

**MULTIPLE SCLEROSIS SOCIETY OF
WESTERN AUSTRALIA (Inc.)**

**FINANCIAL STATEMENTS
For the year ended 30 June 2015**

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General information

The financial statements cover Multiple Sclerosis Society of Western Australia (Inc.) as an individual entity. The financial statements are presented in Australian dollars, which is Multiple Sclerosis Society of Western Australia (Inc.)'s functional and presentation currency.

The financial statements were authorised for issue on 23 September 2015.

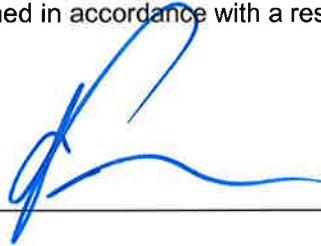
MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)

STATEMENT BY THE BOARD OF DIRECTORS

In the opinion of the Board of Directors of the Multiple Sclerosis Society of Western Australia (Inc):

- (i) the financial statements as set out on pages 5 to 31 presents a true and fair view of the financial position of the Society as at 30 June 2015 and of its performance for the year ended on that date, in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board;
- (ii) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable;
- (iii) the Society is complying with the Charitable Collections Act 1946 and the Charitable Collections Regulations 1947;
- (iv) the Society is collecting monies and goods and dispersing those monies and goods in accordance with the Society's objectives.

Signed in accordance with a resolution of the Board of Directors by:



Director



Director

Dated this the 23rd day of September 2015

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (INC).

We have audited the accompanying financial report, being a special purpose financial report, of the Multiple Sclerosis Society of Western Australia (Inc.) ("the Society"), which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the board of directors.

Board of Director's Responsibility for the Financial Report

The Board of Directors are responsible for the preparation of the financial report, and have determined that the basis of preparation described in Note 1, is appropriate to meet the requirements of the Charitable Collections Act 1946 and is appropriate to meet the needs of the members. The Board of Directors responsibility also includes such internal control as the Board of Directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements 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 and fair presentation of the financial report 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 Board of Directors as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

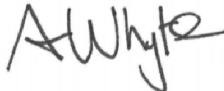
Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Multiple Sclerosis Society of Western Australia (Inc.) as of 30 June 2015 and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Multiple Sclerosis Society of Western Australia (Inc.) to meet the requirements of the Charitable Collections Act 1946. As a result, the financial report may not be suitable for another purpose

RSM BIRD CAMERON
RSM BIRD CAMERON



ALASDAIR WHYTE
Director

Perth, WA
Dated: 25 September 2015

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2015

By Function	2015			2014		
	Income \$	Expenses \$	Net Contribution \$	Income \$	Expenses \$	Net Contribution \$
Marketing & Fundraising						
Donations	199,041	(3,262)	195,779	152,190	(3,306)	148,884
Bequests	484,881	(135,324)	349,557	107,868	-	107,868
Mail Appeals	213,871	(105,375)	108,496	215,768	(139,158)	76,610
Special Events	792,046	(798,113)	(6,067)	844,403	(811,768)	32,635
Other Fundraising Events	68,370	(43,438)	24,932	84,161	(53,341)	30,820
Sundry	52,571	(6)	52,565	22	-	22
	<u>1,810,780</u>	<u>(1,085,518)</u>	<u>725,262</u>	<u>1,404,412</u>	<u>(1,007,573)</u>	<u>396,839</u>
		59.9%	40.1%		71.7%	28.3%
Raffles & Lotteries	<u>23,615,879</u>	<u>(10,163,815)</u>	<u>13,452,064</u>	<u>16,463,989</u>	<u>(8,905,684)</u>	<u>7,558,305</u>
		43.0%	57.0%		54.1%	45.9%
Business & Community Activities	<u>239,002</u>	<u>(68,210)</u>	<u>170,792</u>	<u>390,012</u>	<u>(150,077)</u>	<u>239,935</u>
		28.5%	71.5%		38.5%	61.5%
Fundraising Administration	140	(1,595,118)	(1,594,978)	26,429	(1,208,463)	(1,182,034)
Depreciation	-	(79,181)	(79,181)	-	(75,017)	(75,017)
	<u>140</u>	<u>(1,674,299)</u>	<u>(1,674,159)</u>	<u>26,429</u>	<u>(1,283,480)</u>	<u>(1,257,051)</u>
Total Marketing & Fundraising	<u>25,665,801</u>	<u>(12,991,842)</u>	<u>12,673,959</u>	<u>18,284,842</u>	<u>(11,346,814)</u>	<u>6,938,028</u>
		50.6%	49.4%		62.1%	37.9%
Services Provided						
DSC Funded						
Accommodation Support (ASF)	1,706,363	(1,742,824)	(36,461)	2,291,321	(2,211,086)	80,235
Fern River	1,487,358	(1,521,172)	(33,814)	1,462,173	(1,454,740)	7,433
Hamilton Hill	1,685,753	(1,905,889)	(220,136)	1,843,944	(1,715,911)	128,033
Treendale Accommodation	1,651,364	(1,499,101)	152,263	1,243,712	(1,232,126)	11,586
Comm. Support (IFS)	1,400,684	(1,261,079)	139,605	1,408,022	(1,213,813)	194,209
Respite	636,081	(818,783)	(182,702)	645,641	(796,624)	(150,983)
Associate Care	247,257	(2,899,901)	(2,652,644)	240,507	(2,178,328)	(1,937,821)
Flexible Respite	359,435	(289,333)	70,102	347,526	(349,132)	(1,606)
Recreation, Comm. Access & Ind. Living	527,943	(1,331,906)	(803,963)	514,560	(1,170,650)	(656,090)
NCCC Program	2,109,419	(2,045,027)	64,392	2,067,586	(1,732,955)	334,631
Alternatives to Emp. (ATE)	625,816	(461,393)	164,423	604,183	(561,584)	42,599
MYWAY	629,490	(537,439)	92,051	-	-	-
Depreciation & Other	290,835	(366,892)	(76,057)	437,829	(319,559)	118,270
	<u>13,357,798</u>	<u>(16,680,739)</u>	<u>(3,322,941)</u>	<u>13,107,004</u>	<u>(14,936,508)</u>	<u>(1,829,504)</u>

