

Volunteering Australia Incorporated

ABN: 23 062 806 464

Financial Statements

For the Year Ended 30 June 2014

Volunteering Australia Incorporated

ABN: 23 062 806 464

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For the Year Ended 30 June 2014

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Volunteering Australia Incorporated

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Statement by Members of the Committee

30 June 2014

The committee members submit the financial report of the Association for the financial year ended 30 June 2014.

1. General information

Committee members

The names of committee members throughout the year and at the date of this report are:

Paul Lynch (Resigned 25/10/13)

Matt Rutter (Resigned 23/05/14)

Tim Jackson

Valerie Hoogstad

Kevin Thompson

Michelle Ewington (Appointed 25/10/13)

Jane Hayden (Appointed 25/10/13)

Peter Lucas (Appointed 24/07/14)

Ross Wiseman

David Morrison (Appointed 26/06/14)

Robyn Rose

Andrew Coghlan

Fran Healy (Resigned 25/10/13)

Dianne Carlos (Resigned 25/10/13)

Amit Jois (Appointed 23/05/14)

Principal activities

The principal activities of the Association during the financial year were:

- To represent the diverse views and needs of the volunteer sector while promoting the activity of volunteering as one of the enduring social, cultural and economic value.

Significant changes

No significant change in the nature of these activities occurred during the year.

2. Operating results and review of operations for the year

Operating result

The deficit of the Association for the financial year was \$ 83,829 (2013: deficit \$ (18,839)).

Signed in accordance with a resolution of the Members of the Committee:



Committee member:

Tim Jackson



Committee member:

Jane Hayden

Dated 31 October 2014

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**Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2014**

	2014	2013 Revised	2013
	\$	\$	\$
Grant income	302,762	302,755	302,755
Merchandise sales	62,862	97,648	97,648
Sundry income	(13,799)	1,488	1,488
Interest	1,918	8,738	8,738
Fee for service	-	25,000	25,000
Project income	-	-	190,000
	353,743	435,629	625,629
Employee benefits expense	(234,401)	(70,853)	(70,853)
Other expenses from ordinary activities	(122,363)	(117,453)	(114,800)
Travel and accommodation expense	(23,257)	(26,538)	(26,538)
Professional expenses	(31,620)	(93,004)	(93,004)
Marketing expense	(15,530)	(87,147)	(87,147)
Remuneration of auditor	(8,400)	(3,500)	(3,500)
Project expenses	-	-	(305,285)
Finance costs	(1,706)	-	-
Depreciation and amortisation	(295)	(2,139)	(2,139)
Building expenses	-	(8,158)	(8,158)
Rental of premises	-	(20,676)	(20,676)
Fee for service	-	(25,000)	(25,000)
Current year deficit	(83,829)	(18,839)	(131,471)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	(83,829)	(18,839)	(131,471)

The accompanying notes form part of these financial statements.

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Statement of Financial Position

30 June 2014

	Note	2014 \$	2013 Revised \$	2013 \$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	4	590,899	327,082	327,082
Accounts receivable and other debtors	5	16,791	141,776	29,144
Inventories on hand	6	14,145	-	-
Other assets	7	9,259	1,091	1,091
TOTAL CURRENT ASSETS		631,094	469,949	357,317
NON-CURRENT ASSETS				
Intangible assets	8	3,419	-	-
TOTAL NON-CURRENT ASSETS		3,419	-	-
TOTAL ASSETS		634,513	469,949	357,317
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and other payables	9	477,816	236,871	236,871
Provisions	11	7,448	-	-
TOTAL CURRENT LIABILITIES		485,264	236,871	236,871
NON-CURRENT LIABILITIES				
TOTAL LIABILITIES		485,264	236,871	236,871
NET ASSETS		149,249	233,078	120,446
EQUITY				
Retained earnings		149,249	233,078	120,446
TOTAL EQUITY		149,249	233,078	120,446

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2014

2014

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2013	233,078	233,078
Loss attributable to members of the entity	<u>(83,829)</u>	<u>(83,829)</u>
Balance at 30 June 2014	<u>149,249</u>	<u>149,249</u>

2013

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2012	251,917	251,917
Loss attributable to members of the entity	<u>(18,839)</u>	<u>(18,839)</u>
Balance at 30 June 2013	<u>233,078</u>	<u>233,078</u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	337,561	384,810
Payments to suppliers and employees	(375,030)	(725,680)
Interest received	2,237	8,738
Grant Income	302,762	333,030
Net cash provided by (used in) operating activities	12 267,530	898
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for intangible asset	(3,713)	-
Net cash used by investing activities	(3,713)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	-	-
Net increase (decrease) in cash and cash equivalents held	263,817	898
Cash and cash equivalents at beginning of year	327,082	326,184
Cash and cash equivalents at end of financial year	4 590,899	327,082

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

The financial statements cover Volunteering Australia Incorporated as an individual entity. Volunteering Australia Incorporated is a not-for-profit association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991*.

