

19 September 2011

The Committee
Post Placement Support Service Inc
135 Mt. Alexander Road
Flemington, Victoria 3031

Dear Sirs,

Audit report – 30 June 2011

Enclosed herewith is our independent auditor's report dated 8 September 2011 for your purposes, attached to a final signed copy of the balance sheet, P&L and accounting policy note at 30 June 2011.

We also enclose a "statement by "members of the Committee" which should be signed by the President and Treasurer and attached to the financial pack – we would be obliged if you would return a signed copy of this statement for our records.

We also wish to point out a few matters that came to our attention during the course of the audit.

Opening retained income

We note that the opening retained income differs from the closing retained income at the end of last year (30 June 2010) by \$2,637. Please ensure that when the rollover is done, from 2011 to 2012, the opening retained income for 2012 is the same figure as the closing retained income at 30 June 2011 (i.e. \$556,954.09.)

Accounting standards

Your organisation appears to fall under the jurisdiction of Consumer Affairs Victoria which means it is subject to certain rules and regulations in terms of the relevant legislation. Our understanding is that if the Association has annual gross revenue of more than \$200,000 or assets of more than \$500,000, it will be considered a "prescribed association," which means that the Association must then prepare their financial statements in accordance with Australian Accounting Standards and have an independent audit process.

It would also be necessary to complete and submit under cover of a form "Annual Statement by a Public Officer," the financials to the appropriate authorities as was done last year.

Finally, we enclose our bill for your kind attention.

Kind regards,



Philip Sulman
P. SULMAN & ASSOCIATES

Independent Auditor's Report

The members
Post Placement Support Service Inc

We have audited the accompanying special purpose financial statements ("statements") comprising a balance sheet, profit and loss statement and accompanying notes and the statement by members of the committee of Post Placement Support Service Inc for the year ended 30 June 2011.

Committee's Responsibility

The committee has determined that the accounting policies adopted are consistent with the financial reporting requirements of the Associations Incorporation Act 1981 in Victoria and are appropriate to meet the needs of the members.

The committee is responsible for the preparation and presentation of the statements in accordance with the cash receipts and disbursements basis of accounting. This responsibility includes establishing and maintaining internal controls relevant to the preparation and presentation of the statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used are appropriate to meet the needs of members. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the statements 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 statements.

The financial statements have been prepared in accordance with the cash receipts and disbursements basis of accounting.

These statements may not be suitable for another purpose. Our report is intended solely for the members of Post Placement Support Service Inc and should not be distributed to or used by other parties.

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

Independence

We are independent of the association and in conducting our audit we have met the independence requirements of the Australian Professional Ethical Standards.

Auditor's Opinion

In our opinion, the statements of Post Placement Support Service Inc for the year ended 30 June 2011, gives a true and fair view in accordance with the cash receipts and disbursements basis of accounting commonly adopted by similar organisations.



Philip Sulman

8th September 2011

570 Glenhuntly Road
Elsternwick 3185

Post Placement Support Service

Balance Sheet Prev Year Comparison

As of June 30, 2011

	<u>Jun 30, 11</u>	<u>Jun 30, 10</u>
ASSETS		
Current Assets		
Chequing/Savings		
BB Credit Card - OLD	0.00	688.38
11000 · Bendigo Bank Trading Account	8,910.50	17,331.09
12000 · Bendigo Oxfam Account	6,443.21	296,424.33
12500 · CBA Gift Account	84.41	0.00
13000 · Bendigo Term Deposit	0.00	50,000.00
13500 · Bendigo Term Deposit #2	6,000.00	0.00
14000 · ING Business Optimiser	534,726.78	0.00
15500 · Petty Cash	200.00	110.05
Total Chequing/Savings	<u>556,364.90</u>	<u>364,553.85</u>
Accounts Receivable		
15000 · Accounts Receivable	2,464.00	30.00
Total Accounts Receivable	<u>2,464.00</u>	<u>30.00</u>
Total Current Assets	<u>558,828.90</u>	<u>364,583.85</u>
Fixed Assets		
16100 · Computer Equipment		
16150 · Accum Computer Depn	-3,311.26	0.00
16100 · Computer Equipment - Other	11,609.52	2,213.59
Total 16100 · Computer Equipment	<u>8,298.26</u>	<u>2,213.59</u>
16200 · Office Fittings & Furniture		
16250 · Accum Office Fit & Furn Depn	-926.48	0.00
16200 · Office Fittings & Furniture - Other	2,777.05	0.00
Total 16200 · Office Fittings & Furniture	<u>1,850.57</u>	<u>0.00</u>
16400 · Printers & Peripherals		
16450 · Accum Print & Perph Depn	-631.50	0.00
16400 · Printers & Peripherals - Other	3,325.52	0.00
Total 16400 · Printers & Peripherals	<u>2,694.02</u>	<u>0.00</u>
Total Fixed Assets	<u>12,842.85</u>	<u>2,213.59</u>
TOTAL ASSETS	<u>571,671.75</u>	<u>366,797.44</u>
LIABILITIES		
Current Liabilities		
Accounts Payable		
20000 · Accounts Payable	-50.00	2,217.72
Total Accounts Payable	<u>-50.00</u>	<u>2,217.72</u>
Credit Cards		
23000 · Bendigo Business MasterCard	740.47	843.69

