



OLD COLONISTS'
ASSOCIATION OF VICTORIA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

A.B.N. 15 660 751 609

Old Colonists' Association of Victoria

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2016

	NOTE	2016 \$000	2015 \$000
Income			
Government subsidies		3,476	3,280
Residential care fees & charges		1,809	1,549
Independent living fees & charges		1,916	1,877
Ingoing donations	2(i)	1,371	600
Interest & investment income		842	746
Assisted living fees & charges		559	541
Donations & bequests		463	364
Accommodation bond retention		26	33
Profit from sale/disposal of property, plant & equipment	3(b)	14	1
Miscellaneous income		80	136
Total income		<u>10,556</u>	<u>9,128</u>
Expenses			
Employee expenses		(6,710)	(6,289)
Depreciation & impairment losses	3(a)	(1,412)	(1,376)
Food expenses		(334)	(339)
Rates & services		(280)	(245)
Repairs & maintenance		(254)	(289)
Utilities		(195)	(199)
Professional services		(181)	(84)
Services & contracts		(157)	(228)
Medical expenses		(85)	(42)
Insurance		(75)	(78)
Cleaning & laundry		(61)	(56)
Printing, stationery & postage		(61)	(50)
Audit & other services		(49)	(48)
Finance expenses		(12)	(8)
Other expenses		(361)	(272)
Total expenses		<u>(10,227)</u>	<u>(9,603)</u>
Surplus/(deficit) before tax		329	(475)
Income tax expense	2(k)	-	-
Surplus/(deficit) for the year		<u>329</u>	<u>(475)</u>
Other comprehensive income			
<i>Items that may not subsequently be reclassified to profit or loss:</i>			
Changes to fair value of financial assets		(264)	162
Realised gains/(loss) from disposal of financial assets		(112)	39
Total other comprehensive income/(loss)		<u>(376)</u>	<u>201</u>
Total comprehensive income/(loss)		<u><u>(47)</u></u>	<u><u>(274)</u></u>

Old Colonists' Association of Victoria

Statement of Financial Position

as at 30 June 2016

	NOTE	2016 \$000	2015 \$000
Assets			
Current			
Cash & cash equivalents	4	1,877	2,662
Other Debtors		319	265
Inventories		21	22
Financial assets	5	8,760	7,527
Prepayments		65	63
Total current assets		<u>11,042</u>	<u>10,539</u>
Non-current			
Financial assets	5	10,532	10,556
Property, plant & equipment	6	30,476	31,146
Total non-current assets		<u>41,008</u>	<u>41,702</u>
Total assets		<u>52,050</u>	<u>52,241</u>
Liabilities			
Current			
Trade & other payables	7	3,931	4,303
Employee provisions	8	1,567	1,360
Total current liabilities		<u>5,498</u>	<u>5,663</u>
Non-current			
Employee provisions	8	185	164
Total non-current liabilities		<u>185</u>	<u>164</u>
Total liabilities		<u>5,683</u>	<u>5,827</u>
Net assets		<u>46,367</u>	<u>46,414</u>
Equity			
Accumulation account		46,219	46,002
Fair value reserve	9	2	266
Permanent fund	9	146	146
Total equity		<u>46,367</u>	<u>46,414</u>

Old Colonists' Association of Victoria

Statement of Cash Flows

for the year ended 30 June 2016

	NOTE	2016	2015
		\$000	\$000
Cash flows from operating activities			
Receipts from residential care, assisted living & independent living services		4,310	4,169
Receipts from government subsidies		3,476	3,280
Receipts from donations & bequests		463	364
Payments to suppliers & employees		(8,838)	(8,059)
Receipts from interest & investment income		842	747
Interest paid		(12)	(8)
Net cash generated by operating activities		<u>241</u>	<u>493</u>
Cash flows from investing activities			
Receipts from sale of plant & equipment		50	43
Payments for property, plant & equipment		(778)	(1,424)
Payment for investments		(1,584)	(2,456)
Net cash used in investing activities		<u>(2,312)</u>	<u>(3,837)</u>
Cash flows from financing activities			
Receipts from ingoing donations		1,371	600
Receipts from accommodation bonds & refundable accommodation deposits		653	2,664
Payments of accommodation bonds & refundable accommodation deposits		(738)	(661)
Net cash provided by financing activities		<u>1,286</u>	<u>2,603</u>
Net decrease in cash held		(785)	(741)
Cash and cash equivalents at beginning of year		<u>2,662</u>	<u>3,403</u>
Cash and cash equivalents at end of year	4	<u><u>1,877</u></u>	<u><u>2,662</u></u>

