

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

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THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2016

The Board of Directors present their report on The Asthma Foundation of SA Inc ("the Foundation") for the financial year ended 30 June 2016.

DIRECTORS

The names of the Board Directors throughout the year and at the date of this report are:

Mr Robert Stobbe	Dr Kerry Hancock
Ms Michele Herriot (to November 2015)	Mr Rick Persse
Dr Andrew Tai	Mr Mark Stewart
Mr Brendon Green (to January 2016)	Mr Chris Stathy
Ms Julianne Parkinson	Mr Josh Simons
Mr Tim Burfield	

OPERATING SURPLUS (DEFICIT)

The net loss for the year ended 30 June 2016 amounted to \$36,602 (2015: surplus of \$209,382).

PRINCIPAL ACTIVITIES

The principal activities of the Foundation during the financial period were to improve the quality of life for people with asthma by providing accessible, affordable, evidence based services and to promote research.

SUSTAINABILITY STRATEGY

The Foundation has highlighted "sustainability" as a priority goal within its strategic plan. To ensure this goal is achieved, the Foundation places high importance on having in place strong governance structures and practices, clear strategic communication plans, strong corporate and community partnerships and carefully monitored income generation strategies. In building a healthy financial investment portfolio, principally through using bequest income, the Foundation is ensuring a sustainable income stream for future health services and research programs.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs for the Foundation during the financial year.

SUBSEQUENT EVENTS

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

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



Director

Dated this 12th day of October 2016

**DECLARATION OF INDEPENDENCE UNDER SECTION 60-40 OF THE ACNC ACT
2012**

BY PAUL GOSNOLD

TO THE BOARD MEMBERS OF THE ASTHMA FOUNDATION OF SA INC

As lead auditor of Asthma Foundation of SA Inc for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *ACNC Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Paul Gosnold
Director

BDO Audit (SA) Pty Ltd

Adelaide, 12 October 2016

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

STATEMENT OF SURPLUS OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016	2015
REVENUE		\$	\$
Fundraising	2B-1	1,205,877	960,465
Trading Activities	2B-2	277,771	332,563
Grants Income	2B-3	266,705	290,114
Investment Income	2B-4	378,001	339,191
Bequests Received	2B-1	167,176	236,526
TOTAL REVENUE		2,295,530	2,158,859
EXPENSES			
Administration		191,824	162,178
Health Services		385,390	274,849
Promotion & Advertising		27,086	12,325
Fundraising		268,932	336,533
Occupancy		45,737	42,394
Personnel		1,106,452	1,120,406
Sundry		2,327	792
Impairment of Investments		304,384	-
TOTAL EXPENSES	2C	2,332,132	1,949,477
SURPLUS/(LOSS)		(36,602)	209,382
OTHER COMPREHENSIVE INCOME			
Items that may be re-classified to surplus or loss:			
Revaluation of financial assets		76,601	(1,004)
Items that will not be re-classified to surplus or loss:			
Revaluation of land and buildings		370,598	-
TOTAL COMPREHENSIVE INCOME		410,597	208,378

The above statement should be read in conjunction with the accompanying notes.

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Cash Equivalents	2D	632,076	571,450
Receivables & Prepayments	2E	98,379	176,211
Inventory on Hand	2F	35,602	50,295
TOTAL CURRENT ASSETS		766,057	797,956
NON-CURRENT ASSETS			
Long Term Investments	3A	4,390,446	4,482,414
Property, plant and equipment	3B	1,410,144	1,052,106
TOTAL NON-CURRENT ASSETS		5,800,590	5,534,520
TOTAL ASSETS		6,566,647	6,332,476
CURRENT LIABILITIES			
Trade Creditors & Other Payables	2G	137,347	74,888
Income Received in Advance	2B-3	12,092	259,931
Employee Benefits Provision	2H	141,586	127,869
TOTAL CURRENT LIABILITIES		291,025	462,688
NON-CURRENT LIABILITIES			
Employee Benefits Provision	2H	15,613	20,376
TOTAL NON-CURRENT LIABILITIES		15,613	20,376
TOTAL LIABILITIES		306,638	483,064
NET ASSETS		6,260,009	5,849,412
MEMBERS' FUNDS			
Accumulated Surpluses	4A	4,615,400	4,652,002
Reserves	4B	1,644,609	1,197,410
TOTAL MEMBERS' FUNDS		6,260,009	5,849,412

The above statement should be read in conjunction with the accompanying notes.

