

**National Seniors Australia
Limited and controlled
entities**

ABN 89 050 523 003

Consolidated Financial Report
For the year ended 30 June 2017

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NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

DIRECTORS' REPORT

The Directors present their report together with the financial report of the group, being the company and its controlled entities, for the year ended 30 June 2017 and auditor's report thereon.

Directors names

The names of the Directors in office at any time during or since the end of the year are:

Christopher Guille - Chairperson

Ross Glossop - Deputy Chairperson

Marcia Griffin

Noela L'Estrange

Peter Miller

Valerie Pratt AO

Josephine Stevens

Darryl Wilson

David Carvosso (Resigned 29 November 2016)

The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results

The loss of the group for the year after providing for income tax amounted to \$217,102 (2016: loss of \$159,526).

Objectives and strategies

The group's objectives are to:

- Focus on what we stand for – the purpose and heart of the organisation – and how we can continue to improve. It's about understanding our members, including new and prospective ones, and their wants and needs, and how we can exceed their expectations;
- Refocus the company, in part by the major initiative of rebranding. For our company, and many others, to stay relevant in an ever-changing environment, we must be nimble, responsive, and continue to build an organisation that people want to be part of; and
- To seek structural alignment of the Constitution, and the National Seniors Strategy Roadmap and to facilitate the achievement of our strategic goals. To ensure the Constitution is compliant with Australian Charities and Not-For-Profits Commission requirements and to provide a modern Constitution to facilitate transformation and growth of the organisation to stay relevant in today's society.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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DIRECTORS' REPORT

Objectives and strategies (Continued)

To achieve its objectives, the group has adopted the "Strategy Map 2020". The reporting against this is done using various measures in a Balanced Scorecard. These measures sit within the following strategic priorities:

- **Influence:** Retaining our independence and credibility, complemented by quality information and research. We drive positive change for all over 50s.
- **Membership:** Membership is central to National Seniors. With a better understanding of all people over 50, we will establish programs, activities and expanded member offerings, to grow our numbers.
- **Sustainable:** Ensuring all our programs, investments and processes are well managed; our people have the skills to perform; and our partnerships are credible. Diversifying and developing additional income streams are critical to sustainability.

Principal activities

To carry out the group's strategies and to achieve its objectives, the group engaged in the following principal activities during the year:

- The development of Public Policy at all levels of government for the benefit of all Australians aged 50 and over;
- To equitably advance the social and economic outlook for senior Australians;
- Provision of travel, insurance and volunteering opportunities for senior Australians;
- Development and encouragement of member participation in Branches, whose principal objects are directed to the assistance of senior Australians most in need; and
- Researching in order to advance social welfare for older Australians.

After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

Other matters

In last year's Annual report, it was noted that the Australian Charities and Not-for-Profits Commission ("ACNC") sent a letter advising of a proposed revocation of the charity status held by National Seniors Australia. After several meetings, our latest submission was made to the ACNC on 30 June 2017 in defending our position. We have not received any contact or correspondence from ACNC since that date.

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DIRECTORS' REPORT

Information on Directors

Christopher Guille

Chris has Honours and Masters Degrees in Economics from Sydney University and over 35 years' experience in the banking, finance and trustee industries. He is Chairman of Flinders Trustees Pty Limited, O'Connor Partners Commercial Lawyers and Guumbarr Limited. Chris is a member of the National Seniors Australia Audit, Risk and Finance Committee and also a Director of National Seniors Foundation Ltd and Over Fifty Insurance Pty Ltd. Chris was elected to position of Chairperson on 29 November 2016.

Ross Glossop

Ross is a Director of National Seniors Australia Ltd and is also a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd. Ross is a member of the National Seniors Australia Audit, Risk and Finance Committee. Ross has an MBA, a Master of Accounting, a Bachelor of Commerce and is a member of CPA Australia. Ross has held senior CFO positions in public companies in the mining industry. Ross has had extensive experience in corporate governance, superannuation, and mergers and acquisitions. Ross was elected to position of Deputy Chairperson on 29 November 2016.

