject to Members' resolution. No other circumstances have arisen since the end of the year which have significantly affected or may significantly affect the operations, the results of those operations or the state of affairs of the Association in future financial years.

**Directors' Report (Cont.)**

Other than the matter noted on the previous page, there has not been any other matter or circumstance occurring since 30 June 2016 that has significantly affected, or may significantly affect:

- a) the operations of the entity in future financial years;
- b) the results of those operations in future financial years.

This report is made in accordance with a resolution of the Members of the Board:



Neil Samuel  
Chair

26 October 2016  
Melbourne



Piera Murone  
Treasurer

26 October 2016  
Melbourne



**RSM Australia Partners**

Level 21, 55 Collins Street Melbourne VIC 3000  
PO Box 248 Collins Street West VIC 8007  
T +61 (0) 3 9286 8000  
F +61 (0) 3 9286 8199  
www.rsm.com.au

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of the Alzheimer's Australia Vic Inc. for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) any applicable code of professional conduct in relation to the audit.

*RSM*

**RSM AUSTRALIA PARTNERS**

**P T SEXTON**  
Partner

Melbourne, Victoria  
Dated: 26 October 2016

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation



**ALZHEIMER'S AUSTRALIA VIC INC.****30 JUNE 2016  
ABN 14 671 840 186****Statement of Profit or Loss and Other Comprehensive Income****For the year ended 30 June 2016**

	2016	2015
	\$	\$
<b>INCOME</b>		
Government grants (including specific purpose grants)	9,993,516	12,370,619
Consultancy	252,824	245,341
Donations	1,706,879	1,308,966
Dividends received	108,791	146,144
Merchandising income	22,461	22,364
Income from fundraising/special events	276,017	203,956
Bequests	395,463	607,714
Interest	17,875	98,993
Fees for services	553,356	339,619
Subscriptions	17,063	44,672
Sundry income	129,362	146,842
Surplus on sale of shares	4,531	7,684
	<u>13,478,138</u>	<u>15,542,914</u>
<b>EXPENDITURE</b>		
Salaries and wages	9,639,460	10,274,785
Consultants	1,007,446	1,635,282
Travel & Accomodation	592,275	632,975
Advertising & Publicity	245,192	337,632
Board and AGM expenses	6,794	7,134
Communication	393,511	414,215
Depreciation	588,208	580,766
Financial costs	31,401	17,791
Audit fees	27,037	21,000
Loss on sale of financial assets	94,143	16,062
Membership - Alzheimer's Australia Affiliation	44,017	44,162
Occupancy	613,278	542,793
Printing and stationery	284,464	461,232
Office expenses	261,502	162,264
Minor capital expenditure	3,884	7,617
Repairs and maintenance	69,020	77,498
Program delivery	600,821	436,688
Staff amenities and other costs	29,149	51,403
Staff development	64,738	58,868
Staff recruitment	58,432	9,564
Subscriptions/memberships	25,425	10,424
	<u>14,680,197</u>	<u>15,800,156</u>

ALZHEIMER'S AUSTRALIA VIC INC.

30 JUNE 2016

ABN 14 671 840 186

**Statement of Profit or Loss and Other Comprehensive Income (cont.)**

For the year ended 30 June 2016

	2016	2015
	\$	\$
Operating deficit for the year	(1,202,059)	(257,242)
Profit on sale of investment property	185,000	-
Deficit for the year	<u>(1,017,059)</u>	<u>(257,242)</u>
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net gain/(loss) on revaluation of financial assets	98,167	(35,545)
Revaluation of properties	4,077,370	-
Total comprehensive income/(loss) for the year	<u>3,158,478</u>	<u>(292,787)</u>

---

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

---

**ALZHEIMER'S AUSTRALIA VIC INC.****30 JUNE 2016****ABN 14 671 840 186****Statement of Financial Position****As at 30 June 2016**

