

# **Not-For-Profit - Association Report**

Cystic Fibrosis SA Inc

For the year ended 31 December 2022

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# Statement of Profit or Loss & Other Comprehensive Income

Cystic Fibrosis SA Inc  
For the year ended 31 December 2022

	NOTES	2022	2021
<b>Income</b>			
Distribution Received		7,677	44,856
Dividends Received		8,100	5,114
Fundraising Event Income		60,104	85,531
General Donations		208,422	124,658
Grant Income	3	7,911	31,800
Interest Received		252	814
Member Subscriptions		5,055	8,615
Other Income	4	(3,000)	(839)
<b>Total Income</b>		<b>294,521</b>	<b>300,549</b>
<b>Expenses</b>			
Administration Costs		73,355	78,793
Depreciation Expense		24,540	10,859
Employee Benefits Expense		302,948	275,318
Finance Cost		9,238	2,431
Member Services and Costs of Fundraising		101,239	101,806
Fair Value Movement of Investment Portfolio		3,253	(9,831)
Grant Related Expenses		1,428	-
Research Expense		21,821	52,200
<b>Total Expenses</b>		<b>537,823</b>	<b>511,576</b>
<b>Operating Surplus/(Deficit) For The Year</b>		<b>(243,303)</b>	<b>(211,027)</b>
<b>Net Current Year Surplus After Income Tax</b>		<b>(243,303)</b>	<b>(211,027)</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached audit report.

# Statement of Financial Position

## Cystic Fibrosis SA Inc As at 31 December 2022

	NOTES	31 DEC 2022	31 DEC 2021
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5	62,709	199,146
Accounts Receivable and Other Receivables	6	3,689	1,403
Inventories		680	5,084
Prepayments		9,852	5,921
<b>Total Current Assets</b>		<b>76,929</b>	<b>211,554</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	7	178,744	203,284
Financial Assets	8	80,159	82,306
<b>Total Non-Current Assets</b>		<b>258,903</b>	<b>285,590</b>
<b>Total Assets</b>		<b>335,833</b>	<b>497,144</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable and Other Payables	9	173,449	54,030
Employee Benefits	10	18,425	35,180
Funds Received in Advance	11	25,696	30,607
Lease Liabilities	12	32,316	32,316
<b>Total Current Liabilities</b>		<b>249,886</b>	<b>152,132</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	12	143,850	159,612
<b>Total Non-Current Liabilities</b>		<b>143,850</b>	<b>159,612</b>
<b>Total Liabilities</b>		<b>393,736</b>	<b>311,744</b>
<b>Net Assets</b>		<b>(57,903)</b>	<b>185,400</b>
<b>Member's Funds</b>			
Accumulated Funds		185,400	396,427
Surplus/(Deficit) For The Year		(243,303)	(211,027)
Asset Revaluation Reserve		-	-
<b>Total Member's Funds</b>		<b>(57,903)</b>	<b>185,400</b>

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached audit report.

# Movements in Equity

Cystic Fibrosis SA Inc

For the year ended 31 December 2022

	2022	2021
<b>Equity</b>		
Balance at 1 January	185,400	396,427
<b>Increases</b>		
<b>Profit for the Period</b>		
Revaluation Reserve	-	-
<b>Total Profit for the Period</b>	-	-
<b>Total Increases</b>	-	-
<b>Decreases</b>		
Loss for the Period	243,303	211,027
<b>Total Decreases</b>	<b>243,303</b>	<b>211,027</b>
<b>Total Equity</b>	<b>(57,903)</b>	<b>185,400</b>

