

WESLEY COUNTRY HOUSING INCORPORATED

FINANCIAL REPORT

30 JUNE 2012

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Wesley Country Housing Incorporated

Board Members Report 30 June 2012

The Board members present their report on the financial statements of the organisation for the year ended 30 June 2012.

Board Members

The names of the Board Members in office at any time during or since the end of the year are:

Ms Anthea Pavy (Appointed March 2010)

Mr Andrew Cockington (Appointed March 2010)

Mr Ian Eberhard ((Appointed March 2010)

Ms Elizabeth Malcolm (Appointed March 2010)

Ms Jodi Russack (Appointed March 2010/Resigned August 2011)

Ms Dianne Patterson (Appointed March 2010)

Mr Sean Manfield (Appointed February 2011)

Mr Edward White (Appointed October 2011)

Board members have been in office since the start of the financial year to the date of this report unless otherwise stated.

Activities

The principal continuing activities of the organisation during the financial year were the provision of housing accommodation at low cost and appropriately accessible and secure.

The organisation's principle objective is not the generation of profit.

Operating Results

The organisations operating profit of the financial year amounted to \$2,021,464 (\$28,676 in 2011).

Total operating revenue for the financial year was \$2,396,187 (\$92,013 in 2011)

Wesley Country Housing Incorporated

Board Members Report 30 June 2012 (Continued)

State of Affairs

The organisation began trading during the year as the Federal Governments Economic Stimulus properties became available to rent to eligible tenants. The organisation now controls 52 properties

Events after Balance Sheet Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in the future financial years.

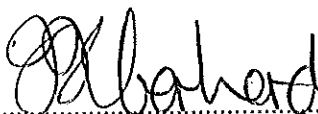
Environmental Regulation

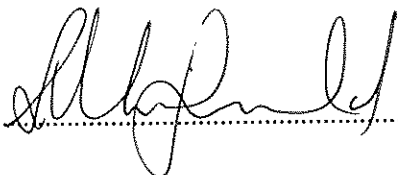
The organisation's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a state or territory.

Board Members Benefits

Other than disclosed in Notes, no officer of the organisation or firm in which an officer was a member or body corporate in which an officer has a substantial financial interest, has, during or since the end of the financial year, received or became entitled to receive a benefit as a result of a contract between the officer, a firm or a body corporate associated with an officer and the organisation, and no officer has received directly or indirectly from the organisation any payment or other benefit of a pecuniary value.

Signed at Port Pirie this 28th day of November 2012 in accordance with the resolution of the Board Members


..... Board member


..... Board member

Wesley Country Housing Incorporated


Statement of Board Members 30 June 2012

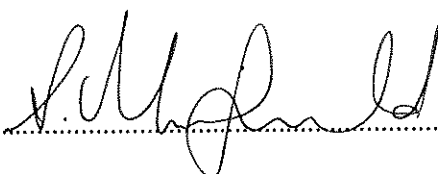
STATEMENT BY THE BOARD

1. In the opinion of the Board of the Wesley Country Housing Incorporated ("the Association"):
 - a) the financial statements and notes that are set out on pages 5 to 18, present fairly the results and cash flows of the Association for the financial year ended 30 June 2012 and the state of affairs of the Association as at that date; and
 - b) 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.
2. Other than as disclosed in Note 10, since the end of the previous financial year, no Officer of the Association, no firm of which an Officer is a member and no body corporate in which an Officer has a substantial financial interest, has received a benefit as a result of a contract between the Officer, firm or body corporate and the Association.
3. The financial statements have been made out in accordance with the accounting standards and disclosure requirements of the Australian accounting bodies, the provisions of the Associations Incorporation Act 1985 and other requirements of the law.

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

Signed at Port Pirie this 28th day of November 2012 in accordance with a resolution of the Board Members.


..... Board member


..... Board member

Wesley Country Housing Incorporated

Financial Report for the Year Ended 30 June 2012

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
Revenue	2	2,396,187	92,013
Other expenses	3	374,723	63,337
Profit/(Loss) for the year		<u>2,021,464</u>	<u>28,676</u>

The accompanying notes form part of these financial statements.