Post Placement Support Service
Balance Sheet Prev Year Comparison
As of June 30, 2011

	<u>Jun 30, 11</u>	<u>Jun 30, 10</u>
Total Credit Cards	740.47	843.69
Other Current Liabilities		
Grant Liabilities		
ANZ - Buckland Foundation	0.00	250,000.00
Ian Potter	0.00	15,000.00
Mirror Families	0.00	58,323.62
OCSC	0.00	6,000.00
Total Grant Liabilities	<u>0.00</u>	<u>329,323.62</u>
21000 - Payroll Liabilities		
21010 - PAYG Liability	8,681.00	548.00
21020 - Employer Super Guarantee	7,347.19	513.71
21030 - Salary Sacrifice	0.00	4,405.00
Total 21000 - Payroll Liabilities	<u>16,028.19</u>	<u>5,466.71</u>
22000 - GST Payable	<u>-2,001.00</u>	<u>-189.66</u>
Total Other Current Liabilities	<u>14,027.19</u>	<u>334,600.67</u>
Total Current Liabilities	<u>14,717.66</u>	<u>337,662.08</u>
TOTAL LIABILITIES	<u>14,717.66</u>	<u>337,662.08</u>
NET ASSETS	<u>556,954.09</u>	<u>29,135.36</u>
EQUITY		
30000 - Retained Earnings	31,772.50	-31,187.13
31000 - Opening Bal Equity	0.00	100,187.25
Net Income	525,181.59	-39,864.76
TOTAL EQUITY	<u>556,954.09</u>	<u>29,135.36</u>

Post Placement Support Service
Profit & Loss Prev Year Comparison
July 2010 through June 2011

	<u>Jul '10 - Jun 11</u>	<u>Jul '09 - Jun 10</u>
Ordinary Income/Expense		
Income		
40000 · Income		
40150 · Consultancy Income	6,409.09	280.00
40200 · Training Income	10,358.15	7,605.00
40300 · Gifts and Donations Income		
40310 · Restricted	0.00	47,128.59
40320 · Unrestricted	10.00	3,700.20
40300 · Gifts and Donations Income - Other	84.41	0.00
Total 40300 · Gifts and Donations Income	<u>94.41</u>	<u>50,828.79</u>
Total 40000 · Income	16,861.65	58,713.79
41100 · Grants	755,948.62	17,767.81
Total Income	<u>772,810.27</u>	<u>76,481.60</u>
Expense		
50000 · Training Program Expenses		
50100 · Venue Hire - Training	612.73	948.26
50110 · Catering - Training	0.00	141.78
50120 · Contractor Costs - Training	1,281.93	1,556.17
50130 · Travel & Accomod - Training	413.64	0.00
50150 · Printing & Materials - Training	250.00	0.00
50170 · Sundry Expenses - Training	0.00	375.55
50000 · Training Program Expenses - Other	0.00	100.00
Total 50000 · Training Program Expenses	<u>2,558.30</u>	<u>3,121.76</u>
51000 · Support Group Expenses		
51100 · Venue Hire - Support	32.45	7,162.43
51110 · Catering - Support	82.46	0.00
51120 · Contractor Costs - Support	475.00	0.00
51170 · Sundry Expenses - Support	51.00	0.00
Total 51000 · Support Group Expenses	<u>640.91</u>	<u>7,162.43</u>
60000 · Operational Expenses		
60010 · Recruitment Expenses	2,919.03	0.00
61000 · Bank Fees & Charges		
61100 · Credit Card	60.00	44.00
61200 · Merchant Fees	1.64	5.61
61000 · Bank Fees & Charges - Other	586.45	115.53
Total 61000 · Bank Fees & Charges	<u>648.09</u>	<u>165.14</u>
62000 · Insurance		
62100 · Public, Property & Prof Indem	139.94	3,707.53
62200 · Worksafe	2,122.02	937.67
Total 62000 · Insurance	<u>2,261.96</u>	<u>4,645.20</u>