Old Colonists' Association of Victoria

Statement of Changes in Equity

for the Year Ended 30 June 2016

	NOTE	Accumulation account \$000	Fair value reserve \$000	Permanent fund \$000	Total \$000
Balance at 30 June 2014		46,438	104	146	46,688
Net value gain on available-for-sale financial assets		39	162	-	201
Deficit for the year		(475)	-	-	(475)
Total comprehensive income for the year		(436)	162	-	(274)
Balance at 30 June 2015		46,002	266	146	46,414
Net value loss on available-for-sale financial assets		(112)	(264)	-	(376)
Surplus for the year		329	-	-	329
Total comprehensive income for the year		217	(264)	-	(47)
Balance at 30 June 2016		46,219	2	146	46,367

Old Colonists' Association of Victoria
Notes to financial statements

1. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Standards and interpretations affecting amounts reported in the current and prior year

In the current year, Old Colonists' Association of Victoria has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

The Association has early adopted *AASB 9 Financial Instruments*. There was no material impact on the comparative financial results.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Association's accounting policies, the Councillors are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods. Estimates are relevant when estimating the useful life of depreciable assets and when calculating certain employee provisions.

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with the Old Colonists' Association Act 1955 (as amended), Australian Accounting Standards- Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the Australian Charities and Not-for-Profits Commissions Act 2012 in order to satisfy the entity's financial reporting requirements. The financial statements cover Old Colonists' Association of Victoria as an individual entity.

The financial statements were authorised for issue by the Council on 26th September 2016.

Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Property, plant & equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from these assets.

Work in progress includes redevelopments and refurbishments of cottages in progress. Work in progress is carried at cost and is transferred to cottages & buildings and furniture & plant once it is ready for use.

(b) Depreciation

The depreciable amount of all fixed assets, excluding land, is depreciated on a straight line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

Old Colonists' Association of Victoria
Notes to financial statements

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Class of fixed assets	Depreciation rate
Cottages & buildings	2.00%
Furniture & plant	7.50% - 25.00%
Motor vehicles & tractor mower	20.00%

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income, recorded as other comprehensive income under the Association's election of AASB 9.

(c) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. These include annual leave and long service leave. Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to the contributions.

(d) Financial assets

Investments are recognised and derecognised on trade date, where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned. They are initially measured at fair value net of transaction costs.

(i) Loans & receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest income is recognised by applying the effective interest rate.

(ii) Financial assets at amortised cost

Loans, receivables and interest bearing deposits are non-derivative financial assets held in order to collect contractual cash flows, and where the contractual terms of the financial asset give rise to cash flows of principal and interest on specified dates on the principal amount outstanding.

(iii) Financial assets measured at fair value through other comprehensive income

Investments in listed equity instruments:

The company made an irrevocable election at initial recognition for particular investments in equity instruments, which would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. Gain or loss, whether realised or unrealised, are recognised as other comprehensive income. Dividends on these financial assets are recognised as interest and investments income in the profit or loss.

When these financial assets are derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into accumulated surpluses.

Old Colonists' Association of Victoria
Notes to financial statements

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iv) Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value of all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(v) Impairment of financial assets

Financial assets, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investments have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

(e) Financial liabilities issued by the Association

(i) Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(ii) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(f) Cash & cash equivalents

Cash comprises of cash on hand and direct deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less as at the date of acquisition. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(g) Impairment of assets

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

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

Old Colonists' Association of Victoria
Notes to financial statements

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Goods & 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. In these circumstances the GST is recognised as part of the costs of acquisition of the assets or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(i) Revenue

Government subsidy revenue is recognised when the Association gains control of the funds.

