# FAMILY PLANNING QUEENSLAND
A.B.N. 61 009 860 164

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014**

## DIRECTORS

The names of Directors in office at any time during or since the end of the financial year ended 30 June 2014 are as follows:

Ms Helen Moore
Ms Julia Duffy
Ms Annabel Hickey
Mr Robert Edwards (Appointed 6 July 2013)
Dr Graham Neilsen (Appointed 5 December 2013)
Ms Zoe Ellerman (Appointed 15 January 2014)
Mr Bob Beusekom (Appointed 28 January 2014)
Mr Tony Ziemek (Appointed 19 January 2014)
Prof Lisa Nissen (Resigned 14 November 2013)
Ms Fiona Vaughan Resigned 14 November 2013)
Ms Marja Elizabeth (Resigned 14 November 2013)

Company Secretary

Mr Charles Robinson

## DIRECTORS' DETAILS

### Helen Moore, Bus (Accounting), FCPA, GAICD

Helen is a fully qualified accountant and graduate of the Australian Institute of Company Directors. Her career experience has been predominantly in senior corporate services executive roles in the semi-government sector (including statutory authorities, government owned corporations and local government). The roles have usually included the responsibility of Chief Financial Officer. Helen has extensive knowledge of the water, tourism and port industries, gained whilst working for Seqwater, Tourism Queensland, Gold Coast City Council and the Port of Brisbane Corporation. For a period of three years, Helen was a director of Capricorn Tourism, the regional tourism organisation for Central Queensland. Helen is currently General Manager, Finance & Business Services, Gold Coast 2018 Commonwealth Games.

**Special responsibilities:** Chairperson

### Julia Duffy, BA, MA (CUNY), LLB (Hons), LLM (Hons), admitted as a solicitor to the Supreme Court of Queensland and the High Court of Australia

Julia Duffy has worked in private legal practice in the commercial sphere and more recently has an extensive career in public policy development and public administration at the senior level. Her areas of expertise include consumer affairs, regulatory review, law and justice policy and state taxes and grants. In 2012 to 2013 she was Executive Director of the Queensland Child Protection Commission of Inquiry. Julia's work in the public sector is grounded in a strong sense of public service and social justice, building on her academic pursuits in Women's Studies and Human Rights Law undertaken in both the United States and the UK.

**Special responsibilities: Deputy Chair, Member, Audit & Finance Committee and Member, Asset Committee.**

### Annabel Hickey (MMSc Clin Epi), BAppSc (OT)

Annabel has been a health services manager for thirteen years and has a clinical and academic background as an occupational therapist. . Since 2006 she has been the Queensland Health coordinator of chronic heart failure disease management teams, a role that has developed her skills in supporting regional and remote health service provision. She has managed, led, and organised several large health projects involving multi-disciplinary and multi-site participation. In the area of cardiac disease management she has initiated sustainable health system improvements and has published and presented outcomes on medication management, palliative care, tele-health, exercise, and online clinical support.

**Robert Edwards, BCom FCA**

Robert is a Chartered accountant, Registered Tax Agent, Registered Company Auditor, Registered Self-Managed Super Fund Auditor and Registered Green House Auditor, Justice of the Peace (Qualified) and formerly a fellow of the Australian Institute of Company Directors. His career experience has been predominantly in public practice of accounting in Brisbane. Robert has extensive knowledge of the public accounting industry and for nearly twenty years has been an accredited Quality Assurance Reviewer of other accounting firms for CPA Australia and The Institute of Chartered Accountants in Australia. Robert is currently the Managing Director of C&N Audit Services Pty Ltd - part of the Chan & Naylor Australia Group.

**Special Responsibilities**: Chair, Audit & Finance Committee and Member, Asset Committee

**Dr. Graham NEILSEN, MBBS, Dip Ven, MM [Sexual Health], FAFPHM, FAChSHM, MASM.**

Graham has been working in sexual and reproductive health for over 25 years in a range of both clinical and public health roles. In addition to his Master of Medicine degree in Sexual Health from the University of Sydney, he holds two specialist Fellowships from the Royal Australasian College of Physicians, one in Sexual Health Medicine and the other in Public Health Medicine.

Graham is currently the President of both the Society of Australian Sexologists [Queensland Branch and the Sexual Health Society of Queensland, a Committee member of the Australasian Chapter of Sexual Health Medicine; and is a Senior Lecturer at the University of Queensland.

He has worked in many different settings in Australia, as well as countries in Asia, Africa and elsewhere. His local and international experience includes working closely with marginalised groups such as transgender people, sex workers, gay men and other men who have sex with men, lesbians, injecting drug users and indigenous populations.

He is the author of many papers on sexual health issues and has written several book chapters on the area. Since 2013, Graham has been working in private practice as a Sexual Health Physician at the Stonewall Medical Centre in Brisbane.

**Zoe Ellerman; Bachelor of Laws, Bachelor of Arts, 1st Class Hons Anthropology**

Zoe's career has focused on Indigenous affairs. Zoe is fortunate to have had the opportunity to listen to, talk with and work for Aboriginal and Torres Strait Islander people in Queensland, South Australia, the Northern Territory and Western Australia. Zoe has held senior roles in government and outside of government, including as a lawyer, but also in research and policy development, and senior organisational management. Zoe currently lives in Cairns and works as a member of the executive in a not-for-profit organisation. Zoe is Head of Policy and Research at the Cape York Institute where she plays a leading role across a wide-ranging Indigenous reform agenda working in partnership with Cape York people, the Queensland and Australian Governments, and the private sector.

