

# Tandem

ANNUAL REPORT  
2009 / 10



Supporting independence and growth within the home and community



## **OUR MISSION**

Promoting independence and quality of life through respite, personal care, and social inclusion.

## **OUR VISION**

Contribute to the ACT Community by working in tandem with individuals and their families.

## **OUR VALUES**

Passionate, Persevering and Professional  
Creative and Caring  
Respectful and Responsive  
Active and Accountable

# THANK YOU

To the organisations and individuals who each year through their generous support inspire Tandem.

## **Platinum Sponsors**

DECCA Building Group

DLA Phillips Fox

## **Gold Sponsors**

Bendigo Community Bank (Calwell & Wanniasa Branches)

Efstratiou Electrical

Lions Club of Gungahlin

## **Bronze Sponsors**

All Phones

Capital Veneering

Content Group

Cricket ACT

Data Voice

DFPG

Dowse Norwood Architects

Music At Midday

Partners in Health

St Edmunds College Canberra

## **Silver Sponsors**

Australian Medical Council

Canberra Toyota

Capital Insurance Brokers

Eastlake Football Club

Masa Constructions

Watson Blinds & Awnings

Zurich Insurance Ltd

## **Government Funding Agencies**

ACT Health

Department of Disability, Housing and Community Services

Disability ACT

Home and Community Care a joint Commonwealth and ACT Program

Mental Health ACT

**Clients and families, Board members, staff and volunteers**

**- especially the contribution of artwork from students at Black Mountain School**



# HIGHLIGHTS

This year Tandem:

- Celebrated its second Birthday following the February 2008 amalgamation;
- Delivered 103,719 hours of support to frail aged people, children and young people with a disability, adults with a disability, adults living with a mental illness, and their families and carers;
- Participated in the ACT Legislative Assembly Inquiry into Respite Care Services in the ACT including tendering a submission that documented the many challenges and unmet needs of respite provision in the ACT;
- Embraced the introduction of the Living Skills Support Service Program, an initiative of Disability ACT to enable young school leavers to build their skills and participate in meaningful activities;
- Increased outputs by 500 to 4,500 hours pa in the Mental Health program thanks to a funding increase from Mental Health ACT;
- Increased the focus on evaluation and accountability by introducing the Results Based Accountability Framework into the Mental Health program, with rollout to other programs in the near future;
- Streamlined the AFFIRM referral process to allow families and referring bodies to refer directly to AFFIRM or Disability ACT and lowered the entry age to seven years;
- Saw an influx of younger age volunteers in the LeisureLink program, who are proving a great match to the young people supported by the program;
- Worked towards establishing Tandem House as a respite option for children and young people at Lions Youth Haven, Kambah in early 2011;
- Support Worker, Margaret Steen, won an individual award at Disability ACT's Support Worker Awards;
- Reshaped recruitment and retention strategies to a more continuous recruitment stream model; a mix of targeted and opportunistic recruitment, capitalising on Tandem's growing profile as an employer of choice and to meet the needs of families by finding the right person, available at the right time;
- Introduced the requirement for all volunteers with the LeisureLink program to have current Senior First Aid falling in line with staff working across all other programs;

- Provided ongoing employment of 180 support workers with a broad range of skills, experiences and qualifications to support clients to achieve their potential;
- Support workers participated in biannual re-induction sessions providing a refresher of key policy and procedures as part of Tandem's commitment to learning and development;
- Assisted 25 staff to gain qualifications in Certificate III, IV and Diploma in Disability Studies and Aged and Community Care;
- A financial surplus of \$145,000 was achieved with reserves of around \$256,000;
- Relocated to new premises at the Blaxland Centre, Griffith thanks to project management support of the DECCA Building Group and other supporters;
- Received ongoing pro bono legal assistance from DLA Phillips Fox;
- Bendigo Community Bank (Calwell & Wanniasa Branches) supported 10 clients to go on holidays;
- The Lions Club of Gungahlin supported 34 children and young people to participate in recreational activities;
- A positive partnership created with Canberra Toyota in changeover of car fleet; and
- Launched a permanent exhibition of magnificent artwork by Black Mountain School students that decorate the walls of our new office.



# President and CEO REPORT

This financial year has been an exceptional 12 months for Tandem. From our new premises in Griffith we have been operating as a united and passionate organisation. We have delivered more services to more Canberrans thanks to our generous sponsors, government funders, our dedicated staff, volunteers, board and our Patron.

We have had a number of changes to both our Board this year. We welcomed Steve Dascarolis, Patrick White, Paul Hibberd and Joan Ross and thank them for their outstanding contribution and their time. We also recognise and thank Board members Josephine O'Sullivan, Paul Hibberd and in particular former President, Catherine McPherson, who through their skills and dedication helped make Tandem what it is today. We thank all other members of the Board who work tirelessly and passionately on a voluntary basis to steer Tandem's direction.

One of our most exciting achievements this year was working towards the establishment of Tandem House in Kambah. It will, when operational next year be the first of its kind in the Australian Capital Territory (ACT) focusing on supporting teenagers living with a disability. The incredible amount of work that has gone into this project will make an enormous difference to the lives of many young Canberrans with a disability and their families. This year we saw the concept of Tandem House turn into a reality and next year this project will deliver significant improvements to the types of respite services available to our clients and more broadly the Canberra community.

One of the other highlights for Tandem this year was the launch of a permanent exhibition of magnificent artwork from Black Mountain School students that now decorates our office walls. We had many enjoyable Friday mornings when the students visited our office to plan and create the artworks. This has been an equally beneficial partnership between the school community and Tandem.

Our achievements and the difference we have made in the more than 600 Canberrans lives could not have been possible without the ongoing support of our numerous sponsors who provided Tandem with their services, skills and funds. For these contributions we are tremendously grateful. In particular we acknowledge the support of our Platinum Sponsors - DECCA Building Group towards the fit out of our office and DLA Phillips Fox for pro bono legal advice. We also recognise our Gold Sponsors the Bendigo Community Bank for financially supporting the Client Holiday Program and the Lions Club of Gungahlin for financially supporting the Recreational Activities Program.

We also thank the ACT Government—through Home & Community Care, Disability ACT and Mental Health ACT—for their ongoing financial support ensuring over 100,000 hours of in home and community respite, personal care and social support to frail aged people, children and young people with a disability, adults with a disability, people with mental illness, and their families and carers were delivered.

