

**CLEFT PALATE AND LIP SOCIETY (INC)
WA REGION**

**Special Purpose Financial Report
FOR THE YEAR ENDED 31 MARCH 2011**



Cleft Palate and Lip Society (Inc) WA Region

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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF CLEFT PALATE AND
LIP SOCIETY INC. WA REGION

Scope

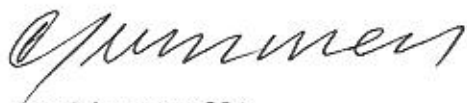
We have audited the special purpose financial statements of Cleft Palate and Lip Society Inc. – WA Region for the year ended 31 March 2011. The Society's Regional Committee is responsible for the preparation and presentation of the financial statements and the information contained in it. The Regional Committee has determined the basis of accounting used in the preparation of these financial statements to be appropriate for the Society's needs. I have conducted an independent audit of the financial statements in order to express an opinion to the members of the Society on their preparation and presentation.

The financial statements have been prepared for distribution to members for the purpose of fulfilling the requirements of the Society's constitution and the requirements of the *Associations Incorporation Act 1987*. I disclaim any assumption of responsibility for reliance on this report or on the financial statements to which it relates to any person other than the members of the Society or for any purpose other than that for which they were prepared.

The audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. Procedures adopted included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are properly prepared and presented in accordance with the Society's constitution and present the cash position and results of the Society's cash activities fairly. The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion the attached financial reports present fairly the funds on hand and the results of the cash transactions undertaken.



Derek Summers CPA

18 May 2011

Cleft Palate and Lip Society (Inc) WA Region

STATEMENT BY THE REGIONAL COMMITTEE

For the Year Ended 31 March 2011

The Regional Committee has determined that the Society is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Regional Committee of the Society declares that:

A) The financial statements and notes are in accordance with the *Associations Act 1987*, comply with the Accounting Standards and give a true and fair view of the financial position as at 31 March 2011 for the year ended on that date in accordance with the accounting policies described in Note 1 of the financial statements.

(B) In the Regional Committee's opinion there are reasonable grounds to believe that the Society 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 Regional Committee.

.....
Dated thisday of2011.



Cleft Palate and Lip Society (Inc) WA Region

STATEMENT OF FUNDS

For the Year Ended 31 March 2011

	<u>2011</u>	<u>2010</u>
Funds on Hand at 1 April 2010	12,788.15	12,464.02
Add Surplus for the Year	1,454.60	10.58
Add Prior Period Adjustment	-	313.55
Funds on Hand at 31 March 2011	<u>14,242.75</u>	<u>12,788.15</u>
Funds on Hand at 31 March 2011 Represented by:		
Westpac - Society Cheque Account	6,238.32	5,155.40
Bankwest - Term Deposit	8,004.43	7,632.75
	<u>14,242.75</u>	<u>12,788.15</u>



Cleft Palate and Lip Society (Inc) WA Region

STATEMENT OF RECEIPTS AND PAYMENTS For the Year Ended 31 March 2011

		<u>2011</u>	<u>2010</u>
Receipts			
Sales	2	2566.50	5771.5
Breast Pump Hire and Bond		400.00	1,080.00
Donations	3	2,875.50	2,076.00
Fundraising (net of expenses)		3,078.93	1,423.66
Interest		396.10	336.54
DFACS - Volunteer Grant		3,950.00	-
Membership		1,850.00	2,430.00
		<u>15,117.03</u>	<u>13,117.70</u>
Payments			
Purchases	4	2655.75	4603.85
AGM (National)		2,106.86	880.00
AGM (WA)		695.55	867.83
Auditors Fee	5	330.00	200.00
Christmas Function/Picnic		464.25	674.08
Committee Expenses/Morning Teas		2,222.44	852.95
Merchandise		1,740.00	1,209.24
National Contribution		933.45	750.00
Postage		771.10	724.80
Stationery		1,124.55	1,051.86
Website		-	1,000.00
Miscellaneous		618.48	292.51
		<u>13,662.43</u>	<u>13,107.12</u>
Surplus (Deficit) for the Year		<u>1,454.60</u>	<u>10.58</u>



