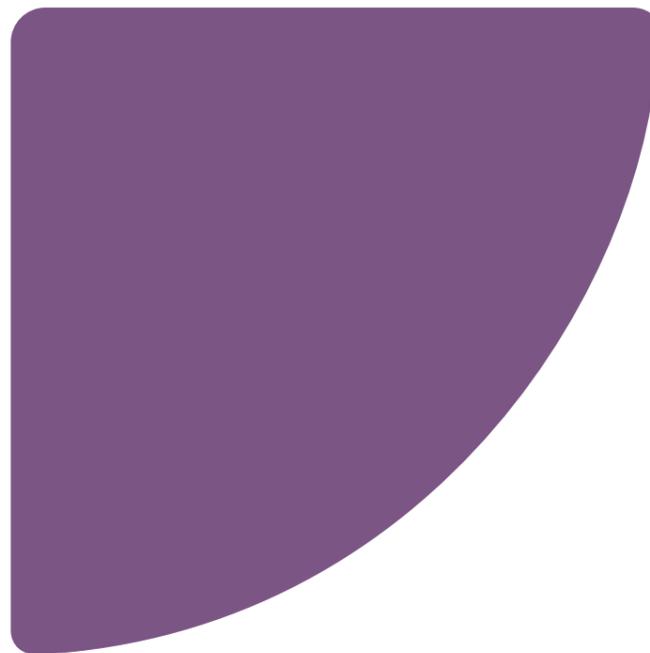


Annual Report 2014



Home Modifications Australia

Enabling people to confidently undertake home modifications and increase wellbeing and independence.



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Chairperson's Report



In 2009 the elected regional representatives for the NSW Home Modification and Maintenance State Council (Council), met for a strategic planning session that flagged, even then, the need for a nationally focused Home Modifications (HM) peak body. By 2012 Council had facilitated and held the inaugural National HMMS Conference and our first contact with stakeholders from other States and Territories consolidated our thinking and our commitment to becoming Home Modifications Australia (MOD.A).

2013-2014 has seen the gradual piecing together of the many elements required to create and support a national peak body, one which support and continue to develop our full HM industry. Our move from regional Lismore to Sydney in 2013 and the proactive engagement with an extensive list of stakeholders across both disability and aged care, has positioned us to move forward with confidence to lobby and advocate for HM stakeholders in both sectors. In the course of the year Council has been sought out for advice and consultation with the NDIA and has actively participated in the Department of Social Services' (DSS) National Aged Care Alliance Advisory Groups for both the Commonwealth Home Support Program and the Sub-Group 5, Home Modifications, Maintenance, Goods and Equipment and Linen Service.

Our training calendar for OTs was reviewed and refined for cost effectiveness to both Council and trainees, with a view to ensuring positive outcomes for participants that were both valuable and value for money. Technical support has remained a part of Council's services to members and is an area to be further reviewed and developed across 2015. Expanding member services both online and through training/industry support events, will be a priority within the workplans of Council staff.

2015 will see the Council disbanded and Home Modifications Australia (MOD.A) will come into existence with a national focus and a national, stakeholder, Board of Directors. Service providers from NSW, while initially helping to form the new Board, will devolve from governance positions as new and appropriate national stakeholders take office. Clearly, in the new and reformed service provision environments, direct service providers would have significant conflicts of interest in terms of national industry lobbying and governance. However, current members from NSW will have many opportunities to provide input to the new national peak. Indeed, the experience of NSW HM providers, and their expertise in creating and sustaining networks, will be a crucial foundation element in building a strong and progressive HM industry.

“

Our greatest challenge is ensure governments see and acknowledge the incredible outcomes the HM program can achieve and lobby/advocate to maintain a level of subsidy to our vulnerable target clients.