Wesley Country Housing Incorporated

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
Profit/(Loss) for the year		2,021,464	28,676
Total comprehensive income for the year		<u>2,021,464</u>	<u>28,676</u>
Total comprehensive income attributable to members of the entity		<u>2,021,464</u>	<u>28,676</u>

The accompanying notes form part of these financial statements.

Wesley Country Housing Incorporated

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	489,803	81,168
Trade and Other Receivables	6	7,182	6,195
Other Current Assets	7	14,124	0
TOTAL CURRENT ASSETS		511,109	87,363
NON-CURRENT ASSETS			
Intangible Asset	8	1,930,500	0
TOTAL NON-CURRENT ASSETS		1,930,500	0
TOTAL ASSETS		2,441,609	87,363
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	391,469	58,687
TOTAL CURRENT LIABILITIES		391,469	58,687
TOTAL LIABILITIES		391,469	58,687
NET ASSETS		2,050,140	28,676
EQUITY			
Retained earnings		2,050,140	28,676
TOTAL EQUITY		2,050,140	28,676

The accompanying notes form part of these financial statements.

Wesley Country Housing Incorporated

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012

	Retained Earnings \$	Reserves \$	Capital Grants \$	Total \$
Balance at 30 June 2010	0	0	0	0
Profit attributable to members	28,676	0	0	28,676
Balance at 30 June 2011	28,676	0	0	28,676
Profit attributable to members	2,021,464	0	0	2,021,464
Balance at 30 June 2012	2,050,140	0	0	2,050,140

The accompanying notes form part of these financial statements.

Wesley Country Housing Incorporated

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Rents and Recoveries		405,628	79,064
Other Income		2,164	12,657
Payments to suppliers		(339,347)	(63,337)
Interest received		7,408	292
Net cash provided by operating activities	13	75,853	28,676
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Inter-Entity monies received		332,782	52,492
Net cash used in financing activities	13	332,782	52,492
Net increase in cash held		408,635	81,168
Cash and cash equivalents at beginning of financial year		81,168	0
Cash and cash equivalents at end of financial year	5	489,803	81,168

The accompanying notes form part of these financial statements.

Wesley Country Housing Incorporated

NOTE1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Wesley Country Housing Incorporated has elected to early adopt the Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. As a consequence, the association has also adopted AASB 2011-2: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements and AASB 2011-6: Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements. This is because the reduced disclosure requirements in AASB 2011-2 and AASB 2011-6 relate to Australian Accounting Standards that mandatorily apply to annual reporting periods beginning on or after 1 July 2011.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Associations Incorporation Act 1985*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 28th November 2012 by the committee.

Accounting Policies

a. Income Tax

The Association has been endorsed as an Income Tax Exempt Charity by the Australian Taxation Office and Board Members are therefore of the opinion that there is no liability for the payment of income tax.

b. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term

c. Financial instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction 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. 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:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
 - (ii) less principal repayments;
 - (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method;
- and

Wesley Country Housing Incorporated

- (iv) less any reduction for impairment.

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.

The association does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

- (i) *Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, where they are 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.

- (ii) *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.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

- (iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the association sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

- (iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

- (v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

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

Wesley Country Housing Incorporated

transactions, reference to similar instruments and option pricing models.

Impairment

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

Derecognition

Financial assets are derecognised where the contractual right 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 expire. 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.

d. Intangible Assets

Right of use asset – properties

As disclosed in Note 8, the right of use asset in relation to the grant of the use of properties from the South Australian Housing Trust has been initially recognised at the fair value of the consideration received.

Amortisation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of the intangible asset. The estimated useful life is 40 years.

