

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

ABN: 14 671 840 186

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**

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**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

BOARD'S REPORT

Your Board members submit the financial report of Alzheimer's Disease and Related Disorders Association of Victoria Inc. for the year ended 30 June 2013.

BOARD MEMBERS

The names of Board members during the financial year and at the date of this report are:

David Galbally AM QC (resigned 26 June 2013)	Stephen Hawke (resigned 29 August 2012)
Geoff Slade	Graeme Samuel AC (appointed 31 July 2013)
Mary Lyttle (resigned 25 September 2013)	Lynette Allison
Michael Woodward	Fiona Mason
Ian Knight	Frauke Tyrrell (appointed 25 July 2012)
Neil Samuel	Fran McInerney (appointed 31 October 2012)

PRINCIPAL ACTIVITIES

The principal activities of the Association during the year were to provide for people with dementia, their carers 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.

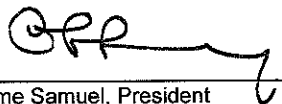
SIGNIFICANT CHANGES

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

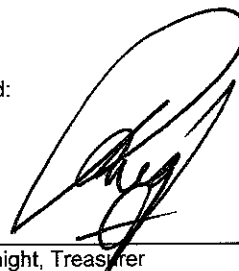
OPERATING RESULT

The operating surplus amounted to \$95,313 (\$1,431,994 in 2012).

Signed in accordance with a resolution of the Members of the Board:



Graeme Samuel, President
25 September 2013



Ian Knight, Treasurer

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
INCOME			
Government grants (including specific purpose grants)	1 (f)	8,588,799	7,485,700
Consultancy		16,097	26,245
Donations		536,811	1,003,326
Dividends		4,038	1,278
Merchandising income		39,036	43,313
Income from fundraising/special events		135,662	148,569
Bequests		1,119,358	1,672,102
Interest		202,724	213,287
Fees for services		312,447	196,794
Salary packaging		22,295	19,676
Subscriptions		51,355	57,490
Sundry income		309,722	229,845
Surplus on sale of shares		5,883	8,075
Special purpose income		3,996	-
		<u>11,348,223</u>	<u>11,105,700</u>
EXPENDITURE			
Salaries and wages			
Service provider		5,689,405	5,106,030
Administration		964,747	611,686
Staff development		83,836	94,049
Staff recruitment		52,296	35,456
Staff amenities and other costs		38,401	29,557
Superannuation		561,649	465,124
Workcover		74,406	125,285
Fringe benefits		15,513	10,584
Board and AGM		7,612	8,345
Travel and accommodation		608,136	434,748
Communication		250,122	205,570
Office		224,073	151,868
Printing and stationery		337,973	281,436
Occupancy		421,633	275,001
Repairs and maintenance		117,469	72,290
Subscriptions/memberships		9,237	17,263
Membership - Alzheimer's Australia Affiliation		44,062	44,062
Program delivery		349,745	467,468
Financial costs		27,791	25,111

The accompanying notes form part of this financial report.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**STATEMENT OF COMPREHENSIVE INCOME (cont)
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
Consultants		933,316	897,776
Merchandising expenditure		18,610	39,426
Advertising and publicity		235,445	119,230
Depreciation and amortisation		176,676	149,997
Volunteer costs		3,287	4,628
Minor capital expenditure		3,674	1,716
Special purpose expenses		3,796	-
		<u>11,252,910</u>	<u>9,673,706</u>
Surplus from operations		95,313	1,431,994
Increment on rental property		240,000	45,000
Bequest - Research		-	42,973
Dividends received - Research		-	27,554
Surplus/(deficit) on sale of shares - Research		-	15,862
Donations - Research		-	30,353
Interest received - Research		-	100,495
Research expenditure		-	(89,434)
Surplus		<u>335,313</u>	<u>1,604,797</u>
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Unrealised increment/(decrement) on shares - Research		-	(23,917)
Unrealised increment/(decrement) on shares - Operations		8,486	(1,425)
Transfer from financial asset valuation reserve on sale of shares - Research		-	(25,876)
Transfer from financial asset valuation reserve on sale of shares - Operations		(1,997)	-
Items that will not be reclassified subsequently to profit or loss			
Revaluation of land and buildings		<u>241,614</u>	-
Total comprehensive income		<u><u>583,416</u></u>	<u><u>1,553,579</u></u>