	Note	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	1,479,920	1,239,043
Trade and other receivables	3	287,245	385,518
Other current assets		5,253	4,609
Financial assets	4	2,984,138	3,103,456
<b>TOTAL CURRENT ASSETS</b>		<b>4,756,556</b>	<b>4,732,626</b>
<b>NON-CURRENT ASSETS</b>			
Rental property	5	-	1,300,000
Property, plant and equipment	5	12,565,812	8,909,178
<b>TOTAL NON-CURRENT ASSETS</b>		<b>12,565,812</b>	<b>10,209,178</b>
<b>TOTAL ASSETS</b>		<b>17,322,368</b>	<b>14,941,804</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	1,211,196	1,427,304
Employee benefits	7	1,042,900	1,069,989
Other liabilities	8	949,501	1,452,550
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,203,597</b>	<b>3,949,843</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	7	128,208	159,876
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>128,208</b>	<b>159,876</b>
<b>TOTAL LIABILITIES</b>		<b>3,331,805</b>	<b>4,109,719</b>
<b>NET ASSETS</b>		<b>13,990,563</b>	<b>10,832,085</b>
<b>MEMBERS' FUNDS</b>			
Accumulated surplus		4,980,967	5,998,026
Asset revaluation reserve		8,757,211	4,679,841
Other reserves		252,385	154,218
<b>TOTAL MEMBERS' FUNDS</b>		<b>13,990,563</b>	<b>10,832,085</b>

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



**Statement of Changes in Equity**

For the year ended 30 June 2016

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves	Total \$
Balance at 1 July 2014	6,255,268	4,679,841	187,889	11,122,998
Other comprehensive income	-	-	(35,545)	(35,545)
Transfers to/(from) reserves	-	-	1,874	1,874
Deficit for the year	(257,242)	-	-	(257,242)
Balance at 30 June 2015	<u>5,998,026</u>	<u>4,679,841</u>	<u>154,218</u>	<u>10,832,085</u>
Other comprehensive income	-	4,077,370	98,167	4,175,537
Transfers to/(from) reserves	-	-	-	-
Deficit for the year	(1,017,059)	-	-	(1,017,059)
Balance at 30 June 2016	<u>4,980,967</u>	<u>8,757,211</u>	<u>252,385</u>	<u>13,990,563</u>

---

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

---

**Statement of Cash Flows**

For the year ended 30 June 2016

	Note	2016 \$	2015 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from government and other sources		13,973,732	14,243,579
Payments to suppliers and employees		(15,394,535)	(15,459,977)
Interest and dividends received		126,666	245,137
Net Cash Generated/ Used in Operating Activities		<u>(1,294,137)</u>	<u>(971,261)</u>
<b>Cash Flows from Investing Activities</b>			
Proceeds / (Payments) for investments		217,485	(3,145,505)
Proceeds from sale of property		1,485,000	-
Payments for property, plant and equipment		(167,471)	(137,107)
Net Cash Provided by Investing Activities		<u>1,535,014</u>	<u>(3,282,612)</u>
Net Increase in Cash Held		240,877	(4,253,873)
Cash at the Beginning of the Financial Period		<u>1,239,043</u>	<u>5,492,916</u>
Cash at the End of the Financial Period	2	<u>1,479,920</u>	<u>1,239,043</u>

---

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

---

## Notes to the Financial Statements

### 1. Statement of significant accounting policies

The financial statements cover Alzheimer's Australia Vic Inc. as an individual entity. The Association is an association incorporated in Victoria under the Associations Incorporation Reform Act 2012 (Victoria).

#### (a) 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') and associated regulations and the Associations Incorporation Reform Act 2012 (Victoria) as appropriate for not-for-profit entities.

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 the 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 accrual 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 financial statements were authorised for issue by the Members of the board on the date of the Directors report.

#### (a) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings are carried at their fair value, based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation on buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus reserve in equity. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

#### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use.

## Notes to the Financial Statements

### 1. Statement of significant accounting policies (cont.)

#### (a) Property, Plant and Equipment

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

	<b>Depreciation Rate</b>
Buildings	2.5%
Plant & Equipment	10% - 33.3%
Computer Hardware and Software	20% - 25%
Leasehold Improvements	20%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to accumulated surplus.

#### (b) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

#### (c) Employee Benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All other short-term employee benefit obligations are presented as payables.

##### (ii) Other long-term employer benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. 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 end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statements of comprehensive income.

## Notes to the Financial Statements

### 1. Statement of significant accounting policies (cont.)

#### (c) Employee Benefits (cont.)

The obligations are presented as current liabilities in the statements of financial position if the Association does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### *(iii) Contribution superannuation expense*

Contributions to superannuation plans are expensed in the period in which they are incurred.