Cleft Palate and Lip Society (Inc) WA Region

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 March 2011

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This special purpose financial report was prepared for distribution to the members of Cleft Palate and Lip Society Inc WA Region to fulfill the Regional Committee's financial reporting requirements under Cleft Palate's constitution and the *Charitable Collections Act 1946*. The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of Cleft Palate and Lip (Inc) WA Region's constitution and with previous years and are, in the opinion of the Regional Committee, appropriate to meet the needs of its members:

- a The financial report was prepared on a modified accrual basis of accounting, including the historical cost convention and the going concern assumption.
- b The requirements of accounting standards and other professional reporting requirements in Australia do not have mandatory applicability to Cleft Palate and Lip Society because it is not a 'reporting entity'. The Regional Committee has however, prepared the financial report in accordance with AASB 1031, which is the Materiality Standard.
AASB 1031: Materiality
- c No Other significant policies were applied in the preparation of this financial report.
- d **Income Tax**
Cleft Palate and Lip Society (Inc) WA Region is exempt from income tax under the provisions of Section 50-5 of the *Income Tax Assessment Act 1997*.
- e **Fund Accounting**
On occasions Cleft Palate and Lip Society (Inc) WA Region may receive resources restricted for particular purposes. To facilitate observance of these limitations, the financial statements disclose separately those funds which are restricted or designated and those funds which are unrestricted.
Restricted funds are those funds presently available for use, but expendable only for purposes specified by the donor. Furthermore, if the Regional Committee specifies a purpose for the expenditure of funds, where none has been stated by the original donor, such funds are classified as designated funds.



Unrestricted funds are those funds presently available for use by Cleft Palate and Lip Society (Inc) WA Region at the discretion of the Regional Committee.

f Revenue Recognition

Other Income

Revenue from training, fee for service, and management is recognised when an invoice has been issued.

Accounting for grants received

Grants received are accounted for by distinguishing grants between revenue based grants and capital based grants.

Revenue based grants

These grants are credited to revenue in the same period in which the revenue expenditure to which they relate is charged.

Capital Based Grants

These grants are generally received for the acquisition of plant and equipment. The accounting treatment is to initially account for the amount of the grant as income when it is received. However recognition in the income and expenditure statement is deferred until the expenditure in respect of the acquisition of an asset is incurred.

Interest

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

g Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all plant and equipment are depreciated over the useful lives of the assets commencing from the time the asset is held ready for use. The depreciation rates used for each class of asset are as follows:

Plant and equipment 10 - 33%
Motor Vehicles 15 - 22.5%



- h Cash**
- For the purpose of the statement of cash flows, cash includes deposits at call with banks or financial institutions which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.
- i Goods and 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 Tax 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 statement of financial position are shown inclusive of GST.
- j Comparatives**
- Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.



2	SALES	2011 \$	2010 \$
	Bottles and teats	2,018.50	4,578.50
	Merchandise	-	151.00
	Milk collection kit	-	160.00
	Splints and accessories	464.00	478.00
	Other	84.00	404.00
		<u>2,566.50</u>	<u>5,771.50</u>

3 RELATED PARTY TRANSACTIONS

During the financial year, donations were received from members of the community.

4	PURCHASES	2011 \$	2010 \$
	Bottles and teats	2,265.59	4,603.85
	Splints and accessories	390.16	-
		<u>2,655.75</u>	<u>4,603.85</u>

5 AUDITORS REMUNERATION

In the course of the year ending 31 March 2011, the Auditor received the following remuneration:

	2011 \$	2010 \$
Audit Fees	330.00	200.00
Consultancy Fees	-	-
Other Fees	-	-
	<u>330.00</u>	<u>200.00</u>

6 SEGMENT INFORMATION

Cleft Palate and Lip Society (Inc) WA Region operates predominantly in one business and geographic segment, being to improve the quality of life for those born with a cleft palate and lip condition.