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

Interests, dividends & distributions is recognised on an accrual basis taking into account the interest rates and income declared applicable to the financial assets.

Donations & bequest income is recognised when the Association gains control of the funds.

Ingoing donations are contributions to fund future capital works of the wider organisation to meet their objective of providing affordable facilities for dignified independent living for the aged and needy in Victoria. These are not in substance rent or other charges relating to the ongoing provision of accommodation services. Maintenance fees are charged to all residents to fund the upkeep and maintenance of the properties.

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

Retentions are derived from residents though drawdowns from accommodation bonds at a pre-determined rate upon entering the facility. Retentions are not drawn on refundable accommodation deposits received from 1 July 2014.

(j) Refundable accommodation deposits & accommodation bonds

The liability for accommodation bonds and refundable accommodation deposits is carried at the amount that would be payable on exit of the resident. This is the amount received on entry of the resident less deductions for fees/retentions pursuant to the Aged Care Act 1997. These liabilities are considered to be current as the Association does not have unconditional right to defer settlement of the liability for at least 12 months after reporting date. The obligation to settle could occur anytime. Post 1 July 2014, new deposits are known as refundable accommodation deposits for residents entering the aged care system. Accommodation bonds are held for residents who entered aged care pre 1 July 2014 and have elected to maintain existing arrangements.

(k) Income tax expense

The Association is exempt from income tax under section 50-5 of the Income Tax Assessment Act (1997).

3. SURPLUS/(DEFICIT) FOR THE YEAR

- Surplus/(deficit) for the year has been arrived at after charging the following:

(a) Expenses

	2016	2015
	\$000	\$000
Depreciation of non-current assets		
- Cottages & buildings	625	628
- Motor vehicles & tractor mower	26	45
- Furniture & plant	721	703
- Impairment	40	-
	1,412	1,376

Old Colonists' Association of Victoria
Notes to financial statements

3. SURPLUS/(DEFICIT) FOR THE YEAR (CONTINUED)	2016 \$000	2015 \$000
(b) Profit from sale/disposal of property, plant & equipment	<u>14</u>	<u>1</u>
4. CASH & CASH EQUIVALENTS		
- Cash on hand	2	2
- Cash at bank	<u>1,875</u>	<u>2,659</u>
	<u>1,877</u>	<u>2,662</u>
5. FINANCIAL ASSETS		
- Current		
Financial assets at amortised cost	<u>8,760</u>	<u>7,527</u>
	<u>8,760</u>	<u>7,527</u>
- Non-Current		
Financial assets at amortised cost	5,343	5,727
Financial assets measured at fair value through other comprehensive income - Investments in listed equity instruments	<u>5,189</u>	<u>4,829</u>
	<u>10,532</u>	<u>10,556</u>
TOTAL FINANCIAL ASSETS	<u>19,292</u>	<u>18,083</u>
6. PROPERTY, PLANT & EQUIPMENT		
Land- at cost		
- Braeside Park	509	509
- Currie Park	59	59
- Leith Park	35	35
Total	<u>603</u>	<u>603</u>
Cottages & buildings- at cost		
- Braeside Park		
Cottages & buildings	2,912	3,145
Provision for depreciation	<u>(1,261)</u>	<u>(1,444)</u>
Written down value	<u>1,651</u>	<u>1,701</u>
- Currie Park		
Cottages & buildings	1,287	1,455
Provision for depreciation	<u>(664)</u>	<u>(796)</u>
Written down value	<u>623</u>	<u>659</u>
- Leith Park		
Cottages & buildings	18,709	19,214
Provision for depreciation	<u>(5,364)</u>	<u>(5,492)</u>
Written down value	<u>13,345</u>	<u>13,722</u>
-Rushall Park		
Cottages & buildings	8,295	9,275
Provision for depreciation	<u>(776)</u>	<u>(1,567)</u>
Written down value	<u>7,519</u>	<u>7,708</u>
Total cottages & buildings	<u>23,138</u>	<u>23,790</u>
Furniture & plant- at cost	9,380	10,021
Provision for depreciation	<u>(3,849)</u>	<u>(4,100)</u>
Written down value	<u>5,531</u>	<u>5,921</u>