The accompanying notes form part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2015

		2015			2014		
Note	Income \$	Expenses \$	Net Contribution \$	Income \$	Expenses \$	Net Contribution \$	
Health Funded							
Nurses	329,030	(671,319)	(342,289)	253,636	(576,252)	(322,616)	
Physio & Massage	301,421	(959,372)	(657,951)	235,921	(812,126)	(576,205)	
Social Workers	157,280	(654,852)	(497,572)	121,423	(493,723)	(372,300)	
Occupational Therapy	185,056	(572,452)	(387,396)	148,861	(511,988)	(363,127)	
Country Trips	7,078	(7,640)	(562)	5,466	(13,113)	(7,647)	
	<u>979,865</u>	<u>(2,865,635)</u>	<u>(1,885,770)</u>	<u>765,307</u>	<u>(2,407,202)</u>	<u>(1,641,895)</u>	
Other Sources							
Bulletin	-	(22,614)	(22,614)	-	(15,840)	(15,840)	
Research	-	(1,500,000)	(1,500,000)	-	(1,250,000)	(1,250,000)	
National Subs	-	(107,083)	(107,083)	-	(98,160)	(98,160)	
Members Subs	30,819	-	30,819	30,554	-	30,554	
Treendale Respite	90,364	(632,009)	(541,645)	165,998	(604,238)	(438,240)	
Multiple Services	72,406	(147,153)	(74,747)	51,317	(99,476)	(48,159)	
Immunotherapy	7,021	(16,445)	(9,424)	13,084	(31,433)	(18,349)	
Camps & Retreats	41,360	(63,694)	(22,334)	36,080	(50,085)	(14,005)	
NDIS	142,938	(43,924)	99,014	-	-	-	
Sundry	64,553	138,359	202,912	287,792	(144,486)	143,306	
Depreciation	-	(260,285)	(260,285)	-	(193,813)	(193,813)	
	<u>449,461</u>	<u>(2,654,848)</u>	<u>(2,205,387)</u>	<u>584,825</u>	<u>(2,487,531)</u>	<u>(1,902,706)</u>	
Total Services Provided	<u>14,787,124</u>	<u>(22,201,222)</u>	<u>(7,414,098)</u>	<u>14,457,136</u>	<u>(19,831,241)</u>	<u>(5,374,105)</u>	
Total Mktg, F'Rsg & Serv.	<u>40,452,925</u>	<u>(35,193,064)</u>	<u>5,259,861</u>	<u>32,741,978</u>	<u>(31,178,055)</u>	<u>1,563,923</u>	
Corporate & Investments							
Admin & Centre	-	(1,127,398)	(1,127,398)	-	(1,003,953)	(1,003,953)	
Bank interest	191,960	-	191,960	106,768	-	106,768	
Investment Distributions	233,413	-	233,413	193,875	-	193,875	
Depreciation	-	(189,779)	(189,779)	-	(209,851)	(209,851)	
Gain on sale of available for sale assets	326,442	-	326,442	118,535	-	118,535	
Gain on sale of non-current assets	44,941	-	44,941	43,016	-	43,016	
Total Corp & Invest.	<u>796,756</u>	<u>(1,317,177)</u>	<u>(520,421)</u>	<u>462,194</u>	<u>(1,213,804)</u>	<u>(751,610)</u>	
Surplus for the year	4 41,249,681	(36,510,241)	4,739,440	33,204,172	(32,391,859)	812,313	
Income tax expense	3		-			-	
Surplus after income tax expense for the year attributable to members of the Society			<u>4,739,440</u>			<u>812,313</u>	
Other comprehensive income							
<i>Items that will be reclassified subsequently to profit or loss when specific conditions are met</i>							
Net change in fair value of available-for-sale financial assets			<u>(120,379)</u>			<u>533,156</u>	
Other comprehensive income for the year			<u>(120,379)</u>			<u>533,156</u>	
Total comprehensive income for the year attributable to members of the Society (Note 4)			<u>4,619,061</u>			<u>1,345,469</u>	

