

MUSCULAR DYSTROPHY

NSW BUILDING STRENGTH
REACHING POTENTIAL

ANNUAL REPORT

JULY 2016 – JUNE 2017

*Improving the quality of life of all
people living with a
neuromuscular condition*



MDNSW BOARD (AS AT 10/11/2017)

Peter Debnam	President and Chairperson of the Board
Ian Williams	Vice President
Rick Arnheim	Honorary Treasurer
Dr Kristi Jones	Medical Director
Martin Dalrymple	
Shannon Finch	PATRON – His Excellency General The
Fiona Simson	Honourable David Hurley AC DSC (Ret'd)
Kim Brislane	
Dr Christina Liang	HONORARY SOLICITOR - Simon Gates
Anthony Ball	AUDITOR - Jane Victoria Perry
David Kay	
Holly Reynold	

MUSCULAR DYSTROPHY NSW STAFF (AS AT 10/11/2017)

Charlotte Sangster	General Manager
Maralyn McCann	Office Manager
Angelito Escalada	Finance Manager
Gracia Selina	Finance Officer
Louise Walpole	Development Coordinator
Joan Martin	Client Services Manager
Mitchell Taylor	Client Programs Coordinator
Kejanna Taylor-King	Senior Client Services
Coordinator/Regional NSW	
Marie Adamou	Client Services Coordinator
Jenny Smith	Client Services Events & Administration Support
Carolyn Campbell-McLean	Casual Contractor
Allison Maher	Casual Contractor
Sandra Holland	Casual Contractor

VISION

Improved quality of life for all people living with a neuromuscular condition

VALUES

Compassion and responsiveness
Integrity and respect
Partnerships and teamwork

OBJECTIVE

The objective of Muscular Dystrophy NSW is to provide support and services to our clients, all of whom have a neuromuscular condition, or are caring for someone with a neuromuscular condition. As a charity with a Deductible Gift Recipient (DGR) status, Muscular Dystrophy NSW is committed to delivering quality services to its clients while keeping administrative overhead to a minimum.

Muscular Dystrophy NSW has a Board of Governance which provides strategic direction. The Board comprises health professionals, people with a neuromuscular condition, or who care for one who does, and people who have skills in areas such as finance, governance and strategic planning. The Board's direct link to the management of the organisation is through the General Manager who is the conduit between the strategic direction and the operational delivery of services.

At an operational level, the organisation is split into four teams, each with specialised skills in their area. These teams work collaboratively and cohesively to ensure support and services are being delivered in response to the needs of clients. The teams are Client Services, Fundraising, Finance and Operations.

OUR SERVICES

Information, Referral & Advocacy
Individual and Family Support
Support Coordination
Assistance to Regional & Rural NSW
Counselling Service
Program
Camp Program
Program
Weekend Retreats
Connections Social Group Programs
Medical and Information Seminars
program
Research Funding/Scholarship

Support through Clinics
Support to service providers
FlexiRest Respite Program
Kids for Life Program
Cough Assist Machine Loan
Schools Boccia Equipment Loan
Client Newsletter
The Duke of Edinburgh's Award
Community events & sporting
Support to National Electric Wheelchair
Sports (NEWS)



Camp Kula N' Gadu 2017

PRESIDENT'S REPORT

Thank you for the opportunity to serve as President. It has again been an honour and a pleasure to work with clients, family and friends, our tireless staff and dedicated directors and it has definitely been a roller coaster year for all of us!

A year ago we were preparing for the NDIS and the national merger and also dealing with last year's very substantial deficit - but not everything went to plan.

Chaitali Desai was acting as State Manager while we moved towards the merger but unfortunately left MDNSW to return to a finance role. We were lucky enough to recruit a new General Manager, Charlotte Sangster, who had previously excelled in fundraising and now is making great progress as our GM.

In terms of the NDIS, we've made good progress but we're still developing a viable business model and it's clear the NDIS is unlikely to provide more than a small proportion of the annual funds we need to deliver our services. Fundraising and cost effective delivery of services will remain paramount.

The national merger with other states unfortunately collapsed at the very last moment due to extraordinary decisions in the other states and there is little prospect of the merger being revived in the short term. However, we remain ready to merge if sense was to prevail interstate.

