

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

**FINANCIAL STATEMENTS
For the year ended 30 June 2011**

C O N T E N T S

Statement by the Board of Directors

Independent Auditor's Report

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

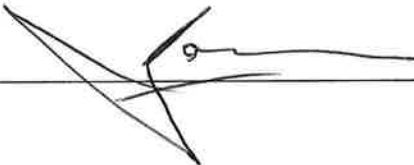
MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)

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 25 presents a true and fair view of the financial position of the Society as at 30 June 2011 and 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 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 28 day of September 2011

RSM Bird Cameron
8 St Georges Terrace Perth WA 6000
GPO Box R1253 Perth WA 6844
T +61 8 9261 9100 F +61 8 9261 9111
www.rsmi.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (INC).

We have audited the accompanying financial report of Multiple Sclerosis Society of Western Australia (Inc.) ("the society"), which comprises the statement of financial position as at 30 June 2011, 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 Directors' Responsibility for the Financial Report

The board of directors is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Associations Incorporation Act 1987 of Western Australia* and the requirements of the constitution and for such internal control as board of directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the board of directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements* that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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.

RSM Bird Cameron

Chartered Accountants

Independence

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

Opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Multiple Sclerosis Society of Western Australia (Inc.) as at 30 June 2011 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards the *Associations Incorporation Act 1987 of Western Australia*; and the requirements of the constitution.
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



RSM BIRD CAMERON
Chartered Accountants



S C CUBITT
Director

PERTH, WA

Dated:

30 September 2011

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2011

By Function	Note	2011			2010		
		Income \$	Expenses \$	Net Contribution \$	Income \$	Expenses \$	Net Contribution \$
Marketing & Fundraising							
Donations		206,070	(2,040)	204,030	191,471	(4,027)	187,444
Bequests		23,112		23,112	123,362	-	123,362
Mail Appeals		227,640	(65,013)	162,627	244,995	(79,214)	165,781
Mail Order		48,766	(37,899)	10,867	64,416	(37,397)	27,019
Video Lottery Terminals		71,933	(45,839)	26,094	55,581	(33,743)	21,838
Alliance/Partnerships		3,159	21	3,180	1,554	-	1,554
Corporate Projects & Sponsorships		155	-	155	26,841	-	26,841
Street Appeal		5,996	(3,682)	2,314	5,956	-	5,956
Stair Climb		143,699	(51,200)	92,499	128,488	(41,599)	86,889
Everywoman Expo		1,734	(2,927)	(1,193)	465	(3,193)	(2,728)
MS Bike Ride		160,375	(246,413)	(86,038)	-	-	-
Swim for MS		31,321	(25,205)	6,116	-	-	-
Gifted assets		729,665	-	729,665	701,000	-	701,000
Sundry		377,281	-	377,281	55	-	55
		<u>2,030,906</u>	<u>(480,197)</u>	<u>1,550,709</u>	<u>1,544,184</u>	<u>(199,173)</u>	<u>1,345,011</u>
			23.6%	76.4%		12.9%	87.1%
Raffles & Lotteries							
Car Raffles		1,511,482	(1,010,599)	500,883	1,302,303	(1,062,852)	239,451
MS Luxury Lottery		500,000	(340,411)	159,589	-	-	-
Mega Home Lottery		5,000,000	(3,179,061)	1,820,939	4,500,000	(3,140,078)	1,359,922
		<u>7,011,482</u>	<u>(4,530,071)</u>	<u>2,481,411</u>	<u>5,802,303</u>	<u>(4,202,930)</u>	<u>1,599,373</u>
			64.6%	35.4%		72.4%	27.6%
Community Activities							
Read-a-Thon		14,773	(824)	13,949	9,208	(2,527)	6,681
MS Dinner/Auction		41,033	(41,613)	(580)	62,804	(30,543)	32,261
Theatre Productions		485,998	(404,467)	81,531	660,908	(464,344)	196,564
Other Special Events		29,441	(203,179)	(173,738)	19,170	(84,303)	(65,133)
		<u>571,245</u>	<u>(650,083)</u>	<u>(78,838)</u>	<u>752,090</u>	<u>(581,717)</u>	<u>170,373</u>
			113.8%	-13.8%		77.3%	22.7%
Fundraising							
Administration		-	(484,364)	(484,364)	-	(529,928)	(529,928)
Total Marketing & Fundraising							
		<u>9,613,633</u>	<u>(6,144,715)</u>	<u>3,468,918</u>	<u>8,098,577</u>	<u>(5,513,748)</u>	<u>2,584,829</u>
			63.9%	36.1%		68.1%	31.9%
Services Provided							
DSC Funded							
Accommodation							
Support (ASF)		1,459,579	(1,360,251)	99,328	1,396,292	(1,396,081)	211
Fern River		1,136,594	(1,113,072)	23,522	1,099,609	(1,080,912)	18,697
Hamilton Hill		701,126	(672,292)	28,834			
Comm. Support (IFS)		701,368	(659,400)	41,968	528,484	(499,942)	28,542
Respite		475,161	(597,823)	(122,662)	541,705	(536,507)	5,198
Associate Care		179,735	(570,058)	(390,323)	179,007	(357,231)	(178,224)
Flexible Respite		258,455	(265,321)	(6,866)	263,138	(270,708)	(7,570)
Recreation, Comm.							
Access & Ind. Living		411,004	(660,775)	(249,771)	462,717	(542,648)	(79,931)
NCCC Program		1,454,397	(1,406,046)	48,351	1,361,403	(1,425,442)	(64,039)
NCCCP Set-Up		-	-	-	50,000	-	50,000
Alternatives to Employment (ATE)		339,302	(296,713)	42,589	206,908	(169,896)	37,012
Other		156,244	(44,831)	111,413	-	-	-
		<u>7,272,965</u>	<u>(7,646,582)</u>	<u>(373,617)</u>	<u>6,089,263</u>	<u>(6,279,367)</u>	<u>(190,104)</u>