Marcia Griffin

Marcia holds a BA, a Dip Ed, and a B.Commerce. In May 1995 Marcia won the first Telstra Victorian Business Woman of the Year Award. In July 1998 Marcia published a book about her life and business - High Heeled Success. Marcia has been on the board of a number of organisations including National Pharmacies, Tourism Victoria, the World Master Games, and the Australian Direct Selling Association. Her current boards include Tailorsmark.com and Care Connect. Marcia is a Chair with the CEO Institute and works with a select group of entrepreneurs as a mentor, assisting with strategy and marketing. In 2008, Marcia launched a new business wholesaling a range of natural skincare based on Australian plant extracts. Marcia is a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Information on Directors (Continued)

Noela L'Estrange

Noela holds a BA (Hons), LLB and M.Admin and is a Fellow of the Australian Institute of Management. Until June 2015, she was the CEO of the Queensland Law Society Inc, and has extensive experience as a senior executive in both the public and private sectors. Noela has served as Director and also as Chair and Member of Audit and Risk Committees in a range of organisations, including insurance, education, public utilities and a variety of not-for-profit organisations. She is currently a Director of the TAFE Queensland. Noela is a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd.

Peter Miller

Peter is a Fellow of the Australian Institute of Company Directors, and is a FCPA and ACIS. Peter is a former Finance Director of Burmah Castrol Australia Limited and formerly a Commercial Director with BP Australia and Chief Financial Officer of St Vincent De Paul Society and remains a Director of St Vincent De Paul Housing. He has also been involved in assisting the community by working with the YMCA and is a Director of Outward Bound Australia. He has over 40 years' experience in the accounting and finance area. Peter is the Chairman of the National Seniors Australia Audit, Risk and Finance Committee and a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd.

Valerie Pratt AO

Valerie Pratt holds a Bachelor of Arts Degree and Diploma of Social Work from the University of Sydney and was awarded an Honorary Doctorate of Letters by Macquarie University. She has wide experience in public and social policy, particularly in relation to employment matters and discrimination. Valerie has held Board positions with various Commonwealth Authorities, was elected a Fellow of Senate of the University of Sydney and a Professorial Fellow of Macquarie University. Valerie is a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd. She is a member of the NSW Ministerial Advisory Committee on Ageing and was appointed an Officer of the Order of Australia in 2011.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES

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DIRECTORS' REPORT

Information on Directors (Continued)

Josephine Stevens

Josephine is a Fellow of the Institute of Chartered Accountants in Australia and in 2015 retired as a Fellow of the Taxation Institute of Australia. The last 3 years have seen Josephine return to public practice consulting after she spent 15 years in the Public Service in Canberra. Prior to the move to Canberra she ran her own accounting practice in Townsville. Josephine has a Business degree, a Masters of Public Administration (Law and Public Policy) and is a Graduate Member of the Australian Institute of Company Directors. She also has a Professional Financial Planning Certificate as well as a Certificate IV and a Diploma in Christian Ministry and Theology. Josephine is a member of the National Seniors Australia Audit, Risk and Finance Committee and is a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd.

Darryl Wilson

Darryl has been Chairman of the National Seniors Insurance Committee since 2008. He is also a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd. Darryl had a 40 year career in the General Insurance Industry, retiring as the Queensland State Manager for Allianz Australia Limited. Darryl also retains his qualification in ANZIIF (Assoc.) CIP. Darryl also saw service in Vietnam as a national serviceman.

David Carvosso

David is a former District Director of Education for the Western Australian Department of Education and former Chairman of the National Seniors Australia National Policy Group. David was elected Chairman of National Seniors Australia Limited annually since 2011 and was also a Director of National Seniors Foundation Limited and Over Fifty Insurance Pty Ltd, until his resignation on 29 November 2016.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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DIRECTORS' REPORT

Meetings of Directors

Directors	Directors' meetings		Audit, Risk & Finance committee meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Christopher Guille	5	5	5	5
Ross Glossop	5	5	5	5
Marcia Griffin	5	5	-	-
Noela L'Estrange	5	5	-	-
Peter Miller	5	5	5	5
Valerie Pratt AO	5	5	-	-
Josephine Stevens	5	5	5	5
Darryl Wilson	5	5	-	-
David Carvosso	1	1	-	-

Members guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$2 each towards meeting any outstandings and obligations of the company.

Auditor's independence declaration

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

Signed in accordance with a resolution of the Board of Directors.

