

INDEPENDENT LIVING CENTRE NSW

ABN 44 103 681 572

**ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2011**

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The financial report covers Independent Living Centre NSW as an individual entity. The financial report is presented in the Australian currency.

The financial report was authorised for issue by the directors on 26 September 2011. The company has the power to amend and reissue the financial report.

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DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2011.

1) Directors

The names of each person who has been a director during the year and to the date of this report are:

Ms Jane Woodruff - Chairperson
Mr Colin Slattery – Deputy Chairperson
Ms Toni Adams - Treasurer
Associate Professor Catherine Bridge
Ms Beth Fulton
Ms Ann-Mason Furmage
Mr Jeevan Joshi
Mr Jonathan Ladd

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The principal activities of the entity during the financial year was to provide information services to people with disabilities, older people, carers, allied health professionals and the community on Assistive Technologies (Aids and Equipment) and the built environment.

The entity's short term objectives are to:

- Integrate our website as a model of service delivery to address the information inequity across NSW
- To increase the breadth and scope of our skills and knowledge base across the spectrum of Assistive Technologies
- Develop our Registered Training Organisation and Access Consultancy activities so that they sustain the core business

The entity's long term objectives are to:

Vision: To change lives through Assistive Technology

Organisational Purpose: To inform people's choices of Assistive Technology by providing impartial advice and information.

- To grow our services to reach more people in more ways
- To advise on systemic changes that lead to a wider use of Assistive Technology and a responsive accessible built environment
- To increase our brand awareness, public perception and knowledge of the Independent Living Centre and its services
- To develop viable alternative sources of revenue to support our operations.

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DIRECTORS' REPORT (continued)

To achieve these objectives, the entity has adopted the following strategies:

- Undertaken internal reviews of its operations. There is now a new structure in place that will enable the organization to:
 - o respond to growth and change
 - o facilitate the cultural shift required to develop the website as an integrated model of service delivery.
- Undertaken an external review of the business model of the organization's training and access activities, so that they sustain the core work of the business.
- Maintained the commitment of the Board of Directors and staff to providing the best possible outcomes for the people of NSW who require Assistive Technologies to have and maintain their independence and quality of life.
- Supported staff in their professional development to ensure that ILCNSW skills and knowledge adapt to the changing Assistive Technology environment.

2) Information on Directors

Ms Jane Woodruff	-	Independent Non-Executive Director.
Qualifications	-	Bachelor of Social Work (University of NSW) Bachelor of Arts.
Experience	-	Jane Woodruff is CEO of Uniting Care Burnside and has qualifications in social science. Jane has occupied a number of key positions in Government and not for profit sectors covering direct service provision, management, policy advice, development, research, community consultation, planning and change management. Director since 2003.
Special Responsibilities	-	Chairperson from 29 January 2009.

Mr Colin Slattery	-	Independent Non-Executive Director.
Qualifications	-	Graduate Certificate Science (Applied Statistics) (current) Masters in Organisational Coaching (merit) Certificate IV Workplace Assessment & Training (2006). Postgraduate Diploma in Management (Marketing) (2000, Macquarie University). Bachelor of Applied Science (Speech Pathology) (1992, Sydney University).
Experience	-	Colin Slattery is currently a director of his own research, training and consulting business. He brings his expertise in human resource management, marketing, training and coaching to individuals and organizations. Colin has extensive experience in the government and non-government sector and has worked at various levels of management. Director since March 2007.
Special Responsibilities	-	

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DIRECTORS' REPORT (continued)

Ms Toni Adams	-	Independent Non-Executive Director.
Qualifications	-	Business Management Certificate (Australian Institute of Management 1997). Bachelor of Science majoring in Immunology (University of NSW 1982). Grad Cert TESOL (Charles Sturt University) Studies in Medicine (University of NSW 1972).
Experience	-	Toni Adams is currently a consultant to the Aged and Community Care sector, including government. From her many years working for Commonwealth and NSW government departments, Toni has an extensive knowledge of the non-government and government sectors, especially in ageing, disability and community care. Toni has particular expertise in Organisational Change Management, Strategic Planning, Program Administration, Communications, Project Management, Process Design and Streamlining, and Tendering in the Aged and Community Care sector. Director since March 2007.
Special Responsibilities	-	Treasurer from April 2008, Company Secretary from 19 January 2009 to 27 September 2009.