In terms of financial performance, we were able to very significantly reduce our expenses, relocate our office to Lidcombe and deliver a slightly better than breakeven result for the 2017 year. Congratulations to Chaitali, Charlotte and our entire team for their financial performance over the last twelve months. And thank you to our Treasurer Rick Arnheim, Charlotte and Angelito for the presentation of our annual accounts.



We welcomed a very skilled trio of new directors in Anthony Ball, David Kay and Holly Reynolds. To all our Directors, thank you for your commitment in time, energy and perseverance. Your Association has been very well served by these directors.

And a heartfelt acknowledgement of thanks to our donors who have and will continue to play an important role in the financial sustainability of the Association moving forward.

Our Association's role remains clear - MDNSW is the leading whole of life provider of choice for specialised services and expert information for people affected by neuromuscular conditions. To keep our edge, we must continue to evolve as we seek to deliver the best possible services for you.

Finally, thank you to one and all in our Muscular Dystrophy NSW family for all your efforts.

Peter Debnam

President, Muscular Dystrophy Association of NSW

3 November 2017

GENERAL MANAGER'S REPORT

Thank you to all of our members and friends who have welcomed me so warmly to the organisation in April this year as we farewelled Chaitali Desai, our former State Manager. I would like to acknowledge the hard work Chaitali did to bring the team through a challenging year for the organisation financially. I would also like to thank our President Peter Debnam and the Board for their support as I transition into this role during a challenging time for the organisation. We are now happily settled into the new office sharing the space with the Multiple Sclerosis Association in the MS Studdy Centre at Lidcombe and we encourage everyone to come and visit us here. The space is completely accessible with lots of parking available, not to mention the lovely fresh air and no traffic.



We are very pleased to have finished this financial year in a financial surplus thanks to the dedication of the team at Muscular Dystrophy NSW, including two office moves to increase savings to the business. The team have worked tirelessly and with the support

of the Board of Directors, this year we have maintained our ability to serve the neuromuscular community of NSW.

Our focus for this year was to continue to provide our services to those affected by neuromuscular conditions while navigating through the changes that the NDIS requires. Our vision to improve the quality of life for all people living with a neuromuscular condition remains as strong as ever as we move into the final year of the roll out of the NDIS and look towards a new era from July 2018.

The heart of Muscular Dystrophy NSW is the people, and we are committed to continue to try and find ways to support those with neuromuscular conditions to transition to the National Disability Insurance Scheme (NDIS) as smoothly as possible and ensure that they receive the supports that they need. This year, we developed an NDIS Planning Toolkit especially for those with a neuromuscular condition to assist with preparation for NDIS planning which has been received positively by our clients and their families. The Planning Toolkit is now available on our website.

Some of the important things we do are providing opportunities for our members and their families to meet socially and to create relationships. We especially feel that the events such as the camps and the retreats are very successful in allowing people not only to socialise but to discuss their situations with others in a similar position.

I would like to thank all of those who have made donations towards our work over the last year and to all of our funders who make the important work of the Association possible.

We continue to work collaboratively with the other state based Muscular Dystrophy Associations to ensure that we use our collective powers to improve the lives of members and families around all of Australia.

Camps

Under the capable leadership of Carolyn Campbell-McLean, Narrabeen Camp December 2016 was a great event. New activities were included: bush walk and damper cooking over an open fire, fishing at the lakeside and swimming, using the pool at the Academy. These were a great hit, especially the swimming. Our wonderful carers hoisted the campers from their chairs into the pool hoist and then into the water. Watching the campers' enjoyment was truly worth the effort.

Adventure Camp

Led by Mel Wentworth-Perry was also a fabulous event. Our campers really enjoy helping with food prep and cooking in their cabin 'family'. We had a dolphin cruise, sandboarding, laser tag, and for the first time, go-karting. It is hard to describe the sense of achievement the kids get from our camps, making new friendships and enjoying being together.