The accompanying notes form part of these financial statements

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2011

		2011			2010		
Note	Income \$	Expenses \$	Net Contribution \$	Income \$	Expenses \$	Net Contribution \$	
Health Funded							
	281,278	(353,828)	(72,550)	187,625	(217,595)	(29,970)	
	222,188	(437,603)	(215,415)	200,568	(371,173)	(170,605)	
	89,225	(228,264)	(139,039)	104,336	(202,218)	(97,882)	
	36,075	(210,297)	(174,222)	69,684	(186,859)	(117,175)	
	4,400	(11,743)	(7,343)	4,400	(10,763)	(6,363)	
	<u>633,166</u>	<u>(1,241,735)</u>	<u>(608,569)</u>	<u>566,613</u>	<u>(988,608)</u>	<u>(421,995)</u>	
Other Sources							
	-	(41,965)	(41,965)	-	(20,856)	(20,856)	
	-	(500,000)	(500,000)	-	(300,000)	(300,000)	
	-	(60,000)	(60,000)	-	(60,000)	(60,000)	
	27,357	-	27,357	27,310	-	27,310	
	25,302	(58,128)	(32,826)	57,445	(55,184)	2,261	
	71,569	(78,005)	(6,436)	37,519	(97,732)	(60,213)	
	16,441	(39,764)	(23,323)	22,424	(21,831)	593	
	226,599	1,277	227,876	150,530	(3,503)	147,027	
	<u>367,268</u>	<u>(776,585)</u>	<u>(409,317)</u>	<u>295,228</u>	<u>(559,106)</u>	<u>(263,878)</u>	
Total Services Provided	<u>8,273,399</u>	<u>(9,664,902)</u>	<u>(1,391,503)</u>	<u>6,951,104</u>	<u>(7,827,081)</u>	<u>(875,977)</u>	
Total Mktg, F'Rsg & Serv.	<u>17,887,032</u>	<u>(15,809,617)</u>	<u>2,077,415</u>	<u>15,049,681</u>	<u>(13,340,829)</u>	<u>1,708,852</u>	
Corporate & Investments							
	60	(687,675)	(687,615)	75	(695,718)	(695,643)	
	349,808	-	349,808	323,799	-	323,799	
	145,151	-	145,151	49,148	-	49,148	
	-	(392,244)	(392,244)	-	(311,110)	(311,110)	
	82,713	-	82,713	337,429	-	337,429	
	8,568	-	8,568	-	(6,942)	(6,942)	
Total Corp & Invest.	<u>586,300</u>	<u>(1,079,919)</u>	<u>(493,619)</u>	<u>710,451</u>	<u>(1,013,770)</u>	<u>(303,319)</u>	
Surplus for the year	<u>4 18,473,332</u>	<u>(16,889,536)</u>	<u>1,583,796</u>	<u>15,760,132</u>	<u>(14,354,599)</u>	<u>1,405,533</u>	
Other comprehensive income:							
			176,581			(190,175)	
			176,581			(190,175)	
Total comprehensive income for the year attributable to members of the Society	<u>4</u>		<u>1,760,377</u>			<u>1,215,358</u>	