**Bob Beusekom, MSc, CA, FCPA, PMP, MAICD**

Bob is a chartered accountant, has master degrees in information management and economics and is a member of CPA Australia (fellow), CA Netherlands, Project Management Institute and Australian Institute of Company Directors. He has worked in large consulting firms, own enterprises and in executive roles in companies and governments. His roles included finance director, controller, chief information officer, change manager, program director, auditor and consultant. Most of these roles have been in finance, IT and risk/governance, serving as strategic business partner. Bob has lived in several countries such as The Netherlands, China, Costa Rica, Israel and Australia. Next to his working life, Bob has supported the community by volunteering during his travels, for Amsterdam Arts, Aids and Cancer fundraising and Gay, Lesbian, Bi- and Transsexual events. These activities focused on supporting interest groups in general and creating liberal and safe environments for minorities in particular.

**Special Responsibilities**: Member, Asset Committee

**Tony Ziemek, BA, F Fin, CFTP (Snr), GAICD**

Tony Ziemek is a consultant and qualified board member with extensive experience in energy, renewable technologies, treasury, banking, agribusiness, retail, health and the arts. Tony has over 30 years of commercial experience in Australia and England across a range of industries and significant infrastructure projects, major acquisitions, floats and restructures. As a corporate treasurer, Tony has held roles with large ASX listed corporations (Adsteam and Elders) and with the Queensland electricity generators, Tarong Energy and Stanwell Corporation.

Current roles are Business Development consultant to Queensland University of Technology's Institute for Future Environments and Queensland Representative for Barrington Treasury Services. Board positions are also held with Maleney Credit Union and Chair of the Queensland Poetry Festival.

**Special Responsibilities**: Member, Audit & Finance Committee and Chair, Asset Committee

**Prof Lisa Nissen Bpharm, PhD, MPS, FSHP, FPS, FHKAPh, Professor and Head of the School of Clinical Sciences at the Queensland University of Technology**

Lisa has 20 years' experience in the health industry, having worked in hospital and community pharmacy in both rural and metropolitan areas. Her clinical research focuses on the quality use of medicines in the wider community and the expansion of roles for pharmacists, including cognitive services such as Chlamydia screening, sleep management, pain and pharmacist prescribing. Lisa's specific clinical interest is in the management of chronic pain and interprofessional education and practice.

**Special responsibilities**: Member of Governance Committee, Council member of Sexual Health and Family Planning Australia (SH&FPA).

**Fiona Vaughan BA, LLB, GDLP (NSW), LLM (Criminology)**

Fiona is an Aboriginal woman and descendant of the Kamilaroi peoples in Northern NSW. Ms Vaughan has practised law in Queensland since 2007, having previously relocated to Queensland from Wollongong, NSW. Fiona is admitted to practice in NSW and Queensland and the High Court of Australia. Fiona began her legal career in corporate law and extended over the years of practice into child protection, elder abuse and making specialist law reform submissions at both a National and State level on Aboriginal and Torres Strait Islander criminal and civil issues. Fiona has recently completed a position on the Queensland Commission of Inquiry into Child Protection in which she looked extensively into the over-representation of Aboriginal and Torres Strait Islander children in the child protection system and the court and tribunal systems. Fiona's area of specific expertise extends to Aboriginal and Torres Strait Islander issues in child protection, criminality and commercial engagement in regional and rural areas, where mining and construction companies have exerted influence. Fiona has been a member of the National Pro Bono Committee, the Queensland Council of Social Services (QCOSS), and the Roundtable for amendments to the Queensland Criminal Code on the defence of Battered Wife Syndrome. Fiona is a member of the Queensland Law Society, National Congress of Australia's First Peoples, the Law Council of Australia, Indigenous Lawyers Association and Child Protection Practitioners Association of Queensland. Fiona has lectured at the University of Wollongong (NSW) and Griffith University on a part time tutor and guest lecturer basis in both law and Aboriginal Studies.

**Special responsibilities**: Chair of Governance Committee.

**Marja Elizabeth BA; BSc; Grad Dip Ed (Distinction); MA (Psychology); LLB (First Class Hons); Grad Dip Legal Practice**

Marja is a qualified secondary school level teacher, a registered psychologist and has been admitted as a lawyer to the Supreme Court of Queensland. Marja has had extensive experience across Australia and overseas in both government and non-government organisations including as Executive Director in the Department of Corrective Services and the Department of the Premier and Cabinet in

South Australia and as Director Community Corrections and in child protection services as Manager of the Child Protection Advice and Referral Service in Tasmania. She has been the Queensland Manager, Mental Health for the Royal Flying Doctor Service and has worked in remote Indigenous communities in Cape York. Marja has also held management and program coordination roles in Sexual Assault Support Services, Family Planning Queensland, the Queensland Cancer Fund and Tokyo English Lifeline in Japan. Marja is currently the Chief Executive Officer of the Queensland Indigenous Family Violence Legal Service and is based in Cairns.

**Special responsibilities**: Deputy Chair of the Board of Directors

**Company Secretary:**

**Charles Robinson, B Env Sci, MBA, Grad Dip App Corp Gov, GAICD**

**Senior Advisor, Corporate Companion**

Mr. Robinson has provided corporate governance and company secretarial services to organisations for over twelve years and is a Fellow of both Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators, and is a Graduate of the Australian Institute of Directors. He has extensive experience in assisting organisations achieve sustainable growth, with a particular emphasis on ensuring that the corporate governance aspects of the organisation are robust and promoting sound business practices.

**MINUTES OF MEETINGS OF DIRECTORS**

The number of meetings held represents the number of meetings the Directors were eligible to attend.

| **Year: 2013/2014** | **Directors' Meetings** | | **Audit and Finance Committee** | | **Asset Committee** | | **Governance Committee** | |
|---|---|---|---|---|---|---|---|---|
| **Director** | Meetings Held | Meetings Attended | Meetings Held | Meetings Attended | Meetings Held | Meetings Attended | Meetings Held | Meetings Attended |
| Helen Moore | 10 | 10 | 1 | 1 | | | | |
| Marja Elizabeth | 3 | 1 | | | | | | |
| Fiona Vaughan | 3 | 3 | | | | | 2 | 2 |
| Julia Duffy | 10 | 8 | 4 | 4 | 2 | 2 | | |
| Annabel Hickey | 10 | 10 | 1 | 1 | | | | |
| Robert Edwards | 10 | 8 | 4 | 4 | 2 | 2 | | |
| Lisa Nissen | 3 | 1 | | | | | 2 | 2 |
| Graham Nielsen | 7 | 5 | | | | | | |
| Anthony Ziemek | 6 | 6 | 2 | 2 | 2 | 2 | | |
| Zoe Ellerman | 6 | 4 | | | | | | |
| Bob Beusekom | 6 | 5 | | | 2 | 1 | | |

**The objects of FPQ are:**

- •To promote sexual and reproductive health amongst the public.
- To prevent ill-health in the area of sexual and reproductive health.

