

# Country Fire Service Foundation Incorporated Financial Statements



1 July 2011 to  
30 June 2012

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# Certification of Financial Statements

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## Country Fire Service Foundation Incorporated For the year ended 30 June 2012

The board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements.

We certify that:

1. the financial statements and notes, as set out herein present fairly the associations's financial position as at 30 June 2012 and its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
2. 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
3. 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.

Vince Monterola AM  
Chairman, CFS Foundation

Greg Nettleton  
Public Officer CFS Foundation

Dated: 25/02/13

# Income Statement

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## Country Fire Service Foundation Incorporated For the 12 months ended 30 June 2012

	Jun-12	Jun-11
<b>Income</b>		
Electranet Sponsorship	100,000	100,000
General Donations	5,975	-
Major Donations	392,450	76,314
<b>Total Income</b>	<b>498,426</b>	<b>176,314</b>
<b>Gross Income</b>	<b>498,426</b>	<b>176,314</b>
<b>Other Income</b>		
Interest Income	23,503	12,910
Other Income	36,524	-
<b>Total Other Income</b>	<b>60,027</b>	<b>12,910</b>
<b>Total Operating Income</b>	<b>558,452</b>	<b>189,224</b>
<b>Expenses</b>		
Donations Paid	12,000	2,000
Other Expenses	499	541
Supplies and Services	174,318	146,611
<b>Total Expenses</b>	<b>186,817</b>	<b>149,152</b>
<b>Profit/(Loss) before Taxation</b>	<b>371,635</b>	<b>40,072</b>
<b>Net Profit/(Loss) for the Year</b>	<b>371,635</b>	<b>40,072</b>

# Statement of Financial Position

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## Country Fire Service Foundation Incorporated As at 30 June 2012

	30 Jun 2012	30 Jun 2011
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Bank Balances	782,722	408,755
Trade and other receivables	1,555	2,950
<b>Total Current Assets</b>	<b>784,277</b>	<b>411,705</b>
<b>Total Assets</b>	<b>784,277</b>	<b>411,705</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Provisions	12,552	-
Taxation	1,207	-
Trade and other Payables	4,431	17,253
<b>Total Current Liabilities</b>	<b>18,189</b>	<b>17,253</b>
<b>Total Liabilities</b>	<b>18,189</b>	<b>17,253</b>
<b>Net Assets</b>	<b>766,087</b>	<b>394,452</b>
<b>Equity</b>		
Retained Earnings	766,087	394,452
<b>Total Equity</b>	<b>766,087</b>	<b>394,452</b>

# Movements in Equity

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## Country Fire Service Foundation Incorporated As at 30 June 2012

	30 Jun 2012	30 Jun 2011
<b>Equity</b>		
Opening Balance	394,452	354,380
Current Year Earnings	371,635	40,072
<b>Total Equity</b>	<b>766,087</b>	<b>394,452</b>

# Statement of Cash Flows

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## Country Fire Service Foundation Incorporated From 1 July 2011 to 30 June 2012

	Jun 2012	Jun 2011
<b>Cash flows from Operating Activities</b>		
Receipts from grants	245,354	176,314
Receipts from donors	258,033	-
Interest received	23,503	12,910
Finance costs	(499)	(541)
Cash receipts from other operating activities	31,562	-
Cash payments from other operating activities	(200,784)	(132,884)
<b>Total Cash flows from Operating Activities</b>	<b>357,169</b>	<b>55,799</b>
<b>Cash flows from Investing Activities</b>		
Proceeds from sale of property, plant and equipment	-	-
Payment for property, plant and equipment	-	-
<b>Total Cash flows from Investing Activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from Financing Activities</b>		
<b>Total Cash flows from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from Other Activities</b>		
Cash flows from other activities	16,798	2,426
<b>Total Cash flows from Other Activities</b>	<b>16,798</b>	<b>2,426</b>
<b>Net increase/(decrease) in cash held</b>	<b>373,967</b>	<b>58,225</b>
Opening cash balance	408,755	350,530
Closing cash balance	782,722	408,755
<b>Movement in cash</b>	<b>373,967</b>	<b>58,225</b>

# Notes to the Financial Statements

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## Country Fire Service Foundation Incorporated For the year ended 30 June 2012

### 1. Objectives and Funding

#### 1.(a) Objectives

The Country Fire Service Foundation (the Foundation) was incorporated on 22 November 2001 under the Association 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.