”

At our NSW Members' Workshop and Information day held in June 2014, it was apparent that HM providers are dealing with the stresses of change management in an unknown funding environment. Increasing contestability in an environment that will include commercial concerns both large and small, adds further strain to organisations already struggling to bed down their strategic planning. Resourcing Members with information and training on elements of planning that are specific to our industry, will also form a large part of MOD.A's ongoing services.

Council looks back on 2013/2014 with not just pride at what has been achieved but with a measure of amazement that we have come as far as we have in a relatively short period of time. For this we must thank our staff past and present for facing and meeting the challenges that Council has given them, particularly in these last twelve months. Most notably, Council would like to thank Michael Bleasdale, our CEO from the start of 2014 whose calm exterior hides a laser focus and formidable commitment to rising to the challenges that Council and soon MOD.A represent.

In the 2014/2015 financial year Council, with support from its members, is scheduled to hold its last formal meeting and hand over the reins to the new Board of MOD.A. For almost

two decades, volunteers across NSW have worked tirelessly to represent service provider members and to lobby where possible for our clients and our industry in general. We are entering a new era that is only made possible by the previous hard work of Council representatives, especially those that have served as Executive Office Bearers. To merely write of the grateful thanks of an industry to those volunteers seems somehow inadequate, but those thanks are heartfelt and genuine.

Lastly I'd like to say to our members and to the HM industry in general, that our greatest challenge is not from small or large competitors nor changes to how funding is processed. Our greatest challenge is ensure governments see and acknowledge the incredible outcomes the HM program can achieve and lobby/advocate to maintain a level of subsidy to our vulnerable target clients. The commitment of our current members to quality client service can be a benchmark for national program outcomes.

Thank you to all members for your ever-encouraging support. I look forward to working with you all, to continue to not just face but succeed in sustaining and developing our HM industry.



Anne Reeve
Chairperson

CEO Report



“

There is a lot of work to be done, finalising our new national structure, identifying and realising funding opportunities, as well as increasingly involving ourselves in the work that needs to be done to establish and make functional the new aged care and disability sectors.

”

The 2013-2014 financial year marked the revitalisation of the NSW HMMS State Council, following its move from Lismore at the end of June 2013. It was characterised by a significant period of rebuilding, in terms of its staff and its office, and also in terms of its relationships with its members and the broader disability and aged care sectors.

The decision to move to Surry Hills was made in the previous financial year, and enacted by State Council to take effect from 1 July. The Executive Officers Board (EOB) took on the responsibility of finding premises and new staff, and bedding down the infrastructure needed to continue on as a NSW body, whilst also making the move toward a national entity. The work done by the EOB in this transition period was immense, and helped to keep State Council viable and visible, including representing the interests of our sector in the aged care and disability reforms.

The process of staff recruitment began in the first half of the financial year, and here I acknowledge the work of the previous CEO Bernie Murphy, who resigned due to ill-health just prior to Christmas, and of Natasha Ramsay, who was with us until the beginning of June. Our activities amongst Occupational Therapists were the first to really get going, led

by the energy and commitment of Mary Jackson as our Senior Occupational Therapist in November 2013. Her focus on upgrading the information State Council provides to members and the public, as well as upon training for OTs in the sector, paved the way for Sandi Lightfoot-Collins to take over that role in May 2014. By the end of June State Council was already back delivering quality training to OTs in the sector, and had established strong links in this area with OT Australia (NSW).

In 2014 we have built on these new foundations and begun to once more provide services to our members, and to the community in general. Since taking on the position of CEO in the middle of February I have been able to recruit further and increase our expertise in policy analysis and technical expertise.

Andrew Clark has been appointed the Senior Policy and Projects Officer, and Seamus Weir (Shay) was employed on a six month contract to work in the role of Building Technical Officer. Additional assistance has been provided to me by Ray Dooley, working in a consultancy role to develop our policies and procedures, and fine tune our business processes; and by Natasha Jayaratne, who works as our Project Support Worker.