- To educate the public in respect to all issues relating to sexual and reproductive health.
- To provide clinical, education and training services to attain the objects of FPQ.
- To raise and secure sufficient funds for the advancement of the objects of FPQ.
- To receive any funds and to distribute these funds in a manner that best attains the objects of FPQ; and
- To do all things which are incidental or conducive to the attainment of all or any of the objects of FPQ.

**FPQ's vision and mission were achieved by meeting the objects of the Strategic Directions: 2016. These include:**

- Leadership and Excellence: be recognised as the leader in sexual and reproductive health and healthy, respectful relationships.
- Co-design and deliver services: develop partnerships to enhance the delivery of services across the full breadth of our programs and services.
- Product & Service Innovation: Create innovative products and services that improve public health, domestically and internationally.
- Profit for purpose: Decrease reliance on public funding through the development of social enterprise.
- Corporate & Philanthropic Partnerships: Cultivate partnerships with businesses, foundations and individual donors to support our social mission.
- Enhance service delivery: improve business infrastructure for FPQ and other non-profit organisations to enable stronger focus on positive social outcomes.

**ISO 9001:2008**

The FPQ Quality Management System (QMS) documents the company's business practices. It underpins the processes that satisfy consumer requirements and expectations and improves the overall management of the organisation.

This standard is based on a number of quality management principles including strong customer focus, the motivation and involvement of top management, and a process approach based on continual improvement. Using ISO 9001:2008 helps ensure that customers get consistent, good quality products and services.

National Safety and Quality Health Service Standards (NSQHS) provide a nationally uniform set of safety and quality measures across a wide range of health care services. They include evidence-based improvement strategies to bridge current and best practices that affect a large number of clients.

**FPQ monitors the business by:**

- Meeting the requirements of the international standard ISO 9001:2008 through use of the Quality Management System (QMS).
- Conducting quarterly Audit & Finance Committee meetings and annual, external audits.
- Maintaining Registered Training Organisation (RTO) certification
- Providing six-monthly performance reports for the Queensland Department of Health, including quarterly statistics relating to funded services
- Reviewing and analyzing six-monthly sales and distribution data for resources and publications
- Using reference or steering groups to oversee specific strategies of funded projects
- Periodically reviewing the strategic direction of the organisation to ensure the relevance of services to community need
- Monitoring legislative requirements relating to drug management and infection control

- Complying with medical and nursing registrations
- Ensuring effective clinical governance
- Maintaining a clinical incident reporting system
- Updating an organisational risk management plan
- Senior management review operational activities performance monthly against its operational plan.

**PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS**

The principal activities of the company remained unchanged during the year and were to provide sexual and reproductive health and family planning services in accordance with the Constitution and to ensure all services are adequately funded.

Total revenue decreased by $10,000 to $8.28m compared to 2012/13. This was primarily due to a reduction in receipts from product sales, other income and donations, slightly offset by a small increase in clinic revenue.

Total expenditure reduced by $60,000 to $8.19m compared to 2012/13. The main reduction contributing to this overall decrease related to lower payments to suppliers relating to materials, consumables and other expenses.

The net effect resulted in a surplus of $88,511 for the period. This compares to a surplus of $40,119 in 2012/13.

**FUTURE DEVELOPMENTS**

FPQ has secured funding from the Queensland Department of Health under an agreement that runs through June 2017. Under this agreement, FPQ will collaborate with the Health Hospital Services (HHS) to improve access to community gynecology and reproductive health services.

Important targets include the creation of new referral pathways for reproductive health and gynecology services and reduced hospital waiting lists for HHS O&G clinics. FPQ will also continue to provide sexuality education and health promotion with particular focus on disadvantaged members of the community.

FPQ's drive for diversification of income will also continue through the coming period. Underpinned by a strategic agenda and operational implementation plan, FPQ's leadership team is focused on collaboration with other community providers and agencies as well as the commercialisation of intellectual property in Australia and abroad.

FPQ will continue to deliver clinical education in the area of reproductive and sexual health, while continuing to provide a consulting service for the medical and nursing network. Likewise, FPQ will deliver community education to professionals such as teachers and to parents, carers and community groups.

Operationally, FPQ will refine its clinical management system to improve clients' experience and our quality of care. FPQ will also enable more convenient access to education and training through online learning through a new learning management system. This will be of particular benefit to rural and remote communities and professionals.

FPQ will continue to develop bespoke social programs to meet the diverse needs of the community and adopt robust project management methodologies to ensure efficient and effective outcomes.

FPQ remains driven by a desire to meet the needs of communities across Queensland and providing leadership within the non-profit community.

**MEMBERSHIP AND CATEGORIES**

The two categories of membership of the company are: Individual or Organisational membership. Eligible members must be over 18 years of age.

**MEMBERSHIP GUARANTEE**

The liability of the Members is limited strictly to an obligation for each Member to contribute $30, if demanded, to the assets of FPQ if it is wound up while he or she is a Member, or within one year afterwards. Each member guarantees to make such payment if demanded.

**AUDITOR'S INDEPENDENCE DECLARATION**

The Independence Declaration of the lead auditor is included in the Annual Report.

Signed in accordance with a Resolution of the Directors.

