



Cystic Fibrosis SA

# Annual Report 2019

Our Partner:

H A L P I N

---

FINANCIAL SERVICES

# Cystic Fibrosis SA Inc

## Annual Report 2019



### About CFSA

Cystic Fibrosis SA Inc (CFSA) was formed by parents who recognised there was no support for families affected by CF and incorporated in 1970. CFSA is a self-funded, community based organisation that receives no recurrent government funding.

### CFSA Board as at 31st December, 2019

Stephen Gray, President  
Gerry Kandelaars, Vice President  
Michelle Sinclair, Treasurer  
Rob Ball  
Cassie Day  
Reanna Gray  
Andrew Hodge  
Joel Siepmann

### CFSA Patrons

Kate Collins  
Mrs Lan Le

### CFSA Ambassadors

Dimity Bullen-Nicholas  
Kyle Collis  
Matthew Crocker  
Callum Ferguson

### CFSA Staff as at 31st December, 2019

Julia Langrehr, Executive Officer  
Karla Matousek, Comm Support Coordinator  
David Messner, Communications Officer  
Cathy Telfer, Office Manager

### Registered Office

143 Sturt Street  
Adelaide SA 5000  
T: +61 8 8221 5595  
E: [cfsa@cfsa.org.au](mailto:cfsa@cfsa.org.au)  
W: [www.cfsa.org.au](http://www.cfsa.org.au)

### Strategic Directions

#### Vision

Lives unaffected by Cystic Fibrosis

#### Purpose

**Our Purpose** is to support our members by providing services, advocacy, education and enabling research

#### Our Values are:

Connected  
Relevant  
Passionate  
Responsive  
Empathetic

#### Our Pillars are:

Research  
Services  
Advocacy  
Education  
Sustainability

#### Our Goals are:

To be commercially responsible, values driven and have good governance

To Implement a Research Strategy

To deliver Services that are relevant to members needs

To be an effective advocate for members

To connect the community to accurate and relevant information

# Cystic Fibrosis SA Inc

## Annual Report 2019



### President's Report

Just a quick note of explanation, our annual reporting aligns with the prior calendar year in order to ensure sufficient time for the external auditor's financial report to be completed in time for the Annual General Meeting (AGM). While the lead time may appear to be long it is not inconsistent with commercial entities, who if reporting against the Financial Year will often not complete the process until Sep/Oct. Our thanks go to William Buck who continue to provide financial audit services on a pro-bono basis.

As if often repeated, another hectic year appears to have passed in short order. Our focus has naturally continued to be on delivering services to our members, advocating on their behalf to ensure the provision of appropriate medical and support services, and where possible supporting research.

CFSA's role in acting as an advocate with SA Health, the Women's and Children's Hospital (WCH) and Royal Adelaide Hospital (RAH) is as equally important as the services provided to our members in that it provides representation from a recognised body with good standing. This was again used to good effect at all levels in 2019. At the strategic level this included the review of our CF Partnering Agreement with the WCH and RAH. A change in some key hospital appointments meant there was some loss of understanding related to the charter's framework, intent and past performance. This created the need to revalidate its benefits. CFSA is appreciative of the time committed to this process by SA Health, WCH and RAH teams at all levels, and we look forward to sharing in the benefits of this reinvigorated forum.

At the working level, there has been an on-going CFSA focus on the bedding in of services at the RAH, including the outpatient clinic, ensuring appropriate levels of infection control, improving flexibility of support for patients having Hospital in the Home at the RAH, and overseeing the new Respiratory in the Home service at the WCH. While we continue to monitor and advocate in these areas, recognition is given to commitment of the nursing and directing staff at the WCH and RAH to the provision of the best possible level of care, and their willingness to listen to and work with CFSA.

CFSA enjoys a close working relationship with Cystic Fibrosis Australia (CFA) and attends the regular Federation meetings. CFSA also attended the 13<sup>th</sup> Australasian Conference held in Perth in Aug 19. Both the CFA and Australasian forums provide great sharing and learning opportunities and an insight into interna-

tional initiatives and practice. One outcome of the last Australasian conference was the raising of awareness around mental health needs in the CF community, which has prompted a CFSA review of type of support that could be provided in this area.

On-going progress needs strong State and Federal organisations who complement and work well together. While CFSA has a primary focus on State advocacy, we continue to work closely with CFA. In recent years CFA has developed strong relationships and influence at the Federal level, with other overseas CF national bodies, and the pharmaceutical industry. This has helped facilitate significant outcomes for all Australian's who have CF. One of the significant current campaigns being undertaken by CFA is the fostering of the passage of Trikafta through the various approval and negotiation processes.

Although we are a small not for profit organisation we are required to comply with all related Legislation, Regulation, legal and governance requirements. There is a significant body of documented CFSA policy and processes that underpins this. A rolling review of these documents has been initiated to ensure they remain current and compliant, and that any evolving requirements are captured.

Dr Jude Morton, who many of you know through her role as Acting Clinical Head of the CFU at RAH, has generously agreed to attend our Board meetings when possible to provide medical insight and advice. The opportunity to have Jude's insight and feedback is of great benefit at any time, but particularly through the response to COVID-19.

Having had experience on other Boards, I would also like to observe that the level of governance, scrutiny and guidance exercised by the CFSA Board is thorough, timely and in keeping with the intent to responsibly provide the best level of support and services within the means available.

The circumstances around the prevailing COVID-19 response and the immediate and on-going impact this will have on CFSA and other not for profit organisations warrants comment in this report.

Although focused on 2019 outcomes, as I write this report it is appropriate to note that 2020 has begun with great challenges for CFSA and our CF community. Following on from the devastating Bushfires and the resultant very poor air quality, the COVID-19 crises is of significant concern to those with CF, and will impact our community in many ways. Our Executive Officer has been working hard trying to deal with the threat to the health and wellbeing those with CF, and

# Cystic Fibrosis SA Inc

## Annual Report 2019



### President's Report continued

the evident challenges to our revenue. Some of these are still evolving, but there should be no impact on the ability to continue to deliver services to our CF community in the short term.

