

CYSTIC FIBROSIS SOUTH AUSTRALIA INC

FINANCIAL STATEMENTS

31 December 2015

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**CYSTIC FIBROSIS SOUTH AUSTRALIA INC
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2015**

GROSS INCOME	Current Year to 31 Dec 2015 \$	Prior Year to 31 Dec 2014 \$
Annual Appeal	18,058.30	20,967.25
Badge Day	1,249.85	1,653.00
Annual Events	1,045.58	2,806.00
Great Strides	34,950.12	41,980.84
Special Events	-	5,000.00
65 Roses Dinner	228,272.00	198,324.04
Misc Fundraising	16,532.46	20,982.58
65 Roses Challenge	16,051.67	1,052.75
CF Equipment (Donation)	15,880.00	30,395.00
Transplant Funds	20,000.00	30,000.00
Member Support	7,573.00	4,314.05
Christmas Cards	865.44	942.74
65 Roses Merchandise	2,695.75	5,614.05
Other Stock	5,746.01	5,675.00
General Donations	87,752.13	114,102.08
Member Subscriptions	7,907.00	9,084.00
Speaker Fee/Donation	375.00	715.00
Total Trading Income	464,954.31	493,608.38

These accounts are to be read in conjunction with notes to the account.

**CYSTIC FIBROSIS SOUTH AUSTRALIA INC
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	Current Year to 31 Dec 2015 \$	Prior Year to 31 Dec 2014 \$
LESS: COST OF SERVICES		
Annual Appeal	793.46	967.42
Badge Day	107.75	19.09
Annual Events	50.00	911.56
Great Strides	5,785.26	10,641.78
65 Roses Dinner Expenses	138,516.33	135,067.19
Misc Fundraising	11,402.32	16,332.50
65 Roses Challenge	457.33	-
CF Equipment	14,975.37	26,976.59
Member Support	29,176.93	23,428.21
Respite Expenses	1,940.09	1,667.68
Transplant Expenses	20,000.00	30,000.00
Welfare – CF Members	9,197.13	9,238.91
Opening Stock	5,229.36	1,066.87
Christmas Cards	563.00	156.82
65 Roses Merchandise	669.87	3,162.92
Other Stock	5,000.00	5,000.00
Closing Stock	(4,900.24)	(5,229.36)
Cost of Goods Sold	6,561.99	4,157.25
Promotion/Advertising	400.00	7,192.46
Everyday Hero Fees	3,293.99	4,876.17
Newsfront Expenses	5,361.55	5,639.64
Speaker Fee Expenses	131.82	137.76
Total Cost of Goods Sold	248,151.32	277,254.21
Gross Profit from Trading	216,802.99	216,354.17

These accounts are to be read in conjunction with notes to the account.

**CYSTIC FIBROSIS SOUTH AUSTRALIA INC
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2015**

EXPENDITURE	Current Year to 31 Dec 2015 \$	Prior Year to 31 Dec 2014 \$
Advertising	400.00	-
Advertising for Staff	560.07	240.00
Bank Fees	1,735.25	1,546.97
Board/Committee Expenses	156.00	798.64
Conference	1,149.18	-
Nat Council/CEO Meeting	4,197.66	6,798.99
Dep'n Plant & Equipment	12,329.79	6,395.00
Gifts & Tributes	544.71	356.01
Insurance	6,291.09	6,288.46
Internet/Network Maint/Software	3,761.15	5,285.83
Meeting & AGM Expenses	635.15	2,381.54
Motor Vehicle Reimb - Mileage	1,072.58	967.08
Office Amenities	562.08	733.75
Office Cleaning	332.90	480.91
Photocopying	329.38	391.11
Postage	1,022.98	1,336.86
Printing & Stationery	2,340.17	3,511.30
Registrations & Licences	68.18	66.36
Rent, Rates & Electricity	21,642.10	21,420.82
Repairs & Maintenance	1,514.31	2,509.95
Security	1,316.11	474.67
Subscriptions	995.00	77.27
Telephone	1,470.03	1,656.84
Volunteer Expenses	16.89	16.03
Salaries	114,799.86	137,774.39
Superannuation	14,343.01	12,841.15
Workcover	3,845.74	1,632.15
Payroll Expenses	2,117.00	2,005.22
Salary Packaging	35,467.00	31,189.45
Annual Leave	3,049.22	3,256.38
Long Service Leave	(4,800.01)	(1,602.12)
Total Expenditure	233,264.58	250,831.01

These accounts are to be read in conjunction with notes to the account.