Associate Professor Catherine Bridge	-	Independent Non-Executive Director.
Qualifications	-	BappSc(OT) Cumb, MCOGSci UNSW, PhD USyd.
Experience	-	Catherine Bridge is an Assoc/Prof of the Faculty of the Built Environment at the University Of NSW; a member of the City Futures Research Centre and Director of the Enabling Built Environments Program of which the Home Modification Information Clearinghouse is a sub-stream. Catherine specialises in person – environment fit research and is an Occupational Therapist with a PhD in Architecture. Dr Bridge became a director in September 2008.
Special Responsibilities	-	

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DIRECTORS' REPORT (continued)

Ms Beth Fulton	-	Independent Non-Executive Director.
Qualifications	-	Bachelor of Applied Science (Occupational Therapy) from the University of Sydney.
Experience	-	Beth Fulton is a Paediatric Occupational Therapist who has worked in various clinical and management roles across the Sydney Children's Hospital (Westmead and Randwick campuses). She is currently the Out-Of-Home Advisor for NSW Health, based at The Children's Hospital at Westmead. Director since November 2008.
Special Responsibilities	-	

Ms Ann-Mason Furnage	-	Independent Non-Executive Director.
Qualifications	-	B.Bus (Accounting) WAIT (now John Curtin University Certified Practicing Accountant.
Experience	-	Ann-Mason Furnage has been President of the Physical Disability Council of NSW for the past seven years. She is retired from active employment in her profession after more than twenty years experience as an accountant and financial controller in Australia and the USA. Ms Furnage was appointed as a Director in May 2009.
Special Responsibilities	-	

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DIRECTORS' REPORT (continued)

Mr Jeevan Joshi	-	Independent Non-Executive Director.
Qualifications	-	Business Management (HR), XLRI, India 1993. M. Technology (Biochemical Engg.), Inst of Tech, BHU India 1991. B. Pharmacy, Delhi University, India 1989.
Experience	-	Jeevan Joshi is the Principal Consultant at KnowledgeWorking. He has over 19 years experience in designing and delivering e-Learning, human capital, knowledge, risk and compliance solutions for leading organisations in Australia, New Zealand and Asia. He has wide exposure to various functions including business development, project management, consulting and human resources and has worked for leading companies such as Deloitte, Ernst & Young and PWC. Jeevan has a Masters in Biochemical Engineering and a MBA. He is a member of the Australian Institute of Company Directors and the Simulation Industry Association of Australia. Mr Joshi was appointed as a Director December 2009.
Special Responsibilities	-	

Mr Jonathan Ladd	-	Independent Non-Executive
Qualifications	-	University of Durham, UK, 1973-76 BA Philosophy and Psychology. London School of Economics, 1976-77 MPhil Logic.
Experience	-	Jonathan Ladd has 33 years of diverse line, technology, management, consulting and director-level experience, including global Chief Information Officer for P&O Group. Experience covers business strategy, management and information technology, across multiple sectors, working in multiple countries and cultures, at all levels up to board and investor/owner. Currently Group CEO of Datacom. Other current roles include provision of strategic advice and governance for an Australian payments network. Mr Ladd was appointed as a Director November 2009.
Special Responsibilities	-	

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DIRECTORS' REPORT (continued)

3) Meetings of Directors

During the financial year 10 meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	Number eligible to attend	Number attended
Ms Jane Woodruff	10	6
Mr Colin Slattery	10	7
Ms Toni Adams	10	10
Associate Professor Catherine Bridge	10	9
Ms Beth Fulton	10	8
Ms Ann-Mason Furmage	10	10
Mr Jeevan Joshi	10	8
Mr Jonathan Ladd	10	4

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the entity. At 30 June 2011 the collective liability of members was \$33 (2010: \$36).