Our small organisation depends on the hard work and support of so many people who are generous in the provision of their time and financial support. The list is long and includes your Board, sponsors, patrons, members who manage and execute fund raising events and support our various working committees, companies who provide pro-bono or reduced cost support, and the staff at SA Health, WCH and RAH who give up time in their very busy schedules to meet with and support us. Bringing all this together is our hard-working Executive Officer and office team whose level of commitment to our organisation often goes 'above and beyond'. We thank everyone who helps us provide meaningful support to our CF community in SA.

Work commitments that have included a significant amount of interstate travel have precluded me being able to execute the role of President in the manner it requires, or to build appropriate relationships across our network. I thank those Board and other members who have stepped up and attended important meetings when I have been unable to do so. While there is currently a pause in travel this is going to lead to an even more hectic work schedule once it resumes. Given the impact this will have I have advised the Board I will be standing down as President. I will endeavour to still support CFSA in areas of need in the future.

**Steve Gray**  
**President**  
**CFSA**





# Cystic Fibrosis SA Inc

## Annual Report 2019



### Executive Officer Report

Cystic Fibrosis SA is the community based charity supporting people in SA who live with CF with financial assistance to support the purchase of; essential medical equipment; pharmaceuticals; fitness equipment and programs; respite activities; meals and cleaning during Hospital In The Home and counselling services. CFSA provides education and information services, raises awareness in the community and advocate on behalf of the CF community ensuring that not only is their voice heard but their needs and wishes are addressed at every level within the SA Health system. CFSA does all of this without any Government funding and is the only organisation in South Australia that provides support to people who have CF. This year we commemorate our 50<sup>th</sup> Anniversary. Our vision is a future where 'Lives are unaffected by Cystic Fibrosis' and our services, programs and daily actions have been designed in line with this vision and the evolving needs of our members.

In January, long term staff member Robyn Craig retired after 21 ½ years. Robyn had been the glue of the CFSA office and was well known and warmly regarded by all in our community. It was a challenging role for Cathy Telfer to step into as we began our audit with a new auditor at the same time. Cathy faced a sharp learning curve and managed admirably. Robyn continues to support CFSA as a volunteer. We all wish her a long and health retirement.

Nicky Titchener also retired in January after 3 ½ years as the Community Support Officer, she had formed strong connections with many people who have CF and parents of children who have CF. We wish Nicky well for her retirement. Nicky also supports CFSA as a volunteer. Karla Matousek accepted the role of Community Support coordinator and has built excellent relationships with both hospital CF teams and many people in our community.

CFSA continued to develop our communications platforms and digital campaigns lead by David Messner who joined the team in late December 2018 after volunteering in this role for over 12 months.

CFSA could not achieve its goals without the enduring support of our community fundraisers, this year we saw some changes in the way people donated as more people used social media for peer to peer campaigns. Families held quiz nights, 65km walkathons, Strathalbyn Great Strides and Macie's Ride. Others kept collection tins or merchandise in their work places and some completed challenges. In their own way they were responsible for a significant financial contribution to CFSA. While other people from our community attend the 65 Roses Ball and the Great Strides events, the SALA exhibition opening and the 65 Roses Breakfast. People with CF represented CFSA as public speakers to community groups across the state and often received donations on behalf of the association.

Throughout the year a total of 283 people became financial members of CFSA and about 50% of these people benefited from a practical service. CFSA team

members conducted 65 visits (including delivery of 40 Boredom Buster Bags) to hospital and homes or attended meetings in support of members. The most utilised services were provision of medical equipment, mostly nebulisers and compressors and replacement parts to the value of \$19,000 and fitness subsidies to the value of \$21,800. Family respite activities continued to be popular for parents, siblings, families and grandparents and 70 people participated in one or more activity.

As a member of the CF Federation, CFSA has a nominee on the CFA Board, Patrick O'Connor is the current nominee and he is also the President of CFA. CFSA was an active collaborator with CFA in the National campaign to support the listing of Symdeco on the PBAC. CFSA Community members participated in the campaign with letter writing and social media posting. CFSA as a member of the Cystic Fibrosis Partnership worked with our fellow members to complete the review of the Strategic Framework for Cystic Fibrosis in SA, first written in 1998. I'd like to acknowledge the dedication of the RAH and WCH CF Team members and CFSA volunteers who have contributed to the CF Partnership Group over the past 21 years. In particular I'd like to mention Dr James Martin who withdrew from CF clinical practice in 2019 and had been a founding member of the CF Partnership Group in 1998. I'd also like to acknowledge all of the dedicated and compassionate people in the CF teams at the RAH and the WCH for their tireless care of and support for people who live with CF and their families, and recognise the leadership of Dr Morton and Dr Tai.

Local advocacy was focused on addressing the needs and concerns raised by our members and we acted quickly to raise issues as they arose with the CF teams and the hospital executives. Specifically we addressed the issues relating to care of outlying patients at the RAH and infection control throughout that hospital. CFSA staff were also involved in advocating for individual patients and supporting them in negotiations with their care teams.

The CFSA Board provided support through governance and oversight of the association. The following board members provided support in addition to their attendance at regular board meetings. Michelle Sinclair, financial management, Governance Sub-Committee, Chair Ball Committee, Treasurer. Joel Siepmann and Andrew Hodge, legal support. Steve Gray, President. Gerry Kandelaars, Vice President, Secretary, Governance Sub-Committee Chair, CF Partnership Group member. Reanna Gray, Advocacy, CF Partnership Group member.

In addition to the CF community members who fundraise for CFSA and volunteer on our committees, CFSA is fortunate to have a core group of supporters. I'd like to thank CPR Engineering, Scarpantoni Wines, Halpin Financial Services, Walter Clappis, Central Audio Visual and Lane Communications for their many years of continuous sponsorship and donations.