#### (d) Cash and cash equivalents

For the purposes of presentation in the statements of cash flows, 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, which are subject to an insignificant risk of changes in value, and which are used in the cash management function on a day to day basis.

#### (e) Revenue recognition

##### **Grants**

Grants from State and Federal Governments as well from various Foundations and Trusts are recognised as revenue at the fair value of the contributions when Alzheimer's Australia Vic obtains control of the contribution or the right to receive such contribution i.e. when there is reasonable assurance that the Association has complied with the conditions attached to the funding and when it is probable that the grant will be received and can be measured.

Such Grants are recognised as revenue on a systematic basis over the periods that they relate to and in which the Association recognises expenses for related costs that the Grant is intended to compensate. The grants are recognised as income when received and transferred to the statement of financial position as income received in advance if conditions upon which the funding was provided have not occurred in the current financial period.

##### **Donations**

Donations are recognised in income when the Association has obtained a legal right to, and control of the income. Some donations received are tied to a specific event or project. In these circumstances the donations are treated as grants and are recognised as income when received and transferred to the statement of financial position as income received in advance, then recognised as revenue on a systematic basis over the periods that they relate to and in which the Association recognises expenses for related costs that the donation is intended to compensate.

##### **Bequests**

Bequests are recognised in income when the Association has obtained a legal right to, and control of the income.

##### **Fees for Service**

Income from fee for services provided by the Association is recognised as revenue when the service is provided and at the fair value of the contribution received. Fees received that relate to a service to be rendered in the future period are treated as income received in advance in the statement of financial position.

## Notes to the Financial Statements

### 1. Statement of significant accounting policies (cont.)

#### (e) Revenue recognition (cont.)

##### Merchandising

Revenue from the sale of goods by the Association is recognised when the goods are delivered to the consumer and control has passed. It is recognised at the fair value of the contribution received.

##### Dividends and Interest Income

Dividends are recognised as income when the dividends are declared by the investee and a right to receive a dividend has been established.

Interest is recognised on a time proportion basis and is accrued as required.

##### Subscriptions

Income from Subscriptions is recognised when received by the Association.

##### Sundry Income

Sundry income represents miscellaneous income and is recognised when it is earned.

#### (f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

#### (g) Financial assets – available for sale (investments)

Investments are initially measured at their fair value. After initial recognition fair value movements are recognised in other comprehensive income through 'Other Reserves' in equity. Realised gains and losses on the trading / disposal of investments are included in profit or loss. Cumulative gains or losses previously reported in 'Other Reserves' are recognised in profit or loss when the asset is derecognised or impaired.

#### (h) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, and as a minimum, annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## Notes to the Financial Statements

### 1. Statement of significant accounting policies (cont.)

#### (j) Critical accounting estimates and judgements

The Board evaluates the estimates and judgments incorporated into the financial report based on historical knowledge and the best available current information. Estimates assume a reasonable expectation of future events and are based on current data.

##### Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. When the impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement costs calculations performed in assessing recoverable amounts incorporate a number of key estimates.

##### Key Judgements – Available for sale investments

The entity maintains a portfolio of securities with a carrying value of \$2,984,138 (2015: \$3,103,456) at reporting date. All individual investments have been reviewed for indications of impairment at the reporting date and no such impairment indicators have been noted. Management will continue to monitor future movements.

#### (k) Economic dependence

The Association is dependent on the Federal and State Governments for the majority of its revenue used to operate the business. At the date of this report, the members of the Board have no reason to believe the respective Government's will not continue to support the Association.

#### (l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost.

#### (m) Comparatives

Comparative amounts for the prior year have in some cases been aggregated with other balances to reflect a revised grouping of related balances for the current financial year.