**CYSTIC FIBROSIS SOUTH AUSTRALIA INC
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	Current Year to 31 Dec 2015 \$	Prior Year to 31 Dec 2014 \$
OPERATING PROFIT/(LOSS)	(16,461.59)	(34,476.84)
OTHER INCOME		
Bequests	95,060.89	70,810.14
Vera Lane Trust Distribution	67,894.00	6,355.66
Insurance Recovery	-	338.45
Interest Received	6,428.63	8,562.55
Dividends	3,699.24	-
Market Value increase/(decrease) in investments	(8,812.41)	3,191.62
Profit on Asset Sales	-	-
Total Non Trading Income	164,270.35	89,258.42
OTHER EXPENSE		
CFA Fees	17,742.34	-
Research	54,500.00	-
Allocation to Vera Lane Trust	-	28,000.00
Total Non Trading Expense	72,242.34	28,000.00
TOTAL PROFIT/(LOSS)	75,566.42	26,781.58

These accounts are to be read in conjunction with notes to the account.

CYSTIC FIBROSIS SOUTH AUSTRALIA INC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2015

	Current Year to 31 Dec 2015 \$	Prior Year to 31 Dec 2014 \$
ACCUMULATED SURPLUS BFWD	351,066.94	324,285.36
Surplus / (Deficit) for the year	75,566.42	26,781.58
ACCUMULATED SURPLUS CFWD	426,633.36	351,066.94

These accounts are to be read in conjunction with notes to the account.

**CYSTIC FIBROSIS SOUTH AUSTRALIA INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	Current Year As at 31 Dec 2015 \$	Last Year As at 31 Dec 2014 \$
TRUST FUNDS		
Accumulated Profits/Losses Brought Fwd	351,066.94	324,285.36
Undistributed Profit/(Deficit)	75,566.42	26,781.58
TOTAL TRUST FUNDS	426,633.36	351,066.94
CURRENT ASSETS		
Cash at Bank	200,629.50	107,958.44
Cash at Bank – Raffle A/c	127.60	127.60
Business Access Saver A/c	48,954.08	48,204.91
Cash on Hand	200.00	200.00
Stock on Hand	7,220.24	15,289.36
Sundry Debtors	1,767.00	2,652.00
Prepaid Expenses	6,130.00	130.00
Term Deposits	170,000.00	170,000.00
Vera Lane Trust	23,950.76	17,312.66
Total Current Assets	458,979.18	361,874.97
NON CURRENT ASSETS		
	NOTE 3	
Plant & Equipment (At Cost)	83,884.94	83,884.94
Accum Dep: Plant & Equipment	<u>(83,884.94)</u>	<u>(71,555.15)</u>
Plant & Equipment Net Book Value	-	<u>12,329.79</u>
Equipment for Home Treatment (At Cost)	1,310.00	1,310.00
Accum Dep: Equip for Home Treatment	<u>(1,310.00)</u>	<u>(1,310.00)</u>
Equip for Home Treatment Net Book Value	-	-
Listed Equities at Market Value	63,189.35	72,001.76
Total Non Current Assets	63,189.35	84,331.55
TOTAL ASSETS	522,168.53	446,206.52

These accounts are to be read in conjunction with notes to the account.