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

Note	Accumulated Surpluses \$	Asset Revaluation Reserve \$	Financial Assets Reserve \$	Total Equity \$
Balance at 1 July 2014	<u>4,442,620</u>	<u>371,171</u>	<u>827,243</u>	<u>5,641,034</u>
Surplus/(loss)	209,382	-	-	209,382
Other comprehensive income:				
Revaluation of financial assets	-	-	(1,004)	(1,004)
Revaluation of land and buildings	-	-	-	-
Total comprehensive income	<u>209,382</u>	<u>-</u>	<u>(1,004)</u>	<u>208,378</u>
Balance at 30 June 2015	<u>4,652,002</u>	<u>371,171</u>	<u>826,239</u>	<u>5,849,412</u>
Surplus/(loss)	(36,602)	-	-	(36,602)
Other comprehensive income:				
Revaluation of financial assets	-	-	76,601	76,601
Revaluation of land and buildings	-	370,598	-	370,598
Total comprehensive income	<u>(36,602)</u>	<u>370,598</u>	<u>76,601</u>	<u>410,597</u>
Balance at 30 June 2016	<u>4,615,400</u>	<u>741,769</u>	<u>902,840</u>	<u>6,260,009</u>

The above statement should be read in conjunction with the accompanying notes.

THE ASTHMA FOUNDATION OF SA INC
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from fundraising	956,854	926,109
Receipts from customers	379,503	292,015
Receipts from grants	267,890	301,383
Receipts from bequests	167,176	236,526
Payments to suppliers, employees and others	(1,910,330)	(1,905,609)
Interest received	12,876	10,951
Dividends received	281,957	303,283
Net cash provided by (used in) operating activities	155,926	164,658
	2D-2	
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for investments	(426,158)	(492,088)
Proceeds from investments	373,481	315,086
Payments for property, plant & equipment	(42,623)	(46,033)
Proceeds from property, plant & equipment	-	-
Net cash provided by (used in) investing activities	(95,300)	(223,035)
Net increase (decrease) in cash held	60,626	(58,377)
Cash at the beginning of the year	571,450	629,827
Cash at the end of the year	632,076	571,450
	2D-1	

The above statement should be read in conjunction with the accompanying notes.

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policy notes have been presented where appropriate alongside the relevant quantitative disclosures.

1 A Basis of Preparation

The financial report covers The Asthma Foundation of SA Inc ("the Foundation") as an individual not-for-profit entity. The Foundation is an association incorporated in South Australia under the Association Incorporation Act (SA) 1985. It is also a registered charity under the Australian Charities and Not-for-profits Commission Act (Cwth) 2012.

This financial report is a special purpose financial report prepared in order to satisfy the financial report preparation requirements of the Associations Incorporation Act 1985 and the Australian Charities and Not-for-profits Commission Act 2012. The board members have determined that the Foundation is not a reporting entity.

The report has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards, and disclosure requirements of the following Australian Accounting Standards:

AASB 101 Presentation of Financial Statements*;
AASB 107 Statement of Cash Flows*;
AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*;
AASB 110 Events after the Reporting Period*;
AASB 1048 Interpretation of Standards*; and
AASB 1054 Australian Additional Disclosures*.

* These accounting standards have been applied for the first time in this financial report for the year ended 30 June 2016 to comply with the requirements of ACNC Act (Cth) 2012. No changes were made to comparative information, other than some additional disclosure items as a result of the change.

No other specific Accounting Standard or other authoritative pronouncements of the Australian Accounting Standards Board have been applied. The Asthma Foundation of SA Inc is a not-for-profit entity for the purpose of preparing these financial statements.

The financial statements have been prepared on a going concern basis, using the accruals concept of accounting. All amounts are measured at historical cost, except for land and buildings and financial assets that are measured at fair value. No amounts are rounded. The presentation currency is Australian dollars. All accounting policies have been consistently applied unless otherwise stated.

NOTE 2 OPERATING ACTIVITIES AND WORKING CAPITAL

2 A Sustainability

The Foundation relies on public donations, bequests, grants and the support of corporate partners to fund core community services and programs.

2 B Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

2 B- 1 Fundraising and Bequests

Donations, corporate sponsorships, bequests, and other fundraising income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

2 B- 2 Trading Income

Trading income is recognised when the related goods or services are provided to the customer.

