

Australian Network on Disability Limited

ACN 92 456 457 335

Financial Statements

For the Year Ended 30 June 2015

Australian Network on Disability

ACN 92 456 457 335

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For the Year Ended 30 June 2015

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Director's Report For the Year Ended 30 June 2015

The directors present their report on Australian Network on Disability for the financial year ended 30 June 2015.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Peter Wilson, AM	Chairman	Appointed 8 May 2015
Richard Barnett		Appointed 8 May 2015
John Bennett		Appointed 8 May 2015
Belinda Curtis		Appointed 8 May 2015
Kevin Figueiredo		Appointed 8 May 2015
Frank McManus		Appointed 8 May 2015
Paul O'Connor		Appointed 8 May 2015
Samantha Palmer		Appointed November 2014
Donna Purcell		Appointed November 2014
Rania Saab		Appointed 8 May 2015
Rachel Slade		Appointed 8 May 2015
David Davies	AND Board Secretary	Appointed 8 May 2015
Catherine Eyre		Resigned November 2014
Bronwyn Grantham	AND Treasurer	Appointed 8 May 2015

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

Principal activities

The principal activities of Australian Network on Disability during the financial year were:

- (a) to assist businesses to successfully include people with a disability as employees and customer;
- (b) to promote the benefits of employing people with a disability;
- (c) to develop and support an employer network on disability.

No significant changes in the nature of the Company's activity occurred during the financial year.

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Director's Report

For the Year Ended 30 June 2015

Information on directors

The names of each person who has been a director during the year and to the date of this report, and/or was a member of the committee in the association previously, are:

Peter Wilson, AM

Profile

Peter Wilson AM is Chairman the Australian Network on Disability (AND), the Australian Human Resource Institute (AHRI) and Yarra Valley Water Limited. He is non-executive director of the Vincent Fairfax Ethics in Leadership Foundation; and immediate past Chair of Vision Super, and now chairs it's Audit Risk & Compliance Committee.

Peter is Secretary-General of the World Federation of People Management Associations (WFPMA), based in Washington DC. The WFPMA is the peak world body for the human resources profession across 95 countries.

He is also a Member of the Advisory Council for the Harvard Business Review, an Adjunct Professor in Management at the Monash Business School, Monash University, Melbourne, and a member of the Society of Human Resources Management's Global HR Thought Leaders since 2010. He delivered the 2014 Kingsley Laffer Oration at Sydney University.

He completed a research fellowship role under our Prime Minister's 'Australia – China Climate Change Partnership'. Peter was also Program Director for the Business Council of Australia's Mentoring program for senior executive women. He authored the AHRI White Paper entitled *people@work/2020*, and the book *Make Mentoring Work* (Major Street Publishing) in 2012, which had a second edition published in 2015.

Prior to 2005, Peter held group executive roles at ANZ Bank, Amcor Limited, and as CEO of Energy 21.

He has held non-executive director appointments on Boards of Dalgety Farmers, Kimberly Clark, Melbourne Tigers Basketball Club, the World Basketball Championships, and the Commonwealth Safety Rehabilitation and Compensation Commission as Chairman.

Peter Wilson was made a Member of the Order of Australia in 2005 for services to workplace relations and safety, and community service, and was awarded a Centenary Medal in 2004.

Richard Barnett

Profile

Richard has been on the AND board since 2008. He has been actively involved in marketing AND's services to many new members, resulting in a number of significant new corporate memberships. He also has 4 years' experience as the Australian representative on the global diversity council of a major corporation. Richard is a passionate advocate for both AND and its stakeholders.

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Director's Report

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Information on directors (cont'd)

John Bennett

Profile

John is one of the founders of Employers Making a Difference. In 1986 John started Benbro Electronics with his elder brother Steven and in 1988 they employed their first person with a disability. This became a highly successful ongoing strategy for their business which resulted in nominations for the Prime Minister's Employer of the Year Award in 1994, 1996 and 1998 for leadership and achievement in the employment of people with a disability.

In 1998 Benbro was announced as both State and National Winner of the Prime Minister's Employer of the Year Award in the small business division. As a direct result of receiving these honours John and Steve, along with Suzanne Colbert, then Manager of Shore Personnel in Sydney, got together and formed Employers Making A Difference (now the Australian Network on Disability).