4) Company Secretary

Mr Anthony Sammut was appointed Company Secretary from 28 September 2009.

5) Operating and financial review

Overview

The Statement of Comprehensive Income shows a surplus for the year ended 30 June 2011 of \$184 compared with a surplus of \$9,702 in 2010.

The company's total assets increased by \$1,423,382 to \$1,876,767 (2010: \$453,385) over the year. The increase in total assets comprised a large increase in cash held as a result of Government funding received in advance for three purposes. The first is for \$770,665 which relates to our property relocation next year and is split as \$400,000 for fit-out and moving and \$330,665 for additional rents and expenses over the next five years. The second grant totals \$400,000 and is for the further development of the ILC NSW @magic website and database. The third grant totalling \$110,468 is in advance of a potential program tender application in which interest is retained in the event of non-tender or unsuccessful tender. There is also retention in cash from these grants of \$128,113 being the GST components paid in July. There one motor vehicle sold outright and another traded which reduced the fixed assets by (\$10,908)

Total liabilities increased by \$1,423,628 to \$1,543,685 (2010: \$120,057) over the year. This was mainly due to the Government funds received in advance for the property relocation \$770,665, the web development \$400,000 and the grant in advanced of tender application of \$110,468. There is also \$12,502 in Governments grants which comprises 1.5% of the 2011 income held back for 2012 under direction by ADHC. The GST liability paid in July is \$146,367 mainly as a result of the above additional grants.

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DIRECTORS' REPORT (continued)

6) Events subsequent to reporting date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the company, to significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

7) Likely Developments

The company will endeavour to pursue its principal activities at a minimal or break even outcome consistent with its not-for-profit status and objectives. It is not expected that the results in future years will be adversely affected by the continuation of these operations.

Further disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.


8) Environmental Regulations


The company's operations are not subject to significant environmental regulation under Australian legislation.

9) Indemnification of Officers and Auditors

Indemnification

Since the end of the previous financial year, the company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the company.


Colin Slattery
Director


Toni Adams
Director

Sydney
Dated:

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the directors of Independent Living Centre NSW:

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2011 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.


David Gallery
Partner


Nexia Court & Co
Chartered Accountants

Sydney
Dated: 



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
INDEPENDENT LIVING CENTRE NSW**

Report on the financial report

We have audited the accompanying financial report of Independent Living Centre NSW ('the 'company') which comprises the statement of financial position as at 30 June 2011, and the statement of comprehensive income, statement of changes in equity, and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the company.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report of the company, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditors' 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 auditors' 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 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 would be in the same terms if provided to the directors as at the date of this auditor's report.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
INDEPENDENT LIVING CENTRE NSW
(CONTINUED)**

Auditors' opinion on the financial report

In our opinion:

- a** the financial report of the Independent Living Centre NSW is in accordance with the Corporations Act 2001, including:
 - i** giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the financial year ended on that date; and
 - ii** complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- b** the financial report of the company also complies with International Financial Reporting Standards.


David Gallery
Partner


Nexia Court & Co
Chartered Accountants

Sydney
Dated: 30 September 2011

INDEPENDENT LIVING CENTRE NSW

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DIRECTORS' DECLARATION

In the opinion of the directors of Independent Living Centre NSW ("the company"):

- (a) the financial statements and notes, set out on pages 13 to 30, are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the financial position of the company as at 30 June 2011 and of its performance for the financial year ended on that date; and
 - ii. complying with Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (c) the provisions of the Charitable Fundraising Act and regulations under that Act and the conditions attaching to the authority to fundraise have been complied with; and
- (d) the internal controls exercised by the company are appropriate and effective in accounting for all income received.