Whilst the new staff team has led the revival of State Council, the patience and support of members has been critical to our growing success, and we aim to reward that by increasing and improving our member services over the course of the next year. Throughout 2013-2014 we have made progress toward the goal of becoming a national entity, which is on track to be complete by the end of 2014 or early 2015. At the end of June we held a National Stakeholders Roundtable, where representatives of organisations and government departments from each State and Territory were present, either in person or via telephone. At this meeting there was unanimous support for a national peak body which would raise the profile of home modifications throughout Australia, and work constructively with governments to ensure that they were delivered efficiently and at a very high standard.

The context in which we are making the changes to our own organisation is one of significant reform, and our members' service delivery in both the disability and aged care sectors has meant that we have been involved in the design and implementation of home modifications in the reshaping of both of those service systems. The strength of our advocacy has always come from the direct relationship we have with our members, and the work we have done this year in redeveloping the website, and making it much more interactive, means we can develop our positions based on the perspectives of our members.

Our focus is also on the change that is likely to need to occur within the home modifications services system, and the way that organisations operate, and this was the theme of our Member Event, held at Darling Harbour at the end of June, Managing Change – Adapting our Systems. The participation of members and invited speakers in this event demonstrated how engaged our sector is with the reforms, and we will undertake to provide information to members in future which builds on the range of issues and strategies which were canvassed throughout the day.

The agenda for our work in the 2014-2015 financial year has been set by our updated Strategic Plan, which we restructured at the end of May, and by our Activity Plan negotiated with the NSW Department of Families and Community Services, Ageing, Disability and Home Care unit (ADHC). There is a lot of work to be done, finalising our new national structure, identifying and realising funding opportunities, as well as increasingly involving ourselves in the work that needs to be done to establish and make functional the new aged care and disability sectors.

We are grateful for the ongoing support we have had from ADHC, not only this year but in the previous 20 or so years they have supported the NSW HMMS State Council. Our current funding arrangement expires at the end of the next financial year, and we must look nationally to see where future grants and funding may come from. ADHC have a limited funding relationship with the sector in NSW, as a result of the changes to HACC, but remain supportive of our efforts to ensure that people are not disadvantaged whilst the systems changes are gradually implemented. We certainly hope to maintain a close relationship with them whilst they retain a role in the delivery of supports and services to people with disability in NSW.

Finally, I wish to thank the members of State Council, who volunteer their time to participate in the governance of our organisation, and whose experience and knowledge has helped to carry us over a difficult, but significant and ultimately positive, period of transition. With their support, and that of the staff I am looking forward to an eventful and successful 2014-2015.

A handwritten signature in black ink, reading "Michael Bleasdale". The signature is written in a cursive style.

Michael Bleasdale
Chief Executive Officer

Treasurer's Report



In looking through the audited financial statements I must concur with statements made in relation to the excellent work improving internal controls and accounting policies, enabling an ongoing commitment to building sector capacity.

The overall result for the year is a retained surplus of \$855,153 with a Working Capital of \$736,450.

All projects have a carry forward surplus owing to the due diligence of staff ensuring costs are closely monitored. All projects have activity plans moving forward, informed by Strategic Planning and Business Plan.

Core	\$210,000
BTP	\$261,214
QARP	\$408,817
OT2	\$250,000
Energetica	\$ 24,805
OTB	\$124,761
OTP	\$285,721

We closed out the financial year with a healthy \$2,337,601 in cash flow, down on 2013 and yet maintained at an acceptable level with the excellent financial measures and support in place.

We can now look forward to a move to MOD.A with a sound financial background and excellent staff in place to ensure growth and a national co-operation.

I wish to acknowledge and thank our previous Treasurer, Andrea Thomas for setting the high level of accounting proficiency and for the staff for implementing same.

A handwritten signature in black ink that reads "Shalla Thomas".

