

## CEO Report

This past year has been marked by an expansion of services, a review of Board activities culminating in a further five year Strategic Plan and administrative changes in a number of areas.

We commenced warm water exercise sessions in a third venue in Belconnen at the Simply Wellness Centre earlier in the year; our Dept. of Veterans Affairs second project is coming to a close; and an expansion of our initiative to meet regularly with staff and key volunteers from Arthritis NSW continues to be a fruitful venture as we work together on a number of different activities including pharmacist updates, Arthritis Week activities, and self management. We contributed to a number of National initiatives and represented Arthritis Australia in a number of forums. We received a small seeding grant to explore workplace education programs and are hopeful that this project will be the forerunner of an expanded delivery of programs into ACT workplaces in the coming year. We also completed a mentoring project bringing together the experience of our senior members with those who were younger – out of this initiative emerged our reconstructed Community Talks program.

We had a number of staff changes through the year. Our Educator, Lisa Parolin finished work in November. Lisa had worked with us for almost 5 years and during that time developed the scope and quality of our programs in many different ways. Her contribution to the Foundation during that time was invaluable. Maureen Britt and Anna Earnshaw had shared the part time administration role with the Foundation for 15 years. Their corporate knowledge was invaluable to me when I came to the organisation. That knowledge has not been lost however, as they have both returned to the Foundation as valued office volunteers. Jian Li, who worked 1 day a week for us as bookkeeper for the past two years, left to take up a full time position elsewhere. We wish her well in her new role.

We were delighted to welcome Wen Liu to the combined role of administrator/bookkeeper in February and had pleasure in renewing Monte Scharbow's contract with us as our Educator, replacing Lisa. Monte had been working for us previously as the DVA project co-ordinator.

Arthritis Australia, along with the state affiliates developed a *Joint Action Plan* to establish priority areas for national effort and resources in 2006-07. This Action Plan ties in with the Federal Government's *National Action Plan for Arthritis and Musculoskeletal Diseases*.

Our Board has worked during the year to review its activities and worked with an outside consultant, Wendy Whitem Tranz, to develop a further five year Strategic Plan for the Foundation. The Board took into consideration the National Action Plan when formulating their own strategies for the Foundation in seven key result areas:

- Information services;
- Self management and support
- Education and training
- Community awareness
- Research
- Fundraising and marketing and

- Management and administrative structures.

We welcomed new members to the Board, including a new President, Mr Bill Wood who, in his speech to the AGM congratulated outgoing President Helen Cody for guiding the organisation so well for so many years.

Our volunteers are the mainstay of our organization, and are mentioned in more detail elsewhere in the Report, however I want to say how grateful I am for what they do to maintain our services to the ACT community in such a variety of ways. We could not offer the services we do without their input.

Our Administration Volunteers provide their expertise each week/month keeping the organisation functioning. These include **Pam Armour, Maureen Britt, Anna Earnshaw, Julie Cochran, Bev Hammond, Muriel Madden, Wendy Milne, Agnes Mesple, Jenny Parmeshwar and Shirley Syme.** Jenifer North has ably formatted and edited our quarterly Newsletter for the past year.

Tertiary students researching different topics with us are also a source of expertise. This year we were extremely fortunate to have **Rowena Waterford**, a final year student in the Community Education course at UC, who provided us with help in setting up support services for our young people. We also welcomed the input of **Nazihah Niazi**, a psychology masters student researching osteoarthritis issues in the over 50's.

My special thanks go to the organisations and individuals in the community who also support us in the work we are doing.

**Rehan Walsh** of Sabre Computers has maintained our computer system for a number of years, giving untold hours of extremely valuable voluntary service, outside his charged hours to keep us 'on air'. **Keith Dalglish** has also assisted on a number of occasions. We are extremely grateful for their support of the Foundation in this way. We are very pleased that **The Australian Pharmacy Group** has agreed to be involved with the Foundation and support us on an on-going basis. Negotiations will continue in the next financial as to how best they can do that. At present they are funding a new general pamphlet for the Foundation.

The **Victoria Shakespeare Trust** contributed \$5,000 towards our programs; **The Rotary Club of Canberra Burley Griffin** has continued its support for us with two donations totalling \$3,000; **St. Clare's College** raised \$2,763; the **Canberra Southern Cross Club** again supported us with their donation of \$2,000; and the **Lions Club of Canberra, Woden** with two donations totalling \$1,000. Individuals contributing over \$300 to the Foundation included **Ms. Yvonne Bullen, Mrs Julie Cochran, Ms Renee Heaton, and A/Prof. Linda Reaby, AM.**

The Fundraising Committee, comprising **Helen Cody (chair), Elizabeth Anstee, Hans Brunner, Jan Chesworth, Eunice Hewat, Ann Howarth, Muriel Madden and John Martin** met on a monthly basis during the year to plan a variety of events. These included two Fyshwick Market Stalls, two Card Days, a Wine and Cheese evening, the annual Concert held at the Austrian Club, and the sale of Christmas Cards. They also contributed a great deal to the success of the Christmas raffle. A

tremendous effort for volunteers drawn from our membership, who volunteer for the Foundation in so many other ways as well.

