



Shannon's Bridge Limited

ABN 68 615 831 742

Financial Statements

For the Year Ended 30 June 2019

Shannon's Bridge Limited

ABN 68 615 831 742

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For the Year Ended 30 June 2019

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2019

		2019	2018
	Note	\$	\$
Government funding and other income	4	567,790	67,367
Client services - consumables		(34,330)	(3,027)
Client services - purchases		(34,096)	(11,287)
Consultancy		(60,558)	(1,741)
Depreciation		(8,160)	(3,428)
Employee benefits expense		(172,598)	(3,300)
Other operating expenses		(135,722)	(20,379)
Profit before income tax		122,326	24,205
Income tax expense	2(a)	-	-
Profit for the year		122,326	24,205
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		122,326	24,205

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 30 June 2019

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,226,341	2,820,848
Trade and other receivables	6	10,066	3,436
TOTAL CURRENT ASSETS		<u>2,236,407</u>	<u>2,824,284</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	20,438	13,130
TOTAL NON-CURRENT ASSETS		<u>20,438</u>	<u>13,130</u>
TOTAL ASSETS		<u>2,256,845</u>	<u>2,837,414</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	22,509	262,695
Other financial liabilities	9	2,031,015	2,497,310
Employee benefits	10	3,191	216
TOTAL CURRENT LIABILITIES		<u>2,056,715</u>	<u>2,760,221</u>
NON-CURRENT LIABILITIES			
Employee benefits	10	617	6
TOTAL NON-CURRENT LIABILITIES		<u>617</u>	<u>6</u>
TOTAL LIABILITIES		<u>2,057,332</u>	<u>2,760,227</u>
NET ASSETS		<u>199,513</u>	<u>77,187</u>
EQUITY			
Retained earnings		199,513	77,187
TOTAL EQUITY		<u>199,513</u>	<u>77,187</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2019

2019

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	<u>77,187</u>	<u>77,187</u>
Total comprehensive income for the year	<u>122,326</u>	<u>122,326</u>
Balance at 30 June 2019	<u><u>199,513</u></u>	<u><u>199,513</u></u>

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2017	<u>52,982</u>	<u>52,982</u>
Total comprehensive income for the year	<u>24,205</u>	<u>24,205</u>
Balance at 30 June 2018	<u><u>77,187</u></u>	<u><u>77,187</u></u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	56,435	2,767,824
Payments to suppliers and employees	(686,789)	(33,379)
Donations received	51,315	49,979
Net cash provided by operating activities	16 <u>(579,039)</u>	<u>2,784,424</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(15,468)</u>	(16,558)
Net cash used in investing activities	<u>(15,468)</u>	(16,558)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase in cash and cash equivalents held	(594,507)	2,767,866
Cash and cash equivalents at beginning of year	<u>2,820,848</u>	<u>52,982</u>
Cash and cash equivalents at end of financial year	5 <u><u>2,226,341</u></u>	<u><u>2,820,848</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2019

The financial report covers Shannon's Bridge Limited as an individual entity. Shannon's Bridge Limited is a not-for-profit Company, registered and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2019 were the provision of palliative care services to 'bridge' the gap if no formal services exist to support end of life care in the preferred place of care, connecting patients and families with training volunteers to provide practical help, arranging equipment to enable them to remain home, improving death literacy in the community and assisting with advance care planning.

The functional and presentation currency of Shannon's Bridge Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 2 October 2019.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Company incurs a performance obligation to deliver services in accordance with the prevailing service agreement and related undertakings the grant revenue is recognised in the statement of financial position as a liability until the performance obligations have been satisfied, otherwise the grant is recognised as income on receipt.

Shannon's Bridge Limited from time-to-time receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(b) Revenue and other income (continued)

Donations

Donations and bequests are recognised as revenue when received.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(d) 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.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment is depreciated on a reducing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Asset class	Depreciation rate
Plant and Equipment	28.57% - 40%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(e) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality

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Notes to the Financial Statements For the Year Ended 30 June 2019

2 Summary of Significant Accounting Policies (continued)

(e) **Employee benefits (continued)**

corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(f) **Leases**

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

(g) **Economic dependence**

Shannon's Bridge Limited is dependent on the Department of Health and Human Services for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the Department of Health and Human Services will not continue to support Shannon's Bridge Limited.

(h) **Goods and services tax (GST)**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(i) **Adoption of new and revised accounting standards**

The Company has adopted all standards which became effective for the first time at 30 June 2019, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

(j) **New Accounting Standards and Interpretations**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards with the exception of those listed in the following table which summarises the requirements and their impact on the Company where the standard is relevant:

Standard Name	Effective date for entity	Requirements	Impact
AASB 15 Revenue from Contracts with Customers	1 July 2017	Deferment of grant funding in accordance with the related service agreement	Recognition of liability and a reduction in grant revenue
AASB 1058 Income of Not-for-Profit Entities	1 July 2017	Deferment of grant funding in accordance with the related service agreement	Recognition of liability and a reduction in grant revenue

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Notes to the Financial Statements For the Year Ended 30 June 2019

3 Critical Accounting Estimates and Judgments

The Directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers.

Key estimates - employee benefits provision

The liability for employee benefits expected to be settled later than 12 months from the reporting date are measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of employee attrition rates and salary increases have been considered.

