

# Country Fire Service Foundation Incorporated

## Certification of the Financial Statements

We certify that:

- the attached general purpose financial statements for the Country Fire Service Foundation Incorporated present fairly the results of the operations of the association for the 2010-11 financial year and the state of affairs of the association as at 30 June 2011;
- there are reasonable grounds to believe that the Country Fire Service Foundation Incorporated will be able to pay its debts as and when they fall due; and
- the Country Fire Service Foundation Incorporated acts as trustee for the Country Fire Service Foundation (Tax Deductible Gift) Fund.

We certify that the internal controls employed by the Country Fire Service Foundation Incorporated for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.

Robin Holmes AFSM  
Deputy Chairman  
CFS Foundation

August 2011

Greg Nettleton  
Chief Officer  
SA Country Fire Service

August 2011

Joel Schirmer  
Business Manager  
SA Country Fire Service

August 2011

**Country Fire Service Foundation Incorporated**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**For the Year Ended 30 June 2011**

	Note	2011 \$	2010 \$
<b>Expenses:</b>			
Donations paid	6	2 000	14 795
Supplies and services	7	146 612	52 299
Other expenses		540	41
<b>Total Expenses</b>		<b>149 152</b>	<b>67 135</b>
<b>Income:</b>			
Donations received	4	76 314	9 802
Sponsorship	4a	100 000	-
Interest	5	12 910	8 292
Other income		-	3 256
<b>Total Income</b>		<b>189 224</b>	<b>21 350</b>
<b>Net Result</b>		<b>40 072</b>	<b>(45 785)</b>
<b>Other Comprehensive Income</b>			
Changes in property, plant and equipment		-	-
Asset revaluation reserve		-	-
<b>Total Comprehensive Result</b>		<b>40 072</b>	<b>(45 785)</b>

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

## Country Fire Service Foundation Incorporated

### STATEMENT OF FINANCIAL POSITION As at 30 June 2011

	Note	2011 \$	2010 \$
<b>Current Assets:</b>			
Cash and cash equivalents	12	408 755	350 530
Receivables	8	2 950	5 539
<b>Total Current Assets</b>		<b>411 705</b>	<b>356 069</b>
<b>Non-Current Assets:</b>			
Property, Plant and Equipment		-	-
<b>Total Non-Current Assets</b>		<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>411 705</b>	<b>356 069</b>
<b>Current Liabilities:</b>			
Payables	9	17 253	1 689
<b>Total Current Liabilities</b>		<b>17 253</b>	<b>1 689</b>
<b>Non-Current Liabilities:</b>			
Payables		-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>17 253</b>	<b>1 689</b>
<b>Net Assets</b>	10	<b>394 452</b>	<b>354 380</b>
<b>Equity</b>			
Retained earnings	11	394 452	354 380
<b>Total Equity</b>		<b>394 452</b>	<b>354 380</b>

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

## Country Fire Service Foundation Incorporated

### STATEMENT OF CHANGES IN EQUITY For the Year Ended 30 June 2011

	Note	Retained Earnings \$	Total \$
<b>Balance at 30 June 2009</b>		400 165	400 165
<b>Net result for 2009-10</b>		(45 785)	(45 785)
<b>Total comprehensive result for 2009-10</b>		<b>(45 785)</b>	<b>(45 785)</b>
Balance at 30 June 2010		354 380	354 380
<b>Net result for 2010-11</b>		40 072	40 072
<b>Total comprehensive result for 2010-11</b>		<b>40 072</b>	<b>40 072</b>
Balance at 30 June 2011		<b>394 452</b>	<b>394 452</b>

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

**Country Fire Service Foundation Incorporated**

**STATEMENT OF CASH FLOWS  
For The Year Ended 30 June 2011**

	Note	2011 Inflows (Outflows) \$	2010 Inflows (Outflows) \$
<b>Cash Outflows:</b>			
Donations paid		(2 000)	(14 795)
Supplies and services		(143 842)	(50 613)
Other		(541)	(41)
<b>Cash used in operations</b>		<b>(146 383)</b>	<b>(65 449)</b>
<b>Cash flows From Operating Activities:</b>			
<b>Cash Inflows:</b>			
Donations received		76 314	10 252
Sponsorship		110 000	-
Interest received		15 193	7 511
Other		3 102	-
<b>Cash generated from operations</b>		<b>204 609</b>	<b>17 763</b>
<b>Net cash provided by operating activities</b>	3	<b>58 226</b>	<b>(47 686)</b>
<b>Net Increase in cash and cash equivalents</b>		<b>58 226</b>	<b>(47 686)</b>
Cash and cash equivalents at 1 July		350 530	398 216
<b>Cash and cash equivalents at 30 June</b>	12	<b>408 755</b>	<b>350 530</b>

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

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1. Objectives and Funding

#### (a) Objectives

The Country Fire Service Foundation (the Foundation) was incorporated on 22 November 2001 under the *Associations Incorporations Act, 1985*.