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2 OPERATING ACTIVITIES AND WORKING CAPITAL (CONTINUED)

2 B- 3 Grants Income	2016	2015
	\$	\$
Commonwealth Grants:		
Asthma Child & Adolescent Program	145,151	155,774
Asthma Community Support Program	82,852	77,513
Other Grants	38,702	56,827
	<u>266,705</u>	<u>290,114</u>

When there are conditions that must be met before the Foundation has control over grant funding received, such as a requirement to pay back unspent funds, the grant funds received are recorded in the Income Received in Advance Liability account. When the conditions have been met, e.g. when the relevant expenditure has been incurred and funds are no longer refundable, the funds are recognised as revenue.

2 B- 4 Investment Income	2016	2015
	\$	\$
Investment Income is made up of the following:		
Interest Earned	12,876	10,951
Dividends and Franking Credits	281,987	282,534
Gain (Loss) on sale of Shares	83,138	45,706
	<u>378,001</u>	<u>339,191</u>

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

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

Gain/Loss on sale of investments is the difference between cost and proceeds realised on disposal of the investment.

2 C Specific Expenses	2016	2015
	\$	\$
Surplus/(loss) for the year includes the following specific expenses:		
Auditor's Remuneration - Audit Fee	11,400	11,200
Auditor's Remuneration - Compilation of Financial Report	1,500	750
Depreciation	54,853	42,245
Employee benefits expense		
Wages and salaries	984,966	983,658
Superannuation contribution	89,623	89,473

THE ASTHMA FOUNDATION OF SA INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2 OPERATING ACTIVITIES AND WORKING CAPITAL (CONTINUED)

2 D Cash and Cash Equivalents

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

Cash and Cash Equivalents - restricted, includes cash held for lotteries and grants.

Statement of Cash Flows	2016	2015
	\$	\$

2 D- 1 Reconciliation of cash and cash equivalents

Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Positions as follows.

Cash and Cash Equivalents - Unrestricted	472,252	571,256
Cash and Cash Equivalents - Restricted	159,824	194
	<u>632,076</u>	<u>571,450</u>

2 D- 2 Reconciliation of cash flows from operations with surplus/(loss) for the year

Surplus/(Loss) for the year	(36,602)	209,382
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Non-cash flows in surplus/ (loss)

Depreciation	54,853	42,245
(Gain)/Loss on sale of Shares	(83,138)	(45,706)
(Gain)/Loss on sale of property, plant and equipment	330	-
Impairment of Investments	304,384	-

Changes in assets and liabilities

(Increase)/Decrease in trade and other receivables	77,832	(53,055)
(Increase)/Decrease in Inventories	14,693	4,124
Increase/(Decrease) in trade and other payables	62,459	29,177
Increase/(Decrease) in deferred income	(247,839)	(23,087)
Increase/(Decrease) in employee entitlements	8,954	1,578
Net cash provided by operating activities	<u>155,926</u>	<u>164,658</u>

2 E Receivables

Receivables include amounts receivable from trade debtors less, where applicable, an allowance for doubtful debts.

2 F Inventories

Inventories comprise asthma management products.

Inventories are valued on the lower of cost or net realisable value.

2 G Trade and Other Payables

Payables include trade creditors and accruals, including goods and services received prior to the end of the reporting period that are unpaid at the end of the period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2 OPERATING ACTIVITIES AND WORKING CAPITAL (CONTINUED)

2 H Employee Benefits

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to reporting date.

Short-term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits and leave expected to be settled wholly within 12 months after the end of the reporting period are recognised in provisions in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled.

Long-term employee benefit obligations

Liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the reporting period. They are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using corporate bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Classification between current and non current liabilities

Regardless of when settlement is expected to occur, liabilities for long service leave and annual leave are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period.

2 I Income Taxes

No income tax is payable by the Foundation, as Section 50-5 of the Income Tax Assessment Act 1997 exempts Charitable Institutions from Income Tax.

2 J Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of 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.

NOTE 3 LONG TERM ASSETS

3 A Financial instruments

All financial assets within this portfolio are classified as "available for sale".

What are available-for-sale financial assets?

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

Recognition and Initial Measurement

Financial instruments are initially measured at cost (including transaction costs) on trade date, when the related contractual rights or obligations exist.

Subsequent Measurement

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in reserves. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in reserves is reclassified into surplus or loss.