We are always looking out for and applying for grants when we can align our projects or services with the

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Executive Officer Report continued

grant criteria. We were fortunate to receive two new grants in 2019. The first was funding from the Department of Communities and Social Inclusion for our first Mental Health First Aid course delivered mid-year in partnership with Mental Health Partners. In early December we were notified by the James and Diana Ramsey Foundation that CFSA had been selected to receive a small infrastructure grant to create a website. Our team will work with Fuller PR to develop the website in the first half of 2020.

Fundraising has become more difficult and we expect that challenges to maintain income will increase rather than decrease over time. The CFSA Board and I continue to look for opportunities to maintain our revenue streams as the world becomes more digitally connected. We anticipate the opportunities will arise with the production of the new CFSA Website. I look forward to continuing to represent the CF community in 2020.

**Julia Langrehr**  
**Executive Officer**



# Cystic Fibrosis SA Inc

## Annual Report 2019



### Treasurer's Report

On behalf of the Board of Cystic Fibrosis South Australia Incorporated ("CFSA"), I present the financial statements of CFSA and the Vera Lane Memorial Trust for the year ended 31 December 2019.

As discussed at last year's Annual General Meeting, another operating loss was expected for 2019. The Total Loss in the Statement for Profit or Loss, in accordance with Accounting Standards, shows CFSA has recorded another loss of (\$44,298) (2018 : (\$112,246)). This result is better than expected due to higher distributions from the Vera Land Trust, Grant Income received for specific projects and the market value benefit of a small share portfolio held. It is important to note that some income and expense lines shown in these financial statements are in accordance with Accounting Standards and are different to disclosures from last year.

Importantly for CFSA, the Statement of Cash Flows indicates only \$5,072 of cash reserves were used. This is more relevant for the ongoing operation of the Association.

Income increased by \$29,804 from \$457,534 to \$487,338 mainly attributed to items noted above. It is pleasing to see the amount received for Memberships is increasing each year (2019: \$8,785, 2018: \$5,060) which is not attributed to an increase in price.

Expenses are lower by \$38,144 from \$569,780 to \$531,636. This is mainly due to a return to expected levels of Research distributions (reduction of \$55,000). The depreciation expense \$17,583 relates to a change in the way that Operating Leases are accounted for and is a non-cash item. Additionally, the negative expense for Fair Value movement of Investment Portfolio refers to an increase in the market value of the portfolio and not a reversal of an expense.

In line with the Board's Research Strategy, funds have been drawn down from the Vera Lane Trust (combination of bequeathments from the Estates of Vera Lane and Jean Dunlop) and distributed in line with the strategy for a total of \$40,000.

As a result of the COVID-19 pandemic, Members will be aware that CFSA has cancelled a number of fundraising events. The Board is hoping for a minimal financial impact, however, the reality may mean that cash reserves will be required to be used for the support of Members. We are hoping for continued fundraising support from our community.

Michelle Sinclair *BCom CA*  
Treasurer CFSA

28 April 2020



# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INC STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

	Current Year to 31-Dec-19 \$	Prior Year to 31-Dec-18 \$
<b>GROSS INCOME</b>		
Annual Appeal	27,373.00	30,780.00
Annual Events	14,006.98	-
Badge Day	-	351.45
Great Strides	24,451.22	24,126.91
Special Events	2,146.05	5,276.64
65 Roses Dinner	172,985.83	180,760.44
Misc Fundraising	19,404.90	13,186.80
65 Roses Challenge	2,422.57	14,329.65
CF Equipment	10,538.00	7,179.14
Grants	38,035.89	-
Transplant Funds	-	8,400.00
65 Roses Merchandise	-	1,148.45
Merchandise	1,262.61	1,822.26
Donations	98,149.00	120,723.21
Member Subscriptions	8,785.00	5,060.00
Research	1,400.00	-
<b>Total Trading Income</b>	<b>420,961.05</b>	<b>413,144.95</b>

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



# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INC STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

	Current Year to 31-Dec-19 \$	Prior Year to 31-Dec-18 \$
<b>LESS: COST OF SERVICES</b>		
Annual Appeal	971.67	874.75
Annual Events	1,163.95	-
Badge Day	-	204.82
Great Strides	4,905.66	7,428.78
Special Events	7,320.83	2,723.63
65 Roses Dinner Expenses	98,248.89	106,813.09
Misc Fundraising	2,875.61	9,800.00
65 Roses Challenge	-	742.52
Events/Awareness Campaigns	-	340.00
Grant Related Expenses	4,761.62	-
Siblings Activities	2,388.01	789.76
CF Equipment	25,031.74	22,297.33
Member Support	47,182.49	35,322.59
Respite Expenses	-	925.61
Transplant Expenses	10,000.00	20,000.00
Welfare – CF Members	12,006.51	10,038.66
	<b>216,856.98</b>	<b>218,301.54</b>
<b>Opening Stock</b>	<b>4,565.89</b>	<b>3,314.99</b>
65 Roses Merchandise	-	96.00
Merchandise	154.00	7,174.80
<b>Closing Stock</b>	<b>(4,252.01)</b>	<b>(4,565.89)</b>
<b>Cost of Goods Sold</b>	<b>467.88</b>	<b>6,019.90</b>
Promotional Expenses	559.04	5,869.81
Research Expenses	1,400.00	-
Everyday Hero Fees	505.09	1,822.19
Conference Expenses	2,709.84	-
Rose Report Expenses	6,497.09	5,371.54
	<b>11,671.06</b>	<b>13,063.54</b>
<b>Total Cost of Goods Sold</b>	<b>228,995.92</b>	<b>237,384.98</b>
<b>Gross Profit from Trading</b>	<b>191,965.13</b>	<b>175,759.97</b>

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

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INC STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