Benbro won the Prime Minister's Employer of the Year Award again in 2003, 2005 and 2006 when they were inducted into the "Hall of Fame". John has met with many senior government ministers to discuss issues affecting the barriers to employment of people with a disability and is frequently asked to speak to employer groups regarding the employment of people with a disability. Benbro has a policy that at least 25% of its workforce will comprise people with a disability and employs people on the basis of their capability to do the job well. John was awarded the Order of Australia in January 2007.

Belinda Curtis

Profile

Belinda has worked in human resources for over 15 years in a range of HR and Organisational Development roles with responsibility for leading diversity, OH&S and engagement strategy.

Belinda is currently People and Performance Director at Tip Top and has held senior HR roles at Qantas, Commonwealth Bank, AMP and Colonial State Bank. Whilst at AMP, she led the development of that organisation's Work, Family and Diversity strategies.

Belinda has held leadership roles in EEO and diversity professional networks, and began her career as an occupational therapist with the Commonwealth Rehabilitation Service.

Kevin Figueiredo

Profile

Kevin is the General Manager Health, Safety and Wellbeing and is on the Executive Leadership Team at Woolworths Limited. Woolworths Limited is one of Australia's largest employers, employing over 190,000 people, serving over 26 million customers per week through its retail network of over 3000 Stores.

Prior to Woolworths, Kevin worked for Westpac as the Group Head of Health, Safety and Wellbeing and in various Safety, Health and Environmental roles at Goodman Fielder.

He has a Bachelor of Arts in Chemistry and Master of Science in Safety Management from West Virginia University in the US and is a member of the American Society of Safety Engineers and the Safety Institute of Australia.

Kevin has over 15 years' experience in safety management in Airport Safety, Food Manufacturing, Logistics, Retail Operations and Banking.

Frank McManus

Profile

Frank recently held the position of Senior Vice President and Director of People Resources for McDonald's Australia and HR Lead for Africa and Pacific, and was responsible for developing and guiding the company's strategies on human resources, industrial relations, talent management and executive development.

Frank had 35 years' experience with McDonald's both in Europe and Australia. He started his career working in restaurants in Germany. Frank retired in 2010 and now supports his wife Keryn as a franchisee of four McDonald's restaurants in Sydney.

Frank is on the Advisory Board for Higgins Coatings.

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Director's Report For the Year Ended 30 June 2015

Information on directors (cont'd)

Paul O'Connor

Profile

Paul is CEO of the Victorian Managed Insurance Authority, a public sector risk manager and insurer. Paul has extensive leadership experience in insurance, risk management and business regulation in Australia, the United States and Asia, both in the public and private sectors. Paul has been active in disability, rehabilitation, mental health and public sector insurance reforms. Previously, Paul served as CEO and sole director of Comcare, a federal workplace regulator and insurer. He was also Deputy Chair of the Seacare Authority a federal regulator of the offshore maritime industry. Paul was a member of the Military Rehabilitation and Compensation Commission that oversees the work of the Department of Veterans Affairs. He was also a member of the federal Safety Rehabilitation and Compensation Commission. Paul has also served as CEO of Victoria's Transport Accident Commission. Mr O'Connor's commitment, passion and advocacy to prevent harm and improve people's health, well-being and recovery have been the common threads throughout his working life. His ideas for helping people and workplaces thrive have been adopted by many agencies across Australia and overseas.

Samantha Palmer

Profile

Samantha is well known for her role as Diversity Champion at the Dept of Health and received the 2013 AHRI Diversity Champion HR Award as well as being named as one of 2013's 100 Women of Influence by the AFR and Westpac Group. Her work in Disability led to the Health Department winning the Inaugural Australian Public Service Diversity Council's Disability Employment Award in 2014. Samantha also received an Australia Day Award (Individual) from the Department of Health for her significant contribution to the development of staff.

Samantha instigated and led the development of the Department's innovative People Strategy 2010-2015: Performance through People.

Before joining the Australian Public Service Samantha worked in senior positions in Queensland for more than 15 years including for the Queensland Government (Office of Fair Trading, Environment Protection Authority, Transport, road safety, Housing), and Griffith University.

Samantha has also worked for the non-profit and private sector and lectured part-time in communication at the Queensland University of Technology.