Retreats

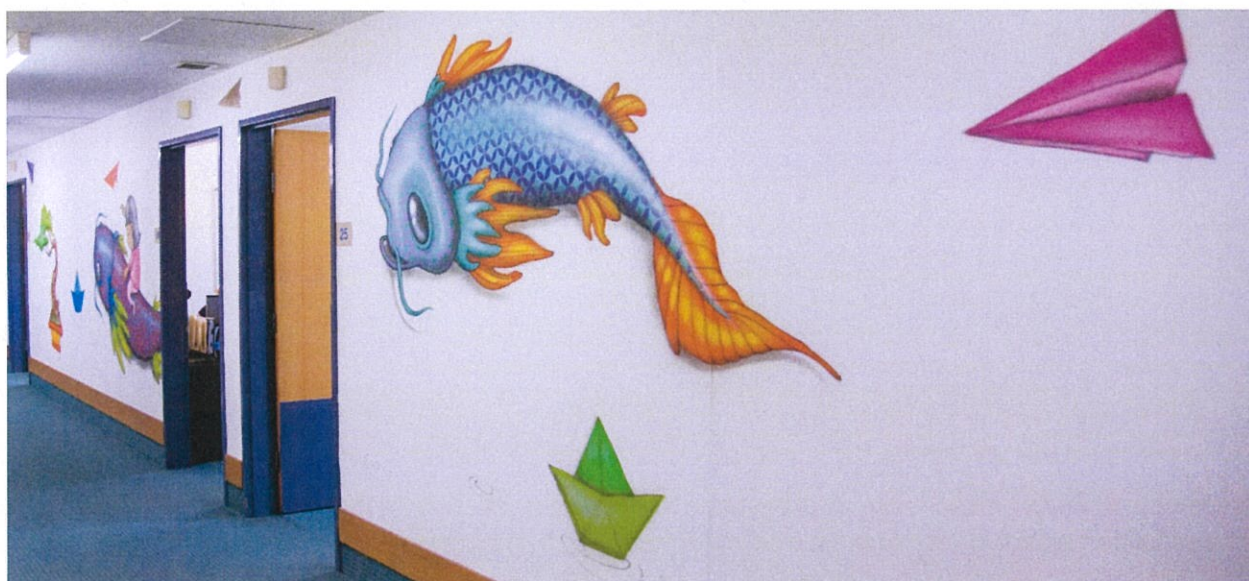
This year we held two retreats. Our mum's retreat was held in the city with lots of opportunities to undertake some 'retail therapy'. It was exciting to see a few new mums

come along and receive great benefits of friendship, information sharing and the opportunity to build their support network.

We also held a new type of retreat this year for our young adults aged between 18 and 30, after hearing that there is not a lot of support for people of this age group. Some had attended our camps for a number of years, but were no longer eligible. It was a great weekend highlighted by the participants foregoing free time to stay together and enjoy a City trip to experience Vivid.

Duke of Ed

In May a new Program Coordinator, Mitch Taylor was appointed to facilitate the award. The decision was made to change our award certification level from national to state. A retreat was held in Parramatta for members participating in the award and members interested in starting the award. It was a highly successful weekend that helped relaunch the award with our members. MDNSW is currently supporting twelve members on various levels of their award. Mitch is focusing on advertising and attracting new members to participate in the award program.



Wall Mural in our offices – painted by Drew Funk

NEWS 2017

The National Electric Wheelchair Sports competition was held at the Sydney Academy of Sport from 16th April to 23rd April. This was the 32nd NEWS games. Victoria, NSW, WA and SA competed in Balloon Soccer, Hockey and Rugby League with SA winning the overall Roger Melnyk trophy, last won by them in 1992. South Australia won the Balloon Soccer Grand Final, while Victoria won Hockey and NSW won the Rugby League. The New South Wales team has not been beaten in nine years at this competition in Rugby League!

Any person with a neuromuscular condition who uses an electric wheelchair for everyday use can try out for the New South Wales team; we have training sessions from November to March. Please contact us at info@mdnsw.org.au for more information on the next come and try day.

Building for the Future Neuromuscular conference – June 2016 Olympic Park
Jointly organised by; Muscular Dystrophy Foundation, Duchenne Foundation, Australasian Neuromuscular Network and Muscular Dystrophy NSW, the conference brought together people living with a neuromuscular condition, world leading researchers and clinicians, allied health professionals, service providers, representatives of the NDIS and industry providers.