#### 1.(b) Funding

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

### 2. Statement of Significant Accounting Policies

#### 2.(a) Statement of Compliance

The board has prepared the financial statements on the basis that the association is a non-reporting entity because there are no users dependent on general purpose financial reports. This financial report is therefore a special purpose financial report that has been prepared in order to meet the needs of members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

#### 2.(b) Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement 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 2012 and the comparative information presented for the year ended 30 June 2011.

#### 2.(c) Reporting Entity

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



# Notes to the Financial Statements

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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 has not been consolidated within the 2011-12 financial statements of the South Australian Country Fire Service.

## 2.(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.

## 2.(e) Rounding

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

## 2.(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 in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component for 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, the commitments and contingencies are disclosed on a gross basis.

## 2.(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.

No disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to condition which arose after 30 June and which may have a material impact on the results of subsequent years.

## 2.(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.

## 2.(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.

# Notes to the Financial Statements

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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.

## 2.(j) 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 Foundation has separately disclosed the amount expected to be recovered after more than twelve months.

## 2.(k) 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.

## 2.(l) 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 Foundation has separately disclosed the amounts expected to be settled after more than twelve months.

## 2.(m) 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 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.

## 2.(n) 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.

## 2.(o) 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 is minimal.

# Notes to the Financial Statements

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## 3. Notes to the Cash Flow Statement

### 3.(a) 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:

	30-Jun-12	30-Jun-11
ATF CFS Foundation (T.D.G.)	-	9,383
CFSF Tax Deductible Gift Fund	103,437	12,362
CFS Foundation	603,096	314,176
CFSF General Operating Account	76,189	69,210
CFS General Operating Account	-	3,624
<b>Total</b>	<b>782,722</b>	<b>408,755</b>

### 3.(b) Reconciliation of Net Cost of Services to Net Cash provided by Operating Activities

## 4. Donations Received

	30-Jun-12	30-Jun-11
Donations - Solar Depot	94,474	46,253
SA Government	50,000	-
Donation - Anonymous	247,976	30,061
<b>Total</b>	<b>392,450</b>	<b>76,314</b>

### 4.(a) Sponsorship Received

	30-Jun-12	30-Jun-11
ElectraNet Sponsorship	100,000	100,000
<b>Total</b>	<b>100,000</b>	<b>100,000</b>

ElectraNet is sponsoring the Foundation's fellowship program for CFS volunteers and the provision of defibrillators.

## 5. Interest Received

	30-Jun-12	30-Jun-11
Interest Income	23,503	12,910
<b>Total</b>	<b>23,503</b>	<b>12,910</b>

## 6. Donations Paid

	30-Jun-12	30-Jun-11
Donations in Support of Injured Firefighters	12,000	2,000
<b>Total</b>	<b>12,000</b>	<b>2,000</b>

# Notes to the Financial Statements

## 7. Supplies and Services

	30-Jun-12	30-Jun-11
Audit Fees	1,480	1,350
Bookkeeper	3,236	-
Contractors	36,240	38,851
IT Systems	13,405	29,403
Legal Fees	13,419	1,854
Marketing	12,352	35,180
Printing/Stationery	5,565	11,938
All Other Expenses	32,453	18,634
Electranet Tied Expenses	56,167	9,402
<b>Total</b>	<b>174,318</b>	<b>146,612</b>

1. *IT Fees: Due to a reduction in website development expenditure.*
2. *Legal Fees: Contracted a law firm to amend changes to the CFS Foundation constitution to allow the Foundation to distribute funds directly to CFS volunteers rather than through brigades.*

## 8. Receivables

	30-Jun-12	30-Jun-11
<b>Current</b>		
Accounts Receivable	1,555	2,950
<b>Total Current</b>	<b>1,555</b>	<b>2,950</b>
<b>Total Receivables</b>	<b>1,555</b>	<b>2,950</b>

## 9. Payables

	30-Jun-12	30-Jun-11
<b>Current</b>		
Accounts Payable	1,386	17,253
CFSF Corporate Visa Card	3,044	-
<b>Total Current</b>	<b>4,431</b>	<b>17,253</b>
<b>Total Payables</b>	<b>4,431</b>	<b>17,253</b>

## 10. Assets and Liabilities

(i) Assets and Liabilities of Country Fire Service Foundation (Tax Deductible Gift Fund) for which the Country Fire Service Foundation is Trustee

	30-Jun-12	30-Jun-11
<b>Assets</b>		
Cash and Bank Balances	706,533	335,921
<b>Total Assets</b>	<b>706,533</b>	<b>335,921</b>
<b>Liabilities</b>		
Creditors	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>