At the same time staff organised a Bulb Drive, sold chocolates, the Entertainment Book and assisted with the co-ordination of many of the fundraising events held during the year.

These events contributed well over \$17,600 to the Foundation to assist our education and support programs. What a great result.

Finally I would like to thank the Board, and Bill Wood in particular for his wise counsel throughout the year. It has been a great pleasure working in such a supportive environment with so many inspirational people.

Elizabeth Scrivener,  
Chief Executive Officer.

## **Support Services Report for 2006-07**

Our regular support groups have continued to grow in membership through the year with a change of venue to the Hellenic Club for both the Rheumatoid and Sjogrens Group, which is led by Helen Cody and Jo Stewart, and the Arthritis Support Group, led by Elizabeth Scrivener. This change of venue has been a great success, with members able to access the Club far easier than our offices in Holder – the delicious cakes and good coffee also make a difference.

A new initiative of these two groups is to combine 2-3 times each year to hear an outside speaker. This year we have had guest speakers on Chinese Medicine, Podiatry and Therapeutic Massage.

Our Young Adults Group is flourishing, with up to 12 members meeting regularly for a meal, support and activities. Some venues visited through the year included the National Zoo and Aquarium, Putt Putt Golf, the Movies, Floriade, Ten Pin Bowling, and Christmas Lunch at the Cotter.

The Osteoporosis Interest Group ceased to operate in its support group format this year, preferring to organise regular seminars open to the general public. An Osteoporosis and Vitamin D seminar was held at ANU early in the year, which you can read about in the Education Report. I am indebted to Katrina Muir for leading this Group and for organising the University House seminars.

A Youth Support program has been developed and attempts made to contact families of young people with a diagnosis of Juvenile Arthritis. We were grateful for a donation from the Ulysses Motorbike Club, and a small grant from Arthritis Australia that helped to develop a database of families and will hopefully enable us to establish some form of on going support. The Arthritis Australia manual for teachers on JIA was distributed and discussions were held with Dr. Kathie Tymms, the Physiotherapy Department at Canberra Hospital, and other health professionals concerning this project. The Foundation is hopeful that with some more funding, this project will be established.

## **Treasurer's Report September 2007**

Major items of income are grants and sponsorships \$175 000, Fundraising \$22 000, Subscriptions, Fees and Gifts \$28 000. At the end of the year there was a small surplus of \$11,081. During the financial year 2006-07 Arthritis ACT operated on a budget of approximately \$230 000.

The monies enabled the organisation to provide a range of services to the ACT and region community relating to arthritis and osteoporosis through:

- information services,
- education and training opportunities for health professionals and peer educators
- a range of self-management and support services designed to improve the health and quality of life for people affected by these conditions,
- community awareness through health promotion programs,
- encouraging and contributing to research, and
- promoting the role of Arthritis ACT to the community.

As part of this, the organisation provided its regular educational programs and ran several successful seminars during the year. The opening of the Belconnen Pool enabled the organisation to increase warm water exercises sessions with attendance numbers growing considerably during the year.

To ensure an effective management and administrative structure that supports the goals of Arthritis ACT, the organisation believes it should, wherever possible, channel assistance from office and administrative support to project related tasks. This year, the remaining Management and Human Resources Plan from 2005-06 was implemented and the ageing computer system completely replaced. The new equipment and technical upgrade is expected to make significant improvements to the organisation's management and administrative productivity and efficiency.

As in previous years, the organisation could not have achieved its goals without the significant financial assistance that comes from gifts and fund raising contributions that help ensure the organisation's continued existence.

Importantly, from a financial perspective, there is an enormous contribution made by the personnel and volunteers whose efforts are not reflected in the financial statements. Without their generous giving of time, achievement of the goals described above would not have been possible. We wish to acknowledge the significant benefit to Arthritis ACT of these unpaid efforts.

All said, the financial future of the organisation is stable and we look forward to growing the organisation's delivery of programs and services in 2007-08.