The accompanying notes form part of these financial statements

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
STATEMENT OF FINANCIAL POSITION
As at 30 June 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	5	6,392,002	4,962,961
Trade and other receivables	6	579,293	1,103,845
Other current assets	7	9,238	7,641
Available-for-sale financial assets	8	4,325,546	3,938,321
TOTAL CURRENT ASSETS		<u>11,306,079</u>	<u>10,012,768</u>
NON CURRENT ASSETS			
Property, plant and equipment	9	6,615,303	5,076,486
TOTAL NON CURRENT ASSETS		<u>6,615,303</u>	<u>5,076,486</u>
TOTAL ASSETS		<u>17,921,382</u>	<u>15,089,254</u>
CURRENT LIABILITIES			
Trade and other payables	10	2,727,407	1,788,104
Short-term provision	11	694,827	607,625
TOTAL CURRENT LIABILITIES		<u>3,422,234</u>	<u>2,395,729</u>
NON CURRENT LIABILITIES			
Long-term provision	11	261,485	216,239
TOTAL NON CURRENT LIABILITIES		<u>261,485</u>	<u>216,239</u>
TOTAL LIABILITIES		<u>3,683,719</u>	<u>2,611,968</u>
NET ASSETS		<u>14,237,663</u>	<u>12,477,286</u>
EQUITY			
Retained Earnings			
- Unrestricted Funds		7,167,755	5,943,878
- Fair Value Reserve		59,037	(117,544)
- Capital Investment Funds		7,010,871	6,650,952
TOTAL EQUITY		<u>14,237,663</u>	<u>12,477,286</u>

The accompanying notes form part of these financial statements

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
STATEMENT OF CHANGES IN EQUITY
For the Year Ended 30 June 2011

	Fair Value Reserve \$	Capital Investment Funds \$	Total Restricted Funds \$	Total Unrestricted Funds \$	Total
Balance at 1 July 2009	72,631	6,259,621	6,332,252	4,929,676	11,261,928
Profit attributable to members	-	-	-	1,405,533	1,405,533
Total other comprehensive income for the year	(190,175)	-	(190,175)	-	(190,175)
Subtotal	(190,175)	-	(190,175)	1,405,533	1,215,358
Transfer to Capital Investment Funds	-	391,331	391,331	(391,331)	-
Balance at 30 June 2010	(117,544)	6,650,952	6,533,408	5,943,878	12,477,286
Balance at 1 July 2010	(117,544)	6,650,952	6,533,408	5,943,878	12,477,286
Profit attributable to members	-	-	-	1,583,796	1,583,796
Total other comprehensive income for the year	176,581	-	176,581	-	176,581
Subtotal	176,581	-	176,581	1,583,796	1,760,377
Transfer to Capital Investment Funds	-	359,919	359,919	(359,919)	-
Balance at 30 June 2011	59,037	7,010,871	7,069,908	7,167,755	14,237,663

The accompanying notes form part of these financial statements

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
STATEMENT OF CASH FLOWS
For the Year Ended 30 June 2011

	Note	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from fundraising, donations and other income		10,276,226	7,708,883
Grant receipts		8,383,420	6,181,316
Grant to purchase land at Treendale		-	701,000
Interest received		349,808	323,799
Dividends/distributions received		145,151	50,606
Payments to suppliers and employees		<u>(15,807,928)</u>	<u>(13,925,670)</u>
Net cash flows provided by operating activities	20(b)	<u>3,346,677</u>	<u>1,039,934</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		224,146	72,396
Payments for property, plant and equipment		(2,146,639)	(1,145,806)
Proceeds from sale of investments		819,857	1,387,070
Payments for investments		<u>(815,000)</u>	<u>(3,408,101)</u>
Net cash flows used in investing activities		<u>(1,917,636)</u>	<u>(3,094,441)</u>
Net increase/(decrease) in cash and cash equivalents held		1,429,041	(2,054,507)
Cash and cash equivalents at the beginning of the financial year		<u>4,962,961</u>	<u>7,017,468</u>
Cash and cash equivalents at the end of the financial year	20(a)	<u><u>6,392,002</u></u>	<u><u>4,962,961</u></u>

The accompanying notes form part of these financial statements

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are for 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 28 September 2011 by the Board of Directors.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, and the *Associations Incorporation Act 1987*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

Accounting Policies

(a) Revenue

(i) Government funds

Government revenue is derived from services and programs performed on behalf of the State, Commonwealth and Local Governments. These are recognised in 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 funding received for services which have not been performed is recorded as deferred income or funding in advance 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.