The accompanying notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	6	4,546,234	1,306,280
Trade and other receivables	7	594,307	655,806
Other current assets	8	5,932,416	4,492,815
Financial assets	9	3,178,480	3,507,955
TOTAL CURRENT ASSETS		<u>14,251,437</u>	<u>9,962,856</u>
NON CURRENT ASSETS			
Trade and other receivables	7	500,000	-
Financial assets	9	3,192,177	2,369,863
Property, plant and equipment	10	10,991,904	11,348,184
TOTAL NON CURRENT ASSETS		<u>14,684,081</u>	<u>13,718,047</u>
TOTAL ASSETS		<u>28,935,518</u>	<u>23,680,903</u>
CURRENT LIABILITIES			
Trade and other payables	11	4,217,173	3,978,319
Employee benefits	12	1,880,662	1,738,457
TOTAL CURRENT LIABILITIES		<u>6,097,835</u>	<u>5,716,776</u>
NON CURRENT LIABILITIES			
Employee benefits	12	460,691	324,555
TOTAL NON CURRENT LIABILITIES		<u>460,691</u>	<u>324,555</u>
TOTAL LIABILITIES		<u>6,558,526</u>	<u>6,041,331</u>
NET ASSETS		<u>22,376,992</u>	<u>17,639,572</u>
EQUITY			
Retained Earnings			
Unrestricted Funds		16,006,335	11,643,395
Fair Value Reserve		795,522	915,901
Capital Investment Funds		5,575,135	5,080,276
TOTAL EQUITY		<u>22,376,992</u>	<u>17,639,572</u>

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2015

	Fair Value Reserve	Capital Investment Funds	Total Restricted Funds	Total Unrestricted Funds	Total
	\$	\$	\$	\$	
Balance at 1 July 2013	382,745	5,013,592	5,396,337	10,897,766	16,294,103
Surplus after income tax expense for the year	-	-	-	812,313	812,313
Total other comprehensive income for the year	533,156	-	533,156	-	533,156
Subtotal	533,156	-	533,156	812,313	1,345,469
Transfer to Capital Investment Funds	-	66,684	66,684	(66,684)	-
Balance at 30 June 2014	915,901	5,080,276	5,996,177	11,643,395	17,639,572
Balance at 1 July 2014	915,901	5,080,276	5,996,177	11,643,395	17,639,572
Surplus after income tax expense for the year	-	-	-	4,739,440	4,739,440
Total other comprehensive income for the year	(120,379)	-	(120,379)	-	(120,379)
Subtotal	(120,379)	-	(120,379)	4,739,440	4,619,061
Transfer to Capital Investment Funds	-	494,859	494,859	(376,500)	118,359
Balance at 30 June 2015	795,522	5,575,135	6,370,657	16,006,335	22,376,992

The accompanying notes form part of these financial statements

STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2015

	Note	2015 \$	2014 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from fundraising, donations and other income		26,653,941	19,587,176
Grant receipts		13,424,198	12,774,452
Interest received		191,960	106,768
Dividends/distributions received		233,413	193,875
Payments to suppliers and employees		<u>(36,734,000)</u>	<u>(32,156,128)</u>
Net cash flows provided by operating activities	23(b)	<u>3,769,512</u>	<u>506,143</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		785,719	694,853
Payments for property, plant and equipment		(1,149,545)	(1,553,212)
Proceeds from sale of investments		3,964,268	1,907,283
Payments for investments		<u>(4,130,000)</u>	<u>(1,705,000)</u>
Net cash flows used in investing activities		<u>(529,558)</u>	<u>(656,076)</u>
Net increase/(decrease) in cash and cash equivalents held		3,239,954	(149,933)
Cash and cash equivalents at the beginning of the financial year		<u>1,306,280</u>	<u>1,456,213</u>
Cash and cash equivalents at the end of the financial year	23(a)	<u><u>4,546,234</u></u>	<u><u>1,306,280</u></u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The Society has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Society.

The financial statements are for the Multiple Sclerosis Society of Western Australia (Inc.) (the Society) as an individual entity. The Society is an association incorporated in Western Australia under the *Associations Incorporation Act 1987*.

The financial statements were authorised for issue on 23 September 2015 by the Board of Directors.

Basis of Preparation

In the officers' opinion, the Society is not a reporting entity because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the *Charitable Collections Act 1946*. Reports prepared under the *Charitable Collections Act* satisfy the financial statement lodgement requirements of the *Australian Charities and Not-for-profits Commission*.

The officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of the Society. The Society is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Accounting Policies

(a) Revenue

(i) Government grants

Government grants are derived from services and programs performed on behalf of the State, Commonwealth and Local governments, whereby the Society has an obligation to deliver such services and programs. These are reciprocal transactions and are initially recognised in the statement of financial position until the period in which the services are provided, having regard to the stage of completion of activities and targets within each program, as specified in the funding and service contracts. Any grants received for services which have not been performed are recorded as deferred income in the statement of financial position.