The 2009-2010 financial year saw changes in both Federal and Territory Government policy that has impacted on Tandem and will continue to do so in the future. Through the Federal Government's Health and Hospital Reform Package, the agreement to allow funding of all aged care to come from the Commonwealth and the funding of disability services to come from the states and territories will have an enormous impact on the way Tandem receives funding. We are delighted however that aged care and disability services are on the political agenda and we will continue to work with both tiers of government to determine how these changes can positively impact our organisation.

Other changes during the financial year experienced by Tandem and the community sector which have a serious social and financial impact is the introduction of Portable Long Service Leave, the introduction of the Social, Community, Home Care and Disability Services Industry Award 2010 and the National Equal Pay Case. Whilst recognising and appreciating the value of people working within the sector, there needs to be a greater understanding of how the full cost of meeting these changes can be met so we can both attract and retain people to work within the community sector.

Another significant piece of work undertaken by the ACT Government was the *Inquiry into the Provision of Respite Services in the ACT*. Tandem provided a comprehensive submission to the Inquiry and outlined a lack of services available to those in need in Canberra due in part to the real cost of service delivery and challenges of low unemployment in the ACT. The Inquiry gave Tandem an opportunity to put forward ideas as to how gaps in services could be addressed. CEO, Cheryl Pollard appeared before the Inquiry three times and provided Committee members with insightful ideas as to how respite is being delivered and how it could be improved.

We are at an exciting phase in our early years as an organisation and we know the next financial year will be one that presents us with more opportunities to make a positive difference to lives of people we support. It will be a year that requires us to adapt to the challenging changes within the sector and respond constructively.

Every person involved in our organisation is, every day delivering on our mission of promoting independence and quality of life through the services we offer to our community and we look forward to another prosperous and productive year supporting Canberrans of all ages. We are grateful to everybody who is involved with Tandem and we pay particular tribute to our skilled and dedicated staff who continue to make a big difference to the clients they support.

RON KINGSBURY OAM  
**President**

CHERYL POLLARD  
**Chief Executive Officer**



# Our Programs' REPORT

Here we are again heading toward the end of a very fast and fulfilling year. Tandem is about to enter its third year post-amalgamation and has developed into a strong presence in the community sector with a clearly defined identity and acknowledged expertise in service delivery. As always this is only achievable through the efforts of the dedicated and passionate people who make up the Tandem team.

We began 2010 with the finalisation of the Carers Support Fund, a one-off grant from DHCS which focussed on energy efficiency and lifestyle enhancement. The grant assisted 170 adult clients and families to purchase energy efficient whitegoods and other household items. In addition the grant funded fuel cards and cabcharge cards to clients to assist them with meeting the cost of transport; a significant expense for many, given medical and other appointments and the need to meet the cost of support worker travel within sessions.

As always the service delivery teams have had nose to the grindstone ensuring that support sessions are filled with the right support worker and that output targets are met. There was an upward swing in the provision of hours in the first quarter of 2010, particularly towards the end of January when Tandem provided in excess of 1100 hours more than in the previous fortnight. Usage by families in the Children and Young People's program accounted for a high proportion of this, with additional weekday support, 24 hour and sleepover sessions adding to the usual weekday and weekend allocations in both the Adults and Children and Young people's Programs. The increased hours were largely accounted for by requests for support during the latter part of the January school holidays, a trend we see in most school holiday periods.

The initial increase in hours has been difficult to sustain however due to two main circumstances: the growing challenges of support worker matching and availability and the changed profile of support requested by clients, particularly the families of children and young people. Following on from the introduction in 2009 of a ceiling on weekend hours, many families in particular adapted support needs resulting not only in a reduced weekend hour requirement but also a similar reduction in need for weekday support. The exception to this is a continuation of demand for after school hours support sessions which we often find difficult to fill.

We have rallied and addressed the support worker availability challenges by reshaping our recruitment and retention strategies. 2010 has seen a move from quarterly recruitment to a more continuous recruitment stream model; a mix of targeted and opportunistic recruitment, the latter capitalising on Tandem's growing profile as an employer of choice. During this past year the service delivery teams have experienced a number of staff changes and the challenges and positive growths attendant with those changes. Senior coordination staff have all been involved in interview and selection processes and all agree that one of the defining characteristics of a good match between a candidate and our organisation is that the person wants to work for Tandem, as opposed to simply seeking a position.

The Adults' program areas are largely meeting output targets and fluctuations in the hours provided across personal care, social support and respite are manageable. The Mental Health program continues to deliver above its required outputs and earlier in the year we were successful in securing funding from ACT Mental Health to provide an additional 500 hours per annum. The support provided by the program falls mainly during weekday 'office' hours which is at a time preferred by clients and is working well to assist people access community supports and reduce isolation.

During 2010, highlights for the AFFIRM program were the streamlining of the referral process to allow families and referring bodies to refer directly to AFFIRM as well as to Disability ACT, thus increasing the opportunity for the team to engage at an earlier stage with families who are interested in working with the program. The team also reviewed all forms used in the program, resulting in more accurate usage of the necessary documents. Referrals to the program increased during the year due in part to the referral pathway changes as well as to the team's efforts in networking and awareness raising. The entry age to the program was lowered to seven years to fit with the program's effectiveness as an early intervention support. Discussions are currently underway with Disability ACT to refine the referral and response process further.

The AFFIRM team has taken on a number of roles in supporting Tandem in other ways, including a key role in liaising with other services and community activities to promote Tandem and providing staff hours to complete NMDS reporting for other Tandem programs. Team members have also taken on projects particularly within the Children and Young People's Program such as assisting with the transitioning of clients from Children and Young People's Program to the Adults Program and a full review of the Children and Young People's Program's referral 'Priority List', contacting all families on the list to clarify if their wishes in regard to waiting for Tandem service.

In the first quarter of 2010 LeisureLink introduced a requirement for all volunteers to have current Senior First Aid as of 30 June 2010. To assist volunteers with this transition and acknowledge their contributions to the program, Tandem subsidised the cost of the training. This supported the change process and was appreciated by the volunteers.

LeisureLink has recently seen an influx of younger age volunteers who are providing a great match with the younger people referred to the program. This change in the age profile of both volunteers and clients has led to the consideration of other changes to the program such as the instigation of coffee catch ups rather than the traditional luncheon meetings.