**Notes to the Financial Statements**

	2016	2015
	\$	\$
<b>Note 2: Cash and cash equivalents</b>		
Cash on hand	3,150	3,000
Cash at bank	397,928	1,236,043
Short term deposits	1,078,842	-
<b>Total Cash at Bank</b>	<u>1,479,920</u>	<u>1,239,043</u>
<b>Note 3: Trade and other receivables</b>		
<b>Current</b>		
Trade receivables	236,172	264,677
Prepayments	26,184	95,952
Security deposits	24,889	24,889
	<u>287,245</u>	<u>385,518</u>
<b>Note 4: Financial assets</b>		
<b>Current</b>		
Available for sale financial assets	2,984,138	3,103,456
<b>Available for sale financial assets</b>		
Balance at beginning of the year	3,103,456	-
Purchases/(sales) -net	(217,485)	3,139,001
Fair value gain/(loss) on available-for-sale financial assets	98,167	(35,545)
balance at the end of the year	<u>2,984,138</u>	<u>3,103,456</u>

Available-for-sale financial assets comprise investments in the cash and money market and issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.



**Notes to the Financial Statements**

	2016	2015
	\$	\$
Note 5: (a) Investment Property		
58 Alfred Street, Prahran		
Property at Board Member's Valuation at 30 June 2015		
(2014:Independent Valuation)	-	1,300,000

The property was sold during the year for a consideration of \$1,485,000.

**(b) Property, Plant & Equipment**

98 Riversdale Rd, Hawthorn		
Land at Independent Valuation	4,354,000	3,047,100
Building at Independent Valuation	186,000	372,000
Less accumulated depreciation	-	(18,600)
	<u>4,540,000</u>	<u>3,400,500</u>
100 Riversdale Rd, Hawthorn		
Land at Independent Valuation	3,300,000	2,079,000
Building at Independent Valuation	-	344,800
Less accumulated depreciation	-	(17,264)
	<u>3,300,000</u>	<u>2,406,536</u>
104 Riversdale Rd, Hawthorn		
Land at Independent Valuation	3,540,000	1,319,957
Building at Independent Valuation	-	209,263
Less accumulated depreciation	-	(10,463)
	<u>3,540,000</u>	<u>1,518,757</u>

The independent valuation of land and buildings was conducted in 2016 by:

Alan Bertacco FAPI and Mark Ferrier AAPI

Australian Property Institute Member No. 62355 and 62380.

**ALZHEIMER'S AUSTRALIA VIC INC.****30 JUNE 2016****ABN 14 671 840 186****Notes to the Financial Statements**

	2016	2015
	\$	\$
Note 5: (b) Property Plant & Equipment (cont.)		
Plant & Equipment		
At Cost	1,315,848	1,295,870
Less : Accumulated Depreciation	<u>(1,066,515)</u>	<u>(942,742)</u>
Total Plant & Equipment	<u>249,333</u>	<u>353,128</u>
Leasehold Improvements		
At Cost	1,468,108	1,357,301
Less : Accumulated Depreciation	<u>(911,505)</u>	<u>(528,619)</u>
Total Leasehold Improvements	<u>556,603</u>	<u>828,682</u>
Information and Communication Technology		
At Cost	1,522,598	1,375,104
Less : Accumulated Depreciation	<u>(1,167,722)</u>	<u>(998,529)</u>
Total Information and Communication Technology	<u>354,875</u>	<u>376,575</u>
Land and Buildings		
At Fair Value	11,380,000	7,372,120
Less : Accumulated Depreciation	<u>-</u>	<u>(46,327)</u>
Total Land and Buildings	<u>11,380,000</u>	<u>7,325,793</u>
Artwork		
At Cost	25,000	25,000
Less : Accumulated Depreciation	<u>-</u>	<u>-</u>
Total artwork	<u>25,000</u>	<u>25,000</u>
Total property plant and equipment	<u>12,565,812</u>	<u>8,909,178</u>

### Notes to the Financial Statements

Movement in the carrying amount of Property Plant & Equipment between the beginning and the end of the current financial year.

	Opening balance	Additions	Disposals	Depreciation	Revaluation	Closing balance
	\$	\$	\$	\$	\$	\$
Freehold Land	6,446,057	-	-	-	4,747,943	11,194,000
Buildings on Freehold	879,737	-	-	(23,164)	(670,573)	186,000
Leashold Improvements	828,682	-	-	(272,079)	-	556,603
Plant & Equipment	353,127	19,978	-	(123,773)	-	249,333
Information and Communication Technology	376,575	147,493	-	(169,192)	-	354,876
Artwork	25,000	-	-	-	-	25,000
<b>T total</b>	<b>8,909,178</b>	<b>167,471</b>	<b>-</b>	<b>(588,208)</b>	<b>4,077,370</b>	<b>12,565,812</b>

Movement in the carrying amount for rental property between the beginning and the end of the current financial year.