Funds or grants that compensate the Society for expenses incurred are recognised as revenue in the statement of comprehensive income on a systematic basis in the same periods in which the expenses are incurred.

Funds or grants that compensate the Society for the cost of an asset are recognised in the statement of comprehensive income as other income when the conditions attached to the funds received are substantially satisfied.

(ii) Non-government funds

Non-government funds and grant revenue is recognised in the statement of comprehensive income when it is controlled, unless any specific obligations attached to the funds have yet to be performed, when they are then recorded as deferred income in the statement of financial position until such conditions are met or services provided.

(iii) Donations, bequests and fundraising income

The Society's donations and fundraising incomes received apart from raffle income, by their nature, can only be recognised when they are recorded in the books of the Society. The Society maintains effective controls over its raffle income, prior to the recording of this revenue in its financial records. Bequests and legacies are brought to account on a cash basis or in the case of bequest and legacies other than cash, according to the value of the bequest or legacy when the ownership passes to the Society.

(iv) Finance income

Finance income comprises interest income on funds invested, dividend income, managed funds distributions and net gains on the disposal of available-for-sale financial assets. Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend income and distributions are recognised on the date that the Society's right to receive payment is established.

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(b) Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the cost basis.

Plant and Equipment

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of buildings and plant and equipment is depreciated on a straight line basis, whilst motor vehicles are depreciated using the reducing balance, so as to depreciate assets over their useful lives to the Society, commencing from the time an asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2-2.5 %
Plant and Equipment	13-27 %
Motor Vehicles	22.5 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. 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 and losses are included in the statement of comprehensive income.

Impairment

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

Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs. No impairment has been recognised for the year ended 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

(d) 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. Subsequent to initial recognition these instruments are measured as set out below.

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.

Available-for-sale financial assets

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

Subsequent to initial recognition, available-for-sale financial assets are measured at fair value and changes therein, other than impairment losses, are recognised as a separate component of equity under the fair value reserve. When an investment is derecognised, the cumulative gain or loss in equity is transferred to the statement of comprehensive income.

Held-to-maturity investments

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

Financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(d) Financial Instruments (cont)

Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Society's that share similar credit risk characteristics.

All impairment losses are recognised in the statement of comprehensive income. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets recognised at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in the statement of comprehensive income. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

No impairment has been recognised for the year ended 30 June 2015.

(e) Determination of fair values

A number of the Society's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Trade and other receivables

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

(ii) Financial assets

The fair value of available-for-sale financial assets and other instruments are determined by reference to their quoted bid price at the reporting date.

(f) Trade and other payables

These amounts represent liabilities for goods and services provided to the Society 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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(g) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and less bank overdrafts if any.

(i) 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.

(j) Donated Assets and Services

Land, plant and equipment and goods received as donations (other than items held for resale) are recognised in the accompanying financial statements at their estimated fair values at the date they are received.

A large number of volunteers have donated significant amounts of their time to the Society's programs, fundraising campaigns and management. The value of these donated services is not recognised in the accompanying financial statements as no objective basis is available to measure the value of such services.

(k) 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 expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(l) Comparative figures

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

(m) Voluntary Code of Practice

In 1997 the Society adopted the Voluntary Code of Practice for Public Fundraising.

(n) Provisions

Provisions are recognised when the Society 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.

(o) Fund accounting

On occasions the Society may receive resources restricted for particular purposes or set aside amounts for designated or special purposes. To facilitate observance of these limitations, the financial statements list separately those funds which are restricted or special purpose and those funds which are unrestricted.

Currently the Society maintains the following funds:

- Restricted funds which are:-

Those funds presently available for use, but expendable only for operating purposes specified by the donor. In addition, the Board of Directors may designate specific funds, where no purpose has been stated by the original donor, to this fund.

- Capital Investment funds which are:-

Funds designated by the Board of Directors, arising from the sale proceeds and interest earned on proceeds, from the former ownership of and investment in retirement villages. These funds are currently designated as funds for future investment as approved by the Board or for future capital expenditure by the Society at the discretion of the Board of Directors.

- Unrestricted funds which are:-

Those funds presently available for use by the Society at the discretion of the Board of Directors.

(p) 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 Society for the annual reporting period ended 30 June 2015.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Critical accounting estimates and judgements

The Board evaluates estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Society.

Key estimates — Impairment

The Society assesses impairment at each reporting date by evaluating conditions specific to the Society that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised for the year ended 30 June 2015.

3. INCOME TAX

The Society is exempt from income tax under the provisions of Section 50-5 of the *Income Tax Assessment Act 1997*.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

4. OPERATING REVENUE

	2015	2014
	\$	\$
Operating activities		
Marketing & fundraising income	1,810,780	1,404,412
Raffles & lotteries	23,615,879	16,463,989
Business & Community activities	239,002	390,012
Fundraising Administration	140	26,429
Disability Services Commission's funding	13,357,798	13,107,004
Retirement Villages		
Health Department funding	979,865	765,307
Other Member Services funding	449,461	584,825
Non-operating activities		
Profit on sale of investment	326,442	118,535
Profit on sale of non current assets	44,941	43,016
Investment dividends/distributions	233,413	193,875
Interest	191,960	106,768
	41,249,681	33,204,172

The Society conducts the Mega Home Lottery and car raffles in-house and maintains effective internal controls, prior to the recording of this revenue in its financial records.