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(a) Revenue (cont)

(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).

(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 are 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 of 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.

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(b) Property, Plant and Equipment (cont)

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 2011.

(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. 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.

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.

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(c) Financial Instruments (cont)

Impairment (cont)

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 2011.

(d) 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

The fair value of trade and other receivables is estimated as the present values of future cash flows, discounted at the market rate of interest at the reporting date.

(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.

(e) Employee Benefits

Provision is made for the Society's liability for employee benefits arising from services rendered by employees to the end of each reporting period. 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) 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.

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(g) 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.

(h) 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.

(i) Comparative figures

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

(j) Voluntary Code of Practice

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

(k) 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.

(l) 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.

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(m) 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 2011.

Key judgements — Grant income received

A critical judgement that management has made in the process of applying the accounting policies, and that has the most significant effect on the amounts recognised in the financial statements, is in relation to grant income received. Management must analyse the grant agreements in place to determine whether there is a reciprocal agreement and therefore whether the grant should be recognised as revenue under AASB 118 or a contribution under AASB 1004.

Key judgements — Available-for-sale investments

The company maintains a portfolio of securities with a carrying value of \$4,325,546 at the end of the reporting period. Certain individual investments have declined in value recently by up to 9.9%. The Board of Directors do not believe this decline constitutes a significant or prolonged decline below cost at this stage and hence no impairment has been recognised. Should share values decline to a level which is in excess of 20% below cost or should prices remain at levels below cost for a period in excess of 6 months, the Board of Directors have determined that such investments will be considered impaired in the future.

2. INCOME TAX

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

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2011

3. OPERATING REVENUE

	2011	2010
	\$	\$
Operating activities		
Marketing & fundraising income	2,030,906	1,544,184
Raffles & lotteries	7,011,482	5,802,303
Community activities	571,244	752,090
Disability Services Commission funding	7,272,966	6,089,263
Health Department funding	633,166	566,613
Other Member Services funding	367,268	295,228
Non-operating activities		
Profit on sale of investment	82,713	337,429
Profit on sale of non current assets	8,568	-
Investment dividends/distributions	145,151	49,148
Interest	349,808	323,799
Other	60	75
	18,473,332	15,760,132

Raffles and Lotteries income comprises income from car raffles totalling \$1,511,482 (2010: \$1,302,303), income from the MS Luxury Lottery totalling \$500,000 (2010: NIL) and income from the Mega Home Lottery totalling \$5,000,000 (2010: \$4,500,000).

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

4. SURPLUS FOR THE YEAR

The surplus for the year has been determined after:

Profit/(Loss) on sale of plant & equipment	8,568	(6,942)
Expense for auditors for audit fees	(16,250)	(15,500)
Expense for auditors for other services	(1,825)	(1,750)
Depreciation of property, plant & equipment	(392,244)	(311,110)
Gross Salaries and Wages expense	(9,458,445)	(7,534,096)

5. CASH AND CASH EQUIVALENTS

Unrestricted:		
Cash on hand	5,650	2,300
Cash at bank	328,773	275,805
Cash on deposit at approved financial institutions	3,313,218	1,889,769
Cash security deposit with the Gaming and Wagering Commission of Western Australia	-	200,000
	4,647,641	2,367,874
Restricted:		
Cash on deposit at approved financial institutions (Note 12)	2,744,361	2,595,087
	6,392,002	4,962,961

The security deposit held with the Gaming and Wagering Commission of Western Australia is in respect of fundraising raffles conducted by the Society. In the event of a default by the Society of its prize obligations under those raffles, the security deposit will be utilised by the Commission for that purpose. In 2011 this security deposit was replaced by a bank guarantee of \$350,000 (refer Note 9 & 20(c)).

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

6. TRADE AND OTHER RECEIVABLES

	2011	2010
	\$	\$
Trade and other receivables	579,293	453,845
Unsecured loan to MS Australia	-	650,000
	579,293	1,103,845
	579,293	1,103,845

Trade and other receivable balances are all current.

