

# CONTENTS

Corporate Information	1
Directors' Report	2
Auditors' Declaration of Independence	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Funds	7
Statement of Cash Flows	8
Notes to and Forming Part of the Financial Statements	9
Directors' Declaration	19
Independent Audit Report	20

## CORPORATE INFORMATION

ABN 62 162 569 986

### Directors

F. Dow (Chair)  
H. Feist  
L. Flicker  
M. Lindeman  
A. Petriwskyj  
J. Root  
F. Schaper  
B. Squires  
C. Stirling

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### Company Secretary

T. Coles

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### Registered Address

Suite 8, 322 St Kilda Road  
St Kilda, Victoria, 3182

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### Auditors

Crowe Horwath  
Level 1, 200 Malop St  
Geelong, VIC 3220

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## DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

Your directors present this report to the members of Australian Association of Gerontology Ltd. (the company) for the year ended 30 June 2014.

### DIRECTORS

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

Board Member	Date Appointed	Date of Cessation	A	B
J. Byles (Chair until 27/11/2013)	15/03/2013	27/11/2013	3	5
F. Dow (Chair from 27/11/2013)	15/03/2013	–	8	9
H. Feist	15/03/2013	–	8	9
L. Flicker	15/03/2013	–	7	9
C. Hatherly	15/03/2013	27/11/2013	3	5
M. Lindeman	15/03/2013	–	7	9
A. Petriwskyj	15/03/2013	–	9	9
J. Root	27/11/2013	–	4	5
F. Schaper	15/03/2013	–	8	9
B. Squires	15/03/2013	–	8	9
C. Stirling	15/03/2013	–	8	9

*A – Number of meetings attended*

*B – Number of meetings held during the time the director held office during the year*

### COMMENCEMENT OF OPERATIONS

Australian Association of Gerontology Ltd. was registered on the 15<sup>th</sup> March 2013, and commenced operating on 1<sup>st</sup> April 2013, after assuming the assets and liabilities of the former Australian Association of Gerontology Incorporated as at 31<sup>st</sup> March 2013.

As a result the prior year comparatives in this financial report are for a three month period from 1<sup>st</sup> April to 30<sup>th</sup> June 2013.

### PRINCIPAL ACTIVITIES

The company's principal activities during the year 1 July 2013 to 30 June 2014 were to promote gerontological research and the dissemination of relevant information.

### OPERATING RESULT

The company recorded a surplus of \$23,157 for the year 1 July 2013 to 30 June 2014.

### DIVIDENDS PAID OR RECOMMENDED

The company does not recommend or pay dividends.

**MEMBERS' GUARANTEE**

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 toward meeting any outstanding obligations of the entity. At 30 June 2014, the total amount members are liable to contribute is \$1,914 (2013: \$1,630).

**AUDITORS' INDEPENDENCE**

The auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the directors made pursuant to s. 298(2) of the Corporations Act.

On behalf of the directors:



Frances Briony Dow

Melbourne, 19 November 2014



Frank Schaper



# Auditor Independence Declaration under S307C of the *Corporations Act 2001* to the Members of Australian Association of Gerontology Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

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

*Crowe Horwath Melbourne*

**CROWE HORWATH MELBOURNE**

*John J Gavens*

**John Gavens**

**Partner**

**MELBOURNE, Victoria**

**Date: 20th November 2014**

**Registered Company Auditor #7516**

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Note</i>	<i>2014</i>	<i>3 months to June 2013</i>
		<i>\$</i>	<i>\$</i>
Revenues			
Memberships		101,691	1,755
Grants		334,684	86,357
Events		111,265	22,689
Donations		20	15,352
Other		47,116	12,333
<b>Total Income</b>		<b>594,776</b>	<b>138,486</b>
Expenditure			
Employee benefits	3(b)	288,054	68,828
Event expenditure		56,822	8,317
Depreciation & Amortisation	3(a)	16,862	6,584
Audit		5,150	5,000
Other	3(c)	204,731	51,790
<b>Total Expenditure</b>		<b>571,619</b>	<b>140,519</b>
<b>Surplus (Deficit) for the year</b>		<b>23,157</b>	<b>(2,033)</b>
<b>Total comprehensive Surplus/(deficit) for the year</b>		<b>23,157</b>	<b>(2,033)</b>