During the conference there were over 25 different talks and sessions, covering a range of topics; Research and clinical trials, NDIS principles and practical planning, medication and the development and regulatory process, Neuromuscular research updates, Australian Care Guidelines and best practice, transforming disability into opportunity and success, For those who were not able to attend the conference in person, you can watch footage of all the talks at: <http://nmconference.org.au>

Charlotte Sangster

General Manager

Muscular Dystrophy Association of NSW



Marie (Client Services Coordinator)

LtoR:

Angelito (Finance Manager),
Mitch (Client Programs
Coordinator),
Maralyn (Office Manager),
Allison (Marketing
Communications Consultant),
Jenny (Client Services Events &
Admin Support)
Charlotte (General Manager),
Carolyn (ILC Project Officer),
Gracia (Finance),
Joan (Client Services Manager),
Lou (Development Coordinator)
Missing:
Kejanna (Senior Client Services
Coordinator – Regional)

THANK YOU TO OUR **SPONSORS**

WHO HAVE SO KINDLY GIVEN TO US THIS FINANCIAL YEAR

CORPORATE SUPPORT

A&K Danas Snack Station - Sydney Police Centre
Argo Investments Limited
B & D Moon Plumbing
Batehaven Newsagency
Batehaven Newsagency
Bexhill Public School
Black Mountain School
Blooms The Chemist Top Ryde
Dick Smith Foods Pty Ltd
Ebenezer Public School
Fairlight Newsagency
Flannery's Pharmacy
Flower Power Garden Centre Warriewood
Grill'd Macquarie Centre
Hassion Philanthropic Association Ltd
Holy Spirit Infants School Abermain
JR Richards & Sons
Kim Vinh Pharmacy
Lidogo Pty Ltd T/A R & Y Engineering
Lioness Club of Camden
Macquarie Finance
Menadue Floor Covering
Monaro Chemist
Mulhall & Close Pharmacy
Narellan Jets Junior Rugby League
National Electric Wheelchair Sport NSW
NSW Kids In Need Foundation
NSW Push and Power Sports Incorporated

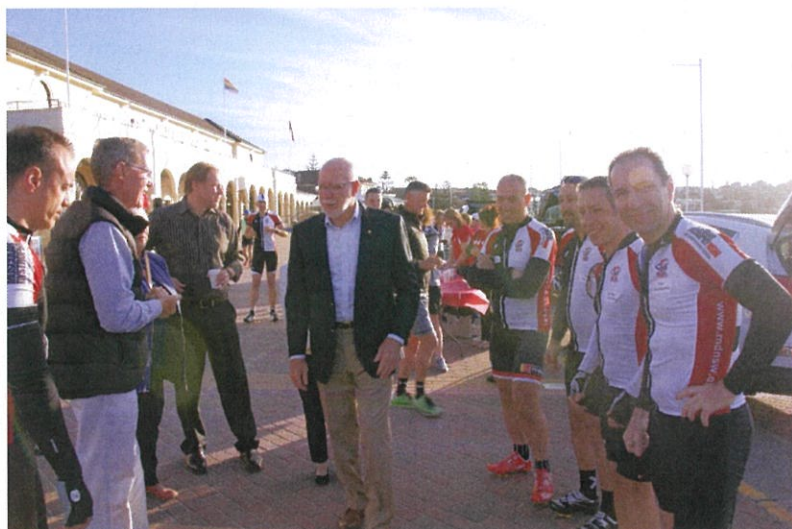
O'Connor's Pharmacy
Parkes Service & Citizens Club Co-op Ltd
Quest Macquarie Park
Red Lea Chickens Rhodes
Red Rooster Ballina
Red Rooster Bass Hill
Red Rooster Blacktown
Red Rooster Blacktown - Bungaribee Road
Red Rooster Blacktown Westpoint
Red Rooster Campbelltown
Red Rooster Carlton
Red Rooster Eastern Creek
Red Rooster Emu Plains
Red Rooster Glendenning
Red Rooster Goulburn
Red Rooster Jamisontown
Red Rooster Lakemba
Red Rooster Lismore
Red Rooster Mount Druitt
Red Rooster Parklea
Red Rooster Penrith
Red Rooster Rouse Hill
Red Rooster Seven Hills
Red Rooster Shellharbour
Red Rooster Tamworth
Red Rooster Wentworthville
Red Rooster Windsor
Red Rooster Woodbine
Rilow Group