Date: 30 October 2014

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

**DECLARATION OF INDEPENDENCE BY CHRISTOPHER J SKELTON TO THE DIRECTORS OF FAMILY PLANNING QUEENSLAND**

As lead auditor of Family Planning Queensland for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Family Planning Queensland and the entities it controlled during the period.

**C J Skelton**

Director

**BDO Audit Pty Ltd**

Brisbane 30/10/14

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 30 JUNE 2014

| | NOTE | 2014 | 2013 |
|---|---|---|---|
| | | $ | $ |
| Revenue | 2 | 8,282,338 | 8,292,649 |
| Change in inventory of finished goods | | (35,151) | (13,348) |
| Raw materials and consumables used | | (112,821) | (201,386) |
| Employee benefits expense | | (6,209,770) | (6,234,745) |
| Course expenses | | (120,016) | (132,263) |
| Depreciation and amortisation expense | | (143,753) | (153,396) |
| Insurance | | (86,614) | (91,647) |
| Professional fees | | (196,798) | (146,597) |
| Rent, rates, repairs and maintenance | | (428,226) | (451,791) |
| Staff training and recruitment | | (61,646) | (26,989) |
| Telecommunications | | (86,326) | (78,831) |
| Travel costs | | (79,034) | (36,532) |
| Other expenses | | (633,672) | (685,005) |
| **Surplus (Deficit) before income tax** | 13 | **88,511** | **40,119** |
| Income Tax expense | | - | - |
| **Surplus (Deficit) for the year** | | **88,511** | **40,119** |
| **Other Comprehensive income (Deficit)** | | | |
| Asset revaluation reserve movement | | 2,872,714 | - |
| **Total Comprehensive Income (Deficit)** | | **2,961,225** | **40,119** |

The above statement should be read in conjunction with the accompanying notes.

## STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2014

| | NOTE | 2014 | 2013 |
|---|---|---|---|
| | | $ | $ |
| **CURRENT ASSETS** | | | |
| Cash and cash equivalents | 3 | 1,410,030 | 1,282,048 |
| Trade and other receivables | 4 | 114,024 | 169,965 |
| Inventories | 5 | 66,377 | 101,528 |
| Other current assets | 6 | 57,017 | 60,025 |
| **TOTAL CURRENT ASSETS** | | **1,647,448** | **1,613,566** |
| **NON CURRENT ASSETS** | | | |
| Property, plant and equipment | 7, 8 | 5,639,217 | 2,769,566 |
| Intangible assets | 9 | 23,895 | 24,718 |
| TOTAL NON CURRENT ASSETS | | 5,663,112 | 2,794,284 |
| **TOTAL ASSETS** | | **7,310,560** | **4,407,850** |
| **CURRENT LIABILITIES** | | | |
| Trade and other payables | 10 | 1,578,804 | 1,557,070 |
| Interest bearing liabilities | 11 | 114,131 | 81,097 |
| Short-term provisions | 12 | 447,518 | 439,503 |
| **TOTAL CURRENT LIABILITIES** | | **2,140,453** | **2,077,670** |
| **NON-CURRENT LIABILITIES** | | | |
| Interest bearing liabilities | 11 | 1,074,915 | 1,178,197 |
| Long-term provisions | 12 | 34,146 | 52,162 |
| **TOTAL NON-CURRENT LIABILITIES** | | **1,109,061** | **1,230,359** |
| **TOTAL LIABILITIES** | | **3,249,514** | **3,308,029** |
| **NET ASSETS** | | **4,061,046** | **1,099,821** |
| **EQUITY** | | | |
| Accumulated Surplus | 13 | 1,188,332 | 1,099,821 |
| Reserves | | 2,872,714 | - |
| **TOTAL EQUITY** | | **4,061,046** | **1,099,821** |

The above statement should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY
## FOR YEAR ENDED 30 JUNE 2014

| | Note | Accumulated Surplus | Reserves | Total |
|---|---|---|---|---|
| | | $ | $ | $ |
| **Balance at 1 July 2012** | | 1,059,702 | - | 1,059,702 |
| Surplus/ Deficit for the year | | 40,119 | - | 40,119 |
| **Balance at 30 June 2013** | | 1,099,821 | - | 1,099,821 |
| Surplus / Deficit for the year | 13 | 88,511 | - | 88,511 |
| Assert Revaluation Reserve | | - | 2,872,714 | 2,872,714 |
| **Balance at 30 June 2014** | | **1,188,332** | **2,872,714** | **4,061,046** |

The above statement should be read in conjunction with the accompanying notes.

## CASH FLOW STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2014

| | NOTE | 2014 | 2013 |
|---|---|---|---|
| | | $ | $ |
| **Cash flows from operating activities:** | | | |
| Receipts from trading | | 2,485,843 | 2,263,678 |
| Receipts from grants | | 6,506,875 | 6,872,928 |
| Interest received | | 45,220 | 41,668 |
| Payments to suppliers and employees | | (8,584,418) | (8,896,265) |
| **Net cash provided by/(used in) operating activities** | 19 (b) | 453,519 | 282,009 |
| **Cash flows from investing activities:** | | | |
| Payment for plant, property and equipment | | (254,240) | (35,648) |
| Proceeds from sale of plant, property and equipment | | | |
| **Net cash used in investing activities** | | (254,240) | (35,648) |
| **Cash flows from financing activities:** | | | |
| Proceeds from borrowings | | - | - |
| Repayment of borrowings | | (71,298) | (51,495) |
| **Net cash used in financing** | | (71,298) | (51,495) |
| Net increase/(decrease) in cash held | | 127,982 | 194,865 |
| Cash at beginning of the financial year | | 1,282,048 | 1,087,182 |
| **Cash at the end of the financial year** | 19 (a) | 1,410,030 | 1,282,048 |

The above statement should be read in conjunction with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2014

### 1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not for profits Commission Act 2012.

The financial report covers the company, Family Planning Queensland as an individual entity. Family Planning Queensland is a public company, limited by guarantee and incorporated in Australia.