(a) Impaired trade receivables

As at 30 June 2011, no current trade receivables were considered impaired (2010: \$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.

The loan to MS Australia was unsecured and beared interest at 5.56% per annum, the loan was paid in full during the 2011 year.

7. OTHER CURRENT ASSETS

	2011	2010
	\$	\$
Prepayments	9,238	7,641
	9,238	7,641

8. AVAILABLE FOR SALE FINANCIAL ASSETS

Investments in Unlisted Managed Unit Trusts		
Investment at beginning of year at fair value	3,938,321	1,771,514
Investments purchased during the year	815,000	3,408,101
Investments sold during the year	(819,857)	(1,387,070)
Distributions re-invested during the year	150,008	12,805
Profit on Investments sold during the year	82,713	337,429
Fees paid during the year	(17,220)	(14,283)
Fair value adjustment	176,581	(190,175)
	4,325,546	3,938,321
Fair value at end of year (Note 12)	4,325,546	3,938,321

The investments in unlisted managed unit trusts are professionally managed investment funds, whose underlying investments are listed equities on Australian and foreign stock exchanges. Redemption values of the units in these trusts are published daily (Note 19(b)).

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

9. PROPERTY, PLANT AND EQUIPMENT

	2011	2010
	\$	\$
Land and buildings		
Cost	5,602,027	4,074,039
Deemed cost (July 2000)	690,000	690,000
Fair value (May 2009)	565,000	565,000
	6,857,027	5,329,039
Accumulated depreciation	(1,277,888)	(1,188,399)
	5,579,139	4,140,640
Leasehold Land		
Cost	26,850	-
Accumulated depreciation	(1,289)	-
	25,561	-
Plant and equipment		
Cost	1,683,410	1,470,294
Accumulated depreciation	(986,497)	(758,683)
	696,913	711,611
Motor vehicles		
Cost	419,545	304,358
Accumulated depreciation	(105,855)	(80,123)
	313,690	224,235
Total property, plant and equipment	6,615,303	5,076,486

(a) Movements in Carrying Amounts

	Land and Buildings	Leasehold Land	Plant and Equipment	Motor Vehicles	Total
Year to 30 June 2011	\$	\$	\$	\$	\$
Balance at beginning of year	4,140,640		711,611	224,235	5,076,486
Additions	1,545,797	26,850	218,676	355,316	2,146,639
Disposals	(17,809)		(4,447)	(193,322)	(215,578)
Depreciation expense	(89,489)	(1,289)	(228,927)	(72,539)	(392,244)
Carrying amount at end of year	5,579,139	25,561	696,913	313,690	6,615,303

At 30 June 2011 land and buildings at cost included:

(a) six high support accommodation units at Fern Road, Wilson, known as Fern River, that was built as a joint venture with Homeswest, with the land component funded by a grant from the Disability Services Commission. The total cost of this development included in land and buildings is \$755,743 (refer Note 15).

(b) six high support accommodation units at Redmond Road, Hamilton Hill that was built as a joint venture with the Department of Housing with the land component (valued at \$565,000) donated by the Western Australian Land Information Authority (Landgate). The total cost of this development included in land and buildings is \$1,502,860 (refer Note 15).

During the year ended 30 June 2010, the Society received grant funding from the State of Western Australia of \$701,000 to purchase land for accommodation for persons with multiple sclerosis and similar neurological diseases. The funds have been used to purchase land at The Boulevard, Treendale. The development is currently under construction and, at 30 June 2011, the total cost included in land and buildings is \$1,568,171 (refer Note 14).

Land and buildings at Norbury Crescent, City Beach (known as the Margaret Doody Respite House) were taken as security by the ANZ Bank for bank guarantees in favour of the Department of Racing and Gaming – being security for various raffle prizes. Bank guarantees outstanding at 30th June 2011 totalled \$350,000 (2010: \$350,000) (refer Note 5 & 20(c)).