Signed in accordance with a resolution of the directors:



Colin Slattery
Director

Sydney
Dated:



Toni Adams
Director

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
Revenue	5	1,030,624	1,174,452
Employee benefits expense	3i	(677,579)	(753,054)
Depreciation expense	6	(17,921)	(25,531)
Indirect administration expenses		(260,081)	(219,185)
Other expenses		(74,859)	(166,980)
Total expenses		(1,030,440)	(1,164,750)
SURPLUS FOR THE YEAR	16	184	9,702

**The above Statement of Comprehensive Income should be read
in conjunction with the accompanying notes.**

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	8	1,779,187	336,002
Trade and other receivables	9	31,469	38,658
Prepayments	10	3,771	5,102
Other financial assets	11	3,157	3,588
TOTAL CURRENT ASSETS		<u>1,817,584</u>	<u>383,350</u>
NON-CURRENT ASSETS			
Plant and equipment	12	<u>59,183</u>	<u>70,035</u>
TOTAL NON-CURRENT ASSETS		<u>59,183</u>	<u>70,035</u>
TOTAL ASSETS		<u>1,876,767</u>	<u>453,385</u>
CURRENT LIABILITIES			
Payables and other liabilities	13	1,484,345	71,767
Employee benefits	14	<u>54,514</u>	<u>34,964</u>
TOTAL CURRENT LIABILITIES		<u>1,538,859</u>	<u>106,731</u>
NON-CURRENT LIABILITIES			
Employee benefits	14	<u>4,826</u>	<u>13,326</u>
TOTAL NON-CURRENT LIABILITIES		<u>4,826</u>	<u>13,326</u>
TOTAL LIABILITIES		<u>1,543,685</u>	<u>120,057</u>
NET ASSETS		<u>333,082</u>	<u>333,328</u>
EQUITY			
Reserves	15	691	1,121
Retained surplus	16	<u>332,391</u>	<u>332,207</u>
TOTAL EQUITY		<u>333,082</u>	<u>333,328</u>

The above Statement of Financial Position should be read
in conjunction with the accompanying notes.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Total Equity at the beginning of the financial year	333,328	322,926
Movement in listed share revaluation reserve	(430)	700
Surplus for the year	<u>184</u>	<u>9,702</u>
Total Equity at the end of the financial year	<u><u>333,082</u></u>	<u><u>333,328</u></u>

**The above Statement of Changes in Equity should be read
in conjunction with the accompanying notes.**

INDEPENDENT LIVING CENTRE NSW

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**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

		2011	2010
		\$	\$
Cash flows from operating activities:			
Receipts from government and other sources		2,410,996	1,050,615
Dividends received		121	243
Interest received		12,912	13,614
Payments		(983,091)	(1,149,281)
Net cash from operating activities	19 ii	<u>1,440,938</u>	<u>(84,809)</u>
 Cash flows from investing activities:			
Purchase non-current assets		(40,841)	(18,949)
Proceeds on disposal of non-current assets		43,088	-
Net cash from investing activities		<u>2,247</u>	<u>(18,949)</u>
 Net (decrease) / increase in cash and cash equivalents held		1,443,185	(103,758)
Cash and cash equivalents at beginning of the financial year		<u>336,002</u>	<u>439,760</u>
Cash and cash equivalents at end of the financial year	19 i	<u><u>1,779,187</u></u>	<u><u>336,002</u></u>

**The above Statement Of Cashflows should be read
in conjunction with the accompanying notes.**

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

1 REPORTING ENTITY

Independent Living Centre NSW (the 'company') is a company domiciled in Australia. The address of the company's registered office is 1 Fennell Street, Parramatta NSW 2150. The financial statements of the company as at and for the year ended 30 June 2011 comprise the company. The company primarily is involved in the provision of a display, information and educational service about products, equipment, environmental design and resources to assist people with daily living activities.

2 BASIS OF PREPARATION

a Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial report of the company also complies with the International Financial Reporting Standards to the extent applicable to not-for-profit entities and interpretations adopted by the International Accounting Standards Board.

The Financial statements were approved by the Board 26 September 2011.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

b Basis of measurement

The financial statements have been prepared on the historical cost basis except as indicated otherwise.

c Functional and presentation currency

These financial statements are presented in Australian dollars, which is the company's functional currency.

d Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Interest Revenue

Interest revenue is recognised as it accrues.