Shalla Thomas
Treasurer



Financial
Report
2013-14



**NSW Home Modification and Maintenance Services State
Council Inc.**

ABN 39 694 104 989

Financial Statements – Year ended 30 June 2014

**NSW Home Modification and Maintenance Services State Council Inc.
Members' report
30 June 2014**

The officers present their report, together with the financial statements, on the incorporated association for the year ended 30 June 2014.

Directors

The following persons were officers of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Mr Ronald Casey
- Ms Phillippa Clifford
- Mr Craig Kjoller
- Ms Ruth Ley
- Ms Christine McCutcheon
- Mr Steven Malvern
- Mr Bryan Molan
- Ms Joanne Pedder
- Ms Anne Reeve
- Ms Jennifer Ryan
- Mr Craig Telling
- Ms Shalla Thomas
- Ms Susan Willis
- Ms Vicki Kendall (resigned February 2014)
- Ms Andrea Thomas (resigned November 2013)

Objectives

The vision of the NSW HMMS State Council is to unite and enhance Home Modification Services across NSW. They are as follows:

- Contributing to policy that affects home modifications at all levels of government
- Advocacy and lobbying for quality client outcomes and home modification support mechanisms
- Providing best practice advice, information and resources
- Consulting broadly amongst all home modification stakeholders
- Building sector capacity and sustainability
- Promoting partnerships and collaboration that enhance client outcomes
- Demonstrating and advocating for innovative and proactive supplier approaches that support quality client service and outcomes

Principal activities

The NSW HMMS State Council is a foundation peak whose key focus is to build sector capacity from the ground level up. Such influence and implementation of State Council's vision is achieved through the implementation of industry training initiatives, resource development and quality assurance which is relevant to the HMMS sector in NSW. Additionally, the NSW HMMS State Council plays a pivotal role in representing and advocating on behalf of the HMMS sector on reform issues.

On behalf of the officers



Anne Reeve
Chair

28 October 2014
Sydney



Shalla Thomas
Treasurer

28 October 2014
Sydney

**NSW Home Modification and Maintenance Services State Council Inc.
Contents
30 June 2014**

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Statement of changes in Members' funds
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Independent auditor's report to the members of NSW Home Modification and Maintenance Services State Council Inc.

General information

The financial statements cover NSW Home Modification and Maintenance Services State Council Inc. as an individual entity. The financial statements are presented in Australian dollars, which is NSW Home Modification and Maintenance Services State Council Inc.'s functional and presentation currency.

The financial statements were authorised for issue on 28 October 2014.

