

**FOSTER CARE ASSOCIATION OF  
VICTORIA INC  
ABN 30 747 010 099**

Financial Statements  
For the year ended 30 June 2010

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Board of Directors Report**

**For the year ended 30 June 2010**

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Your Board of Directors submit the financial accounts of the FOSTER CARE ASSOCIATION OF VICTORIA INC for the financial year ended 30 June 2010.

**Board of Directors**

The names of Board of Directors at the date of this report are:

KIM REA  
DAVID SELBY-SMITH  
FIONA POPOVIC  
GRAHAM COOPER  
DESLEY HARRIS  
REBECCA GLEGHORN  
KAREN DOBBY  
KAREN MCINTOSH  
JOAN GRAHAM  
TRACEY COCKS  
SARAH MANLY

**Principal Activities**

The principal activities of the association during the financial year were: Hosting the State Foster Care Conference, participation in DHS policy consultations and Stakeholder Liason and Working groups, production and distribution of newsletter, responding to calls to Foster Care helpline and liasing with local and regional support groups in relation to training and other Foster Care issues..

**Significant Changes**

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

**Operating Result**

The deficit from ordinary activities after providing for income tax amounted to

Year ended	Year ended
30 June 2010	PrevYearEnd
\$	\$
(11,444)	3,559

Signed in accordance with a resolution of the Members of the Board of Directors on :

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Prepared by:  
Barco and Associates  
45 Johnson Street  
Keon Park, 3073

13/10/2010

11:26

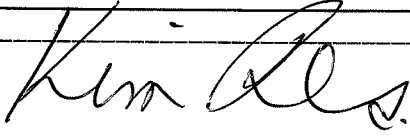
**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Board of Directors Report**

**For the year ended 30 June 2010**


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KIM REA



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DAVID SELBY-SMITH

 19-10-10

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**  
**Statement of Financial Performance**  
**For the year ended 30 June 2010**

	Note	2010 \$	2009 \$
Revenues from ordinary activities		287,716	291,367
Borrowing costs expense		(42)	
Depreciation and amortisation expenses		(8,305)	(5,483)
Other expenses from ordinary activities		(290,813)	(282,325)
<b>Profit (loss) from ordinary activities before income tax</b>		<b>(11,444)</b>	<b>3,559</b>
Income tax revenue relating to ordinary activities			
<b>Net profit (loss) attributable to members of the association</b>		<b>(11,444)</b>	<b>3,559</b>

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Balance Sheet As At 30 June 2010**

	Note	2010	2009
		\$	\$
<b>Current Assets</b>			
Cash assets		159,224	157,280
Receivables		12,623	1,073
Other		889	
<b>Total Current Assets</b>		<b>172,736</b>	<b>158,353</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		22,885	29,739
<b>Total Non-Current Assets</b>		<b>22,885</b>	<b>29,739</b>
<b>Total Assets</b>		<b>195,621</b>	<b>188,092</b>
<b>Current Liabilities</b>			
Payables		22,694	6,591
Current tax liabilities		7,555	7,824
Provisions		14,483	11,342
<b>Total Current Liabilities</b>		<b>44,732</b>	<b>25,758</b>
<b>Total Liabilities</b>		<b>44,732</b>	<b>25,758</b>
<b>Net Assets</b>		<b>150,890</b>	<b>162,334</b>
<b>Equity</b>			
Retained profits		150,890	162,334
<b>Total Members' Funds</b>		<b>150,890</b>	<b>162,334</b>

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Statement of Cash Flows**

**For the year ended 30 June 2010**

	2010	2009
	\$	\$
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	270,745	287,622
Payments to Suppliers and employees	(271,655)	(299,162)
Interest received	4,348	8,001
Interest and other costs of finance	(42)	
Net cash provided by (used in) operating activities (note 2)	<u>3,396</u>	<u>(3,539)</u>
<b>Cash Flow From Investing Activities</b>		
<b>Payment for:</b>		
Payments for property, plant and equipment	<u>(1,451)</u>	<u>(15,262)</u>
Net cash provided by (used in) investing activities	<u>(1,451)</u>	<u>(15,262)</u>
Net increase (decrease) in cash held	1,944	(18,801)
Cash at the beginning of the year	<u>157,280</u>	<u>176,081</u>
Cash at the end of the year (note 1)	<u><u>159,224</u></u>	<u><u>157,280</u></u>