*The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.*

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

STATEMENT OF FINANCIAL POSITION

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash & cash equivalents	4	134,436	190,620
Trade & other receivables	5	44,212	93,696
Financial Assets	6	1,149,133	1,099,752
<b>Total current assets</b>		<b>1,327,781</b>	<b>1,384,068</b>
<b>Non-current assets</b>			
Property plant & equipment	7	7,530	9,780
Intangible Assets	8	13,970	27,943
<b>Total non-current assets</b>		<b>21,500</b>	<b>37,723</b>
<b>Total Assets</b>		<b>1,349,281</b>	<b>1,421,791</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade & other payables	9	58,566	69,726
Income in Advance	10	99,625	196,585
Employee benefits	11(a)	20,975	14,295
<b>Total current liabilities</b>		<b>179,166</b>	<b>280,606</b>
<b>Non-current liabilities</b>			
Employee benefits	11(b)	8,968	3,195
<b>Total non-current liabilities</b>		<b>8,968</b>	<b>3,195</b>
<b>Total liabilities</b>		<b>188,134</b>	<b>283,801</b>
<b>Net assets</b>		<b>1,161,147</b>	<b>1,137,990</b>
<b>FUNDS</b>			
Retained earnings		1,161,147	1,137,990
<b>Total funds</b>		<b>1,161,147</b>	<b>1,137,990</b>

The statement of financial position is to be read in conjunction with the attached notes.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

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**STATEMENT OF CHANGES IN FUNDS**

	<i>Total Funds</i>
	\$
July 2012 – March 2013	
Balance at 1 July 2012	-
Surplus/Deficit attributable to members	-
Transferred from Australian Association of Gerontology Inc	<u>1,140,023</u>
Balance at 31 March 2013	<u>1,140,023</u>
April 2013 – June 2013	
Balance at 31 March 2013	1,140,023
Surplus attributable to members	<u>(2,033)</u>
Balance at 30 June 2013	<u>1,137,990</u>
July 2013 – June 2014	
Balance at 1 July 2013	1,137,990
Surplus attributable to members	<u>23,157</u>
Balance at 30 June 2014	<u>1,161,147</u>

*The statement of changes in funds is to be read in conjunction with the attached notes.*

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

STATEMENT OF CASH FLOWS

	Note	2014 \$	3 months to June 2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members & customers		602,068	112,108
Payments to suppliers & employees		(608,231)	(124,673)
Net cash flows used in operating activities		(6,163)	(12,565)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property plant & equipment		(640)	-
Increase in investments		(49,381)	-
Net cash flows used in investing activities		(50,021)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net decrease in cash and cash equivalents		(56,184)	(12,565)
Cash and cash equivalents at beginning of year		190,620	203,185
Cash and cash equivalents at end of year	3	134,436	190,620

*The statement of cash flow is to be read in conjunction with the attached notes.*

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 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 company 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.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

#### *AASB 1053 Application of Tiers of Australian Accounting Standards*

The company has applied AASB 1053 from 1 July 2013. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

#### *AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*

The company has applied AASB 2010-2 from 1 July 2013. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

#### *AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project - Reduced Disclosure Requirements, AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and AASB 2012-11 Amendments to Australian Accounting Standards - Reduced Disclosure Requirements and Other Amendments*

The company has applied AASB 2011-2, AASB 2012-7 and 2012-11 amendments from 1 July 2013, to the extent that they related to other standards already adopted by the company. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations to significantly reduce the company's disclosure requirements.

#### *AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13*

The company has applied AASB 13 and its consequential amendments from 1 July 2013. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

#### *AASB 119 Employee Benefits (September 2011) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)*

The company has applied AASB 119 and its consequential amendments from 1 July 2013. The standard eliminates the corridor approach for the deferral of gains and losses; streamlines the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income; and enhances the disclosure requirements for defined benefit plans. The standard also changed the definition of short-term employee benefits, from 'due to' to 'expected to' be settled within 12 months. Annual leave that is not expected to be wholly settled within 12 months is now discounted allowing for expected salary levels in the future period when the leave is expected to be taken.