Old Colonists' Association of Victoria
Notes to financial statements

6. PROPERTY, PLANT & EQUIPMENT (CONTINUED)	2016 \$000	2015 \$000
Motor vehicles & tractor mower- at cost	249	236
Provision for depreciation	(77)	(123)
Written down value	<u>172</u>	<u>113</u>
Works In progress- at cost	<u>1,032</u>	<u>719</u>
TOTAL PROPERTY, PLANT & EQUIPMENT	<u><u>30,476</u></u>	<u><u>31,146</u></u>

(a) Movements in carrying amounts

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

	Land	Cottages & buildings	Furniture & plant	Motor vehicle & tractor mower	Work in progress	Total
	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000	2016 \$000
Balance at the beginning of the year	603	23,790	5,921	112	719	31,146
Additions	-	-	212	121	445	778
Impairment losses	-	(27)	(13)	-	-	(40)
Disposals	-	-	-	(36)	-	(36)
Transfers	-	-	132	-	(132)	-
Depreciation expense	-	(625)	(721)	(26)	-	(1,372)
Carrying amount at the end of the year	603	23,138	5,531	172	1,032	30,476

7. TRADE & OTHER PAYABLES

	2016 \$000	2015 \$000
- Current		
Sundry creditors	433	696
Residents' deposits	185	183
Accommodation bonds & refundable accommodation deposits	3,313	3,424
	<u>3,931</u>	<u>4,303</u>

The average credit period on purchases of goods and services is 30 days. No interest is charged on the trade payables for the first 30 days. Specific suppliers may choose to charge interest after the period. The continuous monitoring of cash flows ensures that all payables are paid within the credit timeframe.

Pursuant to the Aged Care Act 1997, interest is paid on refundable accommodation deposits ("RAD") and accommodation bonds following departure (or death) of a resident. Interest is required to be paid at two different rates:

- at the base interest rate for the period between the date of the refunding event and the earlier of the date the balance is refunded and the date the legislated timeframe for the refund of the balance expires; and
- at the maximum permissible interest rate for the period after the end of the legislated time frame (or the time set out in the Formal Agreement) until the balance is refunded.

Old Colonists' Association of Victoria
Notes to financial statements

8. EMPLOYEE PROVISIONS

	2016	2015
	\$000	\$000
- Current		
Annual leave	529	507
Other staff provisions	158	13
Long service leave	880	840
	1,567	1,360
- Non-current		
Long service leave	185	164
	185	164
TOTAL EMPLOYEE PROVISIONS	1,752	1,524

9. RESERVES

The fair value reserve records movements in the fair value of available for sale investments. The permanent fund records monies that have specifically been allocated from retained earnings for defined purposes.

	Fair value reserve	Permanent
	\$000	\$000
Balance at 30 June 2014	104	146
Changes in fair value of available for sale investments	248	-
Transfer to profit & loss and other comprehensive income	(86)	-
Balance at 30 June 2015	266	146
Changes in fair value of available for sale investments	(264)	-
Balance at 30 June 2016	2	146

10. RELATED PARTY DISCLOSURE

Councillors

The names of the Councillors who held office during the financial year are:

Kevin Neville
Professor Robert Helme
Raymond Harvey
Leslie Wood
Carl Wood
Judy Sharp
Carl Maissan
Martine Bede
Nicole Pelchen

No Councillor received any remuneration during the year ended 30 June 2016 (2015: nil).

There were no related party transactions.

Old Colonists' Association of Victoria
Notes to financial statements

10. RELATED PARTY DISCLOSURE (CONTINUED)

Other key management personnel

Any persons having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly are considered key management personnel.

	2016	2015
	\$000	\$000
Other key management remuneration		
Total remuneration	<u>509</u>	<u>464</u>
Number of other key management personnel	<u>4</u>	<u>3</u>

11. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

FINANCIAL ASSETS	2016	2015
	\$000	\$000
Cash & cash equivalents	1,877	2,662
Receivables	319	265
Financial assets at amortised cost	14,103	13,254
Financial assets measured at fair value through other comprehensive income	5,189	4,829
TOTAL FINANCIAL ASSETS	<u><u>21,488</u></u>	<u><u>21,010</u></u>
FINANCIAL LIABILITIES		
Trade & other payables	<u><u>3,931</u></u>	<u><u>4,303</u></u>

12. CONTINGENT LIABILITIES

There were no known contingent liabilities at 30 June 2016 (2015: nil).