Director: 

Christopher Guille - Chairperson

Dated this 18th day of September 2017



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KYLIE LAMPRECHT
NORMAN THURECHT
BRETT HEADRICK
WARWICK FACE
NIGEL BATTERS
COLE WILKINSON
SIMON CHUN
JEREMY JONES

The Directors

National Seniors Australia Limited
GPO Box 1450
BRISBANE QLD 4001

Auditor's Independence Declaration

As lead auditor for the audit of National Seniors Australia Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been no contraventions of *APES 110 Code of Ethics for Professional Accountants* in relation to the audit.

This declaration is in respect of National Seniors Australia Limited and the entities it controlled during the year.

PITCHER PARTNERS

NIGEL BATTERS
Partner

Brisbane, Queensland
18 September 2017

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Revenue and other income			
Sales revenue	4	8,263,867	8,607,413
Other revenue	4	<u>540,219</u>	<u>646,392</u>
		<u>8,804,086</u>	<u>9,253,805</u>
Less: expenses			
Employee benefits expense		(4,185,693)	(4,287,624)
Depreciation and amortisation expense	5	(594,005)	(619,746)
Printing and distribution expense		(1,109,212)	(1,111,903)
Advertising expense		(728,872)	(996,645)
Occupancy expense		(571,307)	(554,765)
Audit, legal and consultancy expense		(197,795)	(80,354)
Finance costs		(104,980)	(108,624)
Other expenses		<u>(1,557,054)</u>	<u>(1,729,699)</u>
		<u>(9,048,918)</u>	<u>(9,489,360)</u>
Loss before income tax expense		(244,832)	(235,555)
Income tax benefit	6	<u>27,730</u>	<u>76,029</u>
Loss for the year		<u>(217,102)</u>	<u>(159,526)</u>
Other comprehensive income			
<i>Items that will not be reclassified to profit and loss</i>			
Change in fair value of financial assets at fair value through other comprehensive income		<u>230,880</u>	<u>(46,317)</u>
Total comprehensive income		<u><u>13,778</u></u>	<u><u>(205,843)</u></u>

The accompanying notes form part of these financial statements.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	7	691,867	1,400,527
Receivables	8	480,294	363,627
Prepayments		169,152	176,884
Other financial assets	9	579,473	722,412
Current tax assets		<u>184,055</u>	<u>73,779</u>
Total current assets		<u>2,104,841</u>	<u>2,737,229</u>
Non-current assets			
Other financial assets	9	6,292,537	6,310,399
Property, plant and equipment	10	139,841	246,687
Intangible assets	11	4,111,581	4,577,574
Deferred tax assets	6	<u>3,713</u>	<u>4,050</u>
Total non-current assets		<u>10,547,672</u>	<u>11,138,710</u>
Total assets		<u>12,652,513</u>	<u>13,875,939</u>
Current liabilities			
Payables	12	979,590	1,059,317
Provisions	13	279,605	416,962
Other liabilities	14	<u>689,958</u>	<u>1,005,439</u>
Total current liabilities		<u>1,949,153</u>	<u>2,481,718</u>
Non-current liabilities			
Provisions	13	75,602	80,523
Other liabilities	14	<u>580,914</u>	<u>1,280,632</u>
Total non-current liabilities		<u>656,516</u>	<u>1,361,155</u>
Total liabilities		<u>2,605,669</u>	<u>3,842,873</u>
Net assets		<u>10,046,844</u>	<u>10,033,066</u>
Equity			
Reserves	15	18,621	(218,809)
Retained earnings		<u>10,028,223</u>	<u>10,251,875</u>
Total equity		<u>10,046,844</u>	<u>10,033,066</u>

The accompanying notes form part of these financial statements.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Reserves	Retained earnings	Total equity
	\$	\$	\$
Balance as at 1 July 2015	(144,066)	10,382,975	10,238,909
Loss for the year	-	(159,526)	(159,526)
Change in fair value of financial assets at fair value through other comprehensive income	<u>(46,317)</u>	<u>-</u>	<u>(46,317)</u>
Total comprehensive income for the year	<u>(46,317)</u>	<u>(159,526)</u>	<u>(205,843)</u>
Transfers	<u>(28,426)</u>	<u>28,426</u>	<u>-</u>
Balance as at 30 June 2016	<u>(218,809)</u>	<u>10,251,875</u>	<u>10,033,066</u>
Balance as at 1 July 2016	(218,809)	10,251,875	10,033,066
Loss for the year	-	(217,102)	(217,102)
Change in fair value of financial assets at fair value through other comprehensive income	<u>230,880</u>	<u>-</u>	<u>230,880</u>
Total comprehensive income for the year	<u>230,880</u>	<u>(217,102)</u>	<u>13,778</u>
Transfers	<u>6,550</u>	<u>(6,550)</u>	<u>-</u>
Balance as at 30 June 2017	<u>18,621</u>	<u>10,028,223</u>	<u>10,046,844</u>