	Current Year to 31-Dec-19 \$	Prior Year to 31-Dec-18 \$
<b>EXPENDITURE</b>		
Advertising	1,004.57	32.55
Advertising for Staff	-	690.00
Bank Fees	1,637.50	1,803.82
BAS Adj	(3.47)	-
Board/Committee Expenses	1,538.00	401.00
Conference	799.77	150.91
Depreciate Right of Use Asset	17,583.00	-
Gifts & Tributes	352.72	460.23
Insurance	7,337.65	6,903.89
Internet/Network Maint/Software	6,752.26	3,537.97
Lease Interest	2,861.00	-
Meeting Expenses	1,298.59	567.43
Motor Vehicle Reimb – Mileage	248.04	408.72
National CEO Meeting	947.45	935.65
Office Amenities	594.71	803.27
Office Cleaning	709.27	349.09
Photocopying	1,486.36	749.43
Postage	713.01	1,374.29
Printing & Stationery	731.99	3,789.37
Registrations & Licences	82.00	72.73
Rent, Rates & Electricity	4,137.47	22,014.90
Repairs & Maintenance	860.29	1,962.75
Security	730.00	520.00
Staff Training	265.00	-
Subscriptions	782.09	781.82
Telephone	949.31	1,933.46
Contract Fees	-	28.64
Volunteer Expenses	143.85	576.44
Salaries	176,096.12	108,348.59
Superannuation	18,428.82	13,798.74
Workcover	3,082.14	1,976.74
Payroll Expenses	1,969.49	2,625.88
Salary Packaging	7,255.15	48,413.20
Annual Leave Provision	4,874.38	772.38
Long Service Leave Provision	-	(3,278.15)
<b>Total Expenditure</b>	<b>266,248.53</b>	<b>223,505.74</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>(74,283.40)</b>	<b>(47,745.77)</b>

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

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INC STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

	Current Year to 31-Dec-19 \$	Prior Year to 31-Dec-18 \$
<b>OTHER INCOME</b>		
Interest Received	7,520.52	4,065.70
Profit on Asset Sales	-	-
Vera Lane Trust Distribution	55,011.37	41,782.00
Dividends	5,713.44	4,560.50
<b>Total Non-Trading Income</b>	<b>68,245.33</b>	<b>50,408.20</b>
<b>OTHER EXPENSE</b>		
Research	40,000.00	95,000.00
CFA Fees	10,771.92	12,181.04
Allocation to Vera Lane Trust		-
Impairment of Financial Assets	(12,511.97)	7,727.38
<b>Total Non-Trading Expense</b>	<b>38,259.95</b>	<b>114,908.42</b>
<b>TOTAL PROFIT/(LOSS)</b>	<b>(44,298.02)</b>	<b>(112,245.99)</b>

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

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INC STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

	Current Year to 31-Dec-19 \$	Prior Year to 31-Dec-18 \$
<b>TRUST FUNDS</b>		
Accumulated Profits/Losses Brought Forward	424,708.59	536,960.58
Undistributed Profit/(Deficit)	(39,399.39)	(112,245.99)
<b>TOTAL TRUST FUNDS</b>	<b>385,309.20</b>	<b>424,714.59</b>
<b>CURRENT ASSETS</b>		
Cash at Bank	149,924.56	35,242.05
Cash on Hand	444.70	200.00
Credit Card	(1,869.12)	-
Stock on Hand	4,252.01	4,565.89
Stock on Hand – CF Neb Equipment	680.00	680.00
Sundry Debtors	-	1,225.00
Prepaid Expenses	12,825.00	20,618.04
Term Deposits	185,000.00	305,000.00
Plant and Equipment	35,282.63	83,884.94
Accum Depn on Plant and Equipment	(35,282.63)	(83,884.94)
Equipment for Home Treatment	350.00	1,310.00
Accum Depn on Equip for Home Treatment	(350.00)	(1,310.00)
Right of Use Asset - Cost - 143 Sturt Street	70,331.00	-
Right of Use Asset - Accum Depn - 143 Sturt Street	(17,583.00)	-
Vera Lane Trust	(3,178.63)	47,918.00
<b>Total Current Assets</b>	<b>400,826.52</b>	<b>415,448.98</b>
<b>NON-CURRENT ASSETS</b>		
ASX Shares at cost	66,404.73	69,089.52
ASX Shares Increase/decrease to valuation	8,420.02	(6,776.74)
<b>Total Non-Current Assets</b>	<b>74,824.75</b>	<b>62,312.78</b>
<b>TOTAL ASSETS</b>	<b>475,651.27</b>	<b>477,761.76</b>

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



# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INC STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2019

	Current Year to 31-Dec-19 \$	Prior Year to 31-Dec-18 \$
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	16,482.01	7,513.83
Income in Advance	2,275.00	21,631.07
Provision for Annual Leave	14,032.04	9,157.66
Provision for Long Service Leave	0.00	4,906.90
Research	3,272.00	3,172.00
Prepaid Memberships	3,655.00	4,225.00
GST Collected	-	18.76
GST Paid	-	(428.45)
Payroll Expenses (Deductions/Workcover/Super)	866.65	-
PAYG Tax Liability	-	2,850.40
<b>Total Current Liabilities</b>	<b>40,582.70</b>	<b>53,047.17</b>
Lease Liability - Current	16,744.00	-
Lease Liability - Non Current	37,908.00	-
<b>Total Right of Use Asset</b>	<b>54,652.00</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>95,234.70</b>	<b>53,047.17</b>
<b>NET ASSETS</b>	<b>380,416.57</b>	<b>424,714.59</b>

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

Cystic Fibrosis SA Inc  
Annual Report 2019



# Cystic Fibrosis SA Inc Annual Report 2019



## **Financial Report** **Cystic Fibrosis South Australia Incorporated**

For the year ended 31 December 2019

# Cystic Fibrosis SA Inc

# Annual Report 2019



## CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED

### FINANCIAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### CONTENTS

Statement of Profit or Loss and Other Comprehensive Income	1
Statement of Financial Position	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5
Statement by Member's of the Committee	12
Committee's Report	13
Independent Auditor's Report	14