#### *AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities*

The company has applied AASB 2012-2 from 1 July 2013. The amendments enhance AASB 7 'Financial Instruments: Disclosures' and requires disclosure of information about rights of set-off and related

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

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## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

arrangements, such as collateral agreements. The amendments apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement

*AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle*

The company has applied AASB 2012-5 from 1 July 2013. The amendments affect five Australian Accounting Standards as follows: Confirmation that repeat application of AASB 1 'First-time Adoption of Australian Accounting Standards' is permitted; Clarification of borrowing cost exemption in AASB 1; Clarification of the comparative information requirements when an entity provides an optional third column or is required to present a third statement of financial position in accordance with AASB 101 'Presentation of Financial Statements'; Clarification that servicing of equipment is covered by AASB 116 'Property, Plant and Equipment', if such equipment is used for more than one period.

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), Victorian legislation the Fundraising Appeals Act 1998 and associated regulations and the Corporations Act 2001, 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 company'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.

### **Accounting Policies**

#### **A) Revenue**

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Australian Association of Gerontology Limited receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

The company levies annual subscription fees on members. When subscriptions are paid in advance of the commencement of the year to which they apply, they are treated as income in advance until the period to which it relates commences.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### B) Property, Plant and Equipment

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

#### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g)).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

#### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	37.5%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

### C) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

### D) Trade and Other Receivables

Debtors are carried at amounts receivable and comprise amounts due for services provided under grant or other contractual arrangement. Normal terms of settlement vary from 7 to 90 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as Current assets, all other receivables are classified as Non-current assets. The collection of debts is assessed on an ongoing basis and specific provision is made for any doubtful accounts. Debts, which are known to be un-collectable, are written off.

### E) Financial Assets

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

### F) Intangibles - Website

Website is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Website has an estimated useful life of between one and three years. It is assessed annually for impairment.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### **G) Impairment of Assets**

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Impairment testing is performed annually for intangible assets with indefinite lives.

### **H) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

### **I) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. In determining the liability for long service leave and annual leave, consideration has been given to future increases in wages and salary rates, and the company's experience with staff departures and company policy.

#### ***Long Service Leave***

The provision for long service leave represents the present value of the estimated future cash outflows to be made resulting from employees' service provided up to balance date. Liabilities for long service leave, which are not expected to be settled within twelve months, are discounted using rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities. Related on-costs have been included in the liability.

#### ***Annual Leave***

The annual leave provision represents the company's liability to pay resulting from employees' service provided up to balance date. The provision has been calculated on wage and salary rates, which closely match the expected date of payment and includes related on-costs.

#### ***Superannuation Funds***

Contributions made to employee superannuation funds by the company are charged against income as they are made.

### **J) Income in Advance**

The liability for income in advance relates to un-utilised grant funds and other contractual amounts received on the condition that specified services are delivered or conditions are fulfilled. The services are usually delivered or the conditions are normally fulfilled within 12 months of the receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date, or the conditions will only be fulfilled more than 12 months from reporting date, the liability is discounted and classified as non-current.

### **K) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

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## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

### L) Income Tax

No provision for income tax has been raised, as the entity is a charitable institution and is exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

### M) 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.

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

### N) Economic Dependence

Australian Association of Gerontology Limited is dependent on the Federal Department of Health and Ageing for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Departments will not continue to support Australian Association of Gerontology Limited for the term of the current grant (until June 2015)

## 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 company 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.

### *Impairment of non-financial assets*

The company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

### *Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. EXPENSES	2014	3 months to June 2013
	\$	\$
<b>(A) DEPRECIATION &amp; AMORTISATION</b>		
Office Equipment	2,889	1,927
Website	13,973	4,657
Total depreciation and amortisation	16,862	6,584
<b>(B) EMPLOYEE BENEFIT EXPENSES</b>		
Wages & salaries	244,989	56,583
Superannuation expense	22,661	5,394
Workers compensation insurance	2,420	854
Other employee benefit expense	5,531	77
Movements in employee benefits provisions	12,453	5,920
Total employee benefit expense	288,054	68,828
<b>(C) OTHER EXPENSES</b>		
Contractors	43,033	26,249
Occupancy	39,732	10,345
Board & Executive	49,366	8,540
Grants, Awards & Sponsorships	48,767	460
Other	23,833	6,196
Total Other Expenditure	204,731	51,790
<b>4 CASH AND CASH EQUIVALENTS</b>	2014	2013
	\$	\$
Cash at bank and in hand	134,436	190,620
	134,436	190,620
Cash at bank earns interest at floating rates based on daily deposit rates.		
<b>5 TRADE AND OTHER RECEIVABLES</b>	2014	2013
	\$	\$
Trade receivables	9,207	21,025
Less: Provision for impairment of receivables	-	-
Net trade receivables	9,207	21,025
Prepayments & other accrued income	33,256	42,660
Un-transferred Divisional Assets	1,749	30,011
	44,212	93,696