The financial statements were authorised for issue on the 31 October 2014 by the members of the committee.

1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations and the *Associations Incorporation Act (ACT) 1991*.

The significant accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated.

The financial statements are based on historical costs, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(a) Income Tax

The Association is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts.

(c) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using *effective interest method*.

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Notes to the Financial Statements For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

Classification and subsequent measurement continued

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and 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.

Financial liabilities

Non derivate financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Association assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") that have occurred, which have an impact on the estimated future cash flows of the financial asset(s).

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non cash assets or liabilities assumed, is recognised in profit or loss.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(d) Impairment assets

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

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

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(e) Employee provisions

Provision is made for the Association'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the statement of financial position if the Association 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.

(f) Cash on Hand

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

(g) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts from government's grants. 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.

(h) Revenue and other income

All items of revenue are recognised in full at the earlier of the date of invoice or receipt, with exception of grant revenue and interest revenue as discussed below.

Grant revenue is recognised when the right to receive the grant has been established.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(i) 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.

(j) Intangible Assets

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life of 10 years.

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Comparative Amounts and Financial Statement Changes

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

Included in this years financial statements are revised figures for the 2013 Statement of Profit and Loss and Other Comprehensive Income and Statement of Financial Position. This revision was done to correct an error in the presentation of the 2013 results in relation to the IAVE Conference. In the original 2013 results a loss of \$112,632 was recorded to that point in organising the IAVE Conference to be held in September 2014. The correct accounting treatment is that the net expenditure at that point should of been carried as a prepayment until the year the conference was held. As a result of this the loss in 2013 was reduced by \$112,632 to \$18,839 and net assets were increased by \$112,632 to \$233,078.

(l) Accounts Payable and other Payables

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

(m) Provisions

Provisions are recognised when the Association 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Summary of Significant Accounting Policies continued

(n) 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 Association has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Association:

Standard Name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010-7 / AASB 2012-6	30 June 2016	Changes to the classification and measurement requirements for financial assets and financial liabilities. New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released.

(o) Critical accounting estimates and judgments

The committee members 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.

2 Surplus for the Year

Expenses

	2014	2013
	\$	\$
- Interest expense	1,706	-
- Operating lease	-	20,677

3 Auditors' fees

	2014	2013
	\$	\$
Remuneration of the auditor of the Association for: - auditing and reviewing the financial report	8,400	3,500

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Notes to the Financial Statements

For the Year Ended 30 June 2014

4 Cash on hand

	2014	2013
	\$	\$
Cash at bank and in hand	469,407	198,860
Reserve trust account	121,492	128,222
	<u>590,899</u>	<u>327,082</u>

5 Accounts receivable and other debtors

	2014	2013
	\$	\$
CURRENT		
Accounts receivable and other debtors	16,791	29,144
IAVE Conference	-	112,632
Total current accounts receivable and other debtors	<u>16,791</u>	<u>141,776</u>

Credit risk

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 5. The main source of credit risk to the Association is considered to relate to the class of assets described as 'Accounts receivable and other debtors'.

The following table details the Association's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Association and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Association. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
			\$	\$	\$	\$	
2014							
Accounts receivable and other debtors	16,791	-	-	-	-	-	16,791
Total	<u>16,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,791</u>
2013							
Accounts receivable and other debtors	29,144	-	-	-	-	-	29,144
Other receivables	112,632	-	-	-	-	-	112,632
Total	<u>141,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,776</u>

Collateral held as security

The Association does not hold any collateral over any receivables balances.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

6 Inventories

	2014	2013
	\$	\$
CURRENT Inventories	14,145	-
	<u>14,145</u>	<u>-</u>

7 Other current assets

	2014	2013
	\$	\$
Prepayments	9,257	1,091
	<u>9,257</u>	<u>1,091</u>

8 Intangible Assets

	2014	2013
	\$	\$
Trademark		
Cost	3,714	-
Accumulated amortisation and impairment	(295)	-
Total Intangibles	<u>3,419</u>	<u>-</u>

Intangible assets, other than goodwill have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense in the statement of profit or loss and other comprehensive income.