Post Placement Support Service
Profit & Loss Prev Year Comparison
July 2010 through June 2011

	<u>Jul '10 - Jun 11</u>	<u>Jul '09 - Jun 10</u>
63000 · Transport		
63100 · Parking & Tolls	50.46	33.45
63200 · Other Transport	208.64	0.00
63300 · Taxi Fares	1,293.18	30.15
63000 · Transport - Other	825.43	606.37
Total 63000 · Transport	<u>2,377.71</u>	<u>669.97</u>
64000 · Office & Admin Expenses		
64100 · Rent	21,272.81	4,380.60
64110 · Utilities, Rates & Water	1,213.15	0.00
64120 · Inhouse Meeting Expenses	588.65	188.59
64130 · External Meetings & Conferences	300.00	0.00
64200 · Repairs & Maintenance		
64210 · Cleaning Services	1,298.00	0.00
64220 · Computer Repairs	0.00	360.59
64230 · Equipment Repairs	262.55	0.00
64200 · Repairs & Maintenance - Other	1,775.67	0.00
Total 64200 · Repairs & Maintenance	<u>3,336.22</u>	<u>360.59</u>
64500 · Telephones		
64510 · VOIP Telephone System	1,039.89	0.00
64520 · Mobiles (X3)	1,591.12	1,176.05
64530 · 1300 Number	123.65	149.10
64500 · Telephones - Other	0.00	-222.68
Total 64500 · Telephones	<u>2,754.66</u>	<u>1,102.47</u>
64600 · IT & Computers		
64610 · Internet Supplier - iiNet	711.35	-212.68
64620 · Email Supplier - TSuite	202.82	0.00
64630 · Web Hosting -Glowhost	294.97	99.36
64640 · Software Expense	1,226.72	281.41
64650 · Expensed Equipment (<\$300.00)	853.27	0.00
64660 · IT Support	347.50	0.00
64670 · Mobile Broadband	486.97	915.09
Total 64600 · IT & Computers	<u>4,123.60</u>	<u>1,083.18</u>
64700 · Office Supplies		
64710 · Stationary & Printing	1,367.68	0.00
64720 · House Keeping	166.71	0.00
64730 · Postage and Delivery	446.51	187.27
64740 · Miscellaneous	302.69	204.45
64700 · Office Supplies - Other	958.53	880.08
Total 64700 · Office Supplies	<u>3,242.12</u>	<u>1,271.80</u>
64750 · Furniture & Fittings (<\$300.00)	2,769.53	0.00
64800 · Admin Fees & Costs		
64820 · Gifts and Donations	247.95	50.00

Post Placement Support Service
Profit & Loss Prev Year Comparison
July 2010 through June 2011