**5 (A) PROVISION FOR IMPAIRMENT OF RECEIVABLES**

Past experience indicates that no impairment allowance is necessary in respect of trade receivables. Examination at 30 June 2014 indicates that no specific receivables require provision for impairment.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

**6 FINANCIAL ASSETS**

Term Deposits - General	693,568	642,442
Term Deposits - RM Gibson Trust	455,565	457,310
	<u>1,149,133</u>	<u>1,099,752</u>

**7 PROPERTY, PLANT & EQUIPMENT**

	Office equipment \$	Artwork \$	Total \$
At cost			
Transferred from AAG Inc 31 March 2013	7,706	4,000	11,706
Additions	-	-	-
<b>30 June 2013</b>	<b>7,706</b>	<b>4,000</b>	<b>11,706</b>
Additions	-	640	640
<b>30 June 2014</b>	<b>7,706</b>	<b>4,640</b>	<b>12,346</b>
Depreciation			
Transferred from AAG Inc	-	-	-
Charged	1,927	-	1,927
<b>30 June 2013</b>	<b>1,927</b>	<b>-</b>	<b>1,927</b>
Charged	2,889	-	2,889
<b>30 June 2014</b>	<b>4,816</b>	<b>-</b>	<b>4,816</b>
Carrying Amount			
31 March 2013	7,706	4,000	11,706
30 June 2013	5,780	4,000	9,780
<b>30 June 2014</b>	<b>2,890</b>	<b>4,640</b>	<b>7,530</b>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

8 INTANGIBLE ASSETS

Computer Software (Website)	\$	
At Cost	-	
Transferred from AAG Inc 31 March 2013	32,600	
Additions	-	
30 June 2013	<u>32,600</u>	
Additions	-	
<b>30 June 2014</b>	<b><u>32,600</u></b>	
Amortisation		
Transferred from AAG Inc	-	
Charged	4,657	
30 June 2013	<u>4,657</u>	
Charged	13,973	
<b>30 June 2014</b>	<b><u>18,630</u></b>	
Carrying Amount		
31 March 2013	<u>32,600</u>	
30 June 2013	<u>27,943</u>	
<b>30 June 2014</b>	<b><u>13,970</u></b>	

9 TRADE PAYABLES AND OTHER PAYABLES

	2014 \$	2013 \$
Trade payables	15,419	23,430
Payroll liabilities	11,975	9,575
Other accruals	31,172	36,721
Total Trade payables and accrued expenses	<u>58,566</u>	<u>69,726</u>

The company's exposure to liquidity risks related to trade payables and other payables is negligible

10 INCOME IN ADVANCE

	Grants \$	Other \$	Total \$
Transferred from AAG Inc	211,424	9,113	220,537
Receipts	4,612	62,404	67,016
Transferred to Income	(90,969)	-	(90,969)
Balance at 30 June 2013	<u>125,067</u>	<u>71,518</u>	<u>196,585</u>
Receipts	242,000	58,129	300,129
Transferred to Income	(328,481)	(68,608)	(397,089)
Balance at 30 June 2014	<u>38,586</u>	<u>61,038</u>	<u>99,625</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

<b>11 EMPLOYEE BENEFITS</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>(A) CURRENT</b>		
Annual leave	20,975	14,295
Total current provisions	20,975	14,295
<b>(B) NON-CURRENT</b>		
Long service leave	8,968	3,195
Total non-current provisions	8,968	3,195

The entire annual leave balance have been classified as a current liability since the company does not have an unconditional right to defer settlement of these liabilities for at least 12 months after the end of the reporting period. The company expects that 50% of the annual leave liability and 100% of the long service liability will be paid after 12 months following the end of the reporting period.