5. SURPLUS FOR THE YEAR

The surplus for the year has been determined after:

Profit on sale of plant & equipment	44,941	43,016
Profit on sale of investments	326,442	118,535
Expense for auditors - audit fees	(21,000)	(18,000)
Expense for auditors - other services	(3,500)	(2,000)
Depreciation of property, plant & equipment	(761,982)	(700,490)
Gross Salaries and Wages expense	(17,844,375)	(15,889,319)

6. CASH AND CASH EQUIVALENTS

Unrestricted:

Cash on hand	9,900	9,300
Cash at bank	991,097	1,047,949
Cash on deposit at approved financial institutions (Note 6(a))	3,545,237	249,031
Total cash and cash equivalents	4,546,234	1,306,280

- (a) Cash on deposit at approved financial institutions of \$3,545,237 (2014: \$249,031) represents short term deposits and \$353,039 of this deposit is held as additional security for the bank guarantees referred to in notes 10 & 23(c).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

7. TRADE AND OTHER RECEIVABLES

	2015 \$	2014 \$
CURRENT		
Trade and other receivables	129,895	223,772
BAS receivable	464,412	432,034
	<u>594,307</u>	<u>655,806</u>
NON CURRENT		
Loan receivable	500,000	-
	<u>500,000</u>	-
	1,094,307	655,806
	<u>1,094,307</u>	<u>655,806</u>

The Society provided two loans of \$300,000 and \$200,000 respectively to the Multiple Sclerosis Society of SA & NT. The loans incur interest at 5% per annum, repayable 3 years after their advancement (Note 19 (d)).

Trade and other receivable balances are all current.

(a) Impaired trade receivables

As at 30 June 2015, no current trade receivables were considered impaired (2014: \$nil).

(b) Past due but not impaired trade receivables

There are no balances within trade receivables that contain assets that are past due but not impaired. It is expected that these balances will be received in due course.

(c) Fair value and credit risk

Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

8. OTHER CURRENT ASSETS

Prepayments	150,518	151,263
Asset held for sale	1,681,894	1,385,397
Other current assets	4,100,004	2,956,155
	<u>5,932,416</u>	<u>4,492,815</u>

Other current assets relate to monies paid for properties for Mega Home Lottery prizes. Amounts will be released to the statement of comprehensive income within 12 months from the reporting date if the lottery winner selects the Home as their prize. Alternatively, if the cash prize is selected, the home will be re-classified as held for sale.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

	2015 \$	2014 \$
9. FINANCIAL ASSETS		
CURRENT		
Available-for-sale financial assets:		
- units in un-listed unit trusts	-	2,000,000
Held-to-maturity investments:		
- Interest bearing deposits and cash held in the unit trust	3,178,480	1,507,955
	<u>3,178,480</u>	<u>3,507,955</u>
NON CURRENT		
Available-for-sale financial assets:		
- units in un-listed unit trusts	3,192,177	2,369,863
	<u>3,192,177</u>	<u>2,369,863</u>
	6,370,657	5,877,818
	<u>6,370,657</u>	<u>5,877,818</u>

The investments in unlisted managed unit trusts are professionally managed investment funds, whose underlying investments are listed equities on Australian and foreign securities exchanges.

Redemption values of the units in these trusts are published daily (Note 21(b)).

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets. These assets are restricted.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

10. PROPERTY, PLANT AND EQUIPMENT

	2015 \$	2014 \$
Land and buildings		
Land		
Cost or deemed cost	1,977,644	1,977,644
Buildings		
Cost or deemed cost	8,769,047	8,859,745
	10,746,691	10,837,389
Buildings		
Accumulated depreciation	(1,864,905)	(1,734,368)
	8,881,786	9,103,021
Leasehold Land / Improvements		
Cost	479,458	422,053
Accumulated depreciation	(151,970)	(84,905)
	327,488	337,148
Plant and equipment		
Cost	2,889,360	2,765,806
Accumulated depreciation	(2,103,408)	(1,834,003)
	785,952	931,802
Motor vehicles		
Cost	1,511,627	1,363,083
Accumulated depreciation	(514,949)	(386,870)
	996,678	976,213
Total property, plant and equipment	10,991,904	11,348,184

Movements in Carrying Amounts

Year to 30 June 2015	Land and Buildings \$	Leasehold Land / Improvements \$	Plant and Equipment \$	Motor Vehicles \$	Total \$
Balance at beginning of year	9,103,021	337,148	931,802	976,213	11,348,184
Additions	46,342	57,405	125,338	1,001,891	1,230,976
Disposals / Transfers	(81,430)	-	(1,223)	(739,555)	(822,208)
Depreciation expense	(186,147)	(67,065)	(269,965)	(241,871)	(765,048)
Carrying amount at end of year	8,881,786	327,488	785,952	996,678	10,991,904