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

10. TRADE AND OTHER PAYABLES

	2011	2010
	\$	\$
Creditors and accruals	2,054,979	1,508,677
Creditor for refurbishment fund accounts	108,555	96,344
Deferred income	563,873	183,083
	2,727,407	1,788,104

11. PROVISION

<i>Employee Entitlements</i>		
Opening balance	823,864	704,737
Amounts provided for	738,233	605,714
Amounts used	(605,785)	(486,587)
	956,312	823,864
<i>Closing Balance</i>		
	956,312	823,864
<i>Analysis of total provisions</i>		
Current	694,827	607,625
Non Current	261,485	216,239
	956,312	823,864

12. TOTAL RESTRICTED FUNDS

<i>Represented by:</i>		
Cash on deposit at approved financial institutions (Note 5)	2,744,361	2,595,087
Investments in unlisted unit trusts (Note 8)	4,325,546	3,938,321
	7,069,907	6,533,408

13 LEASING COMMITMENTS

A 21 year peppercorn rental lease for land for a car park at 55 Redmond Road Hamilton Hill was entered into on and from 23 June 2010.

A 3 year lease for the rental of 2/87 McLarty Avenue Joondalup was entered into on and from 1st January 2010. The rental is \$36,000 pa.

A 3 year lease for the rental of 9 Ramsay Street Bunbury was entered into on and from 1st October 2010. The rental is \$20,400 pa.

A 21 year peppercorn rental lease for land for a high support and respite accommodation facility at 59 Redmond Road Hamilton Hill was entered into on and from 21 June 2011 (refer Note 15).

A 2 year lease for the rental of offices at Lotteries House, 211-217 North Road Albany was entered into on and from 1st June 2012. The rental is \$8,283 pa.

Apart from these, there were no other leasing commitments at 30 June 2011.

14. CAPITAL EXPENDITURE COMMITMENTS

A contract has been signed on 15 March 2011 for BGC Constructions to build a high support and respite accommodation facility at Treendale. The contract value is \$3,825,839 and, at 30th June 2011, work completed and agreed by the Society's architects was valued at \$564,987 leaving an outstanding capital commitment of \$3,260,852.

In addition, orders had been placed for \$250,000 of equipment required for the NCCC Program and funded by DSC (refer Note 15).

Apart from these, there were no other capital expenditure commitments at 30 June 2011 (2010 – \$159,198 for 3 vehicles and equipment for Hamilton Hill).

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

15. 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 9).

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 9).

A 3 ½ year contract with the Disability Services Commission (DSC) to provide services to people with rapidly degenerating neurological diseases (NCCC Program) ended on 30th June 2011. This contract was extended for a further year. The DSC have funded \$300,000 of capital equipment which, at the end of the contract on 30th June 2012, 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 2011 was \$157,972. In addition, at balance date, DSC had funded the purchase of a further \$250,000 of capital equipment that had not been purchased at this date (refer Note 14).

The Disability Services Commission (DSC) have contributed \$300,000 towards the construction of a high support and respite facility at 59 Redmond Road, Hamilton Hill. Should the construction of this facility not proceed, the funds will become repayable to DSC.

16. EVENT SUBSEQUENT TO REPORTING DATE

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

17. 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 are:

Mr David Barnes AM, President	Mr Malcolm Sandman
Mr Bill Hassell AM JP, Senior Vice President (Corp. Governance Chair)	Ms Ros Harman, Member Services Chair
Dr Greg Brotherson, Vice President	Dr Bill Carroll, Medical Advisor
Mr Peter Wright, Treasurer	Ms Kate Gild
Mr Greg Brindle, Fundraising Chairman	Mr David Jones
Mr Michael Linto	Ms Karen Smith
Mr Simon Joyner (resigned October 2010)	Mr Horst Bemmerl (appointed October 2010)
Hon. Gavin Fielding AM (resigned October 2010)	Mr George Pampacos (appointed October 2010)

(b) Transactions with the Society

There were no dealings commercial or otherwise between the Society and any member of the Board, except that the Society purchased financial services to the value of \$17,220 (2010: \$14,283), from Shadforth Financial Group Ltd, a business of which Mr Peter Wright, is an employee, Mr. Wright was excluded from any/all decisions in this regard.

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

18. 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 2015	Accommodation support to individuals living in their own homes and accommodation services at Fern River to individuals, with Multiple Sclerosis or similar neurological diseases.
Health Department of Western Australia	1 July 2009 to 30 June 2012	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.

