

The Asthma Foundation of SA Incorporated
Financial Report for the Year Ended 30 June 2014
REPORT BY THE BOARD OF DIRECTORS

The Board of Directors submit the financial report of The Asthma Foundation of SA Inc (the Foundation) for the financial year ended 30 June 2014.

Board Directors

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

Mr Robert Stobbe	Mr Tim Burfield
Ms Michele Herriot	Dr Kerry Hancock
Dr Andrew Tai	Mr Rick Persse
Assoc Prof Vicki Clifton	Mr Mark Stewart
Mr Brendon Green	Mr Chris Stathy (from Dec 2013)
Ms Julianne Parkinson (from Jan 2014)	Mr Josh Simons (from Jan 2014)
Ms Kristyn Briggs (retired July 2013)	Ms Anne Burgess (retired Nov 2013)
	Mr Mark Fortunatow (retired Nov 2013)

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 of 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

No significant change in the nature of these activities occurred during the period ended June 2014.

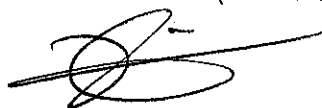
Operating Result

The operating surplus for the period ended June 2014 was \$48,050.

Signed in accordance with a resolution of the Board of Directors



Robert Stobbe (President)



Tim Burfield (Treasurer)

Dated this fifteenth day of October 2014

The Asthma Foundation of South Australia Inc

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

	Note	2013-2014	2012-2013
		\$	\$
INCOME FROM OPERATING ACTIVITIES			
Fundraising		1,120,659	935,523
Trading Activities		313,491	488,153
Grants	2	254,937	237,198
Investment Income	3	272,518	230,547
TOTAL OPERATING INCOME		1,961,605	1,891,421
 EXPENDITURE FOR OPERATING ACTIVITIES			
Administration		120,194	86,835
Health Services		393,045	458,239
Promotion & Advertising		27,405	31,835
Fundraising		318,075	353,887
Occupancy		52,779	45,429
Personnel		1,000,615	909,003
Sundry		1,442	153
TOTAL OPERATING EXPENDITURE		1,913,555	1,885,381
 SURPLUS (DEFICIT) FROM OPERATING ACTIVITIES		 48,050	 6,040
 Bequests Received		 240,865	 113,702
 NET SURPLUS FOR THE PERIOD	 7	 288,915	 119,742

The accompanying notes form part of these financial statements.

The Asthma Foundation of South Australia Inc
ASSETS AND LIABILITIES STATEMENT AS AT 30 JUNE 2014

	Note	2013-2014 \$	2012-2013 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents - Unrestricted	1(f)	629,671	333,194
Cash at Bank -- Restricted	1(f)	156	106,549
Short Term Investments		-	200,000
Receivables & Prepayments		123,156	345,828
Inventory on Hand	1(c)	54,419	57,437
TOTAL CURRENT ASSETS		807,402	1,043,008
NON-CURRENT ASSETS			
Long Term Investments	1(j)	4,260,710	3,446,181
Property, Plant & Equipment	4	1,048,318	1,034,544
TOTAL NON-CURRENT ASSETS		5,309,028	4,480,725
TOTAL ASSETS		6,116,430	5,523,733
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable		45,711	70,829
Income Received in Advance		283,018	326,999
Employee Benefits	1(d)	94,022	47,398
TOTAL CURRENT LIABILITIES		422,751	445,226
NON-CURRENT LIABILITIES			
Employee Benefits		52,645	80,246
TOTAL NON-CURRENT LIABILITIES		52,645	80,246
TOTAL LIABILITIES		475,396	525,472
NET ASSETS		5,641,034	4,998,261
MEMBERS' FUNDS			
Reserves	6	1,198,414	844,556
Accumulated Surplus	7	4,442,620	4,153,705
TOTAL MEMBERS' FUNDS		5,641,034	4,998,261

The accompanying notes form part of these financial statements.

The Asthma Foundation of South Australia Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Board of Directors have determined that the Foundation is not a reporting entity and accordingly the financial statements are a special purpose financial statement prepared for the sole purpose of distributing the financial statements to members and must not be used for any other purpose. The Board of Directors have determined that the accounting policies adopted are appropriate to meet the needs of the members. They have been prepared on an accrual basis, and under the historical cost convention, except for certain assets, which, as noted, have been recorded at fair value. The following significant accounting policies, unless otherwise stated, are consistent with those of the prior period and have been adopted in the preparation of the financial statements.

a. Income Tax

The Foundation is exempt from income tax.

b. Property, Plant and Equipment (PPE)

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 (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less accumulated depreciation for buildings.

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.

c. Inventories

Inventories comprise asthma management products.

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

d. Employee Benefits

Provision is made for the Foundation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

e. Provisions

Provisions are recognised when the Foundation has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. 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 at bank, restricted, includes cash held for lotteries and grants.

g. 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.

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.

Donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

Grant income received is recorded in the Income Received in Advance Liability account and allocated to income as expenditure occurs.

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

The Asthma Foundation of South Australia Inc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

h. Rental Payments

Rental payments for operating rental agreements are charged as expenses in the period in which they are incurred.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST.

j. Investments

(1) Classification

Investments classified as Current Assets comprise holdings of trading securities and short term deposits.

Investments classified as Non-Current Assets comprise holdings of long-term securities.

(2) Value of Investments

Investments are valued at market value and have been classified as "available for sale".

The gain or loss on revaluing investments to market value is recorded through Reserves.

(3) Market Value

As at 30 June 2014, the market value of investments was \$4,260,710 (2013 \$3,446,181).

k. Sustainability

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

NOTE 2: GRANTS INCOME

	2013-14	2012-13
	\$	\$
Commonwealth Grants:		
Asthma Community Support Program	155,082	161,815
Asthma Child & Adolescent Program	80,250	67,292
Other Grants:	19,605	8,091
	254,937	237,198

NOTE 3: INCOME FROM INVESTMENTS

	2013-14	2012-13
	\$	\$
Investment Income is made up of the following:		
Interest Earned	14,671	27,261
Dividends	254,626	217,730
Gain (Loss) on sale of Shares	21,891	987
	291,188	245,978
Less Investment Advisor Fees	(18,670)	(15,431)
	272,518	230,547

The Asthma Foundation of South Australia Inc
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

	Land, Bldgs & Improvements	Plant, Equip & Vehicles	Total
Gross Carrying Amount at Cost			
Balance at 30 June 2013	1,105,490	183,041	1,288,531
Additions/Revaluations	-	59,263	59,263
Disposals		(9,500)	(9,500)
Adjustments/Write offs	-	(19,531)	(19,531)
Balance at 30 June 2014	<u>1,105,490</u>	<u>213,273</u>	<u>1,318,763</u>
Accumulated Depreciation			
Balance at 30 June 2013	126,248	127,739	253,987
Depreciation Expense	16,685	18,825	35,510
Adjustments/Write offs		(19,052)	(19,052)
Balance at 30 June 2014	<u>142,933</u>	<u>127,512</u>	<u>270,445</u>
Net Book Value			
As at June 2013	979,242	55,302	1,034,544
As at June 2014	<u>962,557</u>	<u>85,761</u>	<u>1,048,318</u>

Aggregate depreciation allocated and recognised as an expense during the year:

	2013-14	2012-13
	\$	\$
Buildings & Improvements	16,685	18,845
Plant & Equipment & Motor Vehicles	18,825	21,180
	<u>35,510</u>	<u>40,025</u>

NOTE 5: RENTAL COMMITMENTS

	2013-2014	2012-2013
	\$	\$
Operating Rental commitments being for rent of Photocopier Payable – minimum rental payments:		
Not later than 12 months	7,680	7,680
Between 12 months and 5 years	6,400	14,080
	<u>14,080</u>	<u>21,760</u>

The rental agreement on a photocopier has a 5 year term finishing in 2016 with rent payable in advance.

The Asthma Foundation of South Australia Inc
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

NOTE 6: RESERVES

	2013-2014	2012-2013
	\$	\$
Asset Revaluation Reserve	371,171	371,171
Financial Assets Reserve opening balance	473,385	119,709
Revaluation of Financial assets	353,858	538,508
Revaluation of Financial assets to Retained Surplus	-	(184,832)
Financial Assets Reserve closing balance	827,243	473,385
Total Reserves	1,198,414	844,556

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

The Revaluation Surplus records revaluations of non-current assets.

NOTE 7: ACCUMULATED SURPLUS

	2013-2014	2012-2013
	\$	\$
Accumulated Surplus opening balance	4,153,705	3,849,131
Revaluation of Financial assets	-	184,832
Net Surplus	288,915	119,742
Accumulated Surplus closing balance	4,442,620	4,153,705

NOTE 8: RELATED PARTY TRANSACTIONS

No transactions occurred between the Board of Directors and the Foundation during the reporting period ended 30 June 2014.

The Foundation engages the services of a wide range of supplier and professional organisations. During the period, no Board Director of the Foundation 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 Asthma Foundation of South Australia Inc
STATEMENT BY BOARD OF DIRECTORS

The Board of Directors has determined that The Asthma Foundation of South Australia Inc. (the Foundation) is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies in Note 1 to the financial statements.

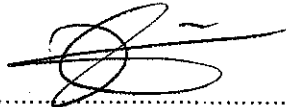
In the opinion of the Board of Directors of the Foundation:

- a. The financial report comprising the Income & Expenditure Statement, Assets & Liabilities Statement 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 2014 and the state of affairs of the Foundation as at that date;
- b. The Board has reasonable ground 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 period ended 30 June 2014,
 - No office 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:



Robert Stobbe (President)



Tim Burfield (Treasurer)

Dated this fifteenth day of October 2014.