Land and buildings at Norbury Crescent, City Beach (known as the Margaret Doody Respite House), were taken as security by the Society's banker for bank guarantees in favour of the Department of Racing and Gaming – being security for various raffle prizes. Bank guarantees outstanding at 30th June 2015 totalled \$2,283,200 (2014: \$1,583,200) (refer Notes 6 & 23(c)).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

	2015	2014
	\$	\$
11. TRADE AND OTHER PAYABLES		
Creditors and accruals	3,594,241	3,414,696
Creditor for refurbishment fund accounts	58,245	36,290
Deferred income	222,675	200,366
BAS payable	342,012	326,967
	<hr/>	<hr/>
	4,217,173	3,978,319
	<hr/>	<hr/>
12. EMPLOYEE BENEFITS		
CURRENT		
Opening balance	1,738,457	1,243,124
Amounts provided for	1,594,815	1,624,601
Amounts used	(1,452,609)	(1,129,269)
	<hr/>	<hr/>
	1,880,662	1,738,457
NON CURRENT		
Opening balance	324,555	254,929
Amounts provided for	136,136	69,627
	<hr/>	<hr/>
	460,691	324,555
Closing Balance	2,341,353	2,063,012
	<hr/>	<hr/>
13. TOTAL RESTRICTED FUNDS		
<i>Represented by:</i>		
Investments in unlisted unit trusts (Note 9)	6,370,657	5,877,818
	<hr/>	<hr/>
	6,370,657	5,877,818
	<hr/>	<hr/>
14. REMUNERATION OF AUDITORS		
During the financial year the following fees were paid or payable for services provided by RSM Bird Cameron, the auditor of the Society:		
<i>Audit services – RSM Bird Cameron</i>		
Audit of the financial statements	21,000	18,000
Audit of other services	3,500	2,000
	<hr/>	<hr/>
	24,500	20,000
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015**

15. LEASING COMMITMENTS

Operating lease commitments

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Not later than one year	307,202	270,338
Later than one year but not later than 5 years	673,163	812,490
	<hr/>	<hr/>
	980,365	1,082,828
	<hr/>	<hr/>

16. CAPITAL EXPENDITURE COMMITMENTS

Two contracts have been signed on 22nd November 2014 and 31st March 2015 with a building contractor, to build two Mega Home Lottery Grand Prize Houses. The contract value is \$1,636,364 and, at 30th June 2015, work completed amounts to \$643,500, leaving an outstanding capital commitment of \$992,864 at that date.

Apart from the above, there were no other capital expenditure commitments at 30 June 2015 (2014: \$1,217,045).

17. CONTINGENT LIABILITIES

In 1997 the Disability Services Commission (DSC), funded the acquisition by the Society of land at Fern Road, Wilson for the amount of \$221,771 and subsequently, an agreement was entered into with Homeswest to construct 6 units on the land, at an estimated cost to Homeswest of \$533,972. Both organisations have the right to place caveats on the property to secure their interests. Should the Society seek to dispose of the units, the DSC and Homeswest will both claim their respective share of the proceeds of sale (refer Note 10).

In 2009, the City of Cockburn donated land at 57 Redmond Road, Hamilton Hill, valued at \$565,000 and subsequently a joint venture agreement was entered into with the Department of Housing (DoH), to construct a complex containing 6 high support accommodation units on this land at a cost to DoH of \$729,665. Should the Society seek to dispose of the complex, the DoH will be entitled to their share of the proceeds of sale (refer Note 10).

In 2014 the Society entered in to 4 ½ year contract with the Disability Services Commission (DSC), to provide services to people with rapidly degenerating neurological diseases (NCCC Program). The DSC have funded \$550,000 of capital equipment which, at the end of the contract on 31st July 2017, will be required to be handed to the new contractor who may, or may not be, the Society. The written down value of these assets at 30th June 2015 was \$139,404.

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015**

18. EVENT SUBSEQUENT TO REPORTING DATE

There have been no events arising subsequent to the reporting date that require comment.

19. RELATED PARTY INFORMATION

(a) Members of the Board

The names of the members of the Board of Directors who serve in a voluntary capacity and are not remunerated, in office during any part of the year, were:

- Mr George Pampacos, President
- Mr Bill Hassell AM JP, Senior Vice President (Chair of Corporate Governance)
- Ms Ros Harman, Vice President (Chair of Membership Services)
- Mr Peter Wright, Treasurer
- Mr Greg Brindle, (Chair of Fundraising)
- Mr Horst Bemmerl (Chair of Audit and Risk Committee)
- Dr Greg Brotherson
- Mr Michael Linto
- Prof Bill Carroll, Medical Advisor
- Mr David Jones
- Dr Joanne Samer
- Mr Peter Bligh
- Mr Jason Jordon (elected Oct 2014)

(b) Transactions with the Society

During the 2015 financial year the Society received Interest Income of \$22,931 from the Multiple Sclerosis Society of SA & NT. Interest income relates to the Loans provided. Refer note 7 and 19(d).

