

## 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 the Board of Directors of Post Placement Support Service Inc for the year ended 30 June 2012.

### Directors' Responsibility

The Directors have 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 Directors are responsible for the preparation and presentation of the statements in accordance with the accounting policies enumerated in note 1. 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 controls 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 controls. 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 accruals 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 2012, gives a true and fair view in accordance with the bases of accounting commonly adopted by similar organisations.



Philip Sulman

2 October 2012

570 Glenhuntly Road  
Elsternwick 3185

**POST PLACEMENT SUPPORT SERVICES  
BALANCE SHEET  
AS AT 30 JUNE 2012**

	June 30 2012	June 30 2011
<b>ASSETS</b>		
<b>Current Assets</b>		
<b>Bank and Cash</b>		
Bendigo Trading Account	6,607.65	8,910.50
Bendigo Oxfam Account	0.00	6,443.21
ME Bank	682,741.20	0.00
ING Business Optimiser	1,725.25	534,726.78
CBA Gift Account	0.00	84.41
Bendigo Bank (Security Bond)	6,376.54	6,000.00
Petty Cash	200.00	200.00
Accounts Receivable	275.00	2,464.58
<b>Total Current Assets</b>	<u><b>697,925.64</b></u>	<u><b>558,829.48</b></u>
<b>Fixed Assets</b>		
<b>Computer Equipment</b>		
Computer Equipment at Cost	11,609.52	11,609.52
Computer Equipment Accum Dep	(5,178.56)	(3,311.26)
Total Computer Equipment	<u>6,430.96</u>	<u>8,298.26</u>
<b>Fittings &amp; Furniture</b>		
Fittings & Furniture at Cost	3,648.24	2,777.05
Fittings & Furniture Accum Dep	(1,206.80)	(926.48)
Total Fittings & Furniture	<u>2,441.44</u>	<u>1,850.57</u>
<b>Printers &amp; Peripherals</b>		
Printers & Peripherals at Cost	3,325.52	3,325.52
Printers & Periphs Accum Dep	(1,709.11)	(631.50)
Total Printers & Peripherals	<u>1,616.41</u>	<u>2,694.02</u>
<b>Total Equipment &amp; Furniture</b>	<u><b>10,488.81</b></u>	<u><b>12,842.85</b></u>
<b>Total Assets</b>	<u><b>708,414.45</b></u>	<u><b>571,672.33</b></u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Deferred Grant Income	548,238.00	477,845.00
Bendigo Bank MasterCard	1,236.20	740.47
Accounts Payable	96.06	(50.00)
GST Liabilities	(2,501.39)	(2,001.00)
Super Guarantee Payable	6,099.22	7,347.19
PAYG Withholding Payable	9,018.00	8,681.00
<b>Total Current Liabilities</b>	<u><b>562,186.09</b></u>	<u><b>492,562.66</b></u>
<b>Total Liabilities</b>	<u><b>562,186.09</b></u>	<u><b>492,562.66</b></u>
<b>Net Assets</b>	<u><b>146,228.36</b></u>	<u><b>79,109.67</b></u>
<b>Equity</b>		
Retained Earnings brought forward	79,109.67	31,773.00
Current Year Income	67,118.69	47,336.67
<b>Total Equity</b>	<u><b>146,228.36</b></u>	<u><b>79,109.67</b></u>



# **POST PLACEMENT SUPPORT SERVICES PROFIT AND LOSS**

**FOR THE YEAR ENDED 30 JUNE 2012**

	June 30 2012	June 30 2011
<b>Income</b>		
Consultancy Income	8,136.36	6,409.09
Training Income	17,588.00	10,358.15
Gifts & Donations	880.86	94.41
Grants and Funding	508,991.47	278,103.62
Miscellaneous Income	1,199.97	0.00
<b>Total Income</b>	<u>536,796.66</u>	<u>294,965.27</u>
<b>Cost of Sales</b>		
Training Programs Expenses		
Venue Hire	2,790.45	612.73
Catering	5,988.05	82.46
Contractor Costs	7,553.45	1,281.93
Travel & Accommodation	2,016.92	888.64
Printing & Materials	2,147.74	250.00
Sundry Expenses	1,477.18	0.00
Venue Hire	2,122.25	32.45
Sundry Expenses	109.09	51.00
<b>Total Cost of Sales</b>	<u>24,205.13</u>	<u>3,199.21</u>
<b>Gross Profit</b>	<b>512,591.53</b>	<b>291,766.06</b>
<b>Expenses</b>		
<b>Employment Expenses</b>		
CEO Wages	91,554.90	49,763.62
Training Manager Wages	63,595.19	18,352.16
Service Dev Manager Wages	47,538.44	28,067.16
Office Manager Wages	75,119.78	32,338.68
Mirror Families Wages	14,477.59	37,154.63
Project Worker Wages	10,392.18	0.00
Super Guarantee Expense	27,182.48	14,792.64
Holiday Leave Loading	4,153.18	3,274.44
Travel Expenses	4,541.26	0.00
<b>Total Employment Expenses</b>	<u>338,555.00</u>	<u>183,743.33</u>
<b>Administration &amp; Services Expenses</b>		
Rent	30,600.01	21,272.81
Utilities: gas, water, elect	2,220.65	1,213.15
Cleaning & Maintenance	2,206.49	3,073.67
Computer Repairs	453.64	0.00
Equipment Repairs	0.00	262.55
Credit Card - Monthly	44.00	60.00
Bond Guarantee	150.00	0.00
Transaction Fees	143.95	0.00
Other Bank Charges	295.75	588.09
Taxi Fares	1,233.93	1,293.18
Parking & Tolls	132.41	50.46
Other Transport	522.53	1,034.07
VOIP Phone System	1,595.78	1,039.89
Mobile Phones	2,729.94	1,714.77
Internet Supply - iinet	1,150.70	711.35
Email Supply - T-Suite	408.27	202.82