Key estimates - deferred government grant funding

The Company has assessed the extent to which its principal source of funding, the Department of Health and Human Services (Note 2(g)), is subject to performance obligations in calculating how much of the funding to recognise during the reporting period and how much to defer (refer also Note 2(b)). It has considered budgetary commitments made to the Department of Health and Human Services during the process of procuring the funding as substantially giving rise to performance obligations in future reporting periods, and so has deferred the majority of the funding. The Directors will continue to keep these assumptions under review.

4 Revenue and Other Income

	2019	2018
	\$	\$
Government Funding and Other Income		
Donations	51,315	49,979
Fundraising	650	-
Government grants	466,295	17,388
Interest received	44,823	-
Rental income	4,100	-
Training & service fees	607	-
	<u>567,790</u>	<u>67,367</u>

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Notes to the Financial Statements For the Year Ended 30 June 2019

5 Cash and Cash Equivalents

	2019	2018
	\$	\$
Cash on hand	200	-
Cash at bank	2,226,141	1,020,848
Short-term deposits	-	1,800,000
	<u>2,226,341</u>	<u>2,820,848</u>

6 Trade and Other Receivables

CURRENT		
Trade receivables	310	-
GST receivable	6,477	-
Prepayments	3,279	3,436
	<u>10,066</u>	<u>3,436</u>

7 Property, plant and equipment

Plant and equipment		
At cost	32,026	16,558
Accumulated depreciation	(11,588)	(3,428)
Total property, plant and equipment	<u>20,438</u>	<u>13,130</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Total
	\$	\$
Year ended 30 June 2019		
Balance at the beginning of year	13,130	13,130
Additions	15,468	15,468
Depreciation expense	(8,160)	(8,160)
Balance at the end of the year	<u>20,438</u>	<u>20,438</u>

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Notes to the Financial Statements For the Year Ended 30 June 2019

8 Trade and Other Payables

	2019	2018
Note	\$	\$
CURRENT		
Trade payables	3,919	4,780
GST payable	-	250,602
Sundry payables and accrued expenses	18,590	7,313
	<u>22,509</u>	<u>262,695</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

9 Other Financial Liabilities

CURRENT		
Government grants	2(b) 2,031,015	2,497,310
	<u>2,031,015</u>	<u>2,497,310</u>

10 Employee Benefits

CURRENT		
Annual leave	3,191	216
	<u>3,191</u>	<u>216</u>
NON-CURRENT		
Long service leave	617	6
	<u>617</u>	<u>6</u>

11 Leasing Commitments

Operating leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	24,000	24,000
- between one year and five years	70,000	94,000
	<u>94,000</u>	<u>118,000</u>

12 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstandings and obligations of the Company. At 30 June 2019 the number of members was 5 (2018: 4).

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Notes to the Financial Statements For the Year Ended 30 June 2019

13 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$ 193,243 (2018: \$ 2,915).

14 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2019 (30 June 2018:None).

15 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 13.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

The Company has entered into a long term lease agreement commencing 1 June 2018 in relation to premises at 94 Albert Street, Creswick, the landlord being the parent of a director of the Company. The Directors are of the view that the terms of the lease are favourable to the Company when compared to normal commercial arrangement, albeit not material in amount.

16 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2019	2018
	\$	\$
Profit for the year	122,326	24,205
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	8,160	3,428
Changes in assets and liabilities:		
- (increase) in trade and other receivables	(310)	-
- (increase)/decrease in prepayments	157	(3,436)
- increase in trade and other payables	10,416	12,093
- increase/(decrease) in GST payable	(257,079)	250,602
- increase/(decrease) in deferred income	(466,295)	2,497,310
- increase in employee benefits	3,586	222
Cashflows from operations	<u>(579,039)</u>	<u>2,784,424</u>

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Notes to the Financial Statements For the Year Ended 30 June 2019

17 Events after the end of the Reporting Period

The financial report was authorised for issue on 2 October 2019 by the Directors.

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

18 Statutory Information

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

Shannon's Bridge Limited
94 Albert Street
Creswick Vic 3363

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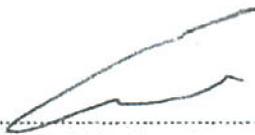
Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

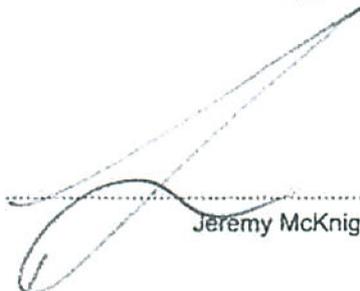
- 1. there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- 2. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements ; and
 - (b) give a true and fair view of Shannon's Bridge Limited's financial position as at 30 June 2019 and of its financial performance for the year ended on that date.

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

Responsible person


Claire Hepper

Responsible person


Jeremy McKnight

Dated

2/10/19

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Independent Assurance Practitioner's Review Report to the members of Shannon's Bridge Limited

We have reviewed the accompanying financial statements of Shannon's Bridge Limited, which comprises the statement of financial position as at 30 June 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2400, *Reviews of Financial Reports Performed by an Assurance Practitioner Who is Not the Auditor of the Entity*. ASRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ASRE 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Australian Auditing Standards. Accordingly, we do not express an audit opinion on these financial statements.

Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial position of Shannon's Bridge Limited as at 30 June 2019, of its financial performance and its cash flows for the year then ended, in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the basis of preparation detailed in Note 1.

Cooper Audit and Accounting Pty Ltd



Grant L Cooper
Director

Signed at Ballarat Victoria
Dated 2 October 2019