# Cystic Fibrosis SA Inc

## Annual Report 2019



**CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 \$	2018 \$
<b>INCOME</b>			
Distribution received		55,011	41,782
Dividends received		5,713	4,561
Fundraising event income		275,778	289,230
General donations		96,962	118,855
Grant Income		38,036	-
Interest received		7,521	4,066
Member subscriptions		8,785	5,060
Other income	2	(468)	(6,020)
		<b>487,338</b>	<b>457,534</b>
<b>EXPENSES</b>			
Administration costs		43,867	62,994
Depreciation Expense		17,583	-
Employee benefits expense		211,705	172,658
Finance Cost		2,861	-
Fundraising event expense		223,370	231,401
Grant Related Expenses		4,762	-
Fair value movement of investment portfolio		(12,512)	7,727
Research expense		40,000	95,000
		<b>531,636</b>	<b>569,780</b>
<b>OPERATING (DEFICIT) FOR THE YEAR</b>		<b>(44,298)</b>	<b>(112,246)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(44,298)</b>	<b>(112,246)</b>

The accompanying notes form part of these financial statements.

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Notes	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	335,370	340,442
Accounts receivable and other receivables	4	-	49,143
Inventories		4,932	5,246
Prepayments		12,825	20,618
<b>TOTAL CURRENT ASSETS</b>		<b>353,127</b>	<b>415,449</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	52,748	-
Financial assets	6	74,825	62,313
<b>TOTAL NON-CURRENT ASSETS</b>		<b>127,573</b>	<b>62,313</b>
<b>TOTAL ASSETS</b>		<b>480,700</b>	<b>477,762</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and other payables	7	25,669	13,126
Employee benefits	8	14,032	14,065
Funds received in advance	9	5,930	25,856
Lease Liabilities	10	16,744	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>62,375</b>	<b>53,047</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liabilities	10	37,908	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>37,908</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>100,283</b>	<b>53,047</b>
<b>NET ASSETS</b>		<b>380,417</b>	<b>424,715</b>
<b>MEMBER'S FUNDS</b>			
Accumulated funds		424,715	536,961
(Deficit) for the year		(44,298)	(112,246)
<b>TOTAL MEMBER'S EQUITY</b>		<b>380,417</b>	<b>424,715</b>

The accompanying notes form part of these financial statements.

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Retained Profits \$	Total \$
<b>2019</b>		
Balance at 1 January 2019	424,715	424,715
Deficit for the year	(44,298)	(44,298)
<b>Balance at 31 December 2019</b>	<b>380,417</b>	<b>380,417</b>
<b>2018</b>		
Balance at 1 January 2018	536,961	536,961
Deficit for the year	(112,246)	(112,246)
<b>Balance at 31 December 2018</b>	<b>427,715</b>	<b>427,715</b>

The accompanying notes form part of these financial statements.

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED

#### STATEMENT OF CASH FLOWS

#### FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members & fundraising events	366,847	288,270
Interest income received	7,521	4,066
Distribution from Vera Lane Memorial Trust	107,333	61,000
Dividends received	5,713	4,481
Donations received	96,962	118,855
Interest & finance cost paid	(2,861)	-
Payments to suppliers and employees	(570,908)	(562,905)
<b>Net cash provided (used by) operating activities</b>	<b>10,607</b>	<b>(86,234)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of principal on leased assets	(15,679)	-
<b>Net cash provided from financing activities</b>	<b>(15,679)</b>	<b>-</b>
Net (decrease) in cash and cash equivalents held	(5,072)	(86,234)
Cash and cash equivalents at beginning of period	340,442	426,676
<b>Cash and cash equivalents at end of year</b>	<b>335,370</b>	<b>340,442</b>

3

There were no cash flows from investing activities during the year

The accompanying notes form part of these financial statements.



# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1. Basis of Preparation

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profit Commission Act 2012. The committee has determined that the Association is not a reporting entity. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared on an accruals basis and are based on historic costs. They do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

#### 2. Change in Significant Accounting Policies

The Association has applied AASB 9 : Financial Instruments, AASB 16 : Leases and AASB 15 : Revenue from Contracts with Customers and AASB 1058 : Income of Not-for-Profit Entities from 1 January 2019.

Due to the transition methods chosen by the Association in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards.

The details of the new significant accounting policies and the nature of the changes to the previous accounting policies are set out in Note 3 (b), 3 (f) and 3 (i).

#### 3. Summary of Significant Accounting Policies

##### (a) Income Tax

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

##### (b) Revenue and Other Income

The Association has applied AASB 15 Revenue and AASB 1058 Income of Not-for-Profit Entities using the cumulative effective method. Therefore, the comparative information has not been restated and continues to be presented under AASB 118 : Revenue.

AASB 15 Revenue has introduced a single, principle-based five step recognition and measurement model for revenue recognition. The new revenue model in AASB 15 Revenue will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### **3. Summary of Significant Accounting Policies (cont'd)**

##### **(b) Revenue and Other Income (cont'd)**

Revenue generated by the Association is categorised into the following categories:

- Donations and fundraising activities;
- Sale of goods;
- Operating grants
- Interest revenue;
- Distribution income; and
- Dividend income

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

##### **(c) Inventories**

Inventories are measured at the lower of cost and net realisable value. The Association's inventories include merchandise for fundraising activities. The cost of inventories includes direct materials and other purchase costs at the time of receipt.

##### **(d) 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

##### **(e) Plant and Equipment**

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

The depreciable amount of all property, plant and equipment is depreciated over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

Refer to Note 3(i) for a description of the measurement and recognition of right-of-use asset calculated under AASB 16 Leases.