During the year a management agreement was entered into between the Society and the Multiple Sclerosis Society of SA & NT whereby the Society will manage the administrative tasks of the Multiple Sclerosis Society of SA & NT.

(c) Receivable from related parties

An amount of \$500,000 was receivable from the Multiple Sclerosis Society of SA & NT at the reporting date.

(d) Loans to related parties

During the financial year The Society provided two loans of \$300,000 and \$200,000 respectively to the Multiple Sclerosis Society of SA & NT. The loans were provided as a source of financial assistance and incur interest at 5% per annum, repayable 3 years after their advancement.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

20. SEGMENT INFORMATION

The Society operates predominantly in one business and geographical segment, being in the support services to enhance the quality of life for people living with multiple sclerosis throughout Western Australia. To provide services, the Society receives grant funding from the Government of Western Australia through its Disability Services Commission and the Health Department, to provide the following services:

<i>Name of agency</i>	<i>Period of service agreement</i>	<i>Services to be provided</i>
Disability Services Commission	1 July 2010 to 30 June 2016	Accommodation support to individuals living in their own homes and accommodation services at High Support Accommodation facilities to individuals, with Multiple Sclerosis or similar neurological diseases.
	1 February 2013 to 31 July 2017	The coordination of care program to people with Neurodegenerative Condition.
Health Department of Western Australia	1 July 2014 to 30 June 2017	The provision of services to people with Multiple Sclerosis, their carers and families in the following areas: <ul style="list-style-type: none"> • Community Health Nursing; • Physiotherapy Service; • Social Work; and • Service to rural areas.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

21. FINANCIAL RISK MANAGEMENT

The main risks the Society is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk. The society does not hold financial instruments denominated in foreign currencies and does not use derivative instruments to manage risks associated with its financial instruments.

The Society's policies for managing each of these risks are summarised below.

(a) Interest rate risk

The Society is exposed to interest rate fluctuations on its cash at bank and cash on deposit. The Society actively monitors interest rates for cash at bank and cash on deposit to maximise interest. The company accepts the risk in relation to fixed interest securities as they are held to generate income on surplus funds.

The Society's exposure to interest rate risk, which is the risk that a financial instrument value will fluctuate as a result of changes in market interest rates and the effected weighted interest rates on these financial assets and financial liabilities, is as follows:

2015	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total
FINANCIAL ASSETS					
Cash and cash equivalents	2.46%	991,097	3,545,238	9,900	4,546,234
Trade and other receivables	2.28%	-	500,000	594,307	1,094,307
Total financial assets	1.93%	-	3,178,480	3,192,177	6,370,657
Other current assets	0.00%	-	-	5,932,416	5,932,416
TOTAL FINANCIAL ASSETS		991,097	7,223,718	9,728,800	17,943,614
FINANCIAL LIABILITIES					
Trade and other payables	--	-	-	(4,217,173)	(4,217,173)
TOTAL FINANCIAL LIABILITIES		-	-	(4,217,173)	(4,217,173)
NET FINANCIAL ASSETS		991,097	7,223,717	5,511,627	13,726,441
2014	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total
FINANCIAL ASSETS					
Cash and cash equivalents	1.45%	1,047,949	249,031	9,300	1,306,280
Trade and other receivables	0.00%	-	-	655,806	655,806
Total financial assets	2.54%	-	1,494,693	4,383,125	5,877,818
Other current assets	0.00%	-	-	4,492,815	4,492,815
TOTAL FINANCIAL ASSETS		1,047,949	1,743,724	9,541,046	12,332,719
FINANCIAL LIABILITIES					
Trade and other payables	--	-	-	(3,978,319)	(3,978,319)
TOTAL FINANCIAL LIABILITIES		-	-	(3,978,319)	(3,978,319)
NET FINANCIAL ASSETS		1,047,949	1,743,724	5,562,727	8,354,400

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

21. FINANCIAL RISK MANAGEMENT (Cont.)

Interest rate sensitivity

At 30 June 2015, if interest rates had changed by +/-1% during the entire year with all other variables held constant, surplus for the year and equity would have been \$77,247 lower/higher. (2014: \$28,010 lower/higher).

2015	Carrying Amount	+1% change Surplus Equity		-1% change Surplus Equity	
	\$	\$	\$	\$	\$
FINANCIAL ASSETS					
Cash and cash equivalents	4,546,234	45,462	(45,462)	(45,462)	45,462
Interest bearing deposits	3,178,480	31,785	(31,785)	(31,785)	31,785
Other current assets	-	-	(-)	(-)	-
		<u>77,247</u>	<u>(77,247)</u>	<u>(77,247)</u>	<u>77,247</u>

2014	Carrying Amount	+1% change Surplus Equity		-1% change Surplus Equity	
	\$	\$	\$	\$	\$
FINANCIAL ASSETS					
Cash and cash equivalents	1,306,280	13,063	(13,063)	(13,063)	13,063
Interest bearing deposits	1,494,693	14,947	(14,947)	(14,947)	14,947
		<u>28,010</u>	<u>(28,010)</u>	<u>(28,010)</u>	<u>28,010</u>

(b) Price risk

The Society is exposed to unlisted unit trust index fund price risk. This arises from investments held by the Society and classified on the statement of financial position as financial assets and correspondingly in the notes as available for sale financial assets. The Society is not exposed to commodity price risk.