Government Grants

Government grants are recognised when the company gains control of the contribution or the right to receive the contribution; and are deferred as a liability to the extent that unspent grants are required to be repaid to the funding organisation as per the funding agreement.

Dividends

Revenue from dividends is recognised when received.

Other Income

Income from other sources is recognised when the fee in respect of other products or services provided is receivable.

b 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 Taxation 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 in the Statement of Cash Flows 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.

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

c Income Tax

No provision for income tax has been made as the company is a registered charity under the Charitable Fundraising Act (NSW) 1991, and has been granted an exemption by the Commissioner of Taxation.

d Receivables

The collectability of debts is assessed at balance date and specific provision is made for any doubtful accounts.

e Other financial assets

Financial assets in listed equities are measured at fair value, being the current quoted market prices at balance date. The decrease in market value compared to cost is included in reserves in the Statement of Financial Position and detailed in note 15.

f Impairment

i Financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

ii Non-financial assets

The carrying amounts of the company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011**

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

g Plant and equipment

i Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. The cost of plant and equipment at 1 January 2004, the date of transition to AASBs, was determined by reference to its fair value at that date.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

ii Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

iii Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|-------------------------------|---------|
| • Office equipment | 6 years |
| • Office equipment & fittings | 7 years |
| • Motor vehicles | 5 years |

h Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

3 SIGNIFICANT ACCOUNTING POLICIES (Continued)

i Employee Entitlements

Annual Leave

The provisions for employee entitlements to annual leave represent present obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the company expects to pay as at reporting date including related on-costs.

Long Service Leave

Long service leave is measured as the present value of the future payments to be made.

Superannuation

The company contributes to several superannuation plans. Contributions are charged against income as they are incurred

4 FINANCIAL RISK MANAGEMENT

The company has exposure to the following risks from their use of financial instruments:

- Liquidity risk
- Market risk; and
- Credit risk.

This note presents information about the company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included in note 20 where applicable.

The Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the company, to set appropriate limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

4 FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risk damage to the company's reputation.

Market risk

Market risk is the risk that changes in market prices, such interest rates and equity prices, will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Interest rate risk

Interest rate risk arises from the potential for change in interest rates to have an adverse effect on the net earnings of the company. The company is exposed to minimum risk as it has no interest bearing liabilities and therefore the impact on reported income will not be material.

Capital management

The company is not subject to externally imposed capital requirements.

	2011	2010
	\$	\$
5 REVENUE		
Government funding	823,446	929,506
Dividends received	173	186
Interest Revenue	17,939	13,614
Surplus on disposal of motor vehicles	9,316	-
Total other revenues	179,750	231,146
	<u>1,030,624</u>	<u>1,174,452</u>

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

	2011 \$	2010 \$
6 EXPENSES		
Depreciation	17,921	25,531
Net expense from movements in provision for: Employee entitlements	<u>11,051</u>	<u>(39,939)</u>
7 AUDITORS' REMUNERATION		
<i>Audit services:</i>		
Auditors of the company – Nexia Court & Co		
- audit of the financial report	8,500	7,700
<i>Other services:</i>		
- other services	<u>2,500</u>	<u>2,000</u>
8 CASH AND CASH EQUIVALENTS		
Current		
Cash on hand	500	500
Cash at bank	1,588,687	149,345
Term deposits	<u>190,000</u>	<u>186,157</u>
	<u>1,779,187</u>	<u>336,002</u>
9 TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors (1)	26,284	38,552
Other debtors	<u>5,185</u>	<u>106</u>
	31,469	38,658
(1) net of debtors provided for as doubtful.	<u>(649)</u>	<u>(3,080)</u>
10 PREPAYMENTS		
Current Prepayments	<u>3,771</u>	<u>5,102</u>
11 OTHER FINANCIAL ASSETS		
Current		
Listed shares at fair value	<u>3,157</u>	<u>3,588</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