The accompanying notes form part of this financial report.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**BALANCE SHEET
AS AT 30 JUNE 2013**

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	2	6,194,140	6,972,749
Trade and other receivables	3	255,046	362,742
Other financial assets	4	73,775	107,379
Inventories		9,775	12,807
TOTAL CURRENT ASSETS		6,532,736	7,455,677
NON-CURRENT ASSETS			
Rental property	5a	1,200,000	960,000
Property, plant and equipment	5b	9,162,439	7,499,336
TOTAL NON-CURRENT ASSETS		10,362,439	8,459,336
TOTAL ASSETS		16,895,175	15,915,013
CURRENT LIABILITIES			
Trade and other payables	6	1,550,952	982,120
Employee benefits	7	676,573	628,417
Other liabilities	8	3,252,962	1,647,701
TOTAL CURRENT LIABILITIES		5,480,487	3,258,238
NON-CURRENT LIABILITIES			
Employee benefits	7	293,006	238,725
Other liabilities	8	108,251	45,578
TOTAL NON-CURRENT LIABILITIES		401,257	284,303
TOTAL LIABILITIES		5,881,744	3,542,541
NET ASSETS		11,013,431	12,372,472
MEMBERS' FUNDS			
Accumulated surplus	9	6,021,802	3,947,411
Asset revaluation reserve	10a	4,679,841	4,438,226
Other reserves	10b	311,788	3,986,835
TOTAL MEMBERS' FUNDS		11,013,431	12,372,472

The accompanying notes form part of this financial report.

ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Accumulated Surplus	Other Reserve	Research Reserve	Financial Asset Valuation Reserve	Asset Revaluation Reserve	Relocation Reserve	Total
	\$	\$	\$	\$	\$	\$	\$
Balance as at 30 June 2011	4,492,717	23,502	1,811,241	53,207	4,438,226	-	10,818,893
Surplus/(deficit)	1,604,797	-	-	-	-	-	1,604,797
Revaluation increment/(decrement) - Research	-	-	-	(23,917)	-	-	(23,917)
Unrealised increment/(decrement) - Operations	-	-	-	(1,425)	-	-	(1,425)
Transfer to income on sale of shares	-	-	-	(25,876)	-	-	(25,876)
Transfer to/from reserves	(2,150,103)	7,300	127,803	-	-	2,015,000	-
Balance as at 30 June 2012	3,947,411	30,802	1,939,044	1,989	4,438,226	2,015,000	12,372,472
Transfer of Research funds to AADR-V	-	-	(1,939,044)	(3,414)	-	-	(1,942,458)
Surplus/(deficit)	335,313	-	-	-	-	-	335,313
Revaluation of land and buildings Unrealised increment/(decrement) - Operations	-	-	-	-	241,615	-	241,615
	-	-	-	8,486	-	-	8,486
Transfer to income on sale of shares	-	-	-	(1,997)	-	-	(1,997)
Transfer to/from reserves	1,739,078	200	-	-	-	(1,739,278)	-
Balance as at 30 June 2013	6,021,802	31,002	-	5,064	4,679,841	275,722	11,013,431

The accompanying notes form part of this financial report.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from government and other sources		12,804,554	9,969,338
Payments to suppliers and employees		(12,254,067)	(8,788,516)
Interest received - Operations		202,724	213,287
Net cash provided by/(used in) operating activities		<u>753,211</u>	<u>1,394,109</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of shares		66,346	366,622
Interest received - Research		-	100,495
Payments for property, plant and equipment		(1,598,165)	(154,783)
Net cash provided by/(used in) investing activities		<u>(1,531,819)</u>	<u>312,334</u>
Net increase/(decrease) in cash held		(778,608)	1,706,443
Cash and cash equivalents at beginning of financial year		6,972,748	5,266,305
Cash and cash equivalents at end of financial year	2	<u>6,194,140</u>	<u>6,972,748</u>

The accompanying notes form part of this financial report.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

The financial statements cover Alzheimer's Disease and Related Disorders Association of Victoria Inc. as an individual entity. The Association is an association incorporated in Victoria under the Associations Incorporation Reform Act 2012.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

Alzheimer's Disease and Related Disorders Association of Victoria Inc. has elected to early adopt the Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements, 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 statement have been rounded to the nearest dollar.