In accordance with the Country Fire Service Foundation Incorporated Rules, the objects of the Association are:

- To act as trustee for the Country Fire Service Foundation (Tax Deductible Gift) Fund in accordance with and subject to the Trust deed; and
- To:
  - advance the relief of suffering, disability or misfortune amongst Volunteer Fire Fighters arising from their participation in activities related to the prevention, control and suppression of fires, the protection of life and property or any other activity related to the function and operations of the South Australian Country Fire Service;
  - enhance fire fighting capacity and expertise among Volunteer Fire Fighters; and
  - increase public awareness of contributions to communities given by Volunteer Fire Fighters.

#### (b) Funding

The Foundation maintains its own bank accounts for the receipt of income (mainly through donations) from the general community.

### 2. Significant Accounting Policies

#### a) Statement of Compliance

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian accounting standards.

Except for AASB 2009-12, which the Foundation has early adopted, Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Foundation for the reporting period ending 30 June 2011. These are outlined in Note 2(n).

#### b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgment in the process of applying the Foundation's accounting policies. The areas involving a higher degree of judgment or where assumptions and estimates are significant to the financial statements, these are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported;

The Foundation's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a 12 month operating cycle and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2011 and the comparative information presented for the year ended 30 June 2010.

**c) Reporting Entity**

The Foundation is incorporated under the *Associations Incorporations Act, 1985*.

In previous years, the Foundation was considered to be a controlled entity of the South Australian Country Fire Service and was consolidated within their financial statements. A review of this arrangement was conducted and the Foundation is no longer considered to be a controlled entity and will not be consolidated within the 2010-11 financial statements of the South Australian Country Fire Service.

**d) Comparative Information**

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements has required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

**e) Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

**f) Taxation**

The Foundation is not subject to income tax and is endorsed with other charity tax concessions, including GST.

Income, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

**g) Events after Balance Date**

Where an event occurs after 30 June but provides information about conditions that existed at 30 June, adjustments are made to amounts recognised in the financial statements.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

**h) Income and Expenses**

Income is recognised to the extent that it is probable that the flow of economic benefits to the Foundation will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the Foundation will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

*i) Current and Non-Current Classification*

Assets and liabilities are characterised as either current or non-current in nature. The Foundation has a clearly identifiable operating cycle of 12 months. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Foundation has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

*i) Assets*

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where an asset line item combine amounts expected to be settled within twelve months and more than twelve months, the department has separately disclosed the amounts expected to be recovered after more than twelve months.

*j) Cash and Cash Equivalents*

Cash and cash equivalents in the Statement of Financial Position includes cash at bank and on hand and short-term highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Cash is measured at nominal value.

*j) Liabilities*

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where a liability line item combine amounts expected to be settled within twelve months and more than twelve months, the department has separately disclosed the amounts expected to be settled after more than twelve months.

*k) Receivables*

Receivables include amounts receivable from goods and services, GST input tax credits recoverable, prepayments and other accruals.

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the Foundation will not be able to collect the debt. Bad debts are written off when identified.



**l) Payables**

Payables include creditors and accrued expenses.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the Foundation.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

**m) Financial Risk Management**

The Foundation has non-interest bearing assets (cash on hand and receivables) and liabilities (payables) and interest bearing assets (cash at bank and investments). The Foundation's exposure to market risk and cash flow interest risk is minimal.

The Foundation has no significant concentration of credit risk.

**n) Changes in accounting policies**

The Foundation did not voluntarily change any of its accounting policies during 2010-11.

Except for AASB 2009-12, which the Foundation has early-adopted, the Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Foundation for the period ending 30 June 2011. The Foundation has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the Foundation.

### 3. Notes to the Cash Flow Statement

#### (i) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, cash at bank and investments.

Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2011	2010
	\$	\$
Deposits lodged with Westpac		
Cash at bank	408 755	124 760
Investments	-	225 770
	<u>408 755</u>	<u>350 530</u>

#### (ii) Reconciliation of Net Cost of Services to Net Cash provided by Operating Activities

Net Cash provided by operating Activities	58 226	(47 686)
Increase / (Decrease) in receivables	(2 589)	3 588
(Increase) / Decrease in payables	<u>(15 565)</u>	<u>(1 687)</u>
<b>Operating Surplus</b>	<u>40 072</u>	<u>(45 785)</u>

### 4. Donations received

	2011	2010
	\$	\$
Donations received for the reporting period comprised:		
Donations – Solar Depot	46 253	-
Donations – Other	30 061	9 802
<b>Total Donations Received</b>	<u>76 314</u>	<u>9 802</u>

### 4a. Sponsorship received

	2011	2010
	\$	\$
Sponsorship received for the reporting period comprised:		
Sponsorship – Electranet	100 000	-
<b>Total Sponsorship Received</b>	<u>100 000</u>	<u>-</u>