Donna Purcell

Profile

Donna Purcell is on secondment with the Australian Human Rights Commission from her role as Diversity and Inclusion Manager at Commonwealth Bank. Her role involved developing an equitable, inclusive and accessible environment for customers, employees and the community.

Her work includes setting strategic direction, raising awareness, managing mentoring programs and working with a wide range of internal and external stakeholders to ensure awareness of and compliance with legislation, access standards and human rights guidelines.

Recently Donna has returned to study to undertake a Certificate IV in Access Consulting. She is keen to use her newly acquired knowledge to continue advocating for a more accessible community for people with disability.

Donna says that one of her most rewarding roles was providing training and personal development programs to high school students with intellectual disabilities after she completed a Diploma of Speech and Drama through Trinity College, London.

As a person who is blind, Donna is passionate about creating opportunities for people with a disability to be part of an all-inclusive society with equity of access to education and employment. She has been an ambassador for the NSW Government Don't Dis My Ability campaign for two years.

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Director's Report For the Year Ended 30 June 2015

Information on directors (cont'd)

Rania Saab

Profile

Rania Saab is a solicitor employed by Legal Aid NSW. She was born with a moderate to severe hearing impairment and has a passion for levelling the playing field for people with a disability. She has been an advocate for people with a disability for ten years. Through her work as a solicitor, she advocates for equal access to justice. She has worked with Legal Aid NSW, the courts and the community to set up processes and practices to make the legal system accessible for people with a disability.

Formerly, Rania was a Director with Deafness Forum of Australia, an organisation that represents and promotes the interests and wellbeing of people who are Deaf or hearing impaired or have a chronic ear disorder. Rania was previously also a mentor with Hear For You, an organisation that provides a mentoring program which gives guidance and support to hearing impaired teens at a vitally important stage of their lives. A positive outlook, career advice and the skills to cope with the challenging adolescent years are given through a series of workshops.

Rachel Slade

Profile

As a member of Westpac Institutional Bank's Executive Team, Rachel oversees global transactional services for Westpac's corporate and institutions customers. She also manages all payments networks and corporate cash requirements for corporate customers.

Rachel has held a number of roles since joining the Westpac Group in 1999. Key roles include Head of Group Strategy, General Manager Mergers & Acquisitions, Head of International Trade and Payments, Group Head of Diversity and Flexibility, General Manager Business Architecture, Productivity and Process Excellence, General Manager, Multi Brand Optimisation and most recently General Manager Transformation and Delivery.

Prior to joining Westpac, Rachel worked as a financial services strategy consultant with Andersen Consulting.

Throughout her career in both consulting and at Westpac, Rachel has focused on creating and executing successful strategies to drive business transformation.

Rachel holds a Bachelor of Economics (Hons) from Macquarie University, is a graduate of the Australian Institute of Company Directors and a graduate of the Harvard Business School's Women's Leadership Program. She serves as a Director on the Board of Australian Network on Disability and BAFT Asia council Co-Chair.

Rachel was the Westpac Group's 2013 General Manager of the Year.

David Davies

Profile

AND Board Secretary

David Davies is a partner in Sparke Helmore's Workplace Relations and Safety team. He has more than 18 years' experience acting for private sector and government clients in workplace relations matters, including unfair dismissals, industrial disputes, discrimination law and workplace agreements.

A former chairman of the Australian Employers Network on Disability, David has a keen interest in discrimination issues. A significant area of David's practice is bullying, harassment and discrimination. David appears regularly in court on these issues. He is an expert advocate and regularly appears as counsel before the Australian and NSW Industrial Relations Commissions.

Clients have praised David for his timely delivery of high quality work and the consistency of his advice on exposure to risk and liability. David also presents at industry seminars and provides training to private and public sector clients and has previously lectured in employment relations at UTS and UWS.

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Director's Report

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Information on directors (cont'd)

Catherine Eyre

Profile

Catherine is the General Manager of 2discover Recruitment and Consulting. Her career has spanned more than 15 years within corporate Australia, where she has been in key leadership and executive roles. Catherine is a mentor through the Australian Indigenous Education Foundation and is a member of NEEOPA and the diversity council.

Bronwyn Grantham

Profile

AND Treasurer

Bronwyn is currently Financial Controller (CFO) for the Global Services Division of IBM Australia/New Zealand.