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### **3. Summary of Significant Accounting Policies (cont'd)**

##### **(f) Financial Instruments**

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Association commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

##### **Financial Assets**

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through profit or loss.

##### **(g) Cash and Cash Equivalents**

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

##### **(h) Employee Provisions**

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits expected to be settled within one year together with benefits arising from salaries and wages, annual leave and long service leave which will be settled after one year have been measured at their normal amount. Other employee benefits payable later

than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 3. Summary of Significant Accounting Policies (cont'd)

##### (i) Leases

The Association has adopted AASB 16 : Leases using the cumulative effective method. Therefore, the comparative information has not been restated.

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee.

However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and – payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.



# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
<b>2. Other Income</b>		
Opening Stock	(4,566)	(3,315)
65 Roses Merchandise	-	(96)
Purchases	(154)	(7,175)
Closing Stock	4,252	4,566
Cost of Sales	<u>(468)</u>	<u>(6,020)</u>
<b>3. Cash and Cash Equivalents</b>		
Cash on Hand	175	200
Cash at Bank BankSA	149,925	35,242
Float	270	-
Term Deposit 4039047960	-	50,000
Term Deposit 4039034760	-	70,000
Term Deposit 4040946560	85,000	85,000
Term Deposit 4040947360	100,000	100,000
	<u>353,370</u>	<u>340,442</u>
<b>4. Trade and Other Receivables</b>		
Sundry Debtors	-	1,225
Vera Lane Trust	-	47,918
	<u>-</u>	<u>49,143</u>
<b>5. Property, Plant and Equipment</b>		
<b>Plant &amp; Equipment</b>		
At cost	35,283	83,885
Accumulated depreciation	<u>(35,283)</u>	<u>(83,885)</u>
	<u>-</u>	<u>-</u>
<b>Equipment for Home</b>		
At cost	350	1,310
Accumulated depreciation	<u>(350)</u>	<u>(1,310)</u>
	<u>-</u>	<u>-</u>
<b>Right-of-Use Asset</b>		
At cost	70,331	-
Accumulated depreciation	<u>(17,583)</u>	<u>-</u>
	<u>52,748</u>	<u>-</u>

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
<b>6. Financial Assets</b>		
Listed shares at valuation	74,825	62,313
<b>7. Trade and Other Payables</b>		
Accounts payable	9,477	7,520
Research donations	3,272	3,172
Other payables	9,741	2,434
Vera Lane Trust	3,179	-
	<b>22,490</b>	<b>13,126</b>
<b>8. Employee Benefits</b>		
<b>Current</b>		
Provision for annual leave	14,032	9,158
Provision for long service leave	-	4,907
	<b>14,032</b>	<b>14,065</b>
<b>9. Funds Received in Advance</b>		
Vertex sponsorship received in advance	-	21,631
Membership subscription received in advance	5,930	4,225
	<b>5,930</b>	<b>25,856</b>
<b>10. Lease Liabilities</b>		
<b>CURRENT</b>		
Lease Liabilities	16,744	-
	<b>16,744</b>	-
<b>NON CURRENT</b>		
Lease Liabilities	37,908	-
	<b>37,908</b>	-

The lease liabilities were measured at the present value of the remaining lease payments, discounted using and estimate of the Association's incremental borrowing rate applied to the lease liabilities were 5%

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

#### 11. Capital and Leasing Commitments

	2019 \$	2018 \$
<b>(a) Operating Leases</b>		
Minimum lease payments under non-cancellable operating leases :		
- not later than one year	1,080	-
- between one year and five years	<u>2,700</u>	-
	<u>3,780</u>	-
New accounting standard AASB 16 : Leases has become effective for financial year commencing 1 January 2019. All lease contracts, unless an exemption applies, are required to be presented on the balance sheet as a finance lease. As a result of transitioning to AASB 16, there are no operating lease commitments as at 31 Dec 2019		
<b>(b) Finance Leases</b>		
Minimum lease payments :		
- not later than one year	<u>59,024</u>	-
Minimum lease payments	<u>59,024</u>	-
Less : finance charges	<u>(4,372)</u>	-
Present value of minimum lease payments	<u>54,652</u>	-

#### (c) Contracted Commitments

There was no capital commitments contracted at reporting date, not recognised as liabilities (2018 : \$nil)

#### 12. Contingencies

In the opinion of the Committee, the Association did not have any contingencies at 31 December 2019 (31 December 2018: Nil).

#### 13. Events Occurring After the Reporting Date

The post year end escalation of the COVID-19 pandemic has caused significant volatility in equity markets and the Not-for-Profit sector in Australia. Management have assessed the impact of the situation and as the investment portfolio held by the Association is for long-term purposes, any mark to market fluctuations since year end have not been adjusted for on the basis of that long-term strategy remaining.

Apart from the matters disclosed as above, no other events or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

#### 14. Association Details

The registered office and principal place of business of the Association is:  
143 - 145 Sturt Street  
Adelaide SA 5000

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED

#### STATEMENT BY MEMBER'S OF THE COMMITTEE

The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report as set out on pages 1 to 11:

1. Presents fairly the results of the operations of Cystic Fibrosis South Australia Incorporated as at 31 December 2019 and the state of its affairs for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Cystic Fibrosis South Australia Incorporated will be able to pay its debts as and when they fall due with the continuing support of creditors.

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

A handwritten signature in black ink, appearing to read "S Gray", is written over a horizontal dotted line.

Stephen Gray  
President

Dated this 24th day of April 2020

# Cystic Fibrosis SA Inc

## Annual Report 2019



### CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED

#### COMMITTEE'S REPORT

In accordance with Section 35(5) of the Associations Incorporation Act (SA) 1985, the Committee of Cystic Fibrosis South Australia Incorporated hereby states that during the financial year ended 31 December 2019:

- a) i) no officer of the Association;
  - ii) no firm of which an officer is a member; and
  - iii) no body corporate in which an officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm, or corporate body and the group.
- b) no officer of the group has received directly or indirectly from the Association any payment or other benefit of a pecuniary value.