9 Accounts payable and other payables

	2014	2013
	\$	\$
CURRENT		
Unsecured liabilities		
Current tax payable	59,373	(21,180)
Accounts payable	69,780	129,828
Amounts held in trust	121,492	128,223
Accrued expenses	10,016	-
IAVE Conference	217,154	-
	<u>477,815</u>	<u>236,871</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2014

9 Accounts payable and other payables continued

(a) Financial liabilities at amortised cost classified as accounts payable and other payables

	2014	2013
Note	\$	\$
Accounts payable and other payables:		
- total current	477,815	236,871
amounts received in advance	(217,154)	-
Financial liabilities as accounts payable and other payables	14 <u>260,661</u>	<u>236,871</u>

Collateral pledged

No collateral has been pledged for any of the trade and other payable balances.

10 Contingencies

As at 30 June 2014 the Association carried \$217,154 as income in advance in its balance sheet. This has no profit and loss effect. This is the net figure of income received less expenses paid by year end towards the IAVE Conference to be held between 17-20 September 2014.

By 31 October 2014 a further \$390,000 in income was received and a further \$487,000 in expenses were paid. Subsequent to this it is estimated that there could be additional income of \$194,000 and expenses of \$419,000. On these figures the committee believe that the IAVE Conference will lose approximately \$105,000. Any loss on the IAVE Conference will be born by Volunteering Australia Incorporated.

Volunteering Australia Incorporated's exposure to the extent of the loss ultimately incurred includes a management fee expense of \$105,000 in the books of the conference that would be recognised as income in volunteering Australia Incorporated and therefore have no net effect on the entity as a whole.

Volunteering Australia Incorporated has advanced the conference an additional \$145,000 as loan funds. This is not shown as an income of the IAVE Conference and is represented by funds in the bank but will fund further losses if incurred.

11 Provisions

	2014	2013
	\$	\$
CURRENT		
Employee provisions	7,448	-
	<u>7,448</u>	<u>-</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2014

12 Cash Flow Information

Reconciliation of result for the year to cash flows from operating activities

	2014	2013
	\$	\$
Profit for the year	(83,829)	(18,839)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	295	-
- depreciation	-	2,139
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	124,985	(20,421)
- (increase)/decrease in other assets	(8,166)	29,559
- (increase)/decrease in inventories	(14,145)	-
- increase/(decrease) in trade and other payables	248,390	8,460
Cashflow from operations	<u>267,530</u>	<u>898</u>

13 Economic Dependence

The Association is largely assisted in its activities by operating grants provided by the Territory and Federal Government's, Donor's and other state Volunteer organisations. At the date of this report, the members of the committee had no reason to believe that the member organisations and state government would not continue to provide support to Volunteering Australia Incorporated.

14 Financial Risk Management

The main risks Volunteering Australia Incorporated is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payables.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2014	2013
	Note	\$	\$
Financial Assets			
Cash on hand	4	590,899	327,082
Accounts receivable and other debtors	5	16,791	29,144
Total financial assets		<u>607,690</u>	<u>356,226</u>
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	9	260,661	236,871
Total financial liabilities		<u>260,661</u>	<u>236,871</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14 Financial Risk Management continued

Financial risk management policies

The committee has overall responsibility for the establishment of Volunteering Australia Incorporated's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk and credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Volunteering Australia Incorporated's activities.

The day to day risk management is carried out by Volunteering Australia Incorporated's finance function under policies and objectives which have been approved by the committee. The Chief Executive Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate.

The committee receives quarterly reports which provide details of the effectiveness of the processes and policies in place.

Volunteering Australia Incorporated does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Specific financial risk exposure and management

The main risks Volunteering Australia Incorporated is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

There have been no substantive changes in the types of risk the association is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Volunteering Australia Incorporated and arises principally from Volunteering Australia Incorporated's receivables.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Association has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5.

Accounts receivable and other debtors that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5.