THANK YOU TO OUR **SPONSORS** WHO HAVE SO KINDLY GIVEN TO US THIS FINANCIAL YEAR

GRANTS

Bathurst Panthers Club
Bathurst RSL Club Ltd
Blacktown Workers Club
Dooleys Lidcombe Catholic Club
Dubbo RSL Memorial Club
Fairfield Club
Hornsby RSL Club
James N. Kirby Foundation
Magpies Waitara Club

Maitland City Bowls, Sports & Recreation
Club
Mounties
North Ryde RSL Community Club
Orange Ex-Services Club
Parramatta Leagues Club
The Marian & E.H. Flack Trust
The Wales Family Foundation
Wagga RSL Club





**Muscular Dystrophy Association of
New South Wales**

ABN 11 774 587 436

**Financial Report
For the Year Ended 30 June 2017**

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

INDEX

Directors' Report	1-3
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9-19
Declaration by Company Secretary in respect of the Fundraising Appeals	20
Directors' Declaration	21
Independent Auditor's Report	22-23

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436**

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2017

Your directors present their report on the company for the financial year ended 30 June 2017:

Directors

The names of the directors in office at any time during or since the end of the financial year are:

Mr. Peter Debnam	
Mr. Ian Williams	
Mr. Richard Throsby Arnheim	
Ms. Shannon Finch	
Dr. Kristi Jones	
Mr. Martin Dalrymple	
Ms. Kim Brislane	
Dr. Christina Liang	
Mr. David Kay	
Mr. Anthony Ball	
Ms. Holly Reynolds	
Mr. Thomas Wilson	Resigned on 13 May 2017
Ms. Fiona Simson	Resigned on 17 November 2016
Ms. Carolyn Campbell-McLean	Resigned on 14 July 2016

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company during the financial year was the provision of care and assistance to people with muscular dystrophy and the furtherance of research into muscular dystrophy.

The company's short term objectives are to:

- Work towards a national collaboration with other State based Muscular Dystrophy Associations around Australia
- Continue to evolve MDNSW's client services and programs for the National Disability Insurance Scheme
- Provide high quality services and programs that MDNSW clients select as part of their packages
- Continue to provide the Duke of Edinburgh's Award for young people with a Neuromuscular Condition throughout Australia
- Ensure MDNSW's website and communication continues to and places increased emphasis on providing specialist information and best practice advice
- Implement the 5th year of the MDNSW PhD scholarship
- Continue to implement the annual Big Red Ride, Kids in Need and Sugar Free September campaigns to increase regular income and raise awareness

The company's long term objectives are to:

- Position MDNSW as the leading whole of life provider of choice of specialised services and expert information for people affected by neuromuscular conditions
- Dramatically raise MDNSW profile across NSW including regionally, as the provider of choice
- Ensure a strong governance culture
- Attract and retain employees of high calibre in a safe and productive work environment
- Fund a substantial increase in information, services, training and events
- Fund research towards improving well-being, treatment and a cure
- Ensure MDNSW remains focused on the National Disability Insurance Scheme and stays current and up to date with all information that is available as it launches out state wide

- Ensure we build continuous improvements within our internal processes to remain compliant with the NSW Disability Service Standards

To achieve these objectives, the entity will be considering the following strategies:

- Implementation of the 3 year Strategic Plan and annual Business Plan
- Increased profile through technology, social media and digital mediums
- Focus on the major fundraising strategies per annum
- Continual review of all services to ensure they fit within the changing requirements of the National Disability Insurance Scheme
- Production of all rebranded marketing materials and business collateral, updating of website and social media platforms to ensure a consistent and recognisable look