The financial report of Family Planning Queensland was authorised for issue by the Directors on 30 October 2014.

A statement of compliance with International Accounting Standards cannot be made due to Family Planning Queensland applying the not for profit sector specific requirements contained in Australian Accounting Standards.

Family planning Queensland is a not-for-profit entity for financial reporting purposes.

**Reporting Basis and Conventions**

The financial report has been prepared on the accrual basis and is based on historical costs modified where indicated 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.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report.

The accounting policies have been consistently applied, unless otherwise stated.

**Accounting Policies**

**a. Inventories**

Inventories are measured at the lower of cost and replacement cost. The cost is calculated on the basis of invoice price to the company. Clinic supplies and leaflets are written off as consumables during the year, except for larger and more durable items, which are carried as inventory, the benefit of which will be realised in the ensuing financial year. Costs are assigned on a first-in first-out basis.

**b. Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**c. Provisions**

Provisions are recognised when the company 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.

**d. Property, plant and equipment**

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

***Property***
Freehold land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. 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. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

***Plant and equipment***
Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets.

The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The decrement in the carrying amount is recognised as an expense in the income statement in the reporting period in which the recoverable amount of write down occurs. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

***Depreciation***
The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Company 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.

Depreciation rates for classes of assets held ranged as follows:

| | |
|---|---|
| Building | 2.5% |
| Furniture and fittings | 20% |
| Plant and equipment | 8-30% |
| Motor vehicles | 20% |
| Leasehold improvements | 20-25% |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (cont)

**d. Property, plant and equipment (cont)**

***Depreciation (cont)***
An asset's 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 disposals 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.

**e. Intangibles**
Software is recorded at cost on the day of acquisition. Software is depreciated on a straight-line basis over a three year period.
The residual value and useful life of software are reviewed, and adjusted if appropriate, at each balance sheet date.

**f. Leases**
Leases in the financial statements are operating leases in which the risks and benefits of ownership remain with the lessor.
The payments for these operating leases are charged as expenses in the periods in which they are incurred.

**g. Employee Benefits**
Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date.

Employee benefits expected to be settled within one year, have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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.

Contributions are made by the Company to employees' superannuation funds and are charged as expenses when incurred.

**h. Income Tax**

The Company's income is exempt from tax under the Income Tax Assessment Act (as amended).

**i. Revenue Recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The Company's main source of revenue is derived from several Queensland State Government Grants.

**i. Revenue Recognition (cont)**

***Grants***

Grants received for the general purpose of operating the family planning clinical, educational and information services, as provided to the public, are taken to revenue as and when received.

Grants received for specific programs are taken to revenue when appropriate expenditure has been made. Until this time the grants are reflected as a liability of the Company. This is on the basis of the specific restrictions contained in the grant agreements.

***Interest***

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

***Sales Revenue***

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

All revenue is stated net of the amount of Goods and Services Tax (GST).

**j. Goods and Services Tax**

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 balance sheet are shown as 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.

**k. Comparative Figures**

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

**l. Fair Value Measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (cont)

**l. Fair Value Measurement (cont)**

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**m. Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

**n. Trade and other payables**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**o. Critical Accounting Estimates and Judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Valuation of property, plant, and equipment*

No impairment losses have been recognised in respect of property, plant, and equipment for the year ended 30 June 2014 as the company's estimates of the recoverable amounts are in excess of the carrying amounts of these assets. Upon Revaluation of Land and Building, it was found that the property situated in Cairns was deemed to be the below its book value by approximately $117K. This devaluation has been recognised by offsetting against the increase in value of the Alfred St property. Further, an analysis of capitalised costs associated with the implementation of the Profile software system was performed. Management have decided to expense the capitalised labour costs portion this year.

**o. Critical Accounting Estimates and Judgments (cont)**

*Doubtful debts provision*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors financial position.

**p. Adoption of new and revised Accounting Standards**

New and amended standards and interpretations that are mandatory for the first time for the financial year beginning 1 July 2013 have been adopted. The adoption of these standards and interpretations did not have any material impact on the current or any prior period and is not likely to materially affect future periods.

**q. New Accounting Standards and Interpretations not yet mandatory or early adopted**
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2014. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

*AASB 9 Financial Instruments and its consequential amendments (issued December 2009 and amended December 2010). Effective for Annual reporting periods beginning on or after 1 January 2015*
Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to maturity categories of financial assets in AASB 139 have been eliminated. Under AASB 9, there are three categories of financial assets:
• Amortised cost
• Fair value through profit or loss
• Fair value through other comprehensive income.
The Company does not anticipate any material effect on the financial statements on implementation of the Standard.

*AASB 10 Consolidated Financial Statements (issued August 2011) Effective for periods beginning from 1 January 2014*
Introduces a single 'control model' for all entities, including special purpose entities (SPEs), whereby all of the following conditions must be present:
• Power over investee (whether or not power used in practice)
• Exposure, or rights, to variable returns from investee
• Ability to use power over investee to affect the entity's returns from investee.
The Company does not anticipate any material effect on the financial statements on implementation of the Standard.