The accompanying notes form part of these financial statements.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Cash flow from operating activities			
Receipts from customers		8,239,780	9,340,341
Payments to suppliers and employees		(9,427,702)	(9,582,944)
Dividends received		325,943	328,691
Interest received		27,757	40,331
Finance costs		(104,980)	(108,624)
Income tax paid		<u>(82,209)</u>	<u>(294,061)</u>
Net cash used in operating activities	16	<u>(1,021,411)</u>	<u>(276,266)</u>
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		16,593	1,465
Payment for property, plant and equipment		(40,816)	(58,404)
Payment for intangibles		(8,245)	(135,182)
Redemption of term deposits		142,099	681,210
Payments for investments in equity and debt securities		(1,387,216)	(1,994,764)
Proceeds from sale of investments in equity and debt securities		<u>1,590,336</u>	<u>1,872,617</u>
Net cash provided by investing activities		<u>312,751</u>	<u>366,942</u>
Reconciliation of cash			
Cash at beginning of the financial year		1,400,527	1,309,851
Net increase / (decrease) in cash held		<u>(708,660)</u>	<u>90,676</u>
Cash at end of financial year	7	<u><u>691,867</u></u>	<u><u>1,400,527</u></u>

The accompanying notes form part of these financial statements.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report covers National Seniors Australia Limited and its consolidated entities. National Seniors Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia. National Seniors Australia Limited is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the Directors as at the date of the Directors' Report.

The following are the significant accounting policies adopted by the group in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial report

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest dollar.

Financial statement presentation

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

Fair value measurement

For financial reporting purposes, 'fair value' is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants (under current market conditions) at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, the entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which the inputs are observable:

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue

(i) *Sale of goods*

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

(ii) *Grants and contributions*

Grant revenue is recognised in the statement of comprehensive income when the group obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the group and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the group incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

National Seniors Australia Limited receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the profit and loss.

Donations and bequests are recognised as revenue when received.

(iii) *Interest income*

Interest income is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

(iv) *Dividends and distributions*

Dividend/distribution revenue is recognised when the right to receive a dividend/distribution has been established.

(v) *Rendering of services*

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES

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**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Principles of consolidation

The consolidated financial statements are those of the consolidated entity ("the group"), comprising the financial statements of the parent entity and all of the entities the parent controls. The group controls an entity where it has the power, for which the parent has exposure or rights to variable returns from its involvement with the entity, and for which the parent has the ability to use its power over the entities to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including any unrealised profits or losses have been eliminated on consolidation. Subsidiaries are consolidated from the date on which control is transferred to the group and are de-recognised from the date that control ceases.

(d) Income tax

The Parent entity, National Seniors Australia Limited, is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. A subsidiary within the group, Over Fifty Insurance Pty Ltd, is not exempt from income tax.

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments

Classification

The group classifies its financial assets in the following categories: financial assets at amortised costs and financial assets at fair value through other comprehensive income. The classification depends on the nature of the item and the purpose for which the instruments are held.

Financial assets at amortised cost

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective to collect the contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Investments in debt securities and term deposits

Fixed term investments in debt securities and fixed term cash deposits with a maturity of greater than three months which are intended to be held to maturity are classified as financial assets at amortised cost. They are measured at amortised cost using the effective interest rate method. These assets are classified as non-current assets, unless management intends to dispose of them within twelve months from the end of the reporting period.

Loans and receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Financial assets at fair value through other comprehensive income

Investments in equity securities

For equity securities that are not held for trading, the group has made an irrevocable election at initial recognition to recognise changes in fair value through other comprehensive income rather than profit or loss. These securities are presented separately in the statement of financial position. Gains or losses are not recycled through profit or loss on ultimate realisation. These assets are classified as non-current assets, unless management intends to dispose of them within twelve months from the end of the reporting period.

Financial liabilities

Financial liabilities include trade payables, other creditors, loans from or other amounts due to director-related entities and loans from third parties.