(b) Liquidity risk

Liquidity risk arises from the possibility that Volunteering Australia Incorporated might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Association manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;

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Notes to the Financial Statements For the Year Ended 30 June 2014

14 Financial Risk Management continued

(b) Liquidity risk continued

- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and

Typically, Volunteering Australia Incorporated ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days.

The available funds to the Association are discussed in note 12.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities.

Financial guarantee liabilities are treated as payable on demand since Volunteering Australia Incorporated has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Financial liability maturity analysis

	Within 1 Year		Total	
	2014	2013	2014	2013
	\$	\$	\$	\$
Financial liabilities due for payment				
Accounts payable and other payables	260,661	236,871	260,661	236,871
Total expected outflows	<u>260,661</u>	<u>236,871</u>	<u>260,661</u>	<u>236,871</u>
Financial assets - cash flows realisable				
Cash on hand	590,899	327,082	590,899	327,082
Accounts receivable	16,791	29,144	16,791	29,144
Total anticipated inflows	<u>607,690</u>	<u>356,226</u>	<u>607,690</u>	<u>356,226</u>
Net inflow on financial instruments	<u>347,029</u>	<u>119,355</u>	<u>347,029</u>	<u>119,355</u>

The timing of expected outflows is not expected to be materially different from contracted cash flows.

Volunteering Australia Incorporated

ABN: 23 062 806 464

Notes to the Financial Statements

For the Year Ended 30 June 2014

14 Financial Risk Management continued

(c) Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The financial instruments that expose the Company to interest rate risk are limited to cash and cash equivalents.

Sensitivity analysis

The following table illustrates sensitivities to Volunteering Australia Incorporated's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting year would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	Equity
	\$	\$
Year ended 30 June 2014		
+/- 2% in interest rates	11,818	11,818
	Profit	Equity
	\$	\$
Year ended 30 June 2013		
+/- 2% in interest rates	6,541	6,541

No sensitivity has been performed on foreign exchange risk as the association has no exposure to currency risk.

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Volunteering Australia Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14 Financial Risk Management continued

	2014		2013	
	Net Carrying Value	Net Fair value	Net Carrying Value	Net Fair value
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	590,899	590,899	327,082	327,082
Accounts receivable	16,791	16,791	29,144	29,144
Total financial assets	607,690	607,690	356,226	356,226
Financial liabilities				
Accounts payable and other payables	260,661	260,661	236,871	236,871
Total financial liabilities	260,661	260,661	236,871	236,871

15 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year except for the effect of the IAVE Conference as documented in Note 10 'Contingencies' which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

16 Association Details

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

Volunteering Australia Incorporated

Level 2, 202 City Walk

CANBERRA ACT 2601

Volunteering Australia Incorporated

ABN: 23 062 806 464

Statement by Members of the Committee

In our opinion:

1. the accompanying financial report as set out on pages 2 to 18, being a general purpose financial statement, is drawn up so as to present fairly the state of affairs of the Association as at 30 June 2014 and the results of the Association for the year ended on that date;
2. the accounts of the Association have been properly prepared and are in accordance with the books of account of the Association.
3. there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:



Tim Jackson



Jane Hayden

Dated 31 October 2014

Volunteering Australia Incorporated

ABN: 23 062 806 464

Independent Audit Report to the members of Volunteering Australia Incorporated

Report on the Financial Report

We have audited the accompanying financial report of Volunteering Australia Incorporated, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and and the *Associations Incorporation Act (ACT) 1991*. and for such internal control as management determines is necessary to enable the preparation and fair presentation of the 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. 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 entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Volunteering Australia Incorporated

ABN: 23 062 806 464

Independent Audit Report to the members of Volunteering Australia Incorporated

Opinion

In our opinion, the financial report of Volunteering Australia Incorporated is in accordance with the *Associations Incorporation Act (ACT) 1991* including:

- i. giving a true a fair view of the Association's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards as disclosed in Note 1.

Emphasis of Matter

We draw attention to Note 10, Contingencies to the financial statements which describe the uncertainty related to the IAVE Conference to be held on the 17- 20 September 2014. The committee believe that the IAVE Conference will lose approximately \$105,000 and any loss on the IAVE Conference will be born by Volunteering Australia Incorporated.

Our opinion is not qualified in respect of this matter.

Hardwicks Partners

Chartered Accountants

Hardwicks
R Johnson

Robert Johnson FCA
Partner

Canberra, ACT

31 October 2014