19. 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:

2011	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total
FINANCIAL ASSETS					
Cash and cash equivalents	5.98%	328,773	6,057,579	5,650	6,392,002
Trade and other receivables	0.21%	50,000	-	529,293	579,293
TOTAL FINANCIAL ASSETS		378,773	6,057,579	534,943	6,971,295
FINANCIAL LIABILITIES					
Trade and other payables	-	-	-	(2,727,407)	(2,727,407)
TOTAL FINANCIAL LIABILITIES		-	-	(2,727,407)	(2,727,407)
NET FINANCIAL ASSETS/(LIABILITIES)		378,773	6,057,579	(2,192,464)	4,243,888

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

19. FINANCIAL RISK MANAGEMENT (Cont.)

2010	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non Interest Bearing	Total
FINANCIAL ASSETS					
Cash and cash equivalents	5.06%	475,808	4,484,853	2,300	4,962,961
Trade and other receivables	5.56%	650,000	-	453,845	1,103,845
TOTAL FINANCIAL ASSETS		<u>1,125,808</u>	<u>4,484,853</u>	<u>456,145</u>	<u>6,066,806</u>
FINANCIAL LIABILITIES					
Trade and other payables	-	-	-	(1,788,104)	(1,788,104)
TOTAL FINANCIAL LIABILITIES		<u>-</u>	<u>-</u>	<u>(1,788,104)</u>	<u>(1,788,104)</u>
NET FINANCIAL ASSETS/(LIABILITIES)		<u>1,125,808</u>	<u>4,484,853</u>	<u>(1,331,959)</u>	<u>4,278,702</u>

Interest rate sensitivity

At 30 June 2011, 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 \$64,420 lower/higher. (2010: \$56,130 lower/higher).

2011	Carrying Amount	+1% change		-1% change	
		Surplus	Equity	Surplus	Equity
FINANCIAL ASSETS	\$	\$	\$	\$	\$
Cash and cash equivalents	6,392,002	63,920	(63,920)	(63,920)	63,920
Trade and other receivables	50,000	500	(500)	(500)	500
		<u>64,420</u>	<u>(64,420)</u>	<u>(64,420)</u>	<u>64,420</u>

2010	Carrying Amount	+1% change		-1% change	
		Surplus	Equity	Surplus	Equity
FINANCIAL ASSETS	\$	\$	\$	\$	\$
Cash and cash equivalents	4,962,961	49,630	(49,630)	(49,630)	49,630
Trade and other receivables	650,000	6,500	(6,500)	(6,500)	6,500
		<u>56,130</u>	<u>(56,130)</u>	<u>(56,130)</u>	<u>56,130</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 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 the Society's total equity as shown below.

Financial Assets	Carrying amount	+5% change equity	-5% change equity
	\$	\$	\$
Available-for-sale financial assets	4,325,546	216,277	(216,277)

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

19. FINANCIAL RISK MANAGEMENT (Cont.)

(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.

(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.

20. 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 equivalents at the end of the year is shown in the statement of financial position as:-

	2011	2010
	\$	\$
Cash on hand & at banks	334,423	278,106
Deposits at call	6,057,579	4,684,855
	6,392,002	4,962,961

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

	2011	2010
	\$	\$
20. CASH FLOW INFORMATION (Cont.)		
(b) Reconciliation of net cash flows provided by operating activities to surplus from ordinary activities		
Surplus from ordinary activities	1,429,041	1,405,533
Non cash flows		
Depreciation	392,244	311,110
Loss/(Gain) on sale of non current assets	(8,568)	6,942
Loss/(Gain) on sale of investment	(82,713)	(335,951)
Net distributions from investments re-invested	(132,788)	-
Change in assets and liabilities:		
Decrease/(Increase) in receivables	524,552	(211,650)
(Increase)/Decrease in other assets	(1,597)	65,804
(Decrease)/Increase in creditors	939,303	(320,981)
Increase in provisions	132,448	119,127
	3,346,677	1,039,934
(c) Bank loan facilities		
The Society had access to the following bank facilities at balance date:		
Bank Guarantee Facility		
Used	350,000	350,000
Unused	1,000,000	1,000,000

MULTIPLE SCLEROSIS SOCIETY OF WESTERN AUSTRALIA (Inc.)
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 30 June 2011

21. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Adoption of new and revised accounting standards

In the current year, the Society has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

New standards issued but not yet effective

At the date of this financial report the following standards, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	<i>Financial Instruments</i>	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013	No expected impact on the entity
AASB 124	<i>Related Party Disclosures</i>	Revised standard. The definition of a related party is simplified to clarify its intended meaning and eliminate inconsistencies from the application of the definition	1 January 2011	Disclosure only

The Society has decided against early adoption of these standards.

22. 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