Bronwyn is a CPA and has over 18 years' experience with IBM joining after completing a Bachelor of Commerce at Melbourne University. After building her accounting and planning foundation Bronwyn took some time away from IBM to travel and experience various Finance Professional roles in London. She returned to IBM Australia in a pricing role where she helped IBM and its customers financially structure service's contracts. This role led her back to the UK and involved increasing complex and international deals as the Commercial pricing lead where she played an instrumental role in significant signings of large outsourcing contracts. Other recent roles in A/NZ include Software Group Financial Controller and Business Controls and Risk Manager across the A/NZ IBM Region. At the core of what Bronwyn enjoys in business is bringing businesses, individuals or teams together to find mutually beneficial solutions and outcomes.

Review of operations

The loss of the Company after providing for income tax amounted to \$ (13,146) (2014: (\$17,882)). This result is after the accrual of a FBT liability of \$192,011.

Future Developments and results

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Members guarantee

Australian Network on Disability is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ NIL for members that are corporations and \$ NIL for all other members, subject to the provisions of the company's constitution.

Environmental matters

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Significant changes in state of affairs

The following significant changes in the state of affairs of the company occurred during the financial year:

(i) The operations of the entity ceased to trade under the structure of an Incorporated Association in accordance with

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Director's Report

For the Year Ended 30 June 2015

Significant changes in state of affairs (cont'd)

the Associations Incorporations Act 2009 and 8 May 2015;

(ii) A company limited by guarantee was incorporated on 8 May 2015 under the Corporations Act 2001 for the purpose of normal operational trading; and

(iii) As a result of the above changes in entity structure the business name changed from Employers Making A Difference Incorporated to Australian Network on Disability Limited.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Meetings of directors

During the financial year, 5 meetings were held under the previous association structure and 1 meeting was held following the adoption of the new Australian Network on Disability Constitution on 8 May 2015. Attendances by each director during the year were as followings:

	Members Meetings as Association		Directors' Meetings as Corporation	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Peter Wilson, AM	-	-	1	1
Richard Barnett	5	5	1	1
John Bennett	5	4	1	1
Belinda Curtis	5	3	1	1
Kevin Figueiredo	5	4	1	1
Frank McManus	5	4	1	-
Paul O'Connor	5	5	1	1
Samantha Palmer	5	5	1	1
Donna Purcell	5	5	1	1
Rania Saab	5	4	1	1
Rachel Slade	5	3	1	-
David Davies	5	3	1	1
Catherine Eyre	5	5	-	-
Bronwyn Grantham	5	4	1	1

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Australian Network on Disability.

Proceedings on behalf of company

No person has applied for leave of court under Section 237 of the Corporations Act 2001 to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

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Director's Report For the Year Ended 30 June 2015

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2015 has been received and can be found on page 9 of the financial report.

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

Director 

Director 

Dated: 19 November 2015

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Auditors Independence Declaration under Section 307C of the Corporations Act 2001 To the Directors of Australian Network on Disability

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been:

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

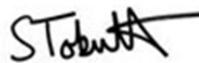


PKF

Chartered Accountants

Dated: 19 November 2015

Sydney



SCOTT TOBUTT

Partner

PKF(NS) Audit & Assurance Limited
Partnership

ABN 91 850 861 839

Liability limited by a scheme
approved under Professional
Standards Legislation

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2015

		2015	2014
	Note	\$	\$
Revenue	4	1,403,215	1,099,341
Other income	4	6,361	6,401
Employee benefits expense		(1,051,616)	(813,941)
Cost of sales		(76,882)	(59,556)
Depreciation expense	5	(7,553)	(11,257)
Marketing expenses		(30,935)	(13,388)
Occupancy expense	5	(56,401)	(53,723)
Administration expense		(199,335)	(171,759)
Loss before income tax		(13,146)	(17,882)
Income tax expense		-	-
Loss for the year		(13,146)	(17,882)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(13,146)	(17,882)