In accordance with AASB119 Employee Benefits employee benefits expected to be settled within 12 months are short term and have not been discounted when calculating leave liabilities. Annual Leave expected to be taken after 12 months of the end of the reporting period has been discounted when calculating the leave liability.

**12. CAPITAL & LEASING COMMITMENTS**

**(A) FINANCE LEASES**

The company has not entered into any finance leases.

**(B) OPERATING LEASES**

The company leases land and buildings from P & M Campbell ATF Peter Campbell Superannuation Fund. The current lease runs until 15<sup>th</sup> October 2015, with a three year option to extend. There are no restrictions placed upon the lessee upon entering into these leases. Future minimum rentals payable under non-cancellable operating leases as at the reporting date are:

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Within one year	26,790	22,771
After one year but not more than five years	8,027	25,625
More than five years	-	-
Total commitments under operating leases	34,817	48,396

**(C) CAPITAL EXPENDITURE COMMITMENTS**

At reporting date the company has not entered into contracts for capital expenditure which have not been provided for in the financial statements.

**13. CONTINGENT ASSETS & LIABILITIES**

The company had no contingent assets or liabilities as at 30 June 2014 and 30 June 2013.

**14. COMMITMENTS**

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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

15. KEY MANAGEMENT PERSONNEL REMUNERATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel. All directors act in an honorary capacity and receive no compensation for their services.

	2014 \$	3 months to June 2013 \$
Short-term employee benefits	131,402	32,778
Post-employment benefits	-	-
Total compensation	131,402	32,778

16. OTHER RELATED PARTY TRANSACTIONS

*Key management personnel*

Disclosures relating to key management personnel are set out in note 15.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

17. EVENTS AFTER THE REPORTING PERIOD

On 11 March 2014 the AAG Board resolved to create a trust fund for monies that the company had received with respect to the RM Gibson Research Fund. During the course of the 2014-15 year the trust will be formally established and the balance (Amount \$455,565) of the RM Gibson funds as at 30 June 2014, currently included within investments (refer Note 6), will be transferred to the trust. AAG will be the trustee for the trust and the results for the trust will be consolidated into the AAG financial statements for the financial year ending 30 June 2015. From the time of establishment of the trust these funds will be restricted and only available to spend on activities that meet the specific purposes and objectives of the trust deed.

Other than the above change, no matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the company's financial statements as at 30 June 2014.

18. COMPANY DETAILS

The registered office of the company and principal place of business is: Suite 8, 322 St Kilda Road, St Kilda, Victoria, 3182.

19. SEGMENT REPORTING

The company promotes gerontological research and the dissemination of relevant information. This General Purpose Financial Report therefore relates only to such operations.

## DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2014

In accordance with a resolution of the directors of Australian Association of Gerontology Limited, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 2 to 18, are in accordance with the Corporations Act 2001 and:
  - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position of the company as at 30 June 2014 and of its performance for the period ended on that date.
  
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

On behalf of the directors



Frances Briony Dow

*Melbourne 19 November 2014*



Frank Schaper



# Independent Auditor's Report to the Members of Australian Association of Gerontology Limited for the year ended 30 June 2014

## Report on the financial report

We have audited the accompanying financial report of Australian Association of Gerontology Limited (the company), which comprises the Statement of Financial Position as at 30 June 2014, the Statement of Profit or Loss, Statement of 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 directors' declaration.

## Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – *Reduced Disclosure Requirements* and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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



## Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

## Auditor's opinion

In our opinion the financial report of the Australian Association of Gerontology Limited is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the company's and consolidated entity's financial positions as at 30 June 2014 and of their performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – *Reduced Disclosure Requirements* (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

Crowe Horwath Melbourne

**CROWE HORWATH MELBOURNE**

John J. Gawn

**Partner**

**MELBOURNE, Victoria**  
**Dated 20<sup>th</sup> November 2014**

The following Profit & Loss (detailed) has been extracted from the AAG financial records. It has NOT been subjected to audit, however it does correspond to the audited figures and is provided as additional information for the benefit of members.