**CYSTIC FIBROSIS SOUTH AUSTRALIA INC.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31ST DECEMBER 2015**

	Current Year As at 31 Dec 2015 \$	Last Year As at 31 Dec 2014 \$
CURRENT LIABILITIES		
Sundry Creditors	28,330.76	9,654.15
Grants in Advance	26,527.00	40,000.00
Income in Advance	16,000.00	17,500.00
Provision for Annual Leave	11,471.86	8,422.64
Provision for Long Service Leave	10,190.03	14,990.04
Research	3,100.00	-
GST Collected	16.86	39.37
GST Paid	(4,535.74)	(471.02)
PAYG Tax Liability	4,434.40	5,004.40
Total Current Liabilities	95,535.17	95,139.58
NON-CURRENT LIABILITIES		
Provision for Long Service Leave	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	95,535.17	95,139.58
NET ASSETS	426,633.36	351,066.94

These accounts are to be read in conjunction with notes to the account

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2015

	Note	Current Year to 31 Dec 2015 \$	Last Year to 31 Dec 2014 \$
Cash Flows from Operating Activities			
Receipts from members & fundraising		354,091.67	322,818.75
Interest Income		6,428.63	8,562.55
Distribution from Vera Lane Memorial Trust		61,255.90	-
Dividends		3,699.24	-
Donations		96,752.13	173,727.08
Bequest		95,060.89	-
Grants		-	30,000.00
Trust Capital		-	(28,000.00)
Payments to suppliers & employees		<u>(523,868.23)</u>	<u>(597,235.40)</u>
<i>Net cash provided (used) by operating activities</i>	2. B	93,420.23	(90,127.02)
Cash Flows from Investing Activities			
Purchase of non current assets		-	-
Capital to Trust		<u>-</u>	<u>-</u>
<i>Net cash provided (used) by investing activities</i>		-	-
Cash Flows from Financing activities			
		-	-
Net Increase (Decrease) in cash Held		93,420.23	(90,127.02)
Cash at beginning of reporting year		326,490.95	416,617.97
Cash at the End of the Reporting Year	2. A	<u>419,911.18</u>	<u>326,490.95</u>

These accounts are to be read in conjunction with notes to the account.

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards and the requirements of the Associations Incorporation Act (SA).

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

Reporting Basis and Conventions

The financial report is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

A. Income Tax

The Association is a charitable body for taxation purposes has been granted exemption from Income Tax by the Commissioner of Taxation under the provisions of Section 50-5 of the Income Tax Assessment Act 1997.

B. Inventories

Inventories are valued at lower of cost and net realisable value.

C. Property Plant and Equipment

Property, plant and equipment are brought to account at cost, less where applicable, any accumulated depreciation. The depreciable amount of all property, plant and equipment are depreciated over their useful lives commencing from the time the asset is held ready for use.

D. Employee Entitlements

Provision is made for the Associations liability to employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from salaries and wages, annual leave and sick leave which will be settled after one year have been measured at their normal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

E. Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

F. Goods and Services Tax (GST)

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

NOTE 2: CASH FLOW INFORMATION	Current Year	Prior Period
	\$	\$
A. Reconciliation of cash		
Cash on hand	200.00	200.00
Cash at Bank	200,757.10	108,086.04
Business Access	48,954.08	48,204.91
Term Deposits	170,000.00	170,000.00
Total	419,911.18	326,490.95

The effective interest rate on term deposits at 31 December 2015 is 4.0 % (31 December 2014: 4.0%); these deposits have an average maturity of 240 days.

B. Reconciliation of net cash provided from operating activities to net profit

	Current Year	Prior Year
	\$	\$
Profit/(loss) from ordinary activities	75,566.42	26,781.58
Payment to Trust corpus		
Non cash flows in profit from ordinary activities		
Depreciation	12,329.79	6,395.00
Profit on Sale		-
Changes in Assets and Liabilities		
(Increase) / Decrease in stock on hand	8,069.12	(14,222.49)
(Increase) / Decrease in receivables	(5,753.10)	(5,256.66)
(Increase) / Decrease in prepaid expenses	(6,000.00)	390.44
(Increase) / Decrease in share investments	8,812.41	-
(Decrease) / Increase in sundry / other creditors	14,589.38	2,150.64
Donated Assets – non cash	-	(72,001.76)
(Decrease) / Increase in income / grants in advance	(11,873.00)	(36,018.03)
(Decrease) / Increase in employee provisions	(2,320.79)	1,654.26
Net cash provided by operating activities	93,420.23	(90,127.02)