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 30 June 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	823,858	302,793
Trade and other receivables	7	307,459	233,416
TOTAL CURRENT ASSETS		1,131,317	536,209
NON-CURRENT ASSETS			
Trade and other receivables	7	32,380	32,380
Property, plant and equipment		23,299	22,381
Intangible assets	9	17,000	-
TOTAL NON-CURRENT ASSETS		72,679	54,761
TOTAL ASSETS		1,203,996	590,970
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	366,594	91,924
Provisions	11	45,071	41,362
Other liabilities	12	758,112	418,296
TOTAL CURRENT LIABILITIES		1,169,777	551,582
NON-CURRENT LIABILITIES			
Provisions	11	7,977	-
TOTAL NON-CURRENT LIABILITIES		7,977	-
TOTAL LIABILITIES		1,177,754	551,582
NET ASSETS		26,242	39,388
EQUITY			
Retained earnings		26,242	39,388
TOTAL EQUITY		26,242	39,388

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2015

2015

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2014	39,388	39,388
Loss for the year	(13,146)	(13,146)
Balance at 30 June 2015	26,242	26,242

2014

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2013	57,270	57,270
Loss for the year	(17,882)	(17,882)
Balance at 30 June 2014	39,388	39,388

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2015

	2015	2014
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,675,349	1,206,992
Payments to suppliers and employees	(1,128,813)	(1,117,796)
Net cash provided by/(used in) operating activities	<u>546,536</u>	<u>89,196</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net loss on disposal of property, plant and equipment	-	5,127
Acquisition of intangible assets	(17,000)	(480)
Acquisitions of property, plant and equipment	(8,471)	-
Net cash provided by investing activities	<u>(25,471)</u>	<u>4,647</u>
Net increase/(decrease) in cash and cash equivalents held	521,065	93,843
Cash and cash equivalents at beginning of year	302,793	208,950
Cash and cash equivalents at end of financial year	6 <u>823,858</u>	<u>302,793</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

The financial report covers Australian Network on Disability as an individual entity. Australian Network on Disability is a not for profit Company limited by guarantee, incorporated and domiciled in Australia.

The operations of the entity ceased to trade under the structure of an Incorporated Association in accordance with the Associations Incorporations Act 2009 from 8 May 2015 and a company limited by guarantee was incorporated on 8 May 2015 under the Corporations Act 2001 for the purposes of normal operational trading.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is Australian Network on Disability 's functional and presentation currency.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised

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Notes to the Financial Statements For the Year Ended 30 June 2015

2 Summary of Significant Accounting Policies (cont'd)

Rendering of services (cont'd)

that are recoverable.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Subscriptions

Revenue from the provision of annual membership subscriptions is recognised on a straight line basis on the anniversary of the membership.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

(d) 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. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(e) Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The depreciable amount of all fixed assets are depreciated on a reducing balance basis over the assets useful life to the Company, commencing from the time the asset is ready for use, as follows:

Office Equipment	2.5 - 5 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

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Notes to the Financial Statements

For the Year Ended 30 June 2015

2 Summary of Significant Accounting Policies (cont'd)

(e) Property, Plant and Equipment (cont'd)

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

(f) Leases

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

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

(g) Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are generally due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

(j) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not

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Notes to the Financial Statements

For the Year Ended 30 June 2015

2 Summary of Significant Accounting Policies (cont'd)

(j) Impairment of non-financial assets (cont'd)

yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(k) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

(l) Going concern

Notwithstanding the Company's reduced net assets, the financial report has been prepared on an on-going concern basis.

Following on from a FBT query from the ATO, AND requested a review of their charity status by the Australian Charities and Not for Profit Commission. This led to further discussions with the ATO who advised that the organisation was FBT rebatable as opposed to exempt, as per AND's operating assumption of prior years. Consequently FBT returns have been lodged and an amount of \$192,011 has been accrued in these accounts relating to the prior periods. No penalties and fines have been recognised and the ATO are yet to confirm final notice.

A favourable negotiation of terms with the ATO in regards finalising FBT tax obligations liability and related penalties will allow AND to finalise future planned expenditure and remove the uncertainty with respect to this item.