Old Colonists' Association of Victoria
Notes to financial statements

13. SEGMENT REPORTING

The Association operates in the aged care industry providing aged care to residents within Victoria. The following statement of profit or loss and other comprehensive income and statement of financial position contain additional reporting information to meet the requirements of The Department of Health.

Residential Care Service Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 30 June 2016

	2016	2015
	\$000	\$000
Income		
Government subsidies	3,476	3,280
Residential care fees & charges	1,809	1,549
Interest & investment income	127	94
Accommodation bond retentions	26	33
Miscellaneous income	29	37
Total income	5,467	4,993
Expenses		
Employee expenses	(4,644)	(4,351)
Depreciation & impairment losses	(345)	(341)
Food expenses	(237)	(230)
Utilities	(138)	(120)
Medical expenses	(84)	(71)
Professional services	(53)	(16)
Cleaning & laundry	(49)	(48)
Services & contracts	(49)	(63)
Repairs & maintenance	(37)	(50)
Printing, stationery & postage	(21)	(4)
Insurance	(18)	(16)
Rates & services	(17)	(36)
Finance expenses	(10)	(5)
Other expenses	(75)	(80)
Total expenses	(5,777)	(5,431)
Surplus/(deficit) before tax	(310)	(438)
Total comprehensive income/(loss) for the period	(310)	(438)

Old Colonists' Association of Victoria
Notes to financial statements

13. SEGMENT REPORTING (CONTINUED)

Residential Care Service Statement of Financial Position

As at 30 June 2016

	2016	2015
	\$000	\$000
Assets		
Current		
Cash & cash equivalents	1,682	2,546
Trade & other receivables	108	56
Inventories	6	6
Financial assets	1,901	1,245
Other current assets	37	36
Total current assets	3,734	3,889
Non-current		
Property, plant & equipment	10,851	11,129
Total non-current assets	10,851	11,129
Total assets	14,585	15,018
Liabilities		
Current		
Trade & other payables	526	468
Accommodation bonds & refundable accommodation deposits	3,312	3,366
Employee provisions	619	780
Total current liabilities	4,457	4,614
Non-current		
Employee provisions	121	87
Total non-current liabilities	121	87
Total liabilities	4,578	4,701
Net assets	10,007	10,317

Old Colonists' Association of Victoria

Councillors' declaration:

In the opinion of the Councillors of the Old Colonists' Association of Victoria:

- (a) The financial statements and notes of the Old Colonists' Association of Victoria are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including
 - i. Giving a true and fair view of its financial position as at 30 June 2016 and of its performance for the financial year ended on that date; and
 - ii. Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the Australian Charities and Not-for-Profits Commission Regulation 2013, and
- (b) There are reasonable grounds to believe that Old Colonists' Association of Victoria 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 Council and is signed for and on behalf of the Council by:



K.W. Neville
President



C. Maissan
Treasurer

26th September 2016



Grant Thornton

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Independent Auditor's Report To the Members of Old Colonists' Association of Victoria

We have audited the accompanying financial report of Old Colonists' Association of Victoria (the "Association"), which comprises the statement of financial position as at 30 June 2016, and 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 to the financial report and the statement by the Council.

Responsibility of the Council for the financial report

The Council of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the Old Colonists' Association Act 1947. This responsibility includes such internal controls as the Council determines are necessary to enable the preparation of the financial report to be 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 which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Association'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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, 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 applicable independence requirements of the Accounting Professional and Ethical Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

Auditor's Opinion

In our opinion, the financial report of Old Colonists' Association of Victoria:

- i presents fairly, in all material respects, the Association's financial position as at 30 June 2016 and of its performance and cash flows for the year then ended; and
- ii complies with Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Regulation 2013 and the Old Colonists' Association Act 1947.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Sandra Lawson
Partner - Audit & Assurance

Melbourne, 26 September 2016