This year we increased our focus on evaluation and accountability following on from the various trainings in 2009 attended by senior coordination staff, on Results Based Accountability (RBA). RBA evaluation is being used in the Mental Health program and will be used in other programs in the near future. RBA has been introduced across social service areas both in Australia and the US and our implementation of the framework illustrates Tandem's commitment to ongoing service quality improvement. We are also fortunate in having a social work student on placement with us who has, as part of her placement, developed staff and client surveys.

In the first quarter of 2010 Tandem embraced the Living Skills Support Service, an initiative of Disability ACT which provides some funding to young people who are school leavers, to enable their access to skills building and other meaningful activities. This service sits within the Children and Young People's Program and is a natural extension of our core focus.

A key change in service delivery during this year has been the development of the role of Clinical Advisor and Workplace Safety Manager. This role works closely with the coordinators in all programs to review all Medical Treatment and Epilepsy Plans, support plans and OH&S checks and requirements to ensure currency and best practice. Tandem has always had a strong workplace safety focus and presence and has been very fortunate in having informed, skilled and dedicated people in the position. Earlier this year we had the opportunity to expand the position to include an element of clinical expertise and this has been very successful, giving Tandem another level of professionalism and accountability. The role's scope also allows us to provide on-the-job individualised training for workers who support clients who have complex needs, and to conduct manual handling assessments and training. This gives clients a rapid response in that we are able to address their changing needs promptly with minimal disruption to service. Support workers also benefit greatly in being able to access on the job training that is tailored to the client's needs.

As Tandem moves towards the introduction of DAELIBS (Data Analysis Electronically Logged Information Based System), the electronic data recording system to replace paper timesheets, service delivery staff are attending training and information sessions to assist with the transition.

The return of biannual re-induction sessions provide a refresher of key policy and procedures for support workers and office based service delivery team members. We are very proud to have staff with a broad range of skills, qualifications and experience and will continue to engender a culture of learning and development that in turn enhances the quality of the service we provide.

As we head into the last months of 2010, we are focussed on establishing Tandem House as a respite option for children and young people initially, and at a later time, our adult service users. We are very excited to have the opportunity to provide families with another respite option, and have been working for many months on this service. Visits have been made to other respite houses and services in the ACT, interstate and overseas and service users and Tandem staff have come together to contribute insights and suggestions toward how Tandem House might look and be. The year is ending much as it started: with a sense of energy and positive change that inspires us to continue providing a service to the many people who allow us to be part of their lives.

LISA GRANT  
**Operations Manager**



# Treasurer's REPORT

In February 2008 FaBRiC and Respite Care ACT merged to form Tandem Respite Inc. Having now operated for over two years in its present structure, many changes have taken place to arrive at the next exciting stage of the company development, not the least being the centralisation of operations in its newly refurbished offices in Griffith.

The Committee's strategic plan in 2008-09 was to draw down in reserves to provide for the amalgamation of the two entities whilst mindful that continued drawing down of reserves could not be sustained.

The Committee recognised that the 2009-10 year would be one of consolidation and in order to assist in achieving its budgetary objective, changes to weekend and public holiday hours were introduced.

These changes however did not totally deliver the desired outcome with some 5,200 hours of respite being under provided, mainly attributed to weekend hours and shortage of support workers with the flow-on effect of a reduction in client intake.

Despite this, we are pleased to report that the result for the year is a surplus of around \$145,000 and although this is around \$50,000 below the budget set by the Committee, is still considered a very good outcome.

Tandem finishes the year with reserves of around \$256,000.

In the opinion of Committee members, the accompanying financial accounts present a fair view of the results and state of affairs for the year. Further they advise that the organisation was in a position to pay its debts as and when they fell due and we are pleased to advised that Duesburys Nexia, Tandem's auditors have provided an audit opinion and unqualified audit report for the year ended 30 June 2010.

Operating revenue for the year was \$5,693,462 (2008-09 \$5,334,578), as detailed below:

Revenue Source	Amount \$	Percentage of Total
Government funding	5,052,346	88.7
Parents' contributions	271,609	4.8
Provision of services income	287,986	5.1
Interest revenue	65,133	1.1
Dividend revenue	157	Less than 1%
Other revenue	16,231	Less than 1%
<b>TOTAL INCOME</b>	<b>5,693,462</b>	<b>100</b>

Operating expenditure for the year was \$5,548,756 as detailed below:

<b>Expenditure Source</b>	<b>Amount \$</b>	<b>Percentage of Total</b>
Direct care costs	3,227,836	58.2
Coordination	1,156,752	20.1
Service management	734,718	13.2
Accommodation	74,424	1.3
General administration	286,751	5.2
Depreciation	46,511	Less than 1%
Other indirect service costs	20,227	Less than 1%
Daelibs	1,537	Less than 1%
<b>TOTAL EXPENDITURE</b>	<b>5,548,756</b>	<b>100</b>

In relation to expenditures for the year, as in 2008-09, significant areas involved:

- Employment and associated costs for support workers, coordinators and service management as the single highest expense of the organisation and include wages, superannuation, employee provisions, workers compensation insurance, development and training. These costs flow through direct care, coordination, service management and administration;
- Communication costs (\$56,540) including telephones, postage, couriers and e-mail;
- Insurances (\$48,778) including business interruption, directors and officers public liability, malpractice and voluntary workers; and
- Depreciation charges (\$46,511).

During the year, a total of 103,719 hours of support were delivered across all programs:

<b>Program</b>	<b>Hours Delivered</b>
HAAC	79,595
Mental Health	4,011
Disability ACT	14,149
Other	5,964

Although 2009-10 has been another year of significant change, Tandem has built on its reputation in the ACT Community Services sector as a quality provider of whole of life services to all clients, their families and the ACT community.

CATH SUTTON  
**Treasurer**

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**FINANCIAL STATEMENTS**

**30 JUNE 2010**

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**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**FINANCIAL STATEMENTS**

**30 JUNE 2010**

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**REPORT OF THE COMMITTEE**

The Committee presents their report on the financial statements of the Association for the year ended 30 June 2010.