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Statement of Cash Flows**

**For the year ended 30 June 2010**

**2010**

**2009**

**Note 1. Reconciliation Of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Bendigo Bank A/c 127706414	155,251	152,307
Cash on hand	492	492
Rental Bond	3,480	3,480
Events Account		1,000
	<u>159,224</u>	<u>157,280</u>

**Report is out of balance by :-**

Cash at the end of the year per Cash Flow Statement	159,224	157,280
Closing balances of Cash (bank) accounts	<u>159,224</u>	<u>157,280</u>

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Statement of Cash Flows**

**For the year ended 30 June 2010**

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	2010	2009
<b>Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax</b>		
Operating profit after income tax	(11,444)	3,559
Depreciation	8,305	5,483
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(11,550)	4,256
(Increase) decrease in prepayments	(889)	
Increase (decrease) in trade creditors and accruals	5,472	806
Increase (decrease) in other creditors	10,631	(18,025)
Increase (decrease) in employee entitlements	3,141	(1,583)
Increase (decrease) in sundry provisions	(270)	1,965
<b>Net cash provided by operating activities</b>	<b><u>3,396</u></b>	<b><u>(3,539)</u></b>

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## **FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

### **Notes to the Financial Statements**

**For the year ended 30 June 2010**

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#### **Note 1: Statement of Significant Accounting Policies**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act [Victoria]

The financial report covers FOSTER CARE ASSOCIATION OF VICTORIA INC as an individual entity. FOSTER CARE ASSOCIATION OF VICTORIA INC is an association incorporated in [Victoria] under the Association Incorporations Act 1984.

The financial report of FOSTER CARE ASSOCIATION OF VICTORIA INC and the controlled entity and FOSTER CARE ASSOCIATION OF VICTORIA INC as an individual parent entity comply with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

#### **(A) Basis of Preparation**

##### *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*

FOSTER CARE ASSOCIATION OF VICTORIA INC has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from the 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the company's accounts resulting from the introduction of IFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied. These accounts are the first financial statements of FOSTER CARE ASSOCIATION OF VICTORIA INC to be prepared in accordance with Australian equivalents to IFRS.

The accounting policies set out below have been consistently applied to all years presented. The entities have however elected to adopt exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer the Notes for further details.

Reconciliations of the transition from previous Australian GAAP to IFRS have been included in Note 2 to this report.

##### *Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### **(B) Accounting Policies**

##### **Income tax**

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Notes to the Financial Statements**

**For the year ended 30 June 2010**

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The change for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of Benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenses. Overheads are applied on the basis of normal operating capacity. Costs are assigned on the basis of weighted average costs.

**Land Held for Resale**

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, foreign currency movements, borrowing costs and holding costs until completion of development. Borrowing costs, foreign currency movements and holding charges incurred after development are expensed. Profits are brought to account on the signing of an unconditional contract of sale.

**Construction Contracts and Work in Progress**

Construction work in progress is valued at cost, plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Construction profits are recognised on the stage of completion basis and measured using the proportion of costs incurred to date as compared to expected total costs. Where losses are anticipated they are provided for in full.

Construction revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Notes to the Financial Statements**

**For the year ended 30 June 2010**

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**Property, Plant and Equipment**

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

a) Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arms length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

b) Plant and equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

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 the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

The cost of fixed assets constructed within FOSTER CARE ASSOCIATION OF VICTORIA INC includes the cost of materials, direct labor, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the assets original cost is transferred from the revaluation reserve to retained earnings.