To manage its price risk in these investments, the Society utilises the services of a professional firm of investment advisors. This organisation initially advised on a diversified portfolio based on the Board's limits, set for its investment funds. The investment advisors monitor and recommend their findings for any changes, additions or further diversification to the Society's Board for consideration and implementation.

A change in the market value of these investments by +/-5%, with all other variables held constant would have increased/(decreased) the Society's total equity as shown below.

Financial Assets	Carrying amount	+5% change equity	-5% change equity
	\$	\$	\$
Available-for-sale financial assets	(3,192,177)	(159,609)	159,609

(c) Liquidity risk

The Society manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

All trade and other payables are payable within one year.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

21. FINANCIAL RISK MANAGEMENT (Cont.)

(d) Credit risk

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, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Society is exposed to credit risk in respect of funds deposited with banks and other financial institutions. Funds are only deposited with those banks and financial institutions approved by the Board.

(e) Net Fair Values

The financial assets and liabilities in the statement of financial position are carried at amounts that approximate their net fair values.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

NOTE 22: FAIR VALUE MEASUREMENTS

The Society measures and recognises the following assets at fair value on a recurring basis after initial recognition

- available-for-sale financial assets; and

The Society does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a. **Fair Value Hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

NOTE 22: FAIR VALUE MEASUREMENTS (CONT.)

Valuation techniques

The Society selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Society are consistent with one or more of the following valuation approaches:

- *Market approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

		30 June 2015			
	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Recurring fair value measurements					
<i>Financial assets</i>					
Available-for-sale financial assets:					
–	Shares in un-listed unit trust	9	3,192,177	-	-
			<hr/>		<hr/>
	Total financial assets recognised at fair value		3,192,177	-	-
			<hr/>		<hr/>
			3,192,177	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2014

NOTE 22: FAIR VALUE MEASUREMENTS (CONT.)

		30 June 2014				
	Note	Level 1	Level 2	Level 3	Total	
		\$	\$	\$	\$	
Recurring fair value measurements						
<i>Financial assets</i>						
Available-for-sale financial assets:						
–	Shares in un-listed unit trust	9	4,369,863	-	-	4,369,863
Total financial assets recognised at fair value			<u>4,369,863</u>	<u>-</u>	<u>-</u>	<u>4,369,863</u>

c. Disclosed Fair Value Measurements

- Trade and other receivables
- Trade and other payables

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used:

Description	Note	Fair Value Hierarchy Level	Valuation Technique(s)	Inputs Used
<i>Assets</i>				
Trade and other receivables	7	3	Income approach using discounted cash flow methodology	Market interest rates for similar assets
<i>Liabilities</i>				
Trade and other payables	11	3	Income approach using discounted cash flow methodology	Market interest rates for similar liabilities

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2015

23. CASH FLOW INFORMATION

(a) Reconciliation of cash and cash equivalents

For the purposes of this Cash Flow Statement, cash and cash equivalents includes:-

- i) cash on hand, cash at banks and cash in at call deposits with banks or financial institutions, net of bank overdrafts; and
- ii) Investment in money market instruments maturing within less than 3 months.

Cash and cash equivalent at the end of the year is shown in the statement of financial position as:-

	2015	2014
	\$	\$
Cash on hand & at banks	1,000,997	1,057,249
Deposits at call	3,545,237	249,031
	<hr/>	<hr/>
	4,546,234	1,306,280
	<hr/>	<hr/>

(b) Reconciliation of net cash flows provided by operating activities to surplus from ordinary activities

Surplus from ordinary activities	4,739,440	812,313
Non cash flows		
Depreciation	765,047	700,490
(Gain) on sale of non-current assets	(44,941)	(43,016)
(Gain) on sale of investment	(326,442)	(118,535)
Net distributions from investments re-invested	(2,685)	(32,073)
Change in assets and liabilities:		
(Increase) in receivables	(438,501)	(15,725)
(Increase) in other assets	(1,439,601)	(1,028,136)
Increase/(Decrease) in creditors	238,854	(334,134)
Increase in provisions	278,341	564,959
	<hr/>	<hr/>
	3,769,512	506,143
	<hr/>	<hr/>

(c) Bank loan facilities

The Society had access to the following bank facilities at balance date:

Bank Guarantee Facility		
Used (100% of Facility used)	<hr/>	<hr/>
	2,283,200	1,583,200

24. SOCIETY'S DETAILS

The principal place of business of the Society is at:

The Multiple Sclerosis Society of Western Australia (Inc.)
 29 Parkhill Way,
 Wilson WA 6107