Signed in accordance with a resolution of the Member's of the Committee:

A handwritten signature in black ink, appearing to read "S Gray", written over a horizontal dotted line.

Stephen Gray  
President

Dated this 24th day of April 2020

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Cystic Fibrosis South Australia Incorporated

Independent auditor's report to members

## Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the financial report of Cystic Fibrosis South Australia Incorporated (the Association), which comprises the statement of financial position as at 31 December 2019, 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 notes to the financial statements, including a summary of significant accounting policies, and the committee's report and the statement made by the members of the committee.

In our opinion, except for the possible effects of the matter described in the Basis of Qualified Opinion paragraph, the financial report of Cystic Fibrosis South Australia 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 Association's financial position as at 31 December 2019
- b) and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Qualified Opinion

As is common for organisations of this type, it is not practicable to maintain an effective system of internal control over fundraising activities until their initial entry in the accounting records. Accordingly, our audit in relation to fundraising activities was limited to amounts recorded.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### CHARTERED ACCOUNTANTS & ADVISORS

Level 6, 211 Victoria Square  
Adelaide SA 5000  
GPO Box 11050  
Adelaide SA 5001  
Telephone: +61 8 8409 4333  
[williambuck.com](http://williambuck.com)



# Cystic Fibrosis SA Inc

## Annual Report 2019



### **Emphasis of Matter – Basis of Accounting**

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 Association's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Committee Members for the Financial Report**

The committee members of the Association 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 ACNC Act and the needs of the members. The committee members' responsibility also includes such internal control as the committee members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee members are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee members either intend to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The committee members are responsible for overseeing the Association's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

# Cystic Fibrosis SA Inc Annual Report 2019



A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our independent auditor's report.

William Buck

**William Buck**

ABN 38 280 203 274

M. D. King

**M. D. King**

Partner

Adelaide, 24<sup>th</sup> day of April 2020

# Cystic Fibrosis SA Inc Annual Report 2019



## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT FOR PROF- ITS COMMISSION ACT 2012 TO THE COMMITTEE MEMBERS OF CYSTIC FIBROSIS SOUTH AUSTRALIA INCORPORATED

I declare that, to the best of my knowledge and belief during the year ended 31 December 2019 there have been:

- no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

**William Buck**

ABN 38 280 203 274

M. D. King

**M. D. King**

Partner

Dated this 24<sup>th</sup> day of April, 2020

### ACCOUNTANTS & ADVISORS

Level 6, 211 Victoria Square  
Adelaide SA 5000  
GPO Box 11050  
Adelaide SA 5001  
Telephone: +61 8 8409 4333  
[williambuck.com](http://williambuck.com)

Cystic Fibrosis SA Inc  
Annual Report 2019



Cystic Fibrosis SA Inc  
Annual Report 2019



Financial Report  
Vera Lane Memorial Trust

For the year ended 31 December 2019

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Vera Lane Memorial Trust for Cystic Fibrosis SA

#### Profit or Loss Statement for the year ended 31 December 2019

	<u>2019</u>	<u>2018</u>
<b><u>Vera Lane</u></b>		
<b>INCOME</b>		
Distributions - Non-Listed Trusts	\$53,145	\$46,591
Interest Received	\$0	\$0
Rebates Received	<u>\$1,270</u>	<u>\$774</u>
	\$54,415	\$47,365
<b>EXPENSES</b>		
Investment Fees	\$11,202	\$10,846
<b>Net Profit / (Loss) for the period</b>	<u><u>\$43,213</u></u>	<u><u>\$36,519</u></u>

#### Profit or Loss Statement for the year ended 31 December 2019

	<u>2019</u>	<u>2018</u>
<b><u>Jean Dunlop</u></b>		
<b>INCOME</b>		
Distributions - Non-Listed Trusts	\$14,673	\$8,320
Interest Received	\$0	\$0
Rebates Received	<u>\$380</u>	<u>\$484</u>
	\$15,053	\$8,804
<b>EXPENSES</b>		
Investment Fees	\$3,255	\$3,542
<b>Net Profit / (Loss) for the period</b>	<u><u>\$11,798</u></u>	<u><u>\$5,262</u></u>

The accompanying notes form part of these financial statements



# Cystic Fibrosis SA Inc

## Annual Report 2019



### Vera Lane Memorial Trust for Cystic Fibrosis SA

#### Profit or Loss Statement for the year ended 31 December 2019

	<u>2019</u>	<u>2018</u>
<b>PROFIT SUMMARY</b>		
Vera Lane	\$43,213	\$36,519
Jean Dunlop	\$11,798	\$5,262
<b>Net Profit / (Loss) for the period</b>	<u>\$55,011</u>	<u>\$41,781</u>

The accompanying notes form part of these financial statements

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Vera Lane Memorial Trust for Cystic Fibrosis SA

#### Distribution of Income for the year ended 31 December 2019

	<u>2019</u>	<u>2018</u>
<b><u>Cystic Fibrosis SA</u></b>		
Share of Profit / (Loss)	\$55,011	\$41,781
Transfer to Beneficiary's entitlement account	-\$55,011	-\$41,781
<b>Total Trust Funds</b>	<u>\$0</u>	<u>\$0</u>

The accompanying notes form part of these financial statements

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Vera Lane Memorial Trust for Cystic Fibrosis SA