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Core			
Revenue	3		
Membership fees		19,350	69,450
Conference income		2,892	264,204
(Loss)/profit on sale of fixed assets		(5,383)	3,637
Other income		63,324	65,345
Training income		-	52,983
Interest received		84,247	160,047
Allocated funds brought forward	13	296,714	605,283
Reallocation to other allocated funds		(114,597)	-
Total revenue		<u>346,547</u>	<u>1,220,949</u>
Expenses			
Accounting fees		33,290	-
Administration fees		(31,505)	-
Annual leave		8,491	-
Assets purchased <\$5,000		7,191	8,550
Audit fees		14,000	7,818
Bank fees		422	2,832
Cleaning & rubbish removal		1,800	4,159
Computer expenses		3,353	-
Conference expenses		14,189	49,194
Consultant fees		13,510	24,500
Contractors / agency tem staff		30,581	-
Depreciation	4	14,024	5,345
Doubtful debts		-	6,775
Electricity		3,622	4,605
Gifts / donations		969	1,378
Insurance		4,938	7,411
It support		13,670	5,247
Legal fees		44,173	48,925
Motor vehicle running cost		8,269	4,158
Printing, postage & stationery		6,850	51,265
Project expenses		8,971	-
Promotion & advertising		13,261	84,268
Rent		66,370	30,454
Salaries & wages		159,302	300,441
Staff costs		81,676	15,500
Subscriptions / memberships		3,369	6,025
Sundry expenses		3,918	3,786
Superannuation		13,631	28,222
Telephone/mobile/internet		19,015	44,789
Travel & accommodation		25,500	75,706
Venue hire & catering		8,416	138,856
Website hosting & maintenance		7,152	-
Allocated funds carried forward	13	210,000	296,714
Total expenses		<u>812,418</u>	<u>1,256,923</u>
Deficit for the year attributable to the members	12	(465,871)	(35,974)
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>(465,871)</u>	<u>(35,974)</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
BTP - Building Technical Program			
Revenue	3		
Resource income		30	-
Supervision income		-	45,544
Post mod sign off		-	118,758
Allocated funds brought forward	13	283,832	490,000
Funds reallocated from core fund		42,835	-
Total revenue		<u>326,697</u>	<u>654,302</u>
Expenses			
Administration fees		14,699	16,697
Assets purchased < \$5,000		1,090	-
Depreciation	4	-	17,562
Doubtful debts		-	350
OH&S Compliance		-	350
Insurance		-	1,871
IT Support		-	3,302
Motor vehicle expenses		804	9,669
Maintenance and repairs		-	535
OTB Applications		-	17,277
Postage and freight		-	347
Printing and stationery		-	2,466
Project expenses		36,592	-
Promotions and advertising		-	1,677
Publications		1,150	-
Quality assurance		-	1,688
Rent		-	5,327
Employee costs		9,513	249,112
Staff costs		755	3,260
Superannuation		880	18,462
Telephone		-	11,340
Travel		-	9,178
Allocated funds carried forward	13	261,214	283,832
Total expenses		<u>326,697</u>	<u>654,302</u>
Surplus for the year attributable to the members	12	-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>-</u>	<u>-</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
QARP			
Revenue			
Allocated funds brought forward	3		
Total revenue	13	<u>414,940</u>	<u>448,274</u>
Expenses			
Administration fees		-	14,934
Maintenance and repairs		6,123	-
OTB Applications		-	14,200
Quality assurance		-	4,200
Allocated funds carried forward	13	<u>408,817</u>	<u>414,940</u>
Total expenses		<u>414,490</u>	<u>448,274</u>
Surplus for the year attributable to the members	12	-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>-</u>	<u>-</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
OT2			
Revenue			
Allocated funds brought forward	3		
Total revenue	13	<u>250,000</u>	<u>250,000</u>
Expenses			
Allocated funds carried forward	13	<u>250,000</u>	<u>250,000</u>
Total expenses		<u>250,000</u>	<u>250,000</u>
Surplus for the year attributable to the members	12	-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>-</u>	<u>-</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Energetica Database			
Revenue			
Project development	3	-	93,803
Allocated funds brought forward	13	106,341	180,000
Total revenue		<u>106,341</u>	<u>273,803</u>
Expenses			
Energetica database		81,536	149,262
Legal fees		-	5,000
Website		-	13,200
Allocated funds carried forward	13	24,805	106,341
Total expenses		<u>106,341</u>	<u>273,803</u>
Surplus for the year attributable to the members	12	-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>-</u>	<u>-</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
OTB - Occupational Therapy Brokerage Program			
Revenue			
Other income	3	50,000	-
Allocated funds brought forward	13	195,500	300,000
Funds reallocated from core fund		4,500	-
Total revenue		<u>250,000</u>	<u>300,000</u>
Expenses			
OTB applications		125,239	94,500
Administration		-	10,000
Allocated funds carried forward	13	124,761	195,500
Total expenses		<u>250,000</u>	<u>300,000</u>
Surplus for the year attributable to the members	12	-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>-</u>	<u>-</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
OTP - Occupational Therapy Program			
Revenue			
Other income	3	(1,000)	(227)
Allocated funds brought forward	13	300,403	550,000
Funds reallocated from core fund		67,264	-
Total revenue		<u>366,667</u>	<u>549,773</u>
Expenses			
Administration Fees		16,806	18,333
Assets Purchased <\$5,000		817	-
Bank Fees		75	-
Computer Expenses		507	-
Contractors / Agency Tem Staff		6,700	-
Depreciation		-	8,781
Gifts / Donations		-	400
OH&S Compliance		-	113
Insurance		-	1,321
IT Support		-	523
Legal Fees		-	2,963
M/V Rego & Insurance		18	3,061
M/V Running Cost		727	-
Meetings expenses		54	-
Postage & Freight		-	2,331
Printing & Stationery		-	343
Project expenses		149	-
Promotion & Advertising		-	34,752
Salaries & Wages		50,334	137,259
Staff Amenities/Meals		-	1,159
Staff Training & Conferences		455	3,019
Subscriptions / Memberships		-	50
Superannuation		3,507	9,586
Telephone/Mobile/Internet		-	2,859
Travel & Accommodation		797	17,517
Venue Hire & Catering		-	5,000
Allocated funds carried forward	13	285,721	300,403
Total expenses		<u>366,667</u>	<u>549,773</u>
Surplus for the year attributable to the members	12	-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the members		<u>-</u>	<u>-</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of financial position
As at 30 June 2014