# Notes to the Financial Statements

<b>Total</b>	<b>706,533</b>	<b>335,921</b>
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## (ii) Assets and Liabilities of Country Fire Service Foundation excluding those for which the Country Fire Service is Trustee

	<b>30-Jun-12</b>	<b>30-Jun-11</b>
<b>Assets</b>		
Cash and Bank Balances	76,189	408,755
Trade and other receivables	1,555	2,950
<b>Total Assets</b>	<b>77,744</b>	<b>411,705</b>
<b>Liabilities</b>		
Provisions	12,552	-
Taxation	1,207	-
Trade and other Payables	4,431	17,253
<b>Total Liabilities</b>	<b>18,190</b>	<b>17,253</b>
<b>Total</b>	<b>59,554</b>	<b>394,452</b>

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

	<b>30-Jun-12</b>	<b>30-Jun-11</b>
Total Net Assets (Tax Deductible Gift Fund)	706,533	335,921
Total Net Assets (General Operations)	59,554	58,532
<b>Total</b>	<b>766,087</b>	<b>394,453</b>

## 11. Equity

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

	<b>30-Jun-12</b>	<b>30-Jun-11</b>
Retained Earnings	394,452	354,380
Net Operating Surplus from Ordinary Services	371,635	40,072
<b>Total</b>	<b>766,087</b>	<b>394,452</b>

## 12. Analysis of Cash and Cash equivalents

	<b>30-Jun-12</b>	<b>30-Jun-11</b>
ATF CFS Foundation (T.D.G.)	-	9,383
CFSF Tax Deductible Gift Fund	103,437	12,362
CFS Foundation	603,096	314,176
CFSF General Operating Account	76,189	69,210
CFS General Operating Account	-	3,624
<b>Total</b>	<b>782,722</b>	<b>408,755</b>

### 12.(a) 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.

# Notes to the Financial Statements

## 12.(b) Interest Rate Risk

Interest rates for bank accounts have ranged from 0.01% to 5.00% during 2011-12 and 2010-11.

## 13. Credit Risk Exposure

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

## 14. Contingent Obligations

The CFS Foundation has a number of obligations that it is yet to fulfill in relation to sponsorship funding received from ElectraNet during 2011-12 and recognised as income in that year. These obligations include the intention to use those funds to purchase equipment that will enhance the firefighting capacity of CFS volunteers (including having a safety focus) during the next financial year and the provision of two Fellowships, which have been advertised after the end of the financial year, but as of the date of these financial statements, have not been assessed or spent by the applicants.

These obligations are expected to be fulfilled within the next 12 months as is required by the agreement with ElectraNet. Their cost cannot be reliably determined as at the date of these financial statements.

Details	Amount
2011 ElectraNet Funding	100,000.00
2011 Appliance Safety Retrofit	(9,402.00)
2012 Advertiser Newspapers - Advert	(1156.68)
2012 Chris Crago Communications - Press ad concept design copy	(360.00)
2012 ElectraNet Funding	50,000.00
2012 Defibrillators	(53,700.00)
2012 Fellowship: Brian Wiese	(3,700.00)
2012 Fellowship: PB Richards	(3,700.00)
2012 The Rolling Pin - Delivery & Pickup	(27.00)
2012 The Rolling Pin - 1 Staff for 3.75 hrs	(127.50)
2012 The Rolling Pin - Tues 29/05 Buffet Lunch 16 attendees	(496.00)
2012 Pure Design - Sticker	(300.00)
2012 ElectraNet Funding	50,000.00
<b>Total</b>	<b>126,930.82</b>

## 15. Provision for Fraud

The CFS Foundation website has been targeted by an international hacker endeavoring to 'clean credit card numbers'. The CFS Foundation has updated its system with three levels of security however the issue continues. Communication with Westpac continues on this issue with every IP address being blocked by the CFS Foundation as soon as a credit card is 'identified' within the system. Total payables are \$6,042. The fraud amount is \$12,552.

	30-Jun-12	30-Jun-11
Fraud Credit Account	15,677	-
Fraud Debit Account	(3,125)	-
<b>Total</b>	<b>12,552</b>	<b>-</b>

# Notes to the Financial Statements

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## 16. Remuneration of Auditors

The amount paid for audit services provided by Accru Harris Orchard (in relation to audit of 2010-11 accounts)

	<b>30-Jun-12</b>	<b>30-Jun-11</b>
Audit Fees	1,480	1,350

The Foundation's 2011-12 financial statement audit will be undertaken and paid for during 2012-13.

The auditors provided no other services