	2011	2010
	\$	\$
12 PLANT AND EQUIPMENT		
Non-Current – owned		
Office equipment – at cost	113,567	110,730
<i>Less:</i> Accumulated depreciation	<u>(81,222)</u>	<u>(80,140)</u>
	<u>32,345</u>	<u>30,590</u>
 Office furniture & fittings	 28,776	 28,776
<i>Less:</i> Accumulated depreciation	<u>(28,776)</u>	<u>(27,077)</u>
	<u>-</u>	<u>1,699</u>
 Motor vehicles	 28,755	 53,796
<i>Less:</i> Accumulated depreciation	<u>(1,917)</u>	<u>(16,050)</u>
	<u>26,838</u>	<u>37,746</u>
	<u><u>59,183</u></u>	<u><u>70,035</u></u>

Reconciliations

Reconciliations of the carrying amounts for each class of plant and equipment are set out below:

	2011	2010
	\$	\$
Office Equipment - owned		
Carrying amount at beginning of year	30,590	23,186
Additions	12,086	18,949
Disposals	(9,249)	(5,216)
Write back of depreciation on disposal	6,329	5,097
Depreciation	<u>(\$7,411)</u>	<u>(11,426)</u>
 Carrying amount at end of year	<u><u>32,345</u></u>	<u><u>30,590</u></u>
 Office Furniture & Fittings - owned		
Carrying amount at beginning of year	1,699	5,045
Depreciation	<u>(1,699)</u>	<u>(3,346)</u>
 Carrying amount at end of year	<u><u>-</u></u>	<u><u>1,699</u></u>

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

	2011 \$	2010 \$
12 PLANT AND EQUIPMENT (Continued)		
Motor Vehicles – owned		
Carrying amount at beginning of year	37,746	48,506
Additions	28,755	-
Disposals	(53,796)	-
Write back of depreciation on disposal	22,944	-
Depreciation	(8,811)	(10,760)
	<hr/>	<hr/>
Carrying amount at end of year	26,838	37,746
	<hr/>	<hr/>
13 PAYABLES AND OTHER LIABILITIES		
Current		
Other creditors and accruals	43,343	58,067
Funds received in advance (1)	1,294,635	-
GST payable	146,367	13,700
	<hr/>	<hr/>
	1,484,345	71,767
	<hr/>	<hr/>
(1) Course costs	1,000	-
<u>Government funding :</u>		
Relocation Costs	770,665	-
Website Development	400,000	-
Tender Application	110,468	-
2012 Retention	12,502	-
	<hr/>	<hr/>
	1,294,635	-
	<hr/>	<hr/>
14 EMPLOYEE BENEFITS		
Current		
Annual leave provision	44,473	34,964
Long service leave provision	10,041	-
	<hr/>	<hr/>
	54,514	34,964
	<hr/>	<hr/>
Non-Current		
Long service leave provision	4,826	13,326
	<hr/>	<hr/>
15 RESERVES		
Listed shares revaluation reserve	691	1,121
	<hr/>	<hr/>

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

16 RETAINED SURPLUS

Retained surplus at the beginning of the year	322,207	322,505
Surplus for the year	184	9,702
	<hr/>	<hr/>
Retained surplus at the end of the year	332,391	332,207
	<hr/>	<hr/>

17 KEY MANAGEMENT PERSONNEL DISCLOSURES

- a** The key management personnel of the company comprise the directors, CEO, Operations Manager and Client Services Manager.
- b** The directors during the financial year are disclosed in Note 1 to the directors' report.
- c** The compensation paid, payable or provided to the key management personnel during the financial year are set out below:

	2011	2010
	\$	\$
Short term employee benefits	242,542	147,061
Post-employment benefits	21,829	13,236
Termination benefits	-	-
	<hr/>	<hr/>
	264,371	160,297
	<hr/>	<hr/>

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

18 INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991.

Gross Proceeds from Fundraising

General Donations	3,467	4,738
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Net Surplus from Fundraising