Intangible assets are assessed annually for impairment.

e. Impairment of Assets

At the end of each reporting period, the association reviews 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 asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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

f. Employee Benefits

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 payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

h. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all

Wesley Country Housing Incorporated

involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grants constituting non-reciprocal transfers received from the Government are recognised as income when the Association obtains control of the benefit. A non-reciprocal transfer is one in which the Association receives assets and services or has liabilities extinguished without giving approximately equal value in exchange to the other party or parties to the transfer. Grants in which the association is required to repay unutilised funding are treated as reciprocal transfers and income is recognised by reference to the stage of completion of the transaction in accordance with AASB 118 Revenue.

Revenue from rental properties is recognised as the fair value of the consideration received or receivable with reference to the stage of the transaction at the end of the reporting period to the extent that it can be measured reliably.

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

i. **Borrowing Costs**

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 or sale.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

j. **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 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 statement of financial position are shown inclusive of GST.

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

k. **Comparative Figures**

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

Where the association has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

l. **Trade and Other Payables**

Trade 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, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n. **Key Judgments**

(i) *Provision for impairment of receivables*

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable for which a provision for impairment of \$0 has been made.

(ii) *Available-for-sale investments*

The association does not have any available for sale assets at the end of the reporting period.

Wesley Country Housing Incorporated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE 2: REVENUE AND OTHER INCOME	Note	2012 \$	2011 \$
Revenue			
Operating Activities			
Grants	8	1,980,000	0
Rents & Recoveries		406,615	79,065
Other Income		2,164	12,656
Non Operating Activities			
Interest & Investment Income		7,408	292
Total revenue		2,396,187	92,013

NOTE 3: OTHER EXPENSES	2012 \$	2011 \$
a. Other Expenses		
Telecommunications	967	470
Water Rates	49,700	1,820
Council Rates	23,695	6,487
Repairs & Maintenance	49,227	3,479
Electricity	1,846	112
Amortisation	49,500	0
Equipment Purchases	1,806	15,290
Motor Expenses	15,288	5,600
Insurance	17,498	5,559
Legal Expenses	144	1,085
Consultants	163,166	21,100
Other	1,886	2,335
Total Expense	374,723	63,337

Wesley Country Housing Incorporated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

Employees of UnitingCare Wesley Country SA Incorporated are used as consultants/contractors to carryout administrative and tenancy functions for Wesley Country Housing therefore no employees benefits are recorded as payable.

Other KMP transactions

For details of other transactions with KMP, refer to Note 12: Related Party Transactions.

NOTE 5: CASH AND CASH EQUIVALENTS

	Note	2012	2011
		\$	\$
Cash at bank		489,803	81,168
	14	489,803	81,168
		489,803	81,168

Reconciliation of Cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the items in the statement of financial position as follows:

Cash and cash equivalents		489,803	81,168
		489,803	81,168
		489,803	81,168

NOTE 6: TRADE AND OTHER RECEIVABLES

	Note	2012	2011
		\$	\$

CURRENT

Trade Receivable		7,182	6,195
Total current trade and other receivables		7,182	6,195
		7,182	6,195

Current trade receivables are non-interest bearing receivables for rent and are generally receivable within 30 days.

Wesley Country Housing Incorporated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
NOTE 7: OTHER CURRENT ASSETS	\$	\$
Prepayments	14,124	0

	2012	2011
NOTE 8: INTANGIBLE ASSETS	\$	\$
Right Of Use – Properties	1,980,000	0
Accumulated Amortisation	(49,500)	0
	1,930,500	0

	Balance at the beginning of Year	Additions	Disposals	Revaluation	Amortisation	Carrying Amount at end of Year
	\$	\$	\$	\$	\$	\$
Buildings at Net Present Value	0	1,980,000	0	0	49,500	1,930,500
	0	1,980,000	0	0	49,500	1,930,500

During the year ended 30 June 2012, Wesley Country Housing Inc. entered into a Project Agreement with the South Australian Housing Trust ("SAHT"). This agreement and the associated Master Deed and Deed of Statutory Charge ("the agreements") provided for the SAHT support of the Association through a real property contribution of 52 properties to enable the Association to provide not for profit social and affordable housing assistance. The arrangement represents a right of use grant to the Association in relation to the use of these properties for the purposes allowed.