Web Host	667.26	294.97
Software Purchases	132.24	1,226.72
Expensed Equipment (<\$300.00)	345.52	853.27
IT Support	13.06	347.50
3Mobile Broadband (X2)	379.39	486.97
Office Supplies	0.00	1,261.22
Stationary & Printing	3,308.56	1,367.68
House Keeping	698.36	166.71
Postage & Delivery	855.48	446.51
Furn & Fittings (<\$300.00)	1,274.57	2,769.53
Recruitment	1,788.10	2,919.03
Books & Publications	291.54	0.00
Subscriptions & Memberships	1,043.94	809.90
Gifts & Donations	933.52	247.95
In-house Meeting Expenses	697.84	588.65
External Meetings & Events	464.33	300.00
FCAV Helpline	12,225.45	21,727.27
Worker Cover	9,462.18	2,122.02
Business & Liability Policy	2,768.50	139.94
Consulting Fees	15,473.43	1,394.45
Accounting Fees	240.00	1,550.00
Government Fees	42.80	0.00
Audit Fees	1,600.00	0.00
Evaluation	9,774.55	0.00
Legal fees & charges	1,259.15	0.00
Conference Fees	2,086.18	0.00
Training - In-house	0.00	800.00
Training - External	2,110.61	1,704.55
CEO Mentoring	2,159.08	0.00
Printing & Materials	12,042.65	7,820.39
PR Meetings & Functions	3,426.38	1,578.80
Web Design and Maintenance	10,810.00	850.00
Media Advertising	185.00	0.00
<b>Total Administration &amp; Services Expenses</b>	<b>142,447.72</b>	<b>86,290.84</b>
<b>Total Expenses</b>	<b>481,002.72</b>	<b>270,034.17</b>
<b>Operating Income for the Year</b>	<b>31,588.81</b>	<b>21,731.89</b>
<b>Other Income</b>		
Interest Income	39,313.92	30,415.25
<b>Other Expenses</b>		
Depreciation Expense	3,225.23	4,869.24
Write Off Adjustments	558.81	(58.77)
<b>Total Other Expenses</b>	<b>3,784.04</b>	<b>4,810.47</b>
<b>Net Income for the Year</b>	<b>27,804.77</b>	<b>16,921.42</b>

**POST PLACEMENT SUPPORT SERVICES  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT 30 JUNE 2012**

**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 an accrual 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:

- Grants are recognised as utilised over the duration of the project.
- All other income is recognised on invoice.

**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 education and support services to ensure better outcomes for children and families in kinship care, permanent care and 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.

**2. Change in Accounting Policy**

During the financial year under review the Association changed its accounting policy relating to the recognition of grant income, in order to match the revenue received from grants to the utilisation of the revenue during the term of the project. In terms of the changed accounting policy income received from grants is recognised as follows:

- Grants are recognised proportionately over the period in which the funds are utilised on the project.

The above accounting policy has been incorporated in the preparation of the financial



statements and comparative figures presented for the year under review.

**POST PLACEMENT SUPPORT SERVICES  
NOTES TO THE FINANCIAL STATEMENTS  
AS AT 30 JUNE 2012**

The effect of the change in the accounting policy on the prior years accounts is as follows:

	<b>2011 as Reported</b>	<b>Impact of Change</b>	<b>2011 as Restated</b>
<b>Profit and Loss</b>			
Income	772,810	(477,845)	294,965
Expenses	(278,103)		(278,103)
Other Income	30,474		30,474
Net Income for the year	<u>525,181</u>	<u>(477,845)</u>	<u>47,336</u>
<b>Balance Sheet</b>			
Assets	571,672		571,672
Liabilities	(14,718)	(477,845)	(492,563)
Net Assets	<u>556,954</u>	<u>(477,845)</u>	<u>79,109</u>
<b>Equity</b>			
Retained Earnings - brought forward	31,773		31,773
Net Income for the year	<u>525,181</u>	<u>(477,845)</u>	<u>47,336</u>
	<u>556,954</u>	<u>(477,845)</u>	<u>79,109</u>



## POST PLACEMENT SUPPORT SERVICES

### CONFIRMATION BY DIRECTORS

The Directors have 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 Directors declare that:

- 1 The financial statements and notes present fairly the financial position of the Post Placement Support Services Inc. as at 30 June 2012 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 Board of Directors and signed on its behalf by:

Director: C O'NEILL CAR O'NEILL (PRESIDENT)

Director: [Signature] CHARLIE SAUNDERS (TREASURER)

Date: 17.10.12