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 statement 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 statement have been rounded to the nearest dollar.

On 1 July 2012 the assets held for research and the related research reserves totalling \$1,942,458 respectively were transferred to a new entity - Alzheimer's Australia Dementia Research Foundation - Victoria (AADRF-V).

(a) Inventories

Inventories are measured at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(b) 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.

Plant and equipment

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.

Freehold land and buildings are brought to account at cost or at independent or directors' valuation.

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. 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:

Class of fixed asset	Depreciation Rate
Buildings	2.5%
Office Equipment	25% - 33.3%
Furniture & Fittings	10.0%
Computer Hardware	20% - 25%

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 retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(c) 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.

(d) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(f) Government Grants

Government grants for the current year are brought to account as revenue upon receipt. Any grants which are reciprocal where a present obligation exists to repay the grant, are treated as a liability in accordance with AASB 1004 Contributions. Grants received in relation to future periods' funding are treated as grants received in advance in the financial statements.

(g) Trust Funds

Funds received in the form of donations or sponsorship which are tied to a specific event or project are held as "Trust Funds" in the balance sheet. These funds will only be brought to account as income in the period in which the costs associated with the specific project are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(h) Goods and Services Tax (GST)

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

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Impairment of Assets

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

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(j) Revenue and Other Income

Donations and bequests are recognised when received.
Interest revenue is recognised using the effective interest rate method.

Revenue from the provision of services is recognised on an accrual basis.
Revenue from subscriptions is recognised when received.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) Critical Accounting Estimates and Judgments

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.

The financial report was authorised for issue on 25 September 2013 by the members of the Board.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	2013 \$	2012 \$
NOTE 2: CASH AND CASH EQUIVALENTS			
Cash on hand		2,350	2,150
Cash at bank		710,639	276,952
Short term deposits		5,481,151	6,693,646
		<u>6,194,140</u>	<u>6,972,749</u>
 (a) Included in cash and cash equivalents is research funds of \$NIL (2012 \$1,898,540) representing funds to be used solely for research purposes.			
 NOTE 3: TRADE AND OTHER RECEIVABLES			
Trade receivables		112,846	325,670
Prepayments		126,210	37,072
Security deposits		12,295	-
GST receivable		3,695	-
		<u>255,046</u>	<u>362,742</u>
 NOTE 4: OTHER FINANCIAL ASSETS			
Listed shares at market value 30 June - Research		-	43,918
Listed shares at market value 30 June - Operations		73,775	63,461
		<u>73,775</u>	<u>107,379</u>
 NOTE 5 (a) RENTAL PROPERTY			
58 Alfred Street, Prahran			
Property at Independent Valuation at 30 June 2013	(i)	1,200,000	-
Property at Board Valuation at 30 June 2012	(ii)	-	960,000
		<u>1,200,000</u>	<u>960,000</u>
 (b) PROPERTY, PLANT & EQUIPMENT			
98 Riversdale Rd, Hawthorn			
Land at Independent Valuation 30 June 2013	(i)	3,047,100	-
Land at Independent Valuation 30 June 2010	(i)	-	2,902,000
Building at Independent Valuation 30 June 2013	(i)	372,000	-
Building at Independent Valuation 30 June 2010	(i)	-	372,000
Building at cost		-	4,510
Less accumulated depreciation		-	(18,600)
		<u>3,419,100</u>	<u>3,259,910</u>
 100 Riversdale Rd, Hawthorn			
Land at independent Valuation 30 June 2013	(i)	2,079,000	-
Land at Independent Valuation 30 June 2010	(i)	-	2,031,750
Building at Independent Valuation 30 June 2013	(i)	344,800	-
Building at Independent Valuation 30 June 2010	(i)	-	344,800
Less accumulated depreciation		-	(17,262)
		<u>2,423,800</u>	<u>2,359,288</u>
 104 Riversdale Rd, Hawthorn (AAV share of 63.49%)			
Land at Independent Valuation 30 June 2013	(i)	1,319,957	-
Land at Independent Valuation 30 June 2010	(i)	-	1,335,671
Building at Independent Valuation 30 June 2013	(i)	209,263	-
Building at Independent Valuation 30 June 2010	(i)	-	209,263
Less accumulated depreciation		-	(10,463)
		<u>1,529,220</u>	<u>1,534,471</u>
 (i) The independent valuation of land and buildings was conducted by: Andrew Weaver AAPI and Mark D. Ferrier AAPI Australian Property Institute Member No. 1501 and 1343			
 (ii) The Board valuation was based on a recent Council rate valuation notice.			