	Opening balance	Additions	Disposals	Depreciation	Revaluation	Closing balance
	\$	\$	\$	\$	\$	\$
58 Alfred Street, Prahran	1,300,000	-	(1,300,000)	-	-	-

**ALZHEIMER'S AUSTRALIA VIC INC.**

**30 JUNE 2016**  
**ABN 14 671 840 186**

---

**Note to the Financial Statements**

	2016	2015
	\$	\$
Note 6: Trade & other payables		
Current		
Trade payables	441,193	666,159
GST payable	208,866	150,880
Accrued expenses	519,360	587,523
Alzheimer's Australia Dementia Research Foundation	15,604	16,680
Other sundry payables	26,173	6,062
	<u>1,211,196</u>	<u>1,427,304</u>
Note 7: Employee benefits		
Current		
Employee benefits	1,042,900	1,069,989
Non current		
Employee benefits	128,208	159,876
Aggregate employee benefits	<u>1,171,108</u>	<u>1,229,865</u>

**Provisions for Employee Benefits**

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

The current portion for this provision includes the total amount accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Association 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 have been classified as current liabilities since the association does not have 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 completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to these financial statements.

**ALZHEIMER'S AUSTRALIA VIC INC.****30 JUNE 2016****ABN 14 671 840 186****Notes to the Financial Statements**

	2016	2015
	\$	\$
Note 8: Other liabilities		
Current		
Income received in advance		
NDSP Revitalised Project	-	362,886
Quintessential Dementia Guide	-	150,000
Dementia Friendly Communities Toolkit	-	120,000
Forest Project	-	90,066
National Education Strategy Fund	-	77,196
Children's Website	-	63,315
Oculus Rift project	-	47,500
Dementia & Homelessness Project	-	40,000
HACC Avatar Project	120,000	-
HACC Transition	41,114	-
HACC Minor Capital	30,126	-
Mobile Immersive Experience Projects	344,000	-
PCA Carer Support Group Project	45,148	51,000
Helpsheet Services	58,000	-
Dementia Guide	95,000	-
Centre for Demential Learning	55,839	-
Younger Onset Dementia Programs	85,000	271,054
Other	2,500	179,533
	<u>949,501</u>	<u>1,452,550</u>

**Note 9: Lease Commitments**

Non-cancellable operating lease commitments not capitalised in the financial statements:

Payable - minimum lease payments		
- not later than one year	595,486	417,228
- later than one year but not later than five years	520,464	334,552
- later than five years	-	-
	<u>1,115,949</u>	<u>751,780</u>

The motor vehicle operating leases are for varied terms not exceeding 3 years. The property leases are non-cancellable with rent payable monthly in advance and are for varied terms not exceeding 5 years.

**Notes to the Financial Statements**

	2016	2015
Note 10: Key Management Personnel Compensation	\$	\$
Total compensation paid to key management personnel during the financial year		
Key management personnel	<u>832,951</u>	<u>865,506</u>

**Note 11: Related Party Transactions****(a) Key management personnel compensation**

Disclosures relating to key management personnel compensations are set out in note 10.

**(b) Key management personnel loans**

There are no loans to or from key management personnel.

**(c) Transactions with other related parties**

During the year, no related party transactions occurred.

**Note 12: Fair value measurements**

The Association has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The Association does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

**Recurring fair value measurements**

Financial assets:

Available for sale financial assets:	<u>2,984,138</u>	<u>3,103,456</u>
--------------------------------------	------------------	------------------

Non financial assets:

Investment property	-	1,300,000
Freehold land and buildings	<u>11,380,000</u>	<u>7,325,793</u>
Total non financial assets recognised at fair value	<u>11,380,000</u>	<u>8,625,793</u>

For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

The fair value of freehold land and building is determined at least every three years based on an independent valuation. At the end of each intervening period, the directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

In prior years, the fair value of investment property was determined on a yearly basis based on valuations by an independent valuer or board members' valuation.