Elizabeth Maher

**Treasurer.**

**ARTHRITIS FOUNDATION  
OF THE ACT  
INCORPORATED**

ABN 25 538 506 729

*Financial Statements  
For The Year Ended 30<sup>th</sup> June, 2007*

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**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
ARTHRITIS FOUNDATION OF THE ACT INCORPORATED  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2007**

**Scope.**

I have audited the attached financial statements of Arthritis Foundation of The ACT Incorporated (The Association) for the year ended 30th June 2007. The Committee is responsible for the preparation and presentation of the financial statements and the information they contain. I have conducted an independent audit of these financial statements in order to express an opinion on them to the members of the Association.

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

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

**Audit Opinion.**

In my opinion,

- (a) the financial statements of the Association are properly drawn up:
  - (i) So as to give a true and fair view of matters required by subsection 72(2) of the Associations Incorporation Act 1991 to be dealt with in the financial statements
  - (ii) in accordance with the provisions of the Associations Incorporation Act 1991; and
  - (iii) in accordance with proper accounting standards, being Applicable Accounting Standards;
- (b) I have obtained all the information and explanations required;
- (c) Proper accounting records have been kept by the Association as required by the Act; and
- (d) The audit was conducted in accordance with the rules of the Association.

.....  
**Kim Hanna FCA**  
**Registered Company Auditor**  
  
**Date.....**

**ARTHRITIS FOUNDATION ACT INCORPORATED**

*A.B.N. 25 538 506 729*

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2007**

The Committee presents this report on the association for the financial year ended 30th June 2007

**COMMITTEE MEMBERS**

The following persons were members of the Committee as at balance date:

Bill Wood	President	Helen Cody	Committee Member
Julie Cochran	Vice President	Ivor Stewart	Committee Member
Elizabeth Maher	Treasurer	Kristine Riethmiller	Committee Member
Norman Braidwood	Secretary	David Long	Committee Member
Anna Hacket	Committee Member		

**NET PROFIT/(LOSS)**

The surplus of the association for the financial year was \$ 1,081

**PRINCIPAL ACTIVITIES**

The principal activities of the association during the course of the year were

- To provide support services to people with arthritis

There have been no significant changes in the nature of these activities during the year

**AFTER BALANCE DATE EVENTS**

No known matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the association's operations, the results of those operations or the state of affairs of the association in subsequent financial years

**ACTIONS**

No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of these proceedings.

The association was not a party to any such proceedings during the year.

Dated this.....day of .....2007

\_\_\_\_\_  
Committee Member

\_\_\_\_\_  
Committee Member

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

# ARTHRITIS FOUNDATION OF THE ACT INCORPORATED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

### NOTE 1 : Statement of Significant Accounting Policies

The financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards and Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act 1991.

The financial report covers Arthritis Foundation ACT Incorporated as an individual entity. The Association as an association incorporated in the ACT under Association Incorporation Act 1991.

The financial report of the Association complies with appropriate Australian equivalents to International Financial Reporting Standards (AIFRS).

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

#### **Basis of Preparation**

##### *Reporting Basis and Conventions*

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

#### **Accounting Policies**

##### **a. Income tax**

No provision has been made for income tax as the Association is exempt from taxation under Section 50-5 of the Income Tax Assessment Act 1997.

##### **b. Property, Plant and Equipment**

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

Where an asset is acquired at no cost, the cost is its fair value as at the date of acquisition

The carrying amount of the assets is reviewed annually by 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 assets employment and subsequent disposal. The expected net cash flows is discounted to their present values in determining recoverable amounts.

#### **Depreciation**

The depreciable amount of all fixed assets is depreciated on a prime cost basis over its useful lives to the Association commencing from the time the asset is held ready for use.

The depreciating rates used for each class are:

Class of Fixed Asset	Rates
Computers	50%
Furniture	10-40%

# ARTHRITIS FOUNDATION OF THE ACT INCORPORATED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

### c. Financial Instruments

#### Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist

#### Financial assets at fair value through profit and loss

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

#### Available-for-sale financial assets

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

#### Financial liabilities

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

#### Loans and receivables

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

#### Held-to-maturity investments

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

#### Impairment of Assets

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

### d. Impairment of Assets.

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

# ARTHRITIS FOUNDATION OF THE ACT INCORPORATED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

### e. Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, 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.

### f. Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

### g. Cash and Cash Equivalents

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

### h. Revenue

#### *Sales of goods and services*

Revenue is recognised upon the delivery of goods and services to customers.

#### *Government Grants*

Government grants are recognised as income on a systematic and rational basis over the periods necessary to match them with the related costs.

#### *Donations*

Donations revenues are recognised when they are received.

#### *Interest revenue*

Interest is recognised on an accrual basis.

### i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 inclusive of GST.