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

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (Continued)

Financial liabilities are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Impairment of financial assets

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets measured at amortised cost is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably measure.

(g) Property, plant and equipment

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

Plant and equipment

Plant and equipment is measured on the cost basis.

Depreciation

Land is not depreciated. The depreciable amount of all property, plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Class of fixed asset	Depreciation rates	Depreciation basis
Leasehold improvements	12.5%	Straight line
Plant and equipment	10 - 33%	Straight line
Motor vehicles	20%	Straight line

(h) Intangibles

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identifiable or separately recognised.

Goodwill is not amortised, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less any accumulated impairment losses.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Intangibles (Continued)

Trademarks

Trademarks are recognised at cost. They are amortised over their estimated useful lives being ten years. Trademarks are carried at cost less accumulated amortisation and any impairment losses.

Customer relationships

Acquired customer relationships are recognised at cost, which for assets acquired in a business combination is fair value as at the date of acquisition, less any accumulated amortisation and impairment charges. They are amortised over their estimated useful life of ten years.

Software work in progress

Software work in progress is recognised at cost. Such intangibles are amortised over their estimated useful lives and are carried at cost less accumulated amortisation and any impairment losses.

(i) Impairment of non-financial assets

Goodwill, intangible assets not yet ready for use and intangible assets with indefinite useful lives are not subject to amortisation and are therefore tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For impairment assessment purposes, assets are generally grouped at the lowest levels for which there are largely independent cash flows ('cash generating units'). Accordingly, most assets are tested for impairment at the cash-generating unit level. Because it does not generate cash flows independently of other assets or groups of assets, goodwill is allocated to the cash generating unit or units that are expected to benefit from the synergies arising from the business combination that gave rise to the goodwill.

Assets other than goodwill, intangible assets not yet ready for use and intangible assets with indefinite useful lives are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

An impairment loss is recognised when the carrying amount of an asset or cash generating unit exceeds the asset's or cash generating unit's recoverable amount. The recoverable amount of an asset or cash generating unit is defined as the higher of its fair value less costs to sell and value in use. Refer to Note 2 for a description of how management determines value in use.

Impairment losses in respect of individual assets are recognised immediately in profit or loss unless the asset is carried at a revalued amount such as property, plant and equipment, in which case the impairment loss is treated as a revaluation decrease in accordance with the applicable Standard. Impairment losses in respect of cash generating units are allocated first against the carrying amount of any goodwill attributed to the cash generating unit with any remaining impairment loss allocated on a pro rata basis to the other assets comprising the relevant cash generating unit.

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as an expense on a straight-line basis over the term of the lease.

Lease incentives received under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(k) Employee benefits

(i) Short-term employee benefit obligations

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the annual reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave and accumulated sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the consolidated statement of financial position.

(ii) Long-term employee benefit obligations

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the consolidated statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the consolidated statement of financial position.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES

ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Goods and services tax (GST)

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

NOTE 2: FAIR VALUE MEASUREMENT

The group measures and recognises the following assets and liabilities at fair value on a recurring basis:

The following table provides the fair value classification of those assets and liabilities held by the group that are measured either on a recurring or non-recurring basis at fair value.

	Level 1	Total
	\$	\$
2017		
<i>Available-for-sale financial assets at fair value through other comprehensive income</i>		
Investments in equity securities	5,842,124	5,842,124
2016		
<i>Available-for-sale financial assets at fair value through other comprehensive income</i>		
Investments in equity securities	5,833,849	5,833,849
	2017	2016
	\$	\$
NOTE 3: KEY MANAGEMENT PERSONNEL COMPENSATION		
Key management personnel compensation	<u>1,431,110</u>	<u>1,246,788</u>