Australian Network on Disability

ACN 92 456 457 335

Notes to the Financial Statements For the Year Ended 30 June 2015

2 Summary of Significant Accounting Policies (cont'd)

(m) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Company:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9: Financial Instruments and associated Amending Standards	30 June 2019	<p>The Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, revised recognition and de-recognition requirements for financial instruments and simplified requirements for hedge accounting. Changes to the classification and measurement requirements for financial assets and financial liabilities.</p> <p>The key changes that may affect the Company on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.</p>	<p>Although the directors anticipate that the adoption of AASB 9 may have an impact on the Company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.</p>

Australian Network on Disability

ACN 92 456 457 335

Notes to the Financial Statements For the Year Ended 30 June 2015

2 Summary of Significant Accounting Policies (cont'd)

(m) New Accounting Standards and Interpretations (cont'd)

AASB 15: Revenue from Contracts with Customers	30 June 2018	<p>When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers. The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:</p> <ul style="list-style-type: none"> - identify the contract(s) with a customer; - identify the performance obligations in the contract(s); - determine the transaction price; - allocate the transaction price to the performance obligations in the contract(s); and - recognise revenue when (or as) the performance obligations are satisfied. <p>This Standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.</p>	<p>Although the directors anticipate that the adoption of AASB 15 may have an impact on the Company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.</p>
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3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Australian Network on Disability

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Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015	2014
	\$	\$
4 Revenue and Other Income		
Sales revenue		
- provision of services	<u>1,403,215</u>	1,099,341
Other Income		
Interest received	<u>6,361</u>	6,401
5 Result for the Year		
The result for the year includes the following specific expenses:		
Depreciation of plant and equipment	7,553	11,257
Rental expense relating to operating leases	56,401	53,723
Defined contribution superannuation expense	<u>-</u>	67,940
6 Cash and cash equivalents		
Cash on hand	400	401
Cash at bank	<u>823,458</u>	302,392
	<u><u>823,858</u></u>	<u>302,793</u>
7 Trade and other receivables		
CURRENT		
Trade receivables	<u>307,459</u>	233,416
NON-CURRENT		
Deposits	<u>32,380</u>	32,380
8 Property, plant and equipment		
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	93,749	85,278
Accumulated depreciation	<u>(70,450)</u>	(62,897)
	<u>23,299</u>	22,381
9 Intangible Assets		
Development costs		
Cost	<u>17,000</u>	-

Australian Network on Disability

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Notes to the Financial Statements

For the Year Ended 30 June 2015

	2015	2014
	\$	\$
10 Trade and other payables		
CURRENT		
Trade creditors and accruals	345,097	72,292
Payroll Liabilities	21,497	19,632
	<u>366,594</u>	<u>91,924</u>
11 Provisions		
CURRENT		
Employee benefits	45,071	41,362
NON-CURRENT		
Employee benefits	7,977	-
12 Other Financial Liabilities		
CURRENT		
Deferred income	758,112	418,296
13 Contingencies		
Contingent Liabilities		

Australian Network on Disability had the following contingent liabilities at the end of the reporting period. As noted in Note 2 (1) it was highlighted that the company had incorrectly been claiming an FBT exemption. A liability of \$192,011 has been accrued based on FBT returns lodged for the last four years. However the final liability and related fines and penalties have yet to be established. The final amount will be dependent on the outcome of negotiations with the ATO.

14 Company Details

The registered office of and principal place of business of the company is:

Australian Network on Disability
Level 4, 80 Clarence Street
Sydney NSW 2000

Australian Network on Disability

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Director's Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 10 to 21, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards as stated in Note 2; and
 - (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 2 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 

Director 

Dated: 19 November 2015

Australian Network on Disability

ACN 92 456 457 335

Independent Audit Report to the members of Australian Network on Disability

Report on the Financial Report

We have audited the accompanying financial report of Australian Network on Disability, which comprises the statement of financial position as at 30 June 2015, 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 director's 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 the 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view 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 Company'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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Network on Disability, would be in the same terms if given to the directors as at the time of this auditor's report.

PKF(NS) Audit & Assurance Limited
Partnership

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approved under Professional
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Australian Network on Disability

ACN 92 456 457 335

Independent Audit Report to the members of Australian Network on Disability

Opinion

In our opinion the financial report of Australian Network on Disability is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

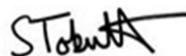
Emphasis of Matter

We draw attention to Note 2(l) to the financial statements, which describes how a FBT liability of \$192,011 has been accrued for in the period. Negotiations with the ATO are ongoing and there is some uncertainty in respect of penalties and interest, resulting in AND's inability to finalise future planned expenditure.

Our opinion is not qualified in respect of this matter.



PKF
Chartered Accountants



SCOTT TOBUTT
Partner

Dated: 19 November 2015

Sydney