Information on Directors

<i>Name, qualifications and independence status</i>	<i>Experience, special responsibilities and other directorships</i>
Mr. Peter Debnam MBA, MACID <i>President</i>	Chairman of NSW Kids in Need Foundation Limited, Chairman of The Muscular Dystrophy Association of NSW Chairman of Muscular Dystrophy Foundation of Australia Chairman of the Advisory Board of Our Big Kitchen Limited Vice Chairman of CARE Australia Director of ParaQuad NSW Director since August 2011
Mr. Ian Williams BEc MBA <i>Vice President</i>	Finance Executive Director since October 2005
Clinical A/Professor Kristi Jones MB BS Phd FRACP, CG (HGSA) Medical Director	Clinical Genetics Specialist Director since April 2006
Mr. Martin Dalrymple Dip Fin Serv (Brok) QPIB	Secretary, Australian Powerchair Football Association, NSW Powerchair Football Association Inc. Life Member of NSW Push and Power Sports Inc. Director since November 2011
Ms. Fiona Simson BA Arts/Bus	Director, National Farmers' Federation, Plantation of Trading Pty Limited, NRMA (NSW), Australian Made Campaign Ltd, Australian Farmers' Fighting Fund, AgStewardship Director since February 2013 to November 2016
Ms. Shannon Finch BA (Hons), LLB (Hons), MAICD	Corporate Partner, King & Wood Mallesons Member of Corporations Committee of the Law Council of Australia Director since June 2012
Mr. Richard Throsby Arnheim BCom CA <i>Treasurer</i>	Member of Institute of Chartered Accountants in Australia Authorised Representative and Principal of Shadforth Financial Group Director since April 2012
Ms. Kim Brisbane	Ambassador of the Duke of Edinburgh Award in Australia Director (& Honorary Treasurer), Blue Mountains Women's Health and Resource Centre (including Women's Domestic Violence Court Advisory Service), Elizabeth Evatt Legal Centre Co-Founder, Readhead.com.au Executive Brand and Strategic Fundraising Consultant Director since 2014
Ms Carolyn Campbell-McLean	Director, Disability Training and Communications Consultancy Director from November 2013 to July 2016
Dr. Christina Liang MBBS (Hons II), BSc (Med), FRACP	2010 Fellow of the Royal Australasian College of Physicians Director since 2014

Mr. Thomas Wilson BSc (Hons)	Member of Australian Industry Group and Australian Design Standards Director since 2014 to May 2017
Mr. David Kay	Director – Health, Aging and Human Services at KPMG Non-Executive Director of Muscular Dystrophy Foundation Australia Director since July 2017
Mr. Anthony Ball	CEO Clubs NSW Executive Director of Clubs Australia Non-Executive Director of Hospitality Employers Mutual Limited Director since August 2017
Ms. Holly Reynolds	Managing Director of Left Field Public Relations Public Relations Manager of NSW Kids in Need Foundation Director since September 2017

Meeting of Directors

During the financial year, 11 meetings of directors were held. Attendances by each director during the year were as follows:

	<i>Number eligible to attend</i>	<i>Number attended</i>
Mr. Peter Debnam	11	10
Mr. Ian Williams	11	9
Dr. Kristi Jones	11	7
Mr. Richard Throsby Arnheim	11	9
Mr. Martin Dalrymple	11	10
Ms. Shannon Finch	11	8
Ms. Kim Brislane	11	6
Dr. Christina Liang	11	9
Ms. Fiona Simson	4	0
Ms. Carolyn Campbell-McLean	1	0
Mr. Thomas Wilson	10	0

Company Limited by Guarantee

The company is incorporated under the Corporations Act 2001 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 \$20 towards meeting any outstanding obligations of the company. At 30 June 2017, the total amount the members of the company are liable to contribute if the company wound up is \$38,500.

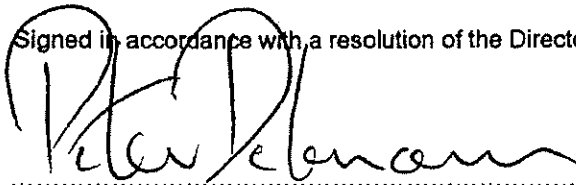
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017, there have been:

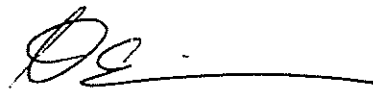
- I. No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- II. No contraventions of any applicable code of professional conduct in relation to the audit.