**Committee Members**

The names of the members of the committee at the date of the report and at any time since the beginning of the financial year were:

Catherine McPherson – President (Resigned 26<sup>th</sup> May 2010)  
Ron Kingsbury – Vice President (Re-appointed 28<sup>th</sup> October 2009)  
Peter Gordon (Appointed 28<sup>th</sup> October 2009)  
Karen Noble – Secretary, Public Officer  
Catherine Sutton – Treasurer  
Joan Ross – Member (Appointed 26<sup>th</sup> May 2010)  
Tyler Ellis – Member, Client Representative (Re-appointed 28<sup>th</sup> October 2009)  
Steve Dascarolis – Member (Appointed 3<sup>rd</sup> September 2009)  
David Morphet – Member (Term expired, did not re-nominate)  
Paul Hibberd – Member (Appointed 28<sup>th</sup> October 2009, resigned 26<sup>th</sup> May 2010)  
Jean McIntyre – Member (Appointed 28<sup>th</sup> October 2009)  
Josephine O’Sullivan – Member (resigned 26<sup>th</sup> May 2010)  
Mark Vergano – Member, Client Representative  
Kerri West – Member  
Patrick White – Member, Client Representative (Appointed 26<sup>th</sup> May 2010)


**Principal Activities**

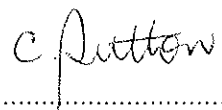
The principal activity of the Association for the year was to provide respite, personal care and other support services to children, young people and adults with disabilities, people with mental illness, frail older people, and their families and carers living in the ACT community.

**Results**

The net surplus of the Association for the year ended 30 June 2010 was \$144,687 (2009: loss of \$392,253).

Signed at Canberra this 7 day of October 2010 on behalf of the Committee

  
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**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2010**

	Notes	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	1,011,379	1,335,143
Trade and other receivables	3	113,185	83,131
Financial assets	4	3,799	3,766
Other assets	5	<u>66,518</u>	<u>50,987</u>
<b>TOTAL CURRENT ASSETS</b>		<u>1,194,881</u>	<u>1,473,027</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	<u>260,101</u>	<u>163,480</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>260,101</u>	<u>163,480</u>
<b>TOTAL ASSETS</b>		<u>1,454,982</u>	<u>1,636,507</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	422,394	581,161
Financial liabilities	8	4,009	-
Income in advance	9	435,649	660,734
Provisions	10	<u>278,556</u>	<u>223,827</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,140,608</u>	<u>1,465,722</u>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities	8	8,550	-
Provisions	10	<u>48,689</u>	<u>58,213</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>57,239</u>	<u>58,213</u>
<b>TOTAL LIABILITIES</b>		<u>1,197,847</u>	<u>1,523,935</u>
<b>NET ASSETS</b>		<u>257,135</u>	<u>112,572</u>
<b>EQUITY</b>			
Accumulated surplus		252,874	108,187
Financial assets reserve		3,215	3,339
Membership fees reserve		<u>1,046</u>	<u>1,046</u>
<b>TOTAL EQUITY</b>		<u>257,135</u>	<u>112,572</u>

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>		
Government funding	5,052,346	4,688,417
Parents' contributions	271,609	240,183
Provision of services income	287,986	310,690
Interest revenue	65,133	76,142
Dividend revenue	157	135
Other income	<u>16,231</u>	<u>19,011</u>
 Total revenue	 <u>5,693,462</u>	 <u>5,334,578</u>
 <b>Less</b>		
Cost of sales	<u>3,227,843</u>	<u>3,408,536</u>
 Gross profit	 <u>2,465,619</u>	 <u>1,926,042</u>
 <b>EXPENSES</b>		
Staffing costs	1,867,758	1,813,967
Occupancy costs	74,427	50,000
Loss on sale of assets	14,912	1,813
Provision for doubtful debts	7,315	3,069
Other administrative costs	264,535	349,681
Other indirect services costs	20,225	28,407
Depreciation	46,510	53,810
Motor vehicle running costs	23,713	17,548
Other expenses	<u>1,537</u>	<u>-</u>
 Total expenses	 <u>2,320,932</u>	 <u>2,318,295</u>
 Net surplus/(loss) for the year	 <u>144,687</u>	 <u>(392,253)</u>
 <b>OTHER COMPREHENSIVE INCOME</b>		
Gain/(loss) on revaluation of available-for-sale financial assets	<u>(124)</u>	<u>28</u>
 Total other comprehensive income	 <u>(124)</u>	 <u>28</u>
 Total comprehensive income for the year	 <u>144,563</u>	 <u>(392,225)</u>

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>ACCUMULATED SURPLUS</b>		
Retained surplus at the beginning of the year	108,187	500,440
Net surplus/(loss) for the year	<u>144,687</u>	<u>(392,253)</u>
<b>RETAINED SURPLUS AT THE END OF THE YEAR</b>	<u><b>252,874</b></u>	<u><b>108,187</b></u>
<b>FINANCIAL ASSETS RESERVE</b>		
Balance at the beginning of the year	3,339	3,311
Other comprehensive income	<u>(124)</u>	<u>28</u>
<b>BALANCE AT THE END OF THE YEAR</b>	<u><b>3,215</b></u>	<u><b>3,339</b></u>
The financial assets reserve records gains or losses arising from changes in fair value to available-for-sale financial assets.		
<b>MEMBERSHIP FEES RESERVE</b>		
Balance at the beginning of the year	1,046	1,046
Movement in reserve	<u>-</u>	<u>-</u>
<b>BALANCE AT THE END OF THE YEAR</b>	<u><b>1,046</b></u>	<u><b>1,046</b></u>
The membership fees reserve records membership fees received from members.		

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members and others		5,924,620	6,290,161
Payments to trade creditors, other suppliers and employees		(6,168,033)	(6,077,028)
Interest received		<u>65,133</u>	<u>76,142</u>
Net cash inflow/(outflow) from operating activities	15(a)	<u>(178,280)</u>	<u>289,275</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(221,740)	(18,927)
Proceeds from sale of payment, plant and equipment		<u>63,697</u>	<u>6,500</u>
Net cash inflow/(outflow) from investing activities		<u>(158,043)</u>	<u>(12,427)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of hire purchase		(2,041)	-
Proceeds from hire purchase		<u>14,600</u>	<u>-</u>
Net cash inflow/(outflow) from financing activities		<u>12,559</u>	<u>-</u>
Net cash inflow/(outflow)		<u>(323,764)</u>	<u>276,848</u>
Cash at the beginning of the year		<u>1,335,143</u>	<u>1,058,295</u>
Cash at the end of the year	15(b)	<u><u>1,011,379</u></u>	<u><u>1,335,143</u></u>

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act (1991).