	Note	2014 \$	2013 \$
Assets			
Current assets			
Cash and cash equivalents	5	2,337,601	3,187,220
Trade and other receivables	6	35,662	39,539
Other	7	18,155	19,256
Total current assets		<u>2,391,418</u>	<u>3,246,015</u>
Non-current assets			
Property, plant and equipment	8	118,703	70,826
Total non-current assets		<u>118,703</u>	<u>70,826</u>
Total assets		<u>2,510,121</u>	<u>3,316,841</u>
Liabilities			
Current liabilities			
Trade and other payables	9	49,687	102,631
Funds carried forward	13	1,565,319	1,847,730
Deferred revenue	13	18,000	-
Employee benefits	10	8,490	-
Other current liabilities	11	13,472	45,456
Total current liabilities		<u>1,654,968</u>	<u>1,995,817</u>
Total liabilities		<u>1,654,968</u>	<u>1,995,817</u>
Net assets		<u>855,153</u>	<u>1,321,024</u>
Members' funds			
Retained surpluses	12	855,153	1,321,024
Total Members' funds		<u>855,153</u>	<u>1,321,024</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of changes in equity
For the year ended 30 June 2014

	Total Members' funds \$
Balance at 1 July 2012	1,356,998
Deficit after income tax expense for the year	(35,974)
Other comprehensive income for the year, net of tax	-
Total comprehensive income for the year	(35,974)
Balance at 30 June 2013	<u>1,321,024</u>
	Total Members' funds \$
Balance at 1 July 2013	1,321,024
Deficit after income tax expense for the year	(465,871)
Other comprehensive income for the year, net of tax	-
Total comprehensive income for the year	(465,871)
Balance at 30 June 2014	<u>855,153</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Statement of cash flows
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		148,057	612,224
Payments to suppliers and employees (inclusive of GST)		(1,014,639)	(1,837,926)
		(866,582)	(1,225,702)
Interest received		84,247	160,047
Donations received		-	93,806
Net cash used in operating activities	18	(782,335)	(971,849)
Cash flows from extraordinary items			
Net cash used in extraordinary item		-	(76,177)
Cash flows from investing activities			
(Payments)/receipts for property, plant and equipment	8	(67,284)	10,909
Net cash (used in)/provided by investing activities		(67,284)	10,909
Net decrease in cash and cash equivalents		(849,619)	(1,037,117)
Cash and cash equivalents at the beginning of the financial year		3,187,220	4,224,337
Cash and cash equivalents at the end of the financial year	5	<u>2,337,601</u>	<u>3,187,220</u>

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

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

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

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

Basis of preparation

In the officers' opinion, the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations. The officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of NSW Home Modification and Maintenance Services State Council Inc.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1031 'Materiality', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Historical cost convention

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

Critical accounting estimates

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

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the incorporated association and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

All sale revenue is stated net of the amount of goods and service tax (GST).