#### Balance Sheet as at 31 December 2019

	<u>2019</u>	<u>2018</u>
<b>TRUST CAPITAL</b>		
Settlement	\$10	\$10
<b>RESERVES</b>		
Capital Reserve - Vera Lane	\$628,386	\$628,386
Capital Reserve - Jean Dunlop	\$276,068	\$276,068
Revaluation Reserve - Vera Lane	\$152,077	\$86,226
Revaluation Reserve - Jean Dunlop	-\$22,686	-\$41,679
	<u>\$1,033,845</u>	<u>\$949,001</u>
<b>TOTAL TRUST CAPITAL</b>	<u><b>\$1,033,855</b></u>	<u><b>\$949,011</b></u>
<b>REPRESENTED BY:</b>		
<b>INVESTMENTS</b>		
Investment - Vera Lane at Valuation	\$745,750	\$675,223
Investment - Jean Dunlop at Valuation	<u>\$192,630</u>	<u>\$193,591</u>
	<u>\$938,380</u>	<u>\$868,814</u>
<b>CURRENT ASSETS</b>		
Cash in Hand	\$10	\$10
Cash at Bank - Vera Lane	\$74,541	\$64,475
Cash at Bank - Jean Dunlop	\$18,633	\$30,752
Other receivables	-\$888	\$32,878
	<u>\$92,296</u>	<u>\$128,115</u>
<b>TOTAL ASSETS</b>	<u><b>\$1,030,676</b></u>	<u><b>\$996,929</b></u>
<b>CURRENT LIABILITIES</b>		
Bank Overdraft #2 (Secured)	<u>\$0</u>	<u>\$0</u>
	<u>\$0</u>	<u>\$0</u>
<b>NON-CURRENT LIABILITIES</b>		
Beneficiaries Entitlement Acc - CFSA (Vera Lane)	\$38,939	\$57,963
Beneficiaries Entitlement Acc - CFSA (Jean Dunlop)	<u>-\$42,118</u>	<u>-\$10,045</u>
	<u>-\$3,179</u>	<u>\$47,918</u>
<b>NET ASSETS</b>	<u><b>\$1,033,855</b></u>	<u><b>\$949,011</b></u>

The accompanying notes form part of these financial statements

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Vera Lane Memorial Trust for Cystic Fibrosis SA

#### Notes to the Financial Statements For the period ended 31 December 2019

##### **NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The trustees have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of the trust deed and the information needs of the beneficiaries.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the trustees have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accrual basis and are based on historical cost unless otherwise stated in the notes.

##### **Revenue and Other Income**

Revenue for the Trust is measured at the value of the consideration received or receivable. The main source of income for the Trust is Investment Income from Managed Trusts. These distributions are measured at their market value when they are received.

Interest income is mainly on interest-bearing cash and cash equivalent balances. Interest income is recognised upon receipt.

##### **Comparative figures**

When required, comparative figures have been adjusted to conform to changes in presentation for the current financial year. There has been no adjustment in the current financial year.

##### **Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits with banks, other short-term highly liquid investments with original maturities of twelve months or less, and bank overdrafts. Bank overdrafts are shown with borrowings in current liabilities on the Balance Sheet.

##### **Financial Assets**

Investments in financial assets are initially recognised at cost, which included transaction costs, and are subsequently measured at fair value, which is equivalent to their market value bid price at the end of the reporting period. Movements in fair value are recognised through and equity

# Cystic Fibrosis SA Inc

## Annual Report 2019



### Vera Lane Memorial Trust for Cystic Fibrosis SA

#### TRUSTEES' DECLARATION

The trustees declare that the trust is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The trustees declare that:

the financial statements and notes, as set out on pages 1 to 5, present fairly the trust's financial position as at 31 December 2019 and its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and

in the trustees' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the trustees.

  
Gerry Kandelaars (Vice President)

Michelle Sinclair (Treasurer)

# Cystic Fibrosis SA Inc Annual Report 2019



## **Cystic Fibrosis South Australia Incorporated as Trustee for the Vera Lane Memorial Trust**

Independent auditor's report to trustees

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial report of Cystic Fibrosis South Australia Incorporated as Trustee for the Vera Lane Memorial Trust (the Trust), which comprises the balance sheet as at 31 December 2019, the statement of profit or loss, distribution of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the trustees' declaration.

In our opinion the financial report of the Trust has been prepared to satisfy the financial reporting requirements of the Fund's trust deed and the information needs of the beneficiaries.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### **Emphasis of Matter – Basis of Accounting**

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 Trust's financial reporting responsibilities as per the Trust's trust deed and information needs of the beneficiaries. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Trustees for the Financial Report**

The trustees of the Trust 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 Trust's trust deed and the information needs of the beneficiaries. The trustees' responsibilities also include such internal control as the trustees determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



# Cystic Fibrosis SA Inc

## Annual Report 2019



In preparing the financial report, the trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to wind up the Trust or to cease operations, or has no realistic alternative but to do so.

The trustees are responsible for overseeing the Trust's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of these financial statements is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our independent auditor's report.

William Buck

**William Buck**

ABN 38 280 203 274



**M. D. King**

Partner

Adelaide, 24th day of April 2020

# Cystic Fibrosis SA Inc Annual Report 2019



## **CFSA thanks the following for their most generous support:**

65 Roses Ball committee  
Callum Ferguson - Ambassador  
Central Audio Visual  
CFSA Board Members 2019  
Cold Logic  
Coopers Foundation  
CMV Group Foundation  
CPR Engineers  
Dimity Bullen-Nicholas - Ambassador  
Erica Handley  
Fay Fuller Foundation  
Halpin Financial Services  
Helen Bowden  
Kate Collins - Patron  
Kyle Collis - Ambassador  
Lane Communications  
Largs Bay Great Strides Committee  
Liquor Industries Charities Golf Day  
Mathew Crocker - Ambassador  
Minuteman Press Salisbury South  
Mrs Lan Le - Patron  
No 10 Squadron Edinburgh  
Parker Family (Macie's Ride)  
Plaza Crash Repairs  
Rotary Club Magill  
Rotary Club of Adelaide Parks  
SA Power Networks Employee Foundation  
Scarpantoni Wines  
Strathalbyn Great Strides Committee  
William Wallace Memorial Cruise