Tandem Respite Incorporated (the Association) is an association incorporated in the Australian Capital Territory under the Associations Incorporation Act (1991). The financial statements cover the Association as an individual entity.

During the current year the Association adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these standards has had a minor impact on the presentation and disclosure of certain information within the financial statements. The main impacts have arisen from the revised standard AASB 101 *Presentation of Financial Statements*. As a result a number of terminology changes and amendments to the format and content of the financial statements have been made. The changes include the introduction of the statement of comprehensive income and related amendments to the statement of changes in equity.

A number of Australian Accounting Standards have been issued or amended prior to the date of these statements but are only applicable to future reporting periods and accordingly have not been applied in preparing these financial statements. The Committee Members are of the opinion that when the relevant Accounting Standards are first applied, there will be no material impact on the accounting policies of the Association and no material impact on the statement of comprehensive income or statement of financial position of the Association. Application of the pending standards, particularly those relating to the introduction of tiers of Accounting Standards, is expected to result in some reduction in the level of disclosure in the financial statements.

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

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

**Accounting Policies**

**(a) Income Tax**

The Association is a tax exempt body under the relevant provisions of the Income Tax Assessment Act, 1997.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**(b) Property, Plant and Equipment**

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

The carrying amount of property, plant and equipment is reviewed at the end of the reporting period to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other costs (eg. repairs and maintenance) are charged to the statement of comprehensive income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

**(c) Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**(d) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(e) 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.

*Financial assets at fair value through profit and loss*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139 - Financial Instruments: Recognition and Measurement. Gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**(e) Financial Instruments (cont'd)**

*Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments and are stated at amortised cost using the effective interest rate method.

*Held-to-maturity investments*

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

*Available-for-sale financial assets*

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve.

*Financial liabilities*

Financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

*Fair Value*

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and options pricing models.

*Impairment*

At the end of the reporting period, an assessment is made whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the profit or loss.

**(f) Impairment of Assets**

At the end of the reporting period, the carrying values of tangible and intangible assets are reviewed 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 profit or loss.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**(g) Employee Benefits**

Provision is made for the liability for employee benefits arising from services rendered by employees to the reporting date. The benefits expected to be settled within one year to employees for their entitlements have been measured at the amounts expected to be paid including on-costs and are disclosed as current liabilities. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made in respect of those benefits. 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 upon historical data.

**(h) Provisions**

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

**(i) 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 bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

**(j) Revenue**

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

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Income from grant funding is recognised as the relevant grant funding requirements are satisfied. Grant funding received but not yet recognised as revenue is deferred to the statement of financial position as income in advance.

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

**(k) Goods and Services Tax (GST)**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

**1) Comparative Figures**

Comparative figures have been adjusted, where necessary to conform to changes in presentation for the current financial year.

**Critical Accounting Estimates and Judgements**

The Committee Members evaluate 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 Association.

The committee members do not believe that there were any key estimates or key judgements used in the development of the financial statements that give rise to a significant risk of material adjustment in the future.

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
NOTE 2 CASH AND CASH EQUIVALENTS		
Cash on hand	300	300
Cash at bank	105,998	39,078
Short-term deposits	<u>905,081</u>	<u>1,295,765</u>
	<u>1,011,379</u>	<u>1,335,143</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 3 TRADE AND OTHER RECEIVABLES</b>		
Service payments	86,920	83,084
Grant receivable	22,060	-
Accrued income	7,337	6,446
Other receivables	10,608	4,335
Less: Allowance for impairment loss	<u>(13,740)</u>	<u>(10,734)</u>
	<u>113,185</u>	<u>83,131</u>
Ageing of receivables		
30 to 60 days overdue	50,819	50,394
61 to 90 days overdue	8,335	6,520
More than 90 days	<u>27,766</u>	<u>26,170</u>
Total receivables	<u>86,920</u>	<u>83,084</u>
Ageing of allowance for impairment loss		
30 to 60 days overdue	-	-
61 to 90 days overdue	-	-
More than 90 days	<u>(13,740)</u>	<u>(10,734)</u>
Total allowance for impairment loss	<u>(13,740)</u>	<u>(10,734)</u>
Reconciliation of allowance for impairment loss		
Balance at the beginning of the year	(10,734)	(25,991)
Addition to allowance for impairment loss	(7,315)	(3,069)
Write-off of debtors	<u>4,309</u>	<u>18,326</u>
Balance at the end of the year	<u>(13,740)</u>	<u>(10,734)</u>
<b>NOTE 4 FINANCIAL ASSETS</b>		
Listed shares – at fair value	<u>3,799</u>	<u>3,766</u>
The listed shares are classified as ‘available-for-sale’ financial instruments.		
<b>NOTE 5 OTHER ASSETS</b>		
Prepayments	<u>66,518</u>	<u>50,987</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 6 PROPERTY, PLANT AND EQUIPMENT</b>		
Building improvements – at cost	73,208	73,208
Less accumulated depreciation	<u>(73,208)</u>	<u>(73,208)</u>
	-	-
Computers and software – at cost	110,883	110,883
Less accumulated depreciation	<u>(103,232)</u>	<u>(89,137)</u>
	<u>7,651</u>	<u>21,746</u>
Office equipment – at cost	135,458	35,586
Less accumulated depreciation	<u>(35,355)</u>	<u>(32,398)</u>
	<u>100,103</u>	<u>3,188</u>
Telephone installations – at cost	14,636	14,636
Less accumulated depreciation	<u>(2,671)</u>	<u>(1,267)</u>
	<u>11,965</u>	<u>13,369</u>
Office furniture and fittings – at cost	74,485	56,914
Less accumulated depreciation	<u>(8,399)</u>	<u>(38,247)</u>
	<u>66,086</u>	<u>18,667</u>
Motor vehicles – at cost	64,685	159,351
Less accumulated depreciation	<u>(14,722)</u>	<u>(52,841)</u>
	<u>49,963</u>	<u>106,510</u>
Joint venture assets – at cost	<u>24,333</u>	-
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<u><u>260,101</u></u>	<u><u>163,480</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