3,467	4,738
-------	-------

Statement showing how funds received were applied to Charitable Purposes

Supporting free community education programs, improving product displays	3,467	4,738
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List of all forms of Fundraising conducted during the financial year:

General Donations	3,467	4,738
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Comparisons of Monetary Figures and Percentages

Total cost of fundraising/	-	-
Gross income from fundraising	3,467	4,738
	0%	0%
Net surplus from fundraising	3,467	4,738
Gross income from fundraising	3,467	4,738
	100%	100%

Comparisons of Monetary Figures and Percentages

Total cost of services	1,030,440	1,164,750
Total expenditure	1,030,440	1,164,750
	100%	100%
Total cost of services	1,030,440	1,164,750
Total income	1,030,624	1,174,452
	99.98%	99.2 %

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

19 NOTES TO THE STATEMENT OF CASH FLOWS

- i** For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash at bank and on hand and investments in term deposit instruments. Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2011	2010
	\$	\$
Cash on Hand	500	500
Cash at Bank – Current Account	1,588,687	149,345
Term Deposits	190,000	186,157
	<u>1,779,187</u>	<u>336,002</u>

- ii** Reconciliation of surplus for the year to Net Cash from Operating Activities

Surplus for the year	184	9,702
Depreciation	17,921	25,531
Loss / (gain) on disposal of non-current assets	(9,316)	1,363
<i>Changes in assets and liabilities</i>		
Change in receivables	7,189	29,250
Change in prepayments	1,332	(1,295)
Change in payables and provisions	1,423,628	(148,116)
Net Cash from Operating Activities	<u>1,440,938</u>	<u>(84,809)</u>

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

20 STATE SUPERANNUATION FUNDS DEFINED BENEFIT SURPLUS

Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS) of actuarially assessed surpluses totalling \$18,672 at 30 June 2011, in the Defined Benefit Superannuation Accounts of a former employee and member in receipt of a superannuation pension. At 30 June 2011, the accrued liability for future pension payments was \$68,038 funded by estimated reserves of \$76,029 in SASS and \$10,681 in SANCS. This surplus is not available to the Company and may be required to meet ongoing commitments to the member's account in future years, having regard to anticipated lower superannuation fund earnings and higher inflation. In view of this, the directors have decided that the assessed surplus at 30 June 2011 should not be brought to account in the Financial Statements.

21 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

a Liquidity Risk

The contractual maturities of financial liabilities for the company are all within 12 months of the end of the financial year. The contractual cash flows equate to the carrying amount of the liabilities.

b Credit risk

Exposure to credit risk

The carrying amount of the company's financial assets represents the maximum credit exposure. The company's maximum exposure to credit risk at the reporting date was:

	Note	Carrying amount	
		2011	2010
		\$	\$
Cash and cash equivalents	8	1,779,187	336,002
Trade and other receivables	9	31,469	38,658
		<u>1,810,656</u>	<u>374,660</u>

Significant concentrations of credit risk

At the reporting date, the company's financial assets did not represent any significant concentration of credit risk.

INDEPENDENT LIVING CENTRE NSW
ABN 44 103 681 572

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

21 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE (Continued)

Impairment losses

A number of the company's receivables are past due. The aging of the company's trade receivables at the reporting date was:

	Gross 2011 \$	Impairment 2011 \$	Gross 2010 \$	Impairment 2010 \$
Not past due	19,744	-	19,888	-
Past due	5,020	(649)	22,744	(3,080)
	<u>24,764</u>	<u>(3,080)</u>	<u>42,632</u>	<u>(3,080)</u>

\$269 (2010: \$396) in bad debts has been recognised in the financial year for the company.

Based on historic default rates, the company believes that no additional impairment allowance is necessary in respect of trade receivables not past due or past due.

c Interest rate risk

Profile

At reporting date the interest rate profile of the company's interest-bearing financial instruments was:

	2011 \$	2010 \$
Variable rate instruments		
Cash and cash equivalents	<u>1,778,687</u>	<u>335,502</u>

Sensitivity Analysis:

An increase / (decrease) of 1% in interest rates at the reporting date would have increased / (decreased) equity and profit and loss by \$17,787 (2010: \$3,355). This analysis assumes that all other variables remain constant.

d Fair Values

All financial instruments recognised in the balance sheet, whether they are carried at cost or at fair value, are recognised at amounts that represent a reasonable approximation of fair value.