Donations

Donations are recognised at the time the pledge is made.

Grants

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Where grants are allocated over a specific time period, they are deferred until the required times period and held within individual fund accounts to ensure correct expenditure in line with the terms of the grants.

Interest

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

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 1. Significant accounting policies (continued)

Other revenue

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

Income tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

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

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Office equipment	12.5% - 20%
Motor vehicles	12.5%
Website	50%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the incorporated association. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the incorporated association prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 1. Significant accounting policies (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the incorporated association for the annual reporting period ended 30 June 2014. The incorporated association has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 3. Revenue

	2014	2013
	\$	\$
Total revenue		
Membership fees	19,350	69,450
Conference	2,347	264,204
Project development	-	93,806
Interest received	84,247	160,047
Other	113,415	(12)
Resource	30	5,640
Training	(545)	52,983
Supervision	-	45,544
Post mod sign off	-	118,758
	<u>218,844</u>	<u>810,420</u>
Revenue	<u>218,844</u>	<u>810,420</u>

Note 4. Expenses

	2014	2013
	\$	\$
Surplus before income tax includes the following specific expenses:		
Depreciation	14,024	31,688
(Loss)/gain on disposal of property, plant and equipment	(5,383)	3,637

Note 5. Current assets - cash and cash equivalents

	2014	2013
	\$	\$
Cash at bank	105,257	376,528
Cash on deposit	2,232,344	2,810,692
	<u>2,337,601</u>	<u>3,187,220</u>

Note 6. Current assets - trade and other receivables

	2014	2013
	\$	\$
Trade receivables	19,705	36,296
Less: Provision for doubtful debts	(7,125)	(7,125)
BAS receivable	23,082	10,368
	<u>35,662</u>	<u>39,539</u>

Note 7. Current assets - other

	2014	2013
	\$	\$
Accrued revenue	7,353	19,256
Prepayments	10,802	-
	<u>18,155</u>	<u>19,256</u>

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 8. Non-current assets - property, plant and equipment

	2014 \$	2013 \$
Office equipment - at cost	21,616	27,273
Less: Accumulated depreciation	(5,814)	-
	<u>15,802</u>	<u>27,273</u>
Motor vehicles - at cost	59,093	87,810
Less: Accumulated depreciation	(11,710)	(63,657)
	<u>47,383</u>	<u>24,153</u>
Website - at cost	59,864	19,400
Less: Accumulated depreciation	(4,346)	-
	<u>55,518</u>	<u>19,400</u>
	<u>118,703</u>	<u>70,826</u>

Note 9. Current liabilities - trade and other payables

	2014 \$	2013 \$
Trade payables	30,082	5,158
Other payables	19,605	97,473
	<u>49,687</u>	<u>102,631</u>

Note 10. Current liabilities - employee benefits

	2014 \$	2013 \$
Employee benefits	8,490	-
	<u>8,490</u>	<u>-</u>

Note 11. Current liabilities - other

	2014 \$	2013 \$
PAYG withholdings payable	13,472	45,456
	<u>13,472</u>	<u>45,456</u>

Note 12. Members' funds - retained surpluses

	2014 \$	2013 \$
Retained surpluses at the beginning of the financial year	1,321,024	1,356,998
Deficit after income tax expense for the year	(465,871)	(35,974)
	<u>855,153</u>	<u>1,321,024</u>