*Movements in carrying amounts:*

<b>2010</b>	<b>Balance at the beginning of the year</b>	<b>Additions</b>	<b>Depreciation Expense</b>	<b>Carrying value of assets disposed</b>	<b>Balance at the end of the year</b>
	\$	\$	\$	\$	\$
Building improvements	-	-	-	-	-
Computers and software	21,746	-	(14,095)	-	7,651
Office equipment	3,188	99,872	(2,957)	-	100,103
Telephone installations	13,369	60	(1,464)	-	11,965
Office furniture and fittings	18,667	66,518	(5,934)	(13,165)	66,086
Motor vehicles	106,510	30,957	(22,060)	(65,444)	49,963
Joint venture assets	-	24,333	-	-	24,333
<b>Total</b>	<b>163,480</b>	<b>221,740</b>	<b>(46,510)</b>	<b>(78,609)</b>	<b>260,101</b>
<b>2009</b>	<b>Balance at the beginning of the year</b>	<b>Additions</b>	<b>Depreciation Expense</b>	<b>Carrying value of assets disposed</b>	<b>Balance at the end of the year</b>
	\$	\$	\$	\$	\$
Building improvements	501	-	(501)	-	-
Computers and software	38,227	4,291	(20,772)	-	21,746
Office equipment	5,724	-	(2,536)	-	3,188
Telephone installations	1,418	14,636	(1,327)	(1,358)	13,369
Office furniture and fittings	22,417	-	(3,750)	-	18,667
Motor vehicles	138,390	-	(24,924)	(6,956)	106,510
<b>Total</b>	<b>206,677</b>	<b>18,927</b>	<b>(53,810)</b>	<b>(8,314)</b>	<b>163,480</b>

*Depreciation rates and methods:*

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>	<b>Depreciation Method</b>
Building improvements	20%	Straight-line
Computers and software	30%	Straight-line
Office equipment	14.29%	Straight-line
Telephone installations	10%	Straight-line
Office furniture and fittings	10%	Straight-line
Motor vehicles	14%	Straight-line
Joint venture assets	5%	Straight-line

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	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 7 TRADE AND OTHER PAYABLES</b>		
Trade creditors	193,465	186,191
Net GST payable	114,308	129,885
Employee benefits payable	108,763	262,016
Other payables	<u>5,858</u>	<u>3,069</u>
	<u>422,394</u>	<u>581,161</u>
 <b>NOTE 8 FINANCIAL LIABILITIES</b>		
<i>Current</i>		
Finance lease	<u>4,009</u>	<u>-</u>
<i>Non-current</i>		
Finance lease	<u>8,550</u>	<u>-</u>
The finance lease relates to a photocopier.		
 <b>NOTE 9 INCOME IN ADVANCE</b>		
Unexpended grants	<u>435,649</u>	<u>660,734</u>
 <b>NOTE 10 PROVISIONS</b>		
<i>Current</i>		
Annual leave	136,564	92,389
Long service leave	<u>141,992</u>	<u>131,438</u>
	<u>278,556</u>	<u>223,827</u>
<i>Non-current</i>		
Long service leave	<u>48,689</u>	<u>58,213</u>
 <b>NOTE 11 LEASING AND CAPITAL COMMITMENTS</b>		
Finance Lease Commitments		
Payable		
- not later than 1 year	4,009	-
- later than 1 year but not later than 5 years	<u>8,550</u>	<u>-</u>
	<u>12,559</u>	<u>-</u>
Capital commitments	<u>109,032</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 12 RELATED PARTY DISCLOSURES**

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

A committee member, Kerri West, has provided occupational therapy and training services to the Association totalling \$263 (2009: \$1,142) during the year.

A company controlled by a committee member, Jean MacIntyre, has provided marketing services to the Association totalling \$495 (2009: \$nil).

A company of which a committee member, Steve Dascarolis, is a director has performed renovations of the Associations' premise totalling \$57,059 (2009: \$nil).

Other than the compensation of key management personnel, which is separately disclosed in these statements, there were no other related party transactions during the financial year.

**NOTE 13 KEY MANAGEMENT PERSONNEL COMPENSATION**

Key management personnel is defined by AASB 124 "Related Party Disclosures" as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Committee Members of the entity.

The aggregate remuneration paid to key management personnel during the financial year is as follows:

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Short-term benefits		
Salary	147,430	131,621
Superannuation	12,241	10,046
Bonuses	-	-
Other benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
	<u>159,671</u>	<u>141,667</u>

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	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 14 AUDITOR'S REMUNERATION</b>		
Amounts received, or due and receivable, by the auditor for:		
Auditing the financial statements	<u>13,500</u>	<u>12,700</u>
<b>NOTE 15 NOTES TO THE STATEMENT OF CASH FLOWS</b>		
a) Reconciliation of net cash provided by operating activities		
Surplus/(loss) for the year	144,687	(392,253 )
Depreciation	46,510	53,810
(Profit)/loss on sale of non-current assets	14,912	1,813
Allowance for impairment loss	7,315	3,069
Dividend reinvested	(157)	(135)
Write-off of debtors	(4,309)	(18,326)
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(33,060)	153,093
(Increase)/decrease in other assets	(15,531)	55,417
Increase/(decrease) in trade and other payables	(158,767)	97,473
Increase/(decrease) in income in advance	(225,085)	345,578
Increase/(decrease) in provisions	<u>45,205</u>	<u>(10,264)</u>
Net cash provided by/(used in) operating activities	<u>(178,280)</u>	<u>289,275</u>
b) Reconciliation of Cash		
For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position, as follows:		
Cash on hand	300	300
Cash at bank	105,998	39,078
Short-term deposits	<u>905,081</u>	<u>1,295,765</u>
	<u>1,011,379</u>	<u>1,335,143</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 16 SEGMENTAL REPORTING**

The Association is incorporated under the ACT Associations Incorporation Act, and operates as a community service organisation within the Australian Capital Territory. The Association is domiciled in Australia and its principal place of business is located at 25 Blaxland Crescent, Griffith, ACT.

**NOTE 17 SUBSEQUENT EVENTS**

These financial statements were authorised for issue by the Committee on the date of signing the attached Report by the Committee. The Committee have the right to amend the statements after they have been issued.

There are no subsequent events since the balance date which require amendment of, or further disclosure in, the financial statements.