.....
Jane Victoria Perry
Chartered Accountant
Sydney

Signed in accordance with a resolution of the Directors:



.....
Peter Debnam
President



.....
Richard Throsby Arnheim
Treasurer

Dated this: 24th October, 2017

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 €	2016 €
REVENUE			
Revenue from donations and special events	2	530,580	712,338
Other Income	2	734,139	589,223
Appeal and special event expenses		(41,958)	(49,834)
Client service provision expenses		(926,244)	(1,209,460)
Administration expenses		(290,611)	(296,329)
Depreciation expenses	3	(17,961)	(17,395)
Other expenses	3	(15,601)	(30)
Profit (loss) before financing income (cost) and income tax		(27,656)	(271,487)
Financial income		75,170	33,894
Net Financial Income	4	75,170	33,894
Profit (loss) for the year		47,513	(237,593)
Total comprehensive income for the year		47,513	(237,593)
Other comprehensive income after income tax			
Profit (loss) attributable to:			
Members of the company		47,513	(237,593)
 Total comprehensive income attributable to:			
Members of the company		47,513	(237,593)

The accompanying notes form part of these financial statements

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,179,714	768,872
Trade and other receivables	6	3,712	5,017
Financial assets	7	263,341	456,839
Other assets	8	44,767	20,775
TOTAL CURRENT ASSETS		<u>1,491,533</u>	<u>1,251,503</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	70,481	61,311
TOTAL NON-CURRENT ASSETS		<u>70,481</u>	<u>61,311</u>
TOTAL ASSETS		<u>1,562,014</u>	<u>1,312,814</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	65,450	85,243
Short-term provisions	11	75,122	93,746
Other liabilities	12	502,379	488,586
TOTAL CURRENT LIABILITIES		<u>642,952</u>	<u>667,575</u>
NON-CURRENT LIABILITIES			
Long-term provisions	11	26,959	20,355
Other liabilities	12	332,862	113,158
TOTAL NON-CURRENT LIABILITIES		<u>359,821</u>	<u>133,513</u>
TOTAL LIABILITIES		<u>1,002,773</u>	<u>801,088</u>
NET ASSETS		<u>559,241</u>	<u>511,726</u>
EQUITY			
Retained earnings		559,241	511,726
TOTAL EQUITY		<u>559,241</u>	<u>511,726</u>

The accompanying notes form part of these financial statements

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

STATEMENT OF CHANGES OF EQUITY
FOR THE YEAR 30 JUNE 2017

	Retained Earnings	Total
Balance at 30 June 2015	749,319	749,319
Profit (Loss) attributable to members of the company	(237,593)	(237,593)
Balance at 30 June 2016	511,726	511,726
Profit (Loss) attributable to members of the company	47,513	55,276
Balance at 30 June 2017	559,241	567,003

The accompanying notes form part of these financial statements

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Notes	Inflows (Outflows)	Inflows (Outflows)
		2017 \$	2016 \$
Cash flows from operating activities			
Receipts from donations, subscriptions and government agencies		1,516,389	1,280,840
Payments to suppliers and employees		(1,345,320)	(1,482,192)
Financial Income including interest received		16,904	12,449
Net cash provided by (used in) operating activities		187,973	(188,903)
Cash flow from investing activities			
Proceeds from sale of investments		-	-
Purchase of property, plant and equipment		(27,131)	-
Proceeds from redemption		250,000	209,000
Purchase of investments		-	-
Net cash provided by (used in) investing activities		222,869	(209,000)
Net increase/(decrease) in cash held		410,842	20,097
Cash at beginning of financial year	5	768,872	748,775
Cash at end of financial year	5	1,179,714	768,872

The accompanying notes form part of these financial statements

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies

Basis of Preparation

Muscular Dystrophy Association of New South Wales has adopted the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053.