# Statement of Cash Flows

## Cystic Fibrosis SA Inc

For the year ended 31 December 2022

	2022	2021
<b>Cash Flow From Operating Activities</b>		
Receipts From members & Fundraising Events	65,479	131,431
Interest Income Received	252	814
Cash Distribution from Vera Lane/ Jean Dunlop Trusts	149,623	-
Dividends Received	8,100	5,124
Grants and Donations received	216,013	158,196
Payments to Suppliers and Employees	(557,223)	(499,568)
<b>Net Cash Flows from Operating Activities</b>	<b>(117,756)</b>	<b>(204,003)</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Assets	(5,038)	(16,313)
Disposal of Investments	2,118	4,013
<b>Net Cash Flows from Investing Activities</b>	<b>(2,920)</b>	<b>(12,300)</b>
<b>Cash Flow From Financing Activities</b>		
Payment of Principal on Leased Assets	(15,762)	(10,738)
<b>Net Cash Flows from Financing Activities</b>	<b>(15,762)</b>	<b>(10,738)</b>
<b>Net Cash Flows</b>	<b>(136,438)</b>	<b>(227,041)</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	199,147	426,188
Cash and cash equivalents at end of period	62,709	199,147

# Notes to the Financial Statements

## Cystic Fibrosis SA Inc

### For the year ended 31 December 2022

#### 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. 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.

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.

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

- Donations and fundraising activities;
- Sale of goods;
- Operating grants;
- Government 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).

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These notes should be read in conjunction with the attached audit report.

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.

#### **(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 hours owed by current salary rate (excluding on-costs).

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

#### **(i) Leases**

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

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These notes should be read in conjunction with the attached audit report.



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; 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.

	2022	2021
<b>3. Grant Income</b>		
Grants	7,911	-
Other COVID 19 Cash Grants	-	3,000
Job Keeper Funds	-	28,800
<b>Total Grant Income</b>	<b>7,911</b>	<b>31,800</b>
	2022	2021
<b>4. Other Income</b>		
Merchandise (Stock)	(3,000)	(849)
<b>Total Other Income</b>	<b>(3,000)</b>	<b>(849)</b>
	2022	2021
<b>5. Cash and Cash Equivalents</b>		
Bendigo Bank General Account	51,875	8,929
Bendigo Bank High Interest	3,741	98,124
Cash On Hand	218	218
Deposits & Bonds	6,875	6,875
Term Deposit #176340172	-	85,000
<b>Total Cash and Cash Equivalents</b>	<b>62,709</b>	<b>199,146</b>

These notes should be read in conjunction with the attached audit report.

	2022	2021
<b>6. Accounts Receivable and Other Receivables</b>		
Sundry Debtors	3,689	1,403
<b>Total Accounts Receivable and Other Receivables</b>	<b>3,689</b>	<b>1,403</b>
	2022	2021

**7. Property, Plant & Equipment**

<b>Plant &amp; Equipment</b>		
Plant & Equipment (Cost)	23,080	23,080
Accumulated Depreciation - Plant & Equipment	(12,854)	(10,298)
<b>Total Plant &amp; Equipment</b>	<b>10,226</b>	<b>12,782</b>
<b>Equipment for Home Treatment</b>		
Equipment for Home Treatment (Cost)	350	350
Accumulated Depreciation - Equipment for Home Treatment	(350)	(350)
<b>Total Equipment for Home Treatment</b>	<b>-</b>	<b>-</b>
<b>Right of Use Assets</b>		
<b>L3 85 North East Road</b>		
Rights of Use Asset - L3 85 North East Rd (Cost)	197,830	197,830
Accumulated Depreciation: Rights of Use Asset - L3 North East Rd	(29,312)	(7,328)
<b>Total L3 85 North East Road</b>	<b>168,518</b>	<b>190,502</b>
<b>Total Right of Use Assets</b>	<b>168,518</b>	<b>190,502</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>178,744</b>	<b>203,284</b>
	2022	2021

**8. Financial Assets**

ASX Shares (Cost)	63,498	62,391
ASX Shares - Revaluation	16,661	19,914
<b>Total Financial Assets</b>	<b>80,159</b>	<b>82,306</b>
	2022	2021

**9. Accounts Payable & Other Payables**

Accounts Payable	16,500	25,436
Creditors - Accrued Expenses	13,201	44,863
GST Collected	40	495
GST Paid	(2,092)	(4,842)
Vera Lane Trust	148,396	(9,327)
Workcover Payable	(2,596)	(2,596)
<b>Total Accounts Payable &amp; Other Payables</b>	<b>173,449</b>	<b>54,030</b>
	2022	2021

**10. Employee Benefits**

These notes should be read in conjunction with the attached audit report.