In accordance with Australian Accounting Standards, the fair value of the consideration received has been brought to account as grant revenue (refer Note 2) with a corresponding intangible asset to be amortised over its useful life, which has been assumed to be 40 years.

The agreements establish the rights and obligations of the parties as well as containing conditions that govern the circumstance of a breach of the agreements due to default or an insolvency event. Were a breach to occur due to default or insolvency, the Association would be required to repay to SAHT the Repayment Contribution Amount. As at the date of this financial report, the Board has determined that no event or circumstance has occurred that would represent a breach and accordingly no amount has been recognised in the financial report.

Wesley Country Housing Incorporated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE 9: TRADE AND OTHER PAYABLES	Note	2012	2011
		\$	\$
CURRENT - Unsecured liabilities: Trade payables	9a	391,469	58,687
		391,469	58,687
a. Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables:			
— total current		391,469	58,687
Financial liabilities as trade and other payables	14	391,469	58,687

Collateral pledged

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

NOTE 10: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at the date of signing the accounts the organisation does not have any contingent liabilities.

NOTE 11: EVENTS AFTER THE REPORTING PERIOD

The organisation has made an offer to purchase 2 properties in Port Pirie and this has been accepted. This will be funded by a credit facility of \$250,000 with UCIInvest

The financial effect of this has not been brought to account in the financial statements at 30 June 2012, and will be reflected in next year's financial statements.

NOTE 12: RELATED PARTY TRANSACTIONS

During the year ended 30 June 2012 no officer of the organisation or firm in which an officer was a member or body corporate in which an officer has a substantial financial interest, has, during or since the end of the financial year, received or became entitled to receive a benefit as a result of a contract between the officer, a firm or a body corporate associated with an officer and the organisation, and no officer has received directly or indirectly from the organisation any payment or other benefit of a pecuniary value.

NOTE 13: CASH FLOW INFORMATION	2012	2011
	\$	\$
Reconciliation of cash flow from operations with profit after income tax		
Profit after income tax	2,021,464	28,676
Cash flows excluded from profit attributable to operating activities-		
Amortisation		
Right of Use Grant	(1,980,000)	0
Amortisation of Intangible Asset	49,500	0
Decrease/(increase) in trade and term debtors	(987)	0
Decrease/(increase) in prepayments	(14,124)	0
Net Cash provided by Operating Activities	75,853	28,676

Wesley Country Housing Incorporated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

NOTE 14: FINANCIAL RISK MANAGEMENT

The association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

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:

	Note	2012 \$	2011 \$
Financial assets			
Cash and cash equivalents	5	489,803	81,168
Loans and receivables	6	7,182	6,195
Total financial assets		<u>496,985</u>	<u>87,363</u>
Financial liabilities			
Financial liabilities at amortised cost:			
— trade and other payables	9	391,469	58,687
Total financial liabilities		<u>391,469</u>	<u>58,687</u>

NOTE 15: ASSOCIATION DETAILS

The registered office of the association is:

60 Florence Street

Port Pirie

South Australia 5540

The principal places of business is:

60 Florence Street

Port Pirie

South Australia 5540



WESLEY COUNTRY HOUSING INC

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WESLEY COUNTRY HOUSING INC**

Report on the Financial Report

We have audited the accompanying financial report, of Wesley Country Housing ('the Association'), which comprises the statement of financial position as at 30 June 2012, statement of 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, other explanatory information, and the statement by the Board.

Board Members' Responsibility for the Financial Report

The Board of the Association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 1985*. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation and fair presentation of a 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 have 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 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 to 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 circumstance, 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 the Board, 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.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.



Edwards Marshall

WESLEY COUNTRY HOUSING INC

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WESLEY COUNTRY HOUSING INC (CONT)

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Wesley Country Housing as at 30 June 2012, and its financial performance for the year then ended in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Associations Incorporation Act 1985*.

We have obtained all of the information and explanations required from the Association.

Edwards Marshall

Edwards Marshall
Chartered Accountants

Brett Morkunas

Brett Morkunas
Partner

Adelaide
South Australia

Dated *23 November 2012*