*AASB11 Joint Arrangements (issued August 2011) Effective for Annual reporting periods beginning on or after 1 January 2014*
AASB 11 supersedes AASB 131 Interest in Joint Ventures. It aligns more closely the accounting by the investors with their rights and obligations relating to the joint arrangements. It introduces two accounting categories (joint operations and joint ventures) whose applicability is determined based on the substance of the joint arrangements. AASB 11 requires the use of the equity accounting method for joint ventures, which is currently used for investments in associates. The Company does not anticipate any material effect on the financial statements on implementation of the Standard.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (cont)

| | 2014 | 2013 |
|---|---|---|
| | $ | $ |
| **2 Surplus/(Deficit)** | | |
| Surplus/(Deficit) has been determined after: | | |
| (a) Crediting as revenue | | |
| Revenue: | | |
| Sales - oral | 61,444 | 81,335 |
| Sales - other | 34,127 | 37,741 |
| Sales - resources | 125,773 | 134,556 |
| Commonwealth and State Government Public Health Outcome Funding Agreement | 4,588,628 | 4,584,906 |
| Other grants | 1,895,816 | 1,858,782 |
| Education and training | 596,293 | 594,150 |
| Clinic revenue | 911,648 | 866,220 |
| Interest received - other persons | 45,214 | 41,668 |
| Donations and sponsorships | 23,421 | 27,509 |
| Other income | 78,553 | 80,718 |
| | 8,360,917 | 8,307,585 |
| Other income | | |
| Net loss on disposal of property, plant and equipment | (78,579) | (14,936) |
| Total revenue | 8,282,338 | 8,292,649 |
| (b) Charging as expenses | | |
| Cost of sales | 84,886 | 114,596 |
| Amortisation | 251 | 852 |
| Depreciation of non-current assets | | |
| - Freehold buildings and Leasehold improvements | 57,706 | 60,002 |
| - Plant and equipment | 85,796 | 92,542 |
| Total depreciation | 143,502 | 152,544 |
| Total depreciation and amortisation | 143,753 | 153,396 |
| Operating lease rentals | 255,359 | 300,128 |
| **3 Cash Assets** | | |
| Cash at bank | 31,677 | 50,502 |
| Cash on hand | 3,410 | 3,430 |
| Cash on short term Deposit | 1,374,943 | 1,228,116 |
| | 1,410,030 | 1,282,048 |

Cash and cash equivalents comprise cash balances and bank short term deposits. Short term deposits are available on demand.

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2014 (cont)

| | | 2014 | 2013 |
|---|---|---|---|
| | | $ | $ |
| **4** | **Trade and Other Receivables** | | |
| | Trade Debtors | 101,572 | 145,074 |
| | Less: provision for impairment | (14,424) | (21,803) |
| | | 87,148 | 123,271 |
| | Other debtors | 26,876 | 46,694 |
| | | 114,024 | 169,965 |

Trade receivables that are neither past due nor impaired relates to long standing entities with good track record. Due to their short term nature, the carrying amounts of trade receivables are assumed to approximate their fair value. The Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 20.

| | | 2014 | 2013 |
|---|---|---|---|
| **5** | **Inventories** | | |
| | Stock on hand (finished goods) - Note 1 (a) | 66,377 | 101,528 |
| **6** | **Other Current Assets** | | |
| | Other Debtors & Prepayments | 57,017 | 60,025 |
| **7** | **Property, Plant and Equipment** | | |
| | Freehold Land / Building | | |
| | Cost | - | 3,635,297 |
| | Independent valuation – Nov 2013 | 4,915,000 | - |
| | Less: Accumulated depreciation | (21,345) | (1,556,588) |
| | Total Land and Building | 4,893,655 | 2,078,709 |
| | Plant & Equipment | | |
| | Cost | 1,344,103 | 1,203,602 |
| | Less: Accumulated depreciation | (598,541) | (512,745) |
| | Total Other Assets | 745,562 | 690,857 |
| | Total Fixed Assets | | |
| | Cost | 1,344,103 | 4,838,899 |
| | Independent valuation – 30/6/2014 | 4,915,000 | - |
| | Less: Accumulated depreciation | (619,886) | (2,069,333) |
| | Written down value | 5,639,217 | 2,769,566 |

An independent valuation of the Company's interest in Land and Buildings at Alfred Street, Fortitude Valley and Cairns was conducted by the firm of Herron Todd White on 26 November 2013. The valuation totalled $4,915,000. The valuation which has been booked is based on an assessment of the market value of the Land and Buildings.

## 8 Movement in Carrying Amounts

Movement in the carrying amounts between the beginning and the end of the financial year for property plant and equipment.

| | Land and buildings $ | Plant and equipment $ | Total $ |
|---|---|---|---|
| Balance at the beginning of year | 2,078,709 | 690,857 | 2,769,566 |
| Additions | - | 219,363 | 219,363 |
| Independent valuation | 2,872,714 | | 2,872,714 |
| Disposals | - | (78,862) | (78,862) |
| Depreciation and amortisation expense | (57,768) | (85,796) | (143,502) |
| Carrying amount at the end of the year | **4,893,655** | **745,562** | **5,639,217** |

| | 2014 $ | 2013 $ |
|---|---|---|
| **9 Intangibles** | | |
| Software | 24,718 | 25,570 |
| Less: Accumulated amortisation | 823 | 852 |
| Written down value | 23,895 | 24,718 |
| **10 Payables** | | |
| Unsecured liabilities: | | |
| Goods and services tax liability | 143,698 | 136,223 |
| Employee tax | 61,396 | 31,218 |
| Fees received in advance | 93,390 | 176,210 |
| Grants received in advance | 83,890 | 216,597 |
| Annual leave | 550,126 | 519,727 |
| Other creditors and accrued expenses | 646,304 | 477,095 |
| | 1,578,804 | 1,557,070 |

**NOTES TO THE FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 30 JUNE 2014 (cont)**

| | | 2014 | 2013 |
|---|---|---|---|
| | | $ | $ |
| **11** | **Interest Bearing Liabilities** | | |
| | Current | | |
| | Bank loan | 114,131 | 81,097 |
| | Non-current | | |
| | Bank loan | 1,074,915 | 1,178,197 |

The bank loan is a business loan with fixed and variable facilities drawn for the purpose of renovating the company's head office premises including clinic and education centre during 2007. The company obtained an additional business loan for the purpose of purchasing a property to accommodate its business operations in Cairns. The savings made in rental during FY 2009-2010 compensated the interest paid to the loan used to purchase the Cairns property.