Classification

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 3 LONG TERM ASSETS (CONTINUED)

3 B Property, Plant and Equipment

	Land & Buildings at fair value	Plant, Equipment & Vehicles at cost	Total
Gross Carrying Amount			
Balance at 30 June 2015	1,105,490	259,306	1,364,796
Additions	-	42,623	42,623
Disposals	(7,896)	(42,588)	(50,484)
Net Revaluation Increase	202,406	-	202,406
Balance at 30 June 2016	1,300,000	259,341	1,559,341
Accumulated Depreciation			
Balance at 30 June 2015	157,733	154,957	312,690
Depreciation Expense	15,588	39,265	54,853
Disposals	(5,129)	(45,025)	(50,154)
Write-back of Depreciation on Revaluation	(168,192)	-	(168,192)
Balance at 30 June 2016	-	149,197	149,197
Net Book Value			
As at 30 June 2015	947,757	104,349	1,052,106
As at 30 June 2016	1,300,000	110,144	1,410,144

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

Land and Buildings

Land and buildings are carried at their fair value, based on periodic valuations by an external independent valuer, less accumulated depreciation for buildings.

The latest valuation was completed by Certified Practising Valuer, Alex Smithson FAPI of Knight Frank. The valuation report shows the fair value of the land and buildings as \$1,300,000 at 30 June 2016.

Plant and Equipment

Plant and equipment is carried at cost, less accumulated depreciation.

Depreciation

The depreciable amount of all buildings and improvements, plant, equipment and motor vehicles are depreciated over the useful life of the assets of the Foundation, commencing from the time the asset is held ready for use.

NOTE 4 LONG TERM FINANCING

The foundation does not have any debt financing, but rather relies on accumulated surpluses and increases in value of long term assets for its long term financing.

EQUITY FINANCING

Amounts pertaining to key equity categories are shown in the Statement of Changes in Equity.

4 A Accumulated Surpluses

This balance represents the surpluses or losses accumulated from year to year, and does not include the impact of unrealised gains presented directly in reserves.

4 B Reserves

The Financial Assets Reserve records revaluations of financial assets, gain (loss) on revaluation of financial assets to market value.

The Asset Revaluation Reserve records revaluations of land and buildings.

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 5 RELATED PARTY TRANSACTIONS

No transactions occurred between the Board of Directors and the Foundation during the period ended 30 June 2016.

The Foundation engages the services of a wide range of supplier and professional organisations. During the period, no Board Director received a benefit by reason of contract made by the Foundation with any entity in respect of which he/she has a financial interest.

The Foundation is a Member Foundation of Asthma Australia Incorporated, the national body overseeing Asthma support in Australia. As part of this relationship the Foundation is paid to provide services to or on behalf of Asthma Australia Incorporated, and also pays Asthma Australia Incorporated for various administrative services performed on their behalf.

NOTE 6 REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The registered office and principal place of business of the Foundation are located at:
300 South Road
HILTON SA 5033

THE ASTHMA FOUNDATION OF SA INC
ABN 29 187 159 478

STATEMENT BY THE BOARD OF DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2016

The Board of Directors have determined that the Foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the Australian Accounting Standards and accounting policies to the extent described in Note 1 to the financial statements.

The Board of Directors of the Foundation declare that:

- a. The financial report comprising the Statement of Surplus or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and Notes to and forming part of the accounts present fairly the results of the operations of the Foundation for the period ended 30 June 2016 and the state of the affairs of the Foundation as at that date;
- b. The Board has reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due;
- c. The Foundation does not have any subsidiaries, nor is the Foundation a Trustee of any trust;
- d. During the year ended 30 June 2016,
 - No officer of the Foundation,
 - No firm of which a Director is a member,
 - No body corporate in which any Director has a financial interest,has received or become entitled to receive a benefit, other than under ordinary commercial terms as a result of a contract between the officer, firm or body corporate and the Foundation, or has received directly or indirectly from the Foundation any payment or other benefit of a pecuniary value.

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



Director

Dated this day of October 2016



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Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE ASTHMA FOUNDATION OF SOUTH AUSTRALIA INCORPORATED

We have audited the accompanying financial report, being a special purpose financial report of The Asthma Foundation of South Australia Incorporated, which comprises the statement of financial position as at 30 June 2016, the statement of surplus or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities' declaration.

Responsible Entities' Responsibility for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 have 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 responsible entities' 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 registered entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the responsible entities, 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 The Asthma Foundation of South Australia Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Division 60 the Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the *ACNC Act*. As a result, the financial report may not be suitable for another purpose.

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink that reads 'Paul Gosnold'.

Paul Gosnold
Director

Adelaide, 12 October 2016