INDEPENDENT LIVING CENTRE NSW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2011

	2011	2010
	\$	\$
22 OPERATING LEASE COMMITMENTS		
Non-cancellable operating lease expense commitments		
Future operating lease commitments not provided for in the financial statements and payable:		
Not later than 12 months	20,587	81,547
Between 12 months and 5 years	-	20,587
	<hr/> 20,587	<hr/> 102,134

The company leases property under a non-cancellable operating lease expiring 31 October 2011 and is on a hold over basis until 31 March 2012 with one months notice from either party.

**INFORMATION FOR THE DIRECTORS
ON THE 2011 FINANCIAL STATEMENTS**

DETAILED INCOME STATEMENT

DISCLAIMER

The additional financial information is in accordance with the books and records of Independent Living Centre NSW which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 30 June 2011.

It will be appreciated that our statutory audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of the additional financial information, including any errors or omissions therein, arising through negligence or otherwise however caused.


David Gallery
Partner


Nexia Court & Co
Chartered Accountants

Sydney
Dated: 30 September 2011

INDEPENDENT LIVING CENTRE NSW
ABN 44 103 681 572

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
INCOME		
Donations	3,467	4,738
Dividends	173	186
Government Funding	823,446	929,506
ILC Magic Database – Fees & Subscriptions	-	268
ILC @Magic	1,950	2,803
Interest Received	17,939	13,614
Advertising & Sales Revenue - Journal	36,873	41,318
Membership Subscriptions	464	702
Professional Fees – for Specialist Services		
Access Consultancy	76,429	138,068
Education & Training	55,712	31,661
Client Services	4,179	4,649
Publications Sales	377	1,242
Profit on Disposal of Assets	9,316	-
Sundry Income	299	5,697
TOTAL INCOME	1,030,624	1,174,452
EXPENDITURE		
Employee Benefits Expense:		
Staff Costs	677,579	753,054
Depreciation Expense:		
Depreciation	17,921	25,531
Indirect Administration Expenses:		
Advertising, Exhibitions & Publicity	3,771	2,383
Audit Fees	11,000	12,595
Bad Debts	269	842
Bank Charges	1,721	2,969
Books & Subscriptions	6,700	5,216
Cleaning	300	300
Computer Expenses	5,297	4,265
Conference Fees	2,626	660
Contractor Fees	42,220	18,804
Consultancy Fees	44,300	38,563
Electricity	4,334	4,594
Independent Living Centres Australia Expenses	573	3,141

INDEPENDENT LIVING CENTRE NSW
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DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
EXPENDITURE (Continued)		
Insurance - Property & Commercial	9,282	9,589
Loss on Disposal Of Assets	-	119
Meeting & Annual Report Expenses	5,134	3,917
Motor Vehicle Costs	3,082	1,454
Postage, Courier	3,751	4,923
Printing, Photocopying & Stationery	7,593	6,868
Rent	72,680	71,974
Repairs & Maintenance	1,703	6,582
Storage Costs	1,745	-
Telephones & Fax	11,408	11,057
Training & Education Materials	14,093	2,225
Travelling Expenses	6,499	6,145
	<hr/> 260,081	<hr/> 219,185
Other Expenses:		
General Expenses	2,294	2,712
Publishing Costs - Journal	47,496	55,961
Contractors – Journal	15,600	21,129
Room Hire	4,406	7,882
Web Development Expenses	5,063	79,296
	<hr/> 74,859	<hr/> 166,980
TOTAL EXPENDITURE	<hr/> 1,030,440	<hr/> 1,164,750
(DEFICIT) / SURPLUS FOR THE YEAR	<hr/> 184	<hr/> 9,702