## Notes to the Financial Statements

### Note 13: Events after the reporting period

Subsequent to year-end the directors have agreed to merge the Association's operations with its affiliated Associations around Australia to form a national body, subject to Members' resolution. No other circumstances have arisen since the end of the year which have significantly affected or may significantly affect the operations, the results of those operations or the state of affairs of the Association in future financial years.

### Note 14: Association details

The principal place of business of the Association is:  
Alzheimer's Australia Vic Inc.  
98 Riversdale Road  
Hawthorn VIC 3122

ALZHEIMER'S AUSTRALIA VIC INC.

30 JUNE 2016

ABN 14 671 840 186

**DIRECTORS DECLARATION**

In the opinion of the Board of directors this financial report set out on pages 5 to 22:

- (i) Presents fairly the financial position of Alzheimer's Australia Vic Inc. as at 30 June 2016 and its performance for the year ended on that date in accordance with Australian Accounting Standards - Reduced Disclosure Requirements.
- (ii) At the date of this statement, there are reasonable grounds to believe that Alzheimer's Australia Vic Inc. will be able to pay its debts as and when they become due and payable.

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

.....  
Neil Samuel  
Chair

26 October 2016  
Melbourne

.....  
Piera Murone  
Treasurer

26 October 2016  
Melbourne





**RSM Australia Partners**

Level 21, 55 Collins Street Melbourne VIC 3000  
PO Box 248 Collins Street West VIC 8007

T +61(0) 3 9286 8000

F +61(0) 3 9286 8199

[www.rsm.com.au](http://www.rsm.com.au)

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF THE**

**ALZHEIMER'S AUSTRALIA VIC INC**

We have audited the accompanying financial report of Alzheimer's Australia Vic Inc, which comprises the statements of financial position as at 30 June 2016, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

*Directors' responsibility for the financial report*

The directors of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Reform Act 2012* of Victoria, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

**THE POWER OF BEING UNDERSTOOD**

**AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation





*Independence*

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

*Opinion*

In our opinion, the financial report presents fairly, in all material respects, the financial position of Alzheimer's Australia Vic Inc as of 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Reform Act 2012* of Victoria.

A handwritten signature in blue ink that reads 'RSM'.

**RSM AUSTRALIA PARTNERS**

A handwritten signature in blue ink, appearing to be 'P T Sexton'.

**P T SEXTON**  
Partner

Melbourne, Victoria  
Dated: 26 October 2016

---

## Family services

98–104 Riversdale Road, Hawthorn 3122

## Learning services

155 Oak Street, Parkville, 3052

## Postal address

Locked Bag 3001, Hawthorn 3122

**T:** (03) 9815 7800

**F:** (03) 9815 7801

**E:** [alz@alzheimers.org.au](mailto:alz@alzheimers.org.au)

**W:** [fightdementia.org.au/vic](http://fightdementia.org.au/vic)

**National Dementia Helpline** 1800 100 500

---

## Find us



@AlzheimersVic



@alzheimersaustraliavic



Alzheimer's Australia Vic



Alzheimer's Australia Vic



AlzheimersVic

---

## Online resources

[dementiadaily.org.au](http://dementiadaily.org.au)

[dementiainmyfamily.org.au](http://dementiainmyfamily.org.au)

[dementialearning.org.au](http://dementialearning.org.au)

[dementiafoundation.org.au](http://dementiafoundation.org.au)

[dementiaresources.org.au](http://dementiaresources.org.au)

[detectearly.org.au](http://detectearly.org.au)

[enablingenvironments.com.au](http://enablingenvironments.com.au)

[fightdementia.org.au](http://fightdementia.org.au)

[helpwithdementia.org.au](http://helpwithdementia.org.au)

[isitdementia.com.au](http://isitdementia.com.au)

[livingwellwithdementia.org.au](http://livingwellwithdementia.org.au)

[start2talk.org.au](http://start2talk.org.au)

[talkdementia.org.au](http://talkdementia.org.au)

[valuingpeople.org.au](http://valuingpeople.org.au)

[yourbrainmatters.org.au](http://yourbrainmatters.org.au)

---

## Regional offices

Albury

Bairnsdale

Ballarat

Bendigo

Cowes

Drouin

Geelong

Mildura

Shepparton

Warrnambool

---