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to FOSTER CARE ASSOCIATION OF VICTORIA INC commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Depreciation Rate %
Plant and equipment	[20 %]

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Notes to the Financial Statements**

**For the year ended 30 June 2010**

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Other plant and equipment [30 %]

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

An assets 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 disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to FOSTER CARE ASSOCIATION OF VICTORIA INC are classified as finance leases.

Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that FOSTER CARE ASSOCIATION OF VICTORIA INC will obtain ownership of the asset or over the term of the lease

Lease payments under operating leases, where substantially all the risks and benefits remain with the leaser, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight - line basis over the life of the lease term.

**Financial Instruments**

a) Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

b) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in fair value of these assets are included in the income statement in the period in which they arise.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are stated at amortised cost using the effective interest rate method.

d) Held-to-maturity investments

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Notes to the Financial Statements**

**For the year ended 30 June 2010**

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These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held-to-maturity investments are stated at amortised cost using the effective interest rate method.

e) Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

f) Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

g) Derivative Instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

h) Fair Value

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

i) Impairment

At each reporting date, the committee members assess whether there is objective evidence that financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

**Impairment of Assets**

At each reporting date, the committee members review 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 assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

**Investments in Associates**

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the company's share of post-acquisition reserves of its associates.

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## **FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

### **Notes to the Financial Statements**

**For the year ended 30 June 2010**

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#### **Interest in Joint Ventures**

The company's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the statements of financial performance and financial position. Details of the company's interests are shown in Note.

The company's interests in joint venture entities are brought to account using the cost method.

#### **Intangibles**

##### **a) Goodwill**

Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

##### **B) Research and Development Expenditure**

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

#### **Foreign Currency Transactions and Balances**

##### **a) Functional and presentation currency**

The functional currency of FOSTER CARE ASSOCIATION OF VICTORIA INC is measured using the currency of the primary economic environment in which it operates. The consolidated financial statements are presented in Australian dollars which is the company's functional and presentation currency.

##### **b) Transaction and Balances**

Foreign currency transactions are translated into functional currency using exchange rates prevailing at the date of transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of transaction. Non-Monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of non-monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

##### **c) Group companies**

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## **FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

### **Notes to the Financial Statements**

**For the year ended 30 June 2010**

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The financial results and position of foreign operations whose functional currency is different from FOSTER CARE ASSOCIATION OF VICTORIA INC presentation currency are translated as follows;

- Assets and liabilities are translated at year-end exchange rates prevailing at the reporting date.
- Income and expenses are translated at average exchange rates for the period
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the company's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

#### **Employee Benefits**

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

#### **Provisions**

Provision are recognised when FOSTER CARE ASSOCIATION OF VICTORIA INC has a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

#### **Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the balance sheet.

#### **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

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

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates and joint venture entities are accounted for in accordance with the equity method of accounting.

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

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

#### **Borrowing Costs**

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## FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099

### Notes to the Financial Statements

For the year ended 30 June 2010

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Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised in income in the period in which they are incurred

#### Goods and Service 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 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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

##### a) Critical accounting estimates and judgments

The Board of Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally.

##### *Key estimates - Impairment*

The Board of Directors assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of goodwill for the year ended 30 June 2006. Should the projected turnover figures be outside 90% of budgeted figures incorporated in value in use calculations, an impairment loss would be recognised up to the maximum carrying value of goodwill at 30 June 2006 amounting to [Nil].

##### *Key judgments - Doubtful debts provision*

Included in accounts receivable at 30 June 2006 is an amount receivable from sales made to [Nil] during the current financial year amounting \$[Nil]. The Board of Directors believe that the full amount of the debt is recoverable and no doubtful debt provision has been made at 30 June 2006.