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 4: REVENUE AND OTHER INCOME		
Revenue		
Membership fees	2,776,624	2,953,991
Insurance commissions	3,109,726	3,421,563
Tour and travel commissions	637,625	780,587
Publishing and advertising	706,892	757,772
Government and other grants	<u>1,033,000</u>	<u>693,500</u>
	<u>8,263,867</u>	<u>8,607,413</u>
Other revenue		
Dividend and distribution income	279,481	324,729
Interest income	27,757	40,331
Other revenue	<u>232,981</u>	<u>281,332</u>
	<u>540,219</u>	<u>646,392</u>
	<u>8,804,086</u>	<u>9,253,805</u>
NOTE 5: OPERATING PROFIT		
Loss before income tax has been determined after:		
Depreciation		
- leasehold improvements	39,819	39,928
- plant and equipment	79,948	108,128
- motor vehicles	<u>-</u>	<u>8,459</u>
	119,767	156,515
Amortisation		
- customer relationships	440,000	440,000
- trademarks	2,362	2,367
- software work in progress	<u>31,876</u>	<u>20,864</u>
	474,238	463,231
Bad and doubtful debts	13,441	-
Loss on sale of property, plant and equipment	11,302	1,009
Auditor Remuneration		
- audit services	36,500	36,500
- other services	<u>10,347</u>	<u>15,110</u>
	46,847	51,610
Superannuation contributions	361,959	364,216

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
 NOTE 6: INCOME TAX		
 Components of tax expense / (benefit)		
Current tax	(28,067)	(73,779)
Deferred tax	<u>337</u>	<u>(2,250)</u>
	<u>(27,730)</u>	<u>(76,029)</u>
 Prima facie tax payable		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax payable on profit before income tax at 27.5% (2016: 30.0%)	(67,329)	(70,667)
Add tax effect of:		
- Results of tax exempt entities	<u>230,771</u>	<u>286,067</u>
Less tax effect of:		
- Franked dividends	<u>191,172</u>	<u>291,429</u>
Income tax (benefit) / expense attributable to profit	<u>(27,730)</u>	<u>(76,029)</u>
 Although the parent entity of the group, National Seniors Australia Limited, is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997, a subsidiary within the group, Over Fifty Insurance Pty Ltd ("OFI"), is a taxable entity. The group is therefore liable for tax on the profits of OFI. It is group policy for OFI to declare a fully franked dividend to the parent entity at the time the tax liability is settled. Upon payment of this dividend and lodgement of the income tax return, the parent entity will be entitled to refundable franking credits.		
 Deferred tax assets		
The balance comprises:		
Accruals	<u>3,713</u>	<u>4,050</u>
	<u>3,713</u>	<u>4,050</u>

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 7: CASH AND CASH EQUIVALENTS		
Cash on hand	800	800
Cash at bank	<u>691,067</u>	<u>1,399,727</u>
	<u>691,867</u>	<u>1,400,527</u>

A total of \$95,378 (2016: \$117,428) included in cash is held on trust for travel wholesalers, backing a corresponding payable for the same amount. This cash is therefore restricted and not presently available for use by the group.

NOTE 8: RECEIVABLES

CURRENT

Trade debtors	213,528	237,897
Provision for doubtful debts	<u>(23,441)</u>	<u>(10,000)</u>
	190,087	227,897
Other receivables	<u>290,207</u>	<u>135,730</u>
	<u>480,294</u>	<u>363,627</u>

NOTE 9: OTHER FINANCIAL ASSETS

CURRENT

Financial assets at amortised cost

- Term deposits	<u>579,473</u>	<u>722,412</u>
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NON CURRENT

Financial assets at amortised cost

- Investments in debt securities	450,413	476,550
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Available-for-sale financial assets at fair value through other comprehensive income

- Investments in equity securities	<u>5,842,124</u>	<u>5,833,849</u>
	<u>6,292,537</u>	<u>6,310,399</u>

Restrictions on investment balances

The group entered into term deposits which have been classified as financial assets at amortised cost, as the original term is for a period of greater than three months. Included in this balance are term deposits of \$500,000 (2016: \$703,874) being balances held as security for bank guarantee facilities. Of this amount, \$491,349 (2016: \$491,349) is restricted being the amount of outstanding guarantees as disclosed in note 19.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements at cost	318,551	318,551
Accumulated depreciation	<u>(253,821)</u>	<u>(214,002)</u>
	<u>64,730</u>	<u>104,549</u>
Plant and equipment at cost	843,494	829,543
Accumulated depreciation	<u>(768,383)</u>	<u>(705,210)</u>
	75,111	124,333
Motor vehicles at cost	-	41,500
Accumulated depreciation	<u>-</u>	<u>(23,695)</u>
	<u>-</u>	<u>17,805</u>
Total property, plant and equipment	<u><u>139,841</u></u>	<u><u>246,687</u></u>

Reconciliations

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

Leasehold improvements

Opening carrying amount	104,549	144,477
Depreciation expense	<u>(39,819)</u>	<u>(39,928)</u>
Closing carrying amount	<u><u>64,730</u></u>	<u><u>104,549</u></u>