**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
NOTE 5: PROPERTY, PLANT & EQUIPMENT (cont)		
Office equipment at cost	546,684	456,872
Less accumulated depreciation	<u>(449,217)</u>	<u>(430,715)</u>
	97,467	26,157
Computer equipment at cost	1,095,440	790,765
Less accumulated depreciation	<u>(688,838)</u>	<u>(596,010)</u>
	406,602	194,754
Furniture, fixtures and fittings at cost	549,054	430,772
Less accumulated depreciation	<u>(347,604)</u>	<u>(319,362)</u>
	201,450	111,411
Leasehold improvements	1,085,395	110,807
Less accumulated amortisation	<u>(595)</u>	<u>(97,462)</u>
	1,084,800	13,345
Total property, plant and equipment	<u>9,162,439</u>	<u>7,499,336</u>

ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 5: PROPERTY, PLANT AND EQUIPMENT (Cont)

(C) Movements in carrying amounts 2013

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Balance at start	Additions	Disposals	Depreciation/amortisation Expense	Write back	Revaluation	Balance at end
	\$	\$	\$	\$	\$	\$	\$
98 Riversdale Rd	3,259,910	-	-	(9,300)	-	168,490	3,419,100
100 Riversdale Rd	2,359,288	-	-	(8,632)	-	73,144	2,423,800
104 Riversdale Rd	1,534,471	-	-	(5,231)	-	(20)	1,529,220
Office equipment	26,157	89,812	-	(18,503)	-	-	97,466
Computer equipment	194,754	304,675	-	(92,828)	-	-	406,601
Furniture, fixtures and fittings	111,411	118,283	-	(28,242)	-	-	201,452
Leasehold improvements	13,345	-	-	(13,345)	-	-	-
Leasehold improvements	-	1,085,395	-	(595)	-	-	1,084,800
Total	7,499,336	1,598,165	-	(176,676)	-	73,124	9,162,439

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

	Balance at start	Additions	Disposals	Depreciation/amortisation Expense	Write back	Revaluation	Balance at end
	\$	\$	\$	\$	\$	\$	\$
58 Alfred Street	960,000	-	-	-	-	240,000	1,200,000

ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
NOTE 6: TRADE AND OTHER PAYABLES			
Trade payables - Capital works		609,603	-
- Other		580,353	511,851
GST payable		-	136,488
Accrued expenses		360,996	333,781
		<u>1,550,952</u>	<u>982,120</u>
NOTE 7: EMPLOYEE BENEFITS			
CURRENT			
Employee benefits		676,573	628,417
NON-CURRENT			
Employee benefits		293,006	238,725
Aggregate employee benefits liability		<u>969,579</u>	<u>867,142</u>
Balance at the start of the year		867,142	648,468
Additional provisions		602,765	583,105
Amounts used		(500,328)	(364,431)
Balance at the end of the year		<u>969,579</u>	<u>867,142</u>
NOTE 8: OTHER LIABILITIES			
Grants received in advance (Current)	1(f)	3,252,962	1,646,701
Trust funds	1(g)	-	1,000
		<u>3,252,962</u>	<u>1,647,701</u>
Grants received in advance (Non - Current)	1(f)	108,251	45,578
		<u>108,251</u>	<u>45,578</u>
NOTE 9: ACCUMULATED SURPLUS			
Accumulated surplus at the beginning of the financial year		3,947,411	4,492,717
Surplus/(deficit)		335,313	1,604,797
Transfer to/from reserves		1,739,078	(2,150,103)
Accumulated surplus at the end of the financial year		<u>6,021,802</u>	<u>3,947,411</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

NOTE 10: RESERVES

(a) ASSET REVALUATION RESERVE

The asset revaluation reserve records revaluations of non-current assets.

(b) OTHER RESERVES

These comprise the following:

FINANCIAL ASSET VALUATION RESERVE

The financial asset valuation reserve records revaluations of financial assets.