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Statement by Members of the Board of Directors**

**For the year ended 30 June 2010**

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In the opinion of the Board of Directors the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents fairly the financial position of FOSTER CARE ASSOCIATION OF VICTORIA INC as at 30 June 2010 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, 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 Board of Directors and is signed for and on behalf of the Board of Directors by:

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KIM REA  
President

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DAVID SELBY-SMITH  
Treasurer

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**  
**Compilation Report to FOSTER CARE ASSOCIATION OF VICTORIA INC**

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We have compiled the accompanying special purpose financial statements of FOSTER CARE ASSOCIATION OF VICTORIA INC, which comprise the Income and Expenditure Statement and Balance Sheet, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

*The Responsibility of the Directors of FOSTER CARE ASSOCIATION OF VICTORIA INC*

The Committee of Management of FOSTER CARE ASSOCIATION OF VICTORIA INC, are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

*Our Responsibility*

On the basis of the information provided by the Committee of Management of FOSTER CARE ASSOCIATION OF VICTORIA INC, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the Committee of Management of FOSTER CARE ASSOCIATION OF VICTORIA INC. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

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13 October, 2010

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**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Income and Expenditure Statement**

**For the year ended 30 June 2010**

	2010	2009
	\$	\$
<b>Income</b>		
Interest received	4,348	8,001
Rents received	4,381	
Sales	4,496	
DHS Grants	242,305	234,444
Donations		50
Other Grants	32,186	48,873
Total income	<u>287,716</u>	<u>291,367</u>
<b>Expenses</b>		
Advertising and promotion	4,160	1,972
Annual Leave Accrued	3,141	
Audit fees	727	764
Bad Debts	1,073	
Bank Fees And Charges	167	226
Book Keeper fees	7,587	7,470
Catering & consumables	5,710	
Child Care	984	2,062
Cleaning/rubbish removal	2,419	2,430
Computer Supplies	313	674
Conference/seminar costs	18,593	4,392
Consultants fees	7,950	6,609
Depreciation - plant	4,706	3,486
Depreciation - other	3,599	1,997
Donations	2,000	
Electricity	2,697	1,214
Filing Fees	41	
Hire/rent of Plant & Equipment		145
Hire : Venue	1,227	5,535
Insurance	685	685
Interest - Australia	42	
Legal fees	65	68
Materials & supplies		22

**FOSTER CARE ASSOCIATION OF VICTORIA INC ABN 30 747 010 099**

**Income and Expenditure Statement**

**For the year ended 30 June 2010**

	2010	2009
	\$	\$
Photocopying	1,083	675
Postage	7,019	7,147
Presentations	6,655	943
Printing	9,844	9,952
Stationery - Office Supplies	4,429	2,553
Re-Imbursements		1,836
Rent on land & buildings	19,995	19,073
Repairs & maintenance	2,083	782
Staff amenities		7,994
Staff training	153	
Subscriptions	1,349	399
Sundry expenses	1,125	226
Superannuation	11,009	13,933
Telephone	6,498	6,979
Travel, accom & conference	8,243	8,734
Mileage Allowance	4,353	8,635
Wages	144,410	155,892
Workcover	3,026	2,306
Total expenses	<u>299,161</u>	<u>287,808</u>
<b>Profit (loss) from ordinary activities before income tax</b>	<b>(11,444)</b>	<b>3,559</b>
Income tax revenue relating to ordinary activities		
<b>Net profit (loss) attributable to the association</b>	<b>(11,444)</b>	<b>3,559</b>
<b>Total changes in equity of the association</b>	<b>(11,444)</b>	<b>3,559</b>
Opening retained profits	162,334	158,775
Net profit (loss) attributable to the association	<u>(11,444)</u>	<u>3,559</u>
<b>Closing retained profits</b>	<b><u>150,890</u></b>	<b><u>162,334</u></b>

## Scope

We have audited the financial statements of FOSTER CARE ASSOCIATION OF VICTORIA INC , being the Statement by Members of the Committee, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to Financial Statements for the financial year ended 30 June 2010. The Committee is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the association's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

## Audit opinion

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of FOSTER CARE ASSOCIATION OF VICTORIA INC as at 30 June 2010, and the results of its operations and its cash flows for the year then ended.

Signed on 13 October, 2010:



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MRS LETIZIA BARCO, FCPA

BARCO & ASSOCIATES

45 JOHNSON STREET RESERVOIR VIC 3073