PAYG Withholdings Payable	5,508	16,209
Superannuation Payable	-	6,054
Provision for Annual Leave	12,917	12,917
<b>Total Employee Benefits</b>	<b>18,425</b>	<b>35,180</b>
	2022	2021

### 11. Funds Received in Advance

Grants in Advance	25,696	30,607
<b>Total Funds Received in Advance</b>	<b>25,696</b>	<b>30,607</b>
	2022	2021

### 12. Lease Liabilities

Lease Liability - Current	32,316	32,316
Lease Liability - Non Current	143,850	159,612
<b>Total Lease Liabilities</b>	<b>176,166</b>	<b>191,928</b>

### 13. Contingencies

In the opinion of the Committee, the Association did not have any contingencies at 31 December 2022 (31 December 2021: Nil).

### 14. Events Occurring After the Reporting Date

The COVID-19 pandemic continues to cause 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.

### 15. Going Concern

The body has incurred losses for 2022 that have now absorbed the accumulated reserves of the body. Negative equity is now entered. The committee has put in place the following steps to return the body to a profit.

The body has trust funds from which it can draw on to cover the cash shortfalls for payment of its liabilities.

# Statement By Member's of the Committee

**Cystic Fibrosis SA Inc**

**For the year ended 31 December 2022**

## **Committee's Report**

Your committee members submit the financial report of Cystic Fibrosis SA Inc for the financial year ended 31 December 2022.

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 2022 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:

## **Significant Changes**

There were not significant changes in for the year ending 31 December 2022.

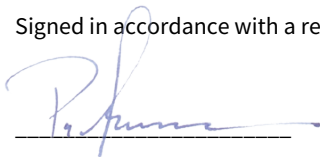
## **Operating Result**

The loss after providing for income tax for the financial year amounted to \$ 243,303.

## **Going Concern**

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cashflows from operations to meet its liabilities. The members of the association believe that the going concern assumption is appropriate.

Signed in accordance with a resolution of the Members of the Committee on:



Peter Summers (President)

Date 29/ 05 / 23

# Committee's Report

## Cystic Fibrosis SA Inc

### For the year ended 31 December 2022

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 2022:

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:



.....  
**Peter Summers (President)**

Dated: 29 / 05 / 23

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Cystic Fibrosis South Australia Incorporated

We have audited the accompanying financial report, being a special purpose financial report, of Cystic Fibrosis South Australia Incorporated (the 'Association'), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, and the cash flow statement for the year then ended, notes to the financial statements.

### Opinion

In our opinion, the accompanying financial report of Cystic Fibrosis South Australia Incorporated has been prepared in accordance with 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 2022 and of its financial performance for the year then ended; and
- (b) complying with the Australian Accounting Standards and the *Australian Charities and Not-For-Profits Commission Regulation 2013*.

### 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 Association in accordance with 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

The financial report has been prepared for the purpose of fulfilling the Association's financial reporting responsibilities under the constitution. 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 *Australian Charities and Not-For-Profits Commission Act 2012* and the needs of its members. The Committee Members responsibilities also include such internal control as they determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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 relating to going concern and using the going concern basis of accounting unless the Committee Members either intend to liquidate the Association or cease operations or have no realistic alternative but to do so.

Liability limited by a scheme approved under Professional Standards Legislation

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The Committee Members are responsible for overseeing the Association's financial reporting process.

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

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 other 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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.
- Conclude on the appropriateness of the Committee Members use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee Members regarding, among other matters, the planned scope and timing of the audit and any significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

LEE GREEN



DAVID CHARLESWORTH  
Principal

Dated this 5<sup>th</sup> day of June 2023

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