RESEARCH RESERVE

The research reserve records monies held for research. This reserve was transferred to AADRF-V during the year.

RELOCATION RESERVE

The relocation reserve records amounts relating to the relocation of the association to Parkville.

OTHER RESERVE

The other reserve records monies held for use to fund attendance at National conferences.

NOTE 11: LEASING COMMITMENTS

OPERATING LEASE COMMITMENTS

Payable

Not later than 1 year

Later than 1 year but not later than 5 years

2013	2012
\$	\$
492,246	202,113
619,724	113,812
<u>1,111,970</u>	<u>315,925</u>

The motor vehicle operating leases are for varied terms not exceeding 4 years. The property leases are non-cancellable with rent payable monthly in advance and are for varied terms not exceeding 5 years.

NOTE 12: KEY MANAGEMENT PERSONNEL COMPENSATION

Short-term benefits

<u>656,108</u>	<u>491,763</u>
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NOTE 13: RELATED PARTIES

BOARD OF DIRECTORS

The names of persons who were on the Board of Directors at any time during the financial year were as follows:

David Galbally, Mary Lyttle, Lynette Allison,
Fiona Mason, Stephen Hawke, Neil Samuel,
Michael Woodward, Geoff Slade, Ian Knight and Fran McInerney.

REMUNERATION OF DIRECTORS

Income received or due and receivable, by the 10 Directors (11 in 2012) of the Association from the Association

<u>-</u>	<u>-</u>
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**ALZHEIMER'S DISEASE AND RELATED DISORDERS
ASSOCIATION OF VICTORIA INC.**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

	2013	2012
	\$	\$
NOTE 13: RELATED PARTIES (cont)		
RELATED PARTY TRANSACTIONS		
During the year ended 30 June 2013, the Association was provided with services by the Slade Group of which Geoff Slade is the Chairman. The services consisted of recruitment provided at a 50% discount to normal commercial rates and provision of temporary staff. During the year ended 30 June 2012, the Association was provided with services by the Slade Group of which Geoff Slade is the Chairman. The services consisted of recruitment provided at a 50% discount to normal commercial rates and provision of temporary staff.	<u>55,587</u>	<u>62,806</u>
During the year ended 30 June 2013, the Association paid Madgwicks, of which David Galbally is a Partner, for professional legal fees at normal commercial rates.	<u>6,116</u>	<u>-</u>
NOTE 14: RESEARCH INCOME		
Research income comprising of bequest and interest income is specifically designated in the terms of the bequestors to be used solely for research purposes only.		
NOTE 15: ASSOCIATION DETAILS		
The principal place of business of the Association is: Alzheimer's Disease and Related Disorders Association of Victoria Inc. 98 Riversdale Rd, Hawthorn Vic 3122		

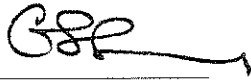
STATEMENT BY MEMBERS OF THE BOARD

In the opinion of the Board this financial report:

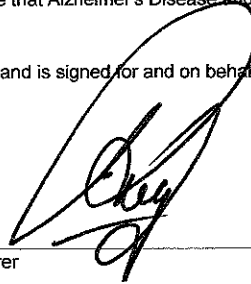
1. Presents a true and fair view of the financial position of Alzheimer's Disease and Related Disorders Association of Victoria Inc. as at 30 June 2013 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Alzheimer's Disease and Related Disorders Association of Victoria Inc. will be able to pay its debts as and when they fall due.

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



Graeme Samuel, President
25 September 2013



Ian Knight, Treasurer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION OF VICTORIA INC.

Report on the Financial Report

We have audited the accompanying financial report of Alzheimer's Disease and Related Disorders Association of Victoria Inc., which comprises the balance sheet as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies, other explanatory notes and the statement by members of the Board.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981 (Victoria), 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.

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 whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Board, 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.

Auditor's Opinion

In our opinion the financial report gives a true and fair view of the financial position of Alzheimer's Disease and Related Disorders Association of Victoria Inc. as at 30 June 2012, and of its financial performance and cash flows for the year then ended in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Associations Incorporations Act 1981 (Victoria).

MDHC Audit Assurance Pty Ltd

Kevin P. Adams
Director

Hawthorn
28 September 2011