The loan comprises two facilities bearing interest at the rate of 6.315% fixed for 5 years and 6.91% variable at 30 June 2014. The fixed loans are subject to monthly repayments with finalisation required by 17 April 2017. While the variable loan has an interest only facility for 5 years until January 2014. The interest and principal repayment for this loan started in February 2014 subject to finalisation by January 2024.

Security for the bank facility comprises a registered mortgage over the company's property at 108 Alfred Street, Fortitude Valley and 182 Grafton Street, Cairns. The carrying values of these assets at 30 June 2014 were $4,360,330 and $572,532 respectively.

| | | 2014 | 2013 |
|---|---|---|---|
| **12** | **Provisions - Current** | | |
| | Employee benefits: | | |
| | Long service leave | 439,669 | 431,820 |
| | Other | 7,849 | 7,683 |
| | | 447,518 | 439,503 |
| | **Provisions - Non-Current** | | |
| | Long-term employee benefits: | | |
| | Opening balance at 1 July | 52,162 | 69,989 |
| | Additional provisions raised during the year | 101,152 | 136,354 |
| | Amounts used | (119,151) | (107,348) |
| | Balance at 30 June | 34,146 | 52,162 |
| | Aggregate employee entitlement liability | 481,664 | 491,665 |

A provision has been recognised for employees benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (cont)

| | | 2014 | 2013 |
|---|---|---|---|
| | | $ | $ |
| **13** | **Accumulated Surplus** | | |
| | Accumulated Surplus at the beginning of the year | 1,099,821 | 1,059,702 |
| | Net profit / loss | 88,511 | 40,119 |
| | Accumulated Surplus at the end of the financial year | 1,188,332 | 1,099,821 |
| | **Reserves** | | |
| | Accumulated Reserves at the beginning of the year | - | - |
| | Asset revaluation reserve | 2,872,714 | - |
| | Accumulated Reserve at the end of the financial year | 2,872,714 | - |
| **14** | **Expenditure Commitments** | | |
| | **Operating leases:** | | |
| | Aggregate amount contracted for but not capitalised in the financial statements: | | |
| | Not later than 1 year | 56,316 | 63,174 |
| | Later than 1 year but not later than 5 years | 226,082 | 414,705 |
| | | 282,398 | 477,879 |

Commitments due and payable under current operating lease agreements relate to premises at Gold Coast, Sunshine Coast, Toowoomba, Rockhampton, Bundaberg and Ipswich.

Commitments for leases for computer and office equipment are also included in the amounts. Lease commitments are exclusive of Goods and Services Tax (GST).

| | | | |
|---|---|---|---|
| **15** | **Auditor Remuneration** | | |
| | Amounts received or due and receivable by the auditors for: | | |
| | Auditing the accounts | 17,000 | 17,000 |
| | Other services | 9,500 | 7,000 |
| | | 26,500 | 24,000 |

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2014 (cont)

### 16 Key Management Personnel Compensation

| | Salary & Fees | Super-annuation | Non-cash Benefits | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **2014** | 604,710 | 63,180 | 107,669 | 775,559 |
| **2013** | 675,138 | 59,299 | 153,171 | 887,607 |

The members of Family Planning Queensland Key Management Personnel during 2013-2014 are:

Alice Evans - CEO
Caroline Harvey - Medical Director
Svend Kling - CFO
Cecelia Gore - Director of Education and Community Services
Shanthie Goonetilleke - Finance Manager
Josie Curr - Director of Clinical Service
Gregory Robert Elphinston - GM-Prod Services Innovation

Under the Company's Constitution no Director is permitted to receive fees or a salary from the Company. The names of the Company Directors who have held office during the financial year are:

Ms Helen Moore (Chairperson)
Ms Julia Duffy
Ms Annabel Hickey
Assoc Prof Lisa Nissen
Robert Edwards
Graham Neilsen
Bob Beusekom
Zoe Ellerman
Tony Ziemek
Lisa Nissen (resigned 14 November 2013)
Fiona Vaughan (resigned 14 November 2013

### 17 Funding of Operations

The Company is economically dependent upon funding from the Queensland State Government. Funding has been renewed through to June 30th 2017.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (cont)

**18 Member's Guarantee**

The Company is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $30 towards meeting any outstanding obligations of the Company. At 30 June 2014 the number of members was 105.

**19 Cash Flow Statement**

**(a) Reconciliation of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and cash at bank. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

| | 2014 | 2013 |
|---|---|---|
| | $ | $ |
| Cash on hand | 3,410 | 2,880 |
| Cash at bank | 31,677 | 31,109 |
| Cash on deposit | 1,374,943 | 1,053,193 |
| **Cash Flows Presented on a Net Basis** | 1,410,030 | 1,087,182 |

Cash flows arising from deposits in and withdrawals from savings, money market and other deposits are presented on a net basis in the Statement of Cash Flows.

**(b) Reconciliation of Net Cash provided by Operating Activities to Operating Surplus/(Deficit)**

| | | |
|---|---|---|
| Operating surplus | 88,511 | 40,119 |
| (Profit)/Loss on sale of assets | 78,579 | 14,936 |
| Non-cash flows in operating result: | | |
| Amortisation | 823 | 852 |
| Depreciation | 142,930 | 152,544 |
| Changes in provisions | | |
| - Annual leave | 30,399 | 3,211 |
| - Long service leave | (10,167) | 78,611 |
| - Other | 109,967 | (96,457) |
| Changes in assets and liabilities: | | |
| (Increase)/decrease in receivables | 55,941 | (70,817) |
| (Increase)/decrease in stock | 35,151 | 13,348 |
| (Increase)/decrease in prepaid expenses | 3,008 | 122,846 |
| Increase/(decrease) in accrued expenses | 92,492 | (108,585) |
| Increase/(decrease) in goods and services tax liability | 11,234 | 3,700 |
| Increase/(decrease) in employee tax liability | 30,178 | (46,620) |
| Increase/(decrease) in grants in advance | (132,707) | 86,846 |
| Increase/(decrease) in prepaid fees | (82,820) | 87,475 |
| **Cash flows provided by/(used in) operations** | 453,519 | 282,009 |

## 20 Financial Instruments

**Overall Policies**

The Board of Directors have overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors are responsible for developing and monitoring risk management policy. Risk management policy is to identify and analyse the risks faced by the entity, to set limits and controls, and to monitor risks and adherence to limits. Risk management policy and systems are reviewed regularly to reflect changes in market conditions and company activities. The company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. For the company, this arises on cash balances and term deposit investments.
Interest rate risk is managed by maintaining a term deposit for a relevant term to achieve the highest possible interest rate. No specific financial instruments such as interest rate hedges are considered necessary for the company's bank debt as the exposure to risk is not considered material.