### Profit & Loss

#### Australian Association of Gerontology Ltd For the 12 months ended 30 June 2014

30-June-2014

#### Income

Memberships	\$ 101,691.11
Grants	\$ 334,684.03
Donations	\$ 20.27
Event Registrations & Receipts	\$ 83,181.20
Event Sponsorships	\$ 28,083.49
Interest	\$ 47,116.38
<b>TOTAL</b>	<b>\$ 594,776.48</b>

#### Expenditure

Events - Venues & Catering	\$ 32,122.57
Events - Design Print & Copy	\$ 8,870.65
Events - Speaker travel & gifts	\$ 15,829.19
Employment - Wages & Salaries	\$ 244,988.79
Employment - Superannuation & Workcover	\$ 25,081.28
Employment - Leave provisions	\$ 12,453.24
Employment - Training	\$ 5,530.99
Employment - Contractors	\$ 43,032.65
Occupancy - Lease Expenses	\$ 28,629.70
Occupancy - Utilities	\$ 8,212.67
Equipment - Depreciation	\$ 2,889.84
Finance - Audit & Related	\$ 6,738.66
Finance - Insurance	\$ 5,454.27
Finance - Fees Bank & Other	\$ 4,106.44
Board & Executive Meeting Expenses	\$ 45,374.06
Board & Executive Subscriptions & Memberships	\$ 3,962.18
Public relations - Website	\$ 21,042.21
Administration - Postage, Stationery, Printing	\$ 8,532.41
Disbursements - RM Gibson	\$ 18,000.00
Disbursements - Gary Andrews	\$ 3,063.26
Disbursements - Sponsorships	\$ 14,721.81
Disbursements - Other Gifts, Awards & Bursaries	\$ 12,982.24
<b>TOTAL</b>	<b>\$ 571,619.11</b>

<b>Surplus</b>	<b>\$ 23,157.37</b>
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AAG Ltd - RM Gibson Fund

The RM Gibson Fund is held as a separate fund within the overall accounts of AAG Ltd. An equitable share of the interest earned by AAG funds held in Term Deposits is credited to the fund, and research awards paid out are debited against the fund.

During the 2013-14 year the Board resolved to establish a formal trust to hold the RM Gibson funds. During 2014-15 the trust will be established and the balance in the RM Gibson Fund will be transferred to the Trust. From this point in time the funds will be restricted and only available for uses that meet the specific purposes and objectives of the trust deed.

**Profit & Loss**  
**Australian Association of Gerontology Ltd**  
**National, RM Gibson Trust**  
**For the 12 months ended 30 June 2014**

	Jun-14	3 months to Jun-13	YTD
<b>Income</b>			
Interest distributions	\$16,254.71	\$17,872.58	\$16,254.71
<b>Total Income</b>	<b>\$16,254.71</b>	<b>\$17,872.58</b>	<b>\$16,254.71</b>
<b>Gross Profit</b>	<b>\$16,254.71</b>	<b>\$17,872.58</b>	<b>\$16,254.71</b>
<b>Less Operating Expenses</b>			
RM Gibson Research Grants	\$18,000.00	\$22,818.00	\$18,000.00
<b>Total Operating Expenses</b>	<b>\$18,000.00</b>	<b>\$22,818.00</b>	<b>\$18,000.00</b>
<b>Net Profit</b>	<b>-\$1,745.29</b>	<b>-\$4,945.42</b>	<b>-\$1,745.29</b>

**Balance Sheet**  
**Australian Association of Gerontology Ltd**  
**National, RM Gibson Trust**  
**As at 30 June 2014**

	30 Jun 2014	30 Jun 2013
<b>Assets</b>		
<b>Bank</b>		
Westpac - Cheque	\$455,564.96	\$457,310.25
<b>Total Bank</b>	<b>\$455,564.96</b>	<b>\$457,310.25</b>
<b>Total Assets</b>	<b>\$455,564.96</b>	<b>\$457,310.25</b>
<b>Net Assets</b>	<b>\$455,564.96</b>	<b>\$457,310.25</b>
<b>Equity</b>		
Current Year Earnings	-\$1,745.29	-\$4,945.42
Retained Earnings	\$457,310.25	\$462,255.67
<b>Total Equity</b>	<b>\$455,564.96</b>	<b>\$457,310.25</b>