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 13. Deferred Revenue

	2014 \$	2013 \$
<i>Funds carried forward</i>		
Core Fund	210,000	296,714
BTP Fund	261,214	283,832
OTB Fund	124,761	195,500
OTP Fund	285,721	300,403
OT2 Fund	250,000	250,000
QARP Fund	408,817	414,940
Energetica Fund	24,805	106,341
	<u>1,565,319</u>	<u>1,847,730</u>
<i>Total funds carried forward</i>		
	1,565,319	1,847,730
<i>Other deferred revenue</i>		
Membership fees received in advance	18,000	-
	<u>18,000</u>	<u>-</u>
<i>Total deferred revenue</i>		
	<u>1,583,319</u>	<u>1,847,730</u>

Note 14. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO East Coast Partnership, the auditor of the incorporated association:

	2014 \$	2013 \$
<i>Audit services – BDO East Coast Partnership</i>		
Audit of the financial statements	15,500	-
<i>Audit services – Cook & Cook Accountants</i>		
Audit of the financial statements	-	7,818
	<u>-</u>	<u>7,818</u>

Note 15. Contingent liabilities

The incorporated association had no contingent liabilities as at 30 June 2014 and 30 June 2013.

Note 16. Commitments

The incorporated association had no commitments for expenditure as at 30 June 2014 and 30 June 2013.

Note 17. Events after the reporting period

No matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

NSW Home Modification and Maintenance Services State Council Inc.
Notes to the financial statements
30 June 2014

Note 18. Reconciliation of surplus after income tax to net cash from operating activities

	2014 \$	2013 \$
Deficit after income tax expense for the year	(465,871)	(35,974)
Adjustments for:		
Depreciation and amortisation	14,024	31,688
Provision for doubtful debts	-	7,125
Loss/(gain) on disposal of property, plant and equipment	5,383	(3,637)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	3,877	186,408
Decrease/(increase) in accrued revenue	11,903	6,432
Increase in prepayments	(10,802)	-
Decrease in trade and other payables	(52,944)	(11,652)
Increase/(decrease) in employee benefits	8,491	(186,150)
Decrease in other operating liabilities	(296,396)	(966,089)
Net cash used in operating activities	<u>(782,335)</u>	<u>(971,849)</u>

NSW Home Modification and Maintenance Services State Council Inc.
Officers' declaration
30 June 2014

In the officers' opinion:

- the incorporated association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the New South Wales legislation the Associations Incorporation Act 2009, the Charitable Fundraising Act 1991 and associated regulations;
- the attached financial statements and notes thereto comply with the Accounting Standards as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the incorporated association's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the officers



Anne Reeve
Chair

28 October 2014
Sydney



Shalla Thomas
Treasurer

28 October 2014
Sydney



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INDEPENDENT AUDITOR'S REPORT

To the members of NSW Home Modification and Maintenance Services State Council Inc.

Report on the Financial Report

We were engaged to audit the accompanying financial report, being a special purpose financial report of NSW Home Modification and Maintenance Services State Council Inc., which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities' declaration

Responsible Entities' Responsibility for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the needs of the members or other appropriate terms. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and 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. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of NSW Home Modification and Maintenance Services State Council Inc., would be in the same terms if given to the directors as at the time of this auditor's report.



Basis for Disclaimer of Opinion

The previous financial report was not audited. We were unable to satisfy ourselves by alternative means concerning a number of opening balances disclosed in the statements of financial performance and cash flows and the statement of financial position, as comparative figures. Whilst we were satisfied with the material accuracy of amounts recorded in the statement of financial position at 30 June 2014, the impact of opening balances on the current period financial performance and cash flows prevents us from forming an opinion on the financial report taken as a whole.

In addition, miscellaneous revenue amounting to \$113,415 was reflected in the statement of profit or loss and other comprehensive income for the year ended 30 June 2014. We were unable to confirm or verify by alternative means the miscellaneous revenue because management did not maintain supporting documentation that explained the transactions which resulted in the recorded revenue. Consequently, we were unable to determine whether any adjustments might have been found necessary in respect of recorded miscellaneous revenue.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial report.

BDO East Coast Partnership

Paul Cheeseman
Partner

Sydney, 28 October 2014