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

NOTE 3: Fixed Assets

	Office Furniture and Equipment	Home Treatment Equipment	Total
	\$	\$	\$
Cost:			
Brought forward at 1 January 2015	83,884.94	1,310.00	85,194.94
Additions	-	-	-
Disposals	-	-	-
Carried forward at 31 December 2015	<u>83,884.94</u>	<u>1,310.00</u>	<u>85,194.94</u>
Accumulated depreciation:			
Brought forward at 1 January 2015	71,555.15	1,310.00	72,865.15
Depreciation for the period	12,329.79	-	12,329.79
Amount written off on disposal	-	-	-
Carried forward at 31 December 2015	<u>83,884.94</u>	<u>1,310.00</u>	<u>85,194.94</u>
Net book value at 31 December 2015	<u>-</u>	<u>-</u>	<u>-</u>
Net book value at 31 December 2014	<u>12,329.79</u>	<u>-</u>	<u>12,329.79</u>

NOTE 4: Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets as at 31 December 2015; (31 December 2014 - nil).

NOTE 5: Events after the Balance Sheet Date

There are no post balance date events that require disclosure

NOTE 6: Related Party Transactions

There were no related party transactions; (31 December 2014 - nil).

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

NOTE 7: Financial Instruments

a. Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The association does not have any derivative instruments at 31 December 2015.

i. Treasury Risk Management

The Board meets on a regular basis to analyse interest rate exposure.

ii. Financial Risks

The main risks the association is exposed to are through its interest rate risk and liquidity risk.

Interest rate risk

Interest rate risk is managed by having differing deposit terms.

Liquidity risk

The association manages liquidity risk by monitoring forecast cash flows.

Credit risk

The association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

Price risk

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

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

b. Interest Rate Risk

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

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing Within 1 Year		Fixed Interest Rate Maturing 1 to 5 Years	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and Cash Equivalents	1.0	1.0	249,911	156,490	-	-	-	-
Term Deposits	4.0	4.0	-	-	170,000	170,000	-	-
Total Financial Assets	419,911	326,490	249,911	156,490	170,000	170,000	-	-

The terms of the deposits vary and payment of interest which is on maturity was staggered in 2015.

Note 8: Association Details

The principal place of business is:

Cystic Fibrosis South Australia Inc
143-145 Sturt Street
Adelaide SA 5000

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015**

Note 9: Segment Reporting

The association operates predominantly in one business and geographical segment, being the charitable sector providing assistance and support to sufferers of Cystic Fibrosis and their families throughout South Australia.

CYSTIC FIBROSIS SOUTH AUSTRALIA INC

STATEMENT BY THE BOARD

The Board of Cystic Fibrosis South Australia Inc. is of the opinion that the financial report as set out on pages 1 to 15

1. Presents fairly the financial position of Cystic Fibrosis South Australia Inc. as at 31st December 2015 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the Cystic Fibrosis South Australia Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Kelly Clappis
PRESIDENT

Gavin Bosch
TREASURER

143 Sturt Street
ADELAIDE

Dated thisday of 2016

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF

CYSTIC FIBROSIS SOUTH AUSTRALIA INC.

Scope

We have audited the financial report of Cystic Fibrosis South Australia Inc. for the year ended 31st December 2015 as set out on pages 1 to 15. The Board is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, the Association Incorporation Act (SA) and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the associations financial position and performance as represented by the results of its operations and its cash flows.

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

Qualification

Due to the fact that the organization receives a lot of cash revenue and it is impractical for them to establish controls over its collection prior to recording it in their books our examination of this cash revenue was limited to the receipts recorded in the books of the Association.

Qualified Audit Opinion

In our opinion, except for the effects, if any, of the matters referred to in the qualifications section above, the financial report presents fairly in accordance with applicable Accounting Standards, the Association Incorporation Act (SA) and other mandatory professional reporting requirements the financial position of Cystic Fibrosis Association of South Australia Inc. as at 31st December 2015 and the results of its operations and its cash flows for the year then ended.

LEE GREEN & CO PTY LTD
Certified Practising Accountants
David Charlesworth

Level 1, 190 Fullarton Road
DULWICH SA 5065

Dated this day of 2016.