Plant and equipment

Opening carrying amount	124,333	174,058
Additions	40,816	58,403
Disposals	(10,090)	-
Depreciation expense	<u>(79,948)</u>	<u>(108,128)</u>
Closing carrying amount	<u><u>75,111</u></u>	<u><u>124,333</u></u>

Motor vehicles

Opening carrying amount	17,805	27,728
Disposals	(17,805)	(1,464)
Depreciation expense	<u>-</u>	<u>(8,459)</u>
Closing carrying amount	<u><u>-</u></u>	<u><u>17,805</u></u>

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 11: INTANGIBLE ASSETS		
Goodwill on consolidation	770,000	770,000
Trademarks at cost	25,514	25,514
Accumulated amortisation and impairment	<u>(12,720)</u>	<u>(10,358)</u>
	12,794	15,156
Customer relationships at cost	4,400,000	4,400,000
Accumulated amortisation and impairment	<u>(1,210,000)</u>	<u>(770,000)</u>
	3,190,000	3,630,000
Software work in progress at cost	191,527	183,282
Accumulated amortisation and impairment	<u>(52,740)</u>	<u>(20,864)</u>
	<u>138,787</u>	<u>162,418</u>
Total intangible assets	<u>4,111,581</u>	<u>4,577,574</u>

Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

Goodwill on consolidation

Opening balance	<u>770,000</u>	<u>770,000</u>
Closing balance	<u>770,000</u>	<u>770,000</u>

Trademarks at cost

Opening balance	15,156	17,523
Amortisation expense	<u>(2,362)</u>	<u>(2,367)</u>
Closing balance	<u>12,794</u>	<u>15,156</u>

Customer relationships at cost

Opening balance	3,630,000	4,070,000
Amortisation expense	<u>(440,000)</u>	<u>(440,000)</u>
Closing balance	<u>3,190,000</u>	<u>3,630,000</u>

Software work in progress at cost

Opening balance	162,418	48,100
Additions	8,245	135,182
Amortisation expense	<u>(31,876)</u>	<u>(20,864)</u>
Closing balance	<u>138,787</u>	<u>162,418</u>

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 12: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	231,754	452,389
Other payables	<u>747,836</u>	<u>606,928</u>
	<u><u>979,590</u></u>	<u><u>1,059,317</u></u>

NOTE 13: PROVISIONS

CURRENT		
Employee benefits	<u>279,605</u>	<u>416,962</u>
NON CURRENT		
Employee benefits	<u>75,602</u>	<u>80,523</u>

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

NOTE 14: OTHER LIABILITIES

CURRENT		
Deferred income	<u>689,958</u>	<u>1,005,439</u>
NON CURRENT		
Deferred income	400,000	1,000,000
Lease incentives and straight-lining	<u>180,914</u>	<u>280,632</u>
	<u><u>580,914</u></u>	<u><u>1,280,632</u></u>

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 15: RESERVES		
Financial assets at fair value through other comprehensive income reserve	<u>18,621</u>	<u>(218,809)</u>
	<u><u>18,621</u></u>	<u><u>(218,809)</u></u>

The financial assets at fair value through other comprehensive income reserve is used to record increments and decrements on the revaluation of investments in equity securities designated as at fair value through other comprehensive income. The entity has a policy of transferring amounts from this reserve to retained earnings when the relevant equity securities are sold.

NOTE 16: CASH FLOW INFORMATION

Reconciliation of cash flow from operations with loss after income tax

Loss from ordinary activities after income tax	(217,102)	(159,526)
Adjustments and non-cash items		
Amortisation	474,238	463,231
Depreciation	131,069	156,515
Doubtful debts	13,441	-
(Increase) / decrease in accrued dividends recognised in reserves	46,462	35,201
Changes in operating assets and liabilities		
(Increase) / decrease in receivables	(130,108)	(362,996)
(Increase) / decrease in other assets	7,732	(28,619)
(Increase) / decrease in deferred tax assets	337	(2,250)
Increase / (decrease) in payables	(79,727)	100,862
Increase / (decrease) in income tax payable	(110,276)	(76,412)
Increase / (decrease) in deferred income	(1,015,199)	(438,565)
Increase / (decrease) in provisions	<u>(142,278)</u>	<u>36,293</u>
Cash flows from operating activities	<u><u>(1,021,411)</u></u>	<u><u>(276,266)</u></u>