***Credit risk***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

For the company this arises from exposures to customers. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount of trade and other receivables, net of any provisions for impairment of those assets, as disclosed in the balance in the balance sheet and notes to the financial statements.

Credit risk is managed and reviewed regularly by the board of directors through the Company's Audit and Finance Committee and the CEO.

***Liquidity risk***

Liquidity risk is the risk that the company may encounter difficulties raising funds to meet commitments associated with financial instruments.
It is the policy of the board of directors that the company maintains adequate cash reserves so as to meet financial commitments when required.
The company manages liquidity risk by regularly monitoring actual cash flows and long term forecasted cash flows.

**Financial instrument composition and maturity analysis**

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2014 (cont)

| | Weighted Average Interest Rate | | Floating Interest Rate | | Non-Interest Bearing | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | % | % | $ | $ | $ | $ | $ | |
| **Financial assets** | | | | | | | | |
| Cash at bank | 4.00% - 5.50% | 4.00% - 5.50% | 1,406,620 | 1,278,618 | - | - | 1,406,620 | 1,278,618 |
| Cash on Hand | | | - | - | 3,410 | 3,430 | 3,410 | 3,430 |
| Trade and other receivables | | | 114,024 | 169,965 | - | - | 114,024 | 169,965 |
| **Total financial assets** | | | 1,520,644 | 1,448,583 | 3,410 | 3,430 | 1,524,054 | 1,452,013 |
| **Financial liabilities** | | | | | | | | |
| Trade and other payables | | | - | - | 790,002 | 613,318 | 790,002 | 613,318 |
| Bank loans Interest Rates 7.41% and 6.55% | | | 1,189,046 | 1,259,294 | - | - | 1,189,046 | 1,259,294 |
| **Total financial liabilities** | | | 1,189,046 | 1,259,294 | 790,002 | 613,318 | 1,979,048 | 1,872,612 |

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2014 (cont)

Trade and sundry payables are expected to be paid as follows:

| | 2014 | 2013 |
|---|---|---|
| **Trade payables** | **$** | **$** |
| Less than 6 months | | |
| 6 months to 1 year | 79,000 | 61,332 |
| | - | - |
| | 79,000 | 61,332 |
| **Sundry payables** | | |
| Less than 6 months | | |
| 6 months to 1 year | 711,002 | 551,986 |
| | - | - |
| | 711,002 | 551,986 |

Bank loans are expected to be paid as follows:

| | 2014 | 2013 |
|---|---|---|
| | **$** | **$** |
| **Bank loans** | 114,131 | 81,097 |
| Less than 1 year | 120,873 | 127,407 |
| One to Two years | 235,004 | 208,504 |

The remainder of the loan will be paid by the end of 15 year term.

**Sensitivity analysis**

*Interest rate risk*

No sensitive analysis has been performed for interest rate risk, as the effect of the interest rate fluctuations on the cash balances are considered not material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (cont)

## 21 Fair Value

Land and buildings are recognised and measured at fair value on a recurring basis. There are no assets or liabilities which are measured at fair value on a non-recurring basis.

*Fair value hierarchy*

All assets and liabilities for which fair value is measured or disclosed are categorised according to the fair value hierarchy as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date,

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly,

Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs)..

*Recognised fair value measurements*

The following table sets out the consolidated entity's assets and liabilities that are measured and recognised at fair value in the financial statements.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **2014** | | | | |
| Land and Buildings | - | - | 4,893,655 | 4,893,655 |
| **2013** | | | | |
| Land and Buildings | - | - | - | - |

*Valuation processes for Level 3 fair values*

The entity engages an external, independent and qualified valuers to determine the fair value of the company's property every 3 years.

## 22 Company Details

Family Planning Queensland is a company incorporated and domiciled in Australia.

The registered office and principal place of business of the company is:- 100 Alfred Street, Fortitude Valley Qld 4006.

## 23 Events After the Balance Sheet Date

There is no relevant event that the company is required to report after the balance sheet date.

**FAMILY PLANNING QUEENSLAND**
**A.B.N. 61 009 860 164**

The directors of Family Planning Queensland declare that:

1. The financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and:
   a. comply with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
   b. give a true and fair view of the entity's financial position as at 30 June 2014 and of its performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors

On behalf of the directors by:

Brisbane Dated 30 October 2014

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

# INDEPENDENT AUDITOR'S REPORT

To the members of Family Planning Queensland

## Report on the Financial Report

We have audited the accompanying financial report of Family Planning Queensland, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and directors' declaration.

### The Responsible Entities' Responsibility for the Financial Report

The responsible entities of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not for Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 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 about 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 of 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, 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 *Corporations Act 2001*. We confirm that the independence declaration which has been given to the responsible entities of Family Planning Queensland, would be in the same terms if given to the responsible entities as at the time of this auditor's report.

### Opinion

In our opinion the financial report of Family Planning Queensland is in accordance with the *Australian Charities and Not for Profits Commission Act 2012*, including:

(a) giving a true and fair view of the registered entities financial position as at 30 June 2014 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards and the *Australian Charities and Not for Profits Commission Regulation 2013*.

**BDO Audit Pty Ltd**

BDO

**C J Skelton**

Director

Brisbane: Date 30 October 2014