### 5. Interest

	2011	2010
	\$	\$
Interest received for the reporting period comprised:		
Interest	12 910	8 292
<b>Total Interest Received</b>	<u>12 910</u>	<u>8 292</u>

### 6. Donations paid

	2011	2010
	\$	\$
Donations paid for the reporting period comprised:		
Donations to Burnside CFS Brigade (support for injured firefighter)	2 000	-
Donations to State Support CFS Group (support equipment)	-	14 795
<b>Total Donations Paid</b>	<u>2 000</u>	<u>14 795</u>

<b>7. Supplies and Services</b>		
Supplies and Services for the reporting period comprised:	<b>2011</b>	<b>2010</b>
	\$	\$
Auditor's fees	1 350	1 430
Executive Officer Service Provider	38 851	36 673
Appliance Safety Retrofit Program	9 402	-
Information Management Systems	29 403	-
Television/Radio Advertising	35 180	-
Printing	11 938	-
Other	20 488	14 196
<b>Total Supplies and Services</b>	<u><u>146 612</u></u>	<u><u>52 299</u></u>
<b>8. Receivables</b>		
Receivables for the reporting period comprised:	<b>2011</b>	<b>2010</b>
	\$	\$
Accrued Interest	-	2 283
Net GST Recoverable	2 950	3 256
<b>Total Receivables</b>	<u><u>2 950</u></u>	<u><u>5 539</u></u>
<b>9. Payables</b>		
Payables for the reporting period comprised:	<b>2011</b>	<b>2010</b>
	\$	\$
Creditors	17 253	1 689
<b>Total Payables</b>	<u><u>17 253</u></u>	<u><u>1 689</u></u>
<b>10. (i) Assets and Liabilities of Country Fire Service Foundation (Tax Deductible Gift Fund) for which the Country Fire Service Foundation is trustee</b>		
	<b>2011</b>	<b>2010</b>
<b>Current Assets:</b>	\$	\$
Cash at bank	335 921	75 639
Investments	-	225 770
Receivables	-	2 283
<b>Total Assets (Tax Deductible Gift Fund)</b>	<u><u>335 921</u></u>	<u><u>303 692</u></u>
Creditors	-	-
<b>Total Liabilities (Tax Deductible Gift Fund)</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Total Net Assets (Tax Deductible Gift Fund)</b>	<u><u>335 921</u></u>	<u><u>303 692</u></u>
<b>(ii) Assets and Liabilities of Country Fire Service Foundation excluding those for which the Country Fire Service Foundation is trustee</b>		
	<b>2011</b>	<b>2010</b>
<b>Current Assets:</b>	\$	\$
Cash at bank	72 835	49 121
Receivables	2 950	3 256
<b>Total Assets</b>	<u><u>75 785</u></u>	<u><u>52 377</u></u>
Creditors	17 253	1 689
<b>Total Liabilities</b>	<u><u>17 253</u></u>	<u><u>1 689</u></u>
<b>Total Net Assets (General Operations)</b>	<u><u>58 532</u></u>	<u><u>50 688</u></u>

(iii) **Total Net Assets of Country Fire Service Foundation Incorporated**

	2011	2010
	\$	\$
<b>Total Net Assets (Tax Deductible Gift Fund)</b>	<b>335 921</b>	303 692
<b>Total Net Assets (General Operations)</b>	<b>58 532</b>	50 688
<b>Total Net Assets</b>	<b>394 453</b>	354 380

**11. Equity**

Equity represents the residual interest in the Foundation's net assets.

	2011	2010
Equity comprises;	\$	\$
Opening Balance	354 380	400 165
Net operating surplus from ordinary activities	40 072	(45 785)
<b>Closing Balance as at 30 June</b>	<b>394 452</b>	354 380

**12. Cash and cash equivalents**

(a) **Background**

During 2010-11, two term deposits matured and were paid into an at call interest bearing account. The Foundation maintains separate tax deductible gift and general operating bank accounts.

(b) **Analysis of Cash and cash equivalents**

	2011	2010
	\$	\$
Cash at bank	408 755	124 760
Investments	-	225 770
<b>Total cash and cash equivalents</b>	<b>408 755</b>	350 530

(c) **Short-term deposits**

Short-term deposits are made for varying periods of between one day and seven months and are lodged with various financial institutions at their respective short-term deposit rates.

(d) **Interest Rate Risk**

Interest rates for bank accounts have ranged from **0.01% to 5.00%** during 2010-11 (0.01% to 5.00% during 2009-10).

**13. Credit Risk Exposure**

The Foundation has no significant exposures to any concentrations of credit risk.

**14. Contingent Obligations**

The Foundation has no contingent liabilities as at 30 June 2011.

**15. Remuneration of Auditors**

	2011	2010
	\$	\$
The amount paid for audit services provided by Accru Harris Orchard (in relation to audit of 2009-10 accounts)	<b>1 350</b>	1 430

The Foundation's 2010-11 financial statement audit will be undertaken and paid for during 2011-12.

The auditors provided no other services.