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 17: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

- (a) During the financial year, National Seniors Australia Limited received grant funding of \$100,000 (2016: \$240,000) from National Seniors Foundation Limited. In the 2017 financial year, \$340,000 (2016: \$NIL) has been recognised as revenue as it relates to research which was carried out by the Group in 2017.
- (b) During the 2016 financial year, the group charged \$330 to National Seniors Foundation Limited for reimbursement of costs incurred. This represents the total of such transactions during the year. This amount had been fully recovered at year end with \$NIL outstanding at year end. No such transactions were entered into during 2017 financial year.

NOTE 18: CAPITAL AND LEASING COMMITMENTS

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable

- not later than one year	668,977	684,854
- later than one year and not later than five years	<u>463,549</u>	<u>963,769</u>
	<u>1,132,526</u>	<u>1,648,623</u>

The property lease commitments are non-cancellable operating leases for properties located in Brisbane and Melbourne contracted for but not capitalised in the financial statements with a five-year term.

The Brisbane lease is secured by a bank guarantee of \$491,349 (2016: \$491,349) equivalent to four months rent and outgoings for the last year of the term together with the value of the initial fitout contribution.

There are other minor non-cancellable operating leases contracted for but not capitalised in the financial statements relating to photocopiers, telecommunications equipment and mailing machines used in the Brisbane office.

NOTE 19: CONTINGENT LIABILITIES AND ASSETS

At 30 June 2017 the group had bank guarantees outstanding amounting to \$491,349 (2016: \$491,349) representing security provided under operating leasing and other arrangements. The company had no other contingent liabilities and assets at the reporting date.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
NOTE 20: PARENT ENTITY DETAILS		
Summarised presentation of the parent entity, National Seniors Australia Limited, financial statements:		
Summarised statement of financial position		
Assets		
Current assets	1,947,660	2,911,085
Non-current assets	<u>11,846,972</u>	<u>11,997,673</u>
Total assets	<u>13,794,632</u>	<u>14,908,758</u>
Liabilities		
Current liabilities	1,287,864	1,779,082
Non-current liabilities	<u>1,872,529</u>	<u>2,831,149</u>
Total liabilities	<u>3,160,393</u>	<u>4,610,231</u>
Net assets	<u>10,634,239</u>	<u>10,298,527</u>
Equity		
Retained earnings	10,615,618	10,517,336
Financial assets at fair value through other comprehensive income reserve	<u>18,621</u>	<u>(218,809)</u>
Total equity	<u>10,634,239</u>	<u>10,298,527</u>
Summarised statement of comprehensive income		
Profit for the year	104,832	457,876
Other comprehensive income for the year	<u>230,880</u>	<u>(46,317)</u>
Total comprehensive income for the year	<u>335,712</u>	<u>411,559</u>

Parent entity guarantees

The parent entity has not provided any financial guarantees as at 30 June 2017 or 30 June 2016.

Parent entity contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2017 or 30 June 2016.

Parent entity contractual commitments

The parent entity had no contractual commitments for the acquisition of property, plant and equipment as at 30 June 2017 or 30 June 2016.

NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 21: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2017 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2017, of the group, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2017, of the group.

NOTE 22: ENTITY DETAILS

The registered office and principal place of business of the group is:

National Seniors Australia Limited
Level 18
215 Adelaide Street
Brisbane QLD 4000

**NATIONAL SENIORS AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 89 050 523 003**

DIRECTORS' DECLARATION

The directors declare that:

1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
2. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Director: _____


Christopher Guille - Chairperson

Dated this 18th day of September 2017



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NORMAN THURECHT
BRETT HEADRICK
WARWICK FACE
NIGEL BATTERS
COLE WILKINSON
SIMON CHUN
JEREMY JONES

Independent Auditor's Report

To the Members of National Seniors Australia Limited

We have audited the accompanying financial report of National Seniors Australia Limited, which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.

Opinion

In our opinion, the financial report of National Seniors Australia Limited is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commissions Act 2012*, including:

- a) giving a true and fair view of the consolidated financial position as at 30 June 2017 and of its performance and cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Pitcher Partners.

PITCHER PARTNERS

Nigel Batters

NIGEL BATTERS
Partner

Brisbane, Queensland
18 September 2017