**NOTE 18 FINANCIAL INSTRUMENTS**

*(a) Terms, Conditions and Accounting Policies*

The accounting policies and terms and conditions of each class of financial asset, financial liability and equity instrument at the reporting date are consistent with those regularly adopted by businesses in Australia.

*(b) Financial Risk Management*

The financial instruments consist mainly of deposits with banks, short term investments and accounts receivable and payable. The entity does not trade or speculate in derivatives.

The main purpose of the financial instruments is to raise funds for normal activities and invest excess funds in an appropriate manner.

*Financial risks and risk management*

The main risks the entity is exposed to through its financial instruments are liquidity risk, credit risk and interest rate risk.

*Liquidity risk*

The liquidity risk is managed by monitoring forecast cash flows and ensuring that adequate short term funds are maintained.

The following table illustrates the maturities for financial liabilities:

	< 1 year		1 to 5 years		> 5 years		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Liabilities</b>								
Payables	422,394	581,161	-	-	-	-	422,394	581,161
Finance lease	4,009	-	8,550	-	-	-	12,559	-
	426,403	581,161	8,550	-	-	-	434,953	581,161

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**NOTES TO THE FINANCIAL STATEMENTS**  
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NOTE 18 FINANCIAL INSTRUMENTS (CONT'D)

*Foreign currency risk*

The entity is not exposed to fluctuations in foreign currencies.

*Credit risk*

The maximum exposure to credit risk at the reporting date in respect of recognised financial assets, excluding the value of any collateral or other security, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. This risk is monitored and managed by management reviewing financial assets and ensuring collections are made on a timely basis and that unacceptable concentrations of credit risk are avoided.

The entity does not hold any collateral against financial assets.

Ageing of financial assets that are past due but not impaired:

	<b>2010</b>	<b>2009</b>
	\$	\$
<b>Financial Assets</b>		
Receivables		
Carrying amount	73,180	72,350
Neither impaired or past due at the end of the reporting period		
30 to 60 days overdue	50,819	50,394
61 to 90 days overdue	8,335	6,520
More than 90 days	14,026	15,436
	73,180	72,350

*Price risk*

The entity is not exposed to any material commodity price risk.

*Interest rate risk*

The entity's exposure to cash flow interest rate risk relates to financial assets and liabilities subject to floating interest rates. These risks arise due to the entity holding cash and cash equivalents and short term investments. The entity minimises its exposure by continuously analysing its interest rate exposure and by fixing interest rates on deposits with banks and short term investments, where appropriate. There have been no changes in the market risks, methods and assumptions from the previous period.

The following table details the effect on surplus before tax and on equity if interest rates on financial assets and financial liabilities had been 1% higher or lower and all other variables were held constant. Considering the market outlook and the current interest rates, management believes a 1% movement in interest rates is reasonably possible.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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NOTE 18 FINANCIAL INSTRUMENTS (CONT'D)

	2010 Interest Rate Sensitivity				2009 Interest Rate Sensitivity					
	Carrying amount		-1%	+1%	-1%		+1%			
	2010	2009	Surplus	Equity	Surplus	Equity	Surplus	Equity		
<b>Financial Assets</b>										
Cash and cash equivalents	1,011,379	1,335,143	(10,114)	(10,114)	10,114	10,114	(13,351)	(13,351)	13,351	13,351
<b>Financial Liabilities</b>										
Finance lease	12,559	-	-	-	-	-	-	-	-	-

The entity's exposure to interest rate risk is managed by the entity reviewing the interest rate profile, current interest rates and the market outlook, and taking action as necessary to ensure that risk levels are maintained at a satisfactory level. The entity's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

	Floating Interest Rate		Fixed Interest Rate		Non Interest Bearing		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>								
Cash and cash equivalents	105,998	192,178	905,081	1,142,665	300	300	1,011,379	1,335,143
Receivables	-	-	-	-	113,185	83,131	113,185	83,131
Financial assets	-	-	-	-	3,799	3,766	3,799	3,766
	<u>105,998</u>	<u>192,178</u>	<u>905,081</u>	<u>1,142,665</u>	<u>117,284</u>	<u>87,197</u>	<u>1,128,363</u>	<u>1,422,040</u>
Weighted average interest rate	4.49%	2.80%	5.66%	3.84%	n/a	n/a		
<b>Financial Liabilities</b>								
Payables	-	-	-	-	422,394	581,161	422,394	581,161
Finance lease	-	-	12,559	-	-	-	12,559	-
	<u>-</u>	<u>-</u>	<u>12,559</u>	<u>-</u>	<u>422,394</u>	<u>581,161</u>	<u>434,953</u>	<u>581,161</u>
Weighted average interest rate	n/a	n/a	8.75%	n/a	n/a	n/a		
<b>Net financial assets</b>							<u>693,410</u>	<u>840,879</u>

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

**NOTE 18 FINANCIAL INSTRUMENTS (CONT'D)**

*(c) Net Fair Values*

Financial assets and financial liabilities are carried at their net fair value at the end of the reporting period. The carrying value of financial assets and financial liabilities approximate their net fair value due to their short term maturity or market interest rate. No financial assets or financial liabilities are traded on organised markets in standardised form.

*(d) Credit Standby Arrangements*

The Association does not have any credit standby arrangements.

**NOTE 19 CAPITAL RISK MANAGEMENT**

The Association's objectives when managing capital are to safeguard its ability to continue as a going concern.

As the Association does not issue shares, it manages its capital through the budgeting and planning process and ensures that adequate funds are maintained to meet its operational and financial objectives.

The Association monitors its capital on the basis of its working capital (current assets less current liabilities) and accumulated funds, as disclosed in the statement of comprehensive income

There have been no changes to this strategy since the previous financial year.

**NOTE 20 ECONOMIC DEPENDENCY**

Significant financial support was received from the ACT Government during the period as a significant purchaser of respite care services. The future operations of the Association in its current form are largely dependent upon continued purchase of respite care services from the ACT Government.

**TANDEM RESPITE INCORPORATED**  
**ABN 79 369 786 251**

**STATEMENT BY MEMBERS OF THE COMMITTEE**  
**FOR THE YEAR ENDED 30 JUNE 2010**

In the opinion of the Committee

- (i) the accompanying Statement of Comprehensive Income is drawn up so as to give a true and fair view of the results of the Association for the year ended 30 June 2010;
- (ii) the accompanying Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Association as at 30 June 2010; and
- (iii) at the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The financial statements have been made out in accordance with Australian Accounting Standards and other mandatory professional reporting requirements.