	<u>Jul '10 - Jun 11</u>	<u>Jul '09 - Jun 10</u>
64830 · Dues and Subscriptions	809.90	413.89
Total 64800 · Admin Fees & Costs	<u>1,057.85</u>	<u>463.89</u>
 Total 64000 · Office & Admin Expenses	 <u>40,658.59</u>	 <u>8,851.12</u>
 Total 60000 · Operational Expenses	 48,865.38	 14,331.43
65000 · Payroll Expenses		
65100 · Gross Salary	0.00	10,805.42
65200 · CEO Gross Wages	49,763.62	0.00
65300 · Admin Officer Gross Wages	32,338.68	3,233.01
65400 · Training Coord Gross Wages	18,352.16	0.00
65500 · Service Develop Man Gross Wages	28,067.16	0.00
65600 · Mirror Families	37,154.63	40,146.94
65800 · Super SCG Expense	14,792.64	4,961.20
65000 · Payroll Expenses - Other	<u>3,274.44</u>	<u>1,794.58</u>
Total 65000 · Payroll Expenses	<u>183,743.33</u>	<u>60,941.15</u>
 66000 · Professional Development		
66110 · Internal Training	800.00	0.00
66120 · External Training	<u>1,704.55</u>	<u>57.36</u>
Total 66000 · Professional Development	<u>2,504.55</u>	<u>57.36</u>
 66450 · Help Line Service Costs	 21,727.27	 15,000.00
66500 · Professional Fees		
66510 · Consulting Fees	1,394.45	10,000.00
66520 · Accounting	1,550.00	285.00
66530 · Government Fees	0.00	69.99
66550 · Evaluation	<u>0.00</u>	<u>9,090.91</u>
Total 66500 · Professional Fees	<u>2,944.45</u>	<u>19,445.90</u>
 66600 · Marketing & PR		
66610 · Printing & Materials	7,820.39	0.00
66620 · PR Meetings & Functions	1,578.88	0.00
66630 · Web Design	<u>850.00</u>	<u>0.00</u>
Total 66600 · Marketing & PR	<u>10,249.27</u>	<u>0.00</u>
 67000 · Depreciation Expense	 <u>4,869.24</u>	 <u>0.00</u>
Total Expense	<u>278,102.70</u>	<u>120,060.03</u>
 Net Ordinary Income	 494,707.57	 -43,578.43
 Other Income/Expense		
Other Income		
70100 · Interest Income	30,349.13	3,713.67
70200 · Other Income	<u>66.12</u>	<u>0.00</u>
Total Other Income	<u>30,415.25</u>	<u>3,713.67</u>

Post Placement Support Service
Profit & Loss Prev Year Comparison
July 2010 through June 2011

	<u>Jul '10 - Jun 11</u>	<u>Jul '09 - Jun 10</u>
Other Expense		
80100 - Other Expenses	<u>-58.77</u>	<u>0.00</u>
Total Other Expense	<u>-58.77</u>	<u>0.00</u>
 Net Other Income	 <u>30,474.02</u>	 <u>3,713.67</u>
 Net Income	 <u><u>525,181.59</u></u>	 <u><u>-39,864.76</u></u>



**Post Placement Support Service
Notes to the Financial Statements
As at 30 June 2011**

1. Statement of Significant Accounting Policies

This financial report is a special purpose financial report, prepared in order to satisfy the financial reporting requirements of the Association Incorporation Act (Vic) 1981, to prepare a financial report and for use by the executive and members of the Association. The board has determined that the Association is not a reporting entity.

This financial report has been prepared in accordance with the requirements of the Associations Incorporation Act (Vic) 1981 and relevant Australian Accounting Standards.

The financial report has been prepared on a cash basis and is based on historic cost and does not take into account changing money values, or accept where specifically stated, current valuations of non current assets.

a) Revenue Recognition

Revenue is recognised as follows:

- Unrestricted grants, gifts and donations are recognised when received.
- Restricted grants and donations are recognised proportionately over the period in which the project is conducted.

b) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax, 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 cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

c) Income Tax

The main objective of the association is to provide support and assistance to parents and children after adoption. The association is a self assessed not for profit organization and in terms of the Income Tax Act, it is therefore exempt from paying income tax. No income tax has therefore been provided in these financial statements.



POST PLACEMENT SUPPORT SERVICES

STATEMENT BY MEMBERS OF THE COMMITTEE

The Committee of the Post Placement Support Services Inc. has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The members of the committee declare that:

- 1 The financial statements and notes present fairly the financial position of the Post Placement Support Services Inc. as at 30 June 2011 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 At the date of this statement, there are reasonable grounds to believe that the Post Placement Support Services Inc will be able to pay its debts as and when they become due and payable.

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

President: CA O'NEILL CA O'NEILL

Treasurer: CHARLIE SALOON CHARLIE SALOON

Date:

3. 11. 2011