This statement is made and signed at Canberra in accordance with a resolution of the Committee dated 7 October 2010.

  
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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TANDEM RESPITE INCORPORATED**

We have audited the accompanying financial statements of Tandem Respite Incorporated which comprises the Statement of Financial Position as at 30 June 2010, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

### **The Responsibility of the Committee Members for the Financial Statements**

The Committee Members are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation and fair presentation of the financial statements 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by The Committee Members, as well as evaluating the overall presentation of the financial statements.

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

### **Auditor's Opinion**

In our opinion,

- (a) the financial statements of Tandem Respite Incorporated are properly drawn up:
  - (i) so as to give a true and fair view of the assets and liabilities of the Association as at 30 June 2010, the income and expenditure and cash flows of the Association for the financial year ended on that date and the other matters required by subsection 72(2) of the Associations Incorporation Act to be dealt with in the financial statements;
  - (ii) in accordance with the provisions of the Associations Incorporation Act; and
  - (iii) in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations).
- (b) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- (c) proper accounting records and other records have been kept by the Association as required by the Act; and
- (d) the audit was conducted in accordance with the rules of the Association.



**Duesburys Nexia**

Canberra, 7 October 2010



**R C Scott**  
**Partner**



# Tandem's PEOPLE

## **Patron**

Air Vice-Marshal Gary Beck AO (Retd)

## **Board Of Management**

### **President**

Catherine McPherson—*resigned Board May 2010*

Ron Kingsbury OAM—*appointed to position May 2010*

### **Vice President**

Ron Kingsbury OAM—*resigned position May 2010*

Peter Gordon—*appointed to position May 2010*

### **Secretary/Public Officer**

Karen Noble (client representative)

### **Treasurer**

Cath Sutton

### **Board Members**

Steve Dascarolis—*appointed September 2009*

Tyler Ellis (client representative)

Peter Gordon

Paul Hibberd—*appointed October 2009; resigned May 2010*

Jean McIntyre

Joan Ross (client representative) —*appointed May 2010*

Josephine O'Sullivan—*resigned May 2010*

Mark Vergano (client representative)

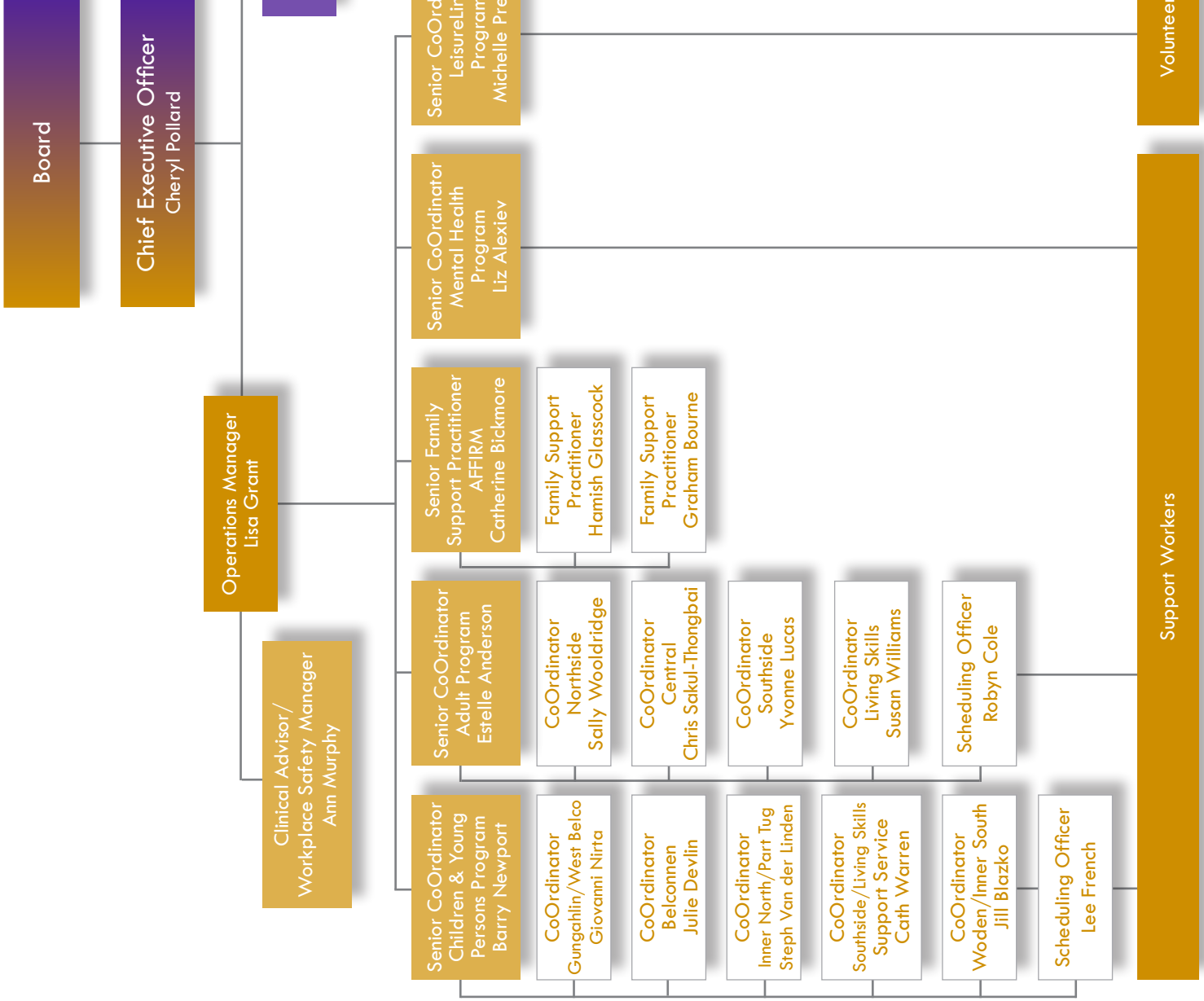
Kerri West

Patrick White (client representative) - *appointed May 2010*



# Organisation Chart

July 2010



- Service Delivery  
 - Service Support

Supporting independence and growth within the home and community



**PO Box 3510 Manuka ACT 2603  
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**[www.tandem.org.au](http://www.tandem.org.au)**