The financial statements are general purpose financial statements that have been prepared in accordance with the applicable Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and its regulations. The company is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a) Income Tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

b) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amounts of all fixed assets including buildings are depreciated on a straight line basis over their estimated useful lives.

The depreciation rates used for each class of depreciable assets are:

Class of fixed Asset	Depreciation Rate
Plant and Equipment	10.00 – 33.33%
Motor Vehicles	8.33 – 12.50%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies (continued)

b) Property, Plant and Equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit and loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

c) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted by transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit and loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and (iv) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit and loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost

(iii) Financial liabilities

Non derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies (continued)

c) Financial Instruments (continued)

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the profit and loss.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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.

e) Provisions

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

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings on the statement of financial position.

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office.

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.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 1: Statement of Significant Accounting Policies (continued)

h) Revenue

Membership subscriptions revenue comprises revenue from membership fees received and relating to the financial year.

Donations are recognised as revenue when received.

General Bequests up to \$10,000 are recognised as revenue in full when received.

General Bequests more than \$10,000 are recognised as income equally over five financial years commencing with the financial year of initial receipt of funds and apportioned on a monthly basis depending on timing of receipt.

In April 2017, the accounting policy was changed and approved by the board, to recognise any bequest income received to be amortised over three years instead of five years which had been the previous policy. However, all bequests receipted prior to this date, would remain on the preceding policy.

This policy allows for financial planning and budgeting of expenditures for on-going programs.

The timing of receipt and amounts of bequests is highly irregular and appropriately are expended over a five/three year period providing significant security over the medium term.

Specific or tagged bequests are recognised as income over five financial years commencing when the appropriate program or research commences

Revenue for fundraising events is recognised in the year in which the event is held.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to customers.

Other revenue is recognised when the right to receive the revenue has been established.

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

i) Finance Costs

Finance costs are recognised as an expense in the period in which they are incurred.

j) Training and Development

Training and development costs are expensed as they are incurred.

k) Prepaid Membership Subscriptions

Membership subscriptions commence 1st of the next month for a period of 12 months.

l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

m) Critical Accounting Estimates and Judgments

The board members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 2: Revenue	Note	2017 \$	2016 \$
Revenue			
Special Events		117,045	209,423
Donations		302,399	405,482
Bequests		111,136	97,433
Total revenue		<u>530,580</u>	<u>712,338</u>
Other Income			
Membership fees		5,280	5,298
Grants received			
Department of Ageing, Disability & Home Care		598,631	544,849
Other Income		130,228	39,076
Total other income		<u>734,139</u>	<u>589,223</u>
Total revenue and other income		<u>1,264,719</u>	<u>1,301,562</u>

Note 3: Profit/Loss for the year

The result before tax has been arrived at after charging/(crediting) the following items.

Depreciation

Plant & Equipment	9,064	7,059
Motor Vehicles	8,897	10,336
	<u>17,961</u>	<u>17,395</u>

Administration and Other expenses

Annual reporting		75
Other expenses		(45)
Merger expenses		18,182
Operating lease rental expenses	54,540	65,967
	<u>54,540</u>	<u>84,179</u>

Auditor's Remuneration

Audit Services	6,500	6,500
	<u>6,500</u>	<u>6,500</u>

Note 4: Net Financial Income

Financial income		
Interest income	14,304	12,449
Distributions – managed funds	18,924	23,259
Imputation credits – managed funds	2,258	4,517
Changes in fair value – managed funds	39,684	(6,331)
	<u>75,170</u>	<u>33,894</u>
Financial costs		
Net financing income/ (cost)	<u>75,170</u>	<u>33,894</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 5: Cash and cash equivalents			
Current			
Cash at bank		320,737	228,750
Cash on deposit		858,977	540,122
		<u>1,179,714</u>	<u>768,872</u>
 Note 6: Trade and other receivables			
Current			
Trade receivables		1,454	500
Other receivables		2,258	4,517
		<u>3,712</u>	<u>5,017</u>
 Note 7: Financial assets			
Current			
Financial assets at fair value through profit or loss	7(a)	263,341	456,839
		<u>263,341</u>	<u>456,839</u>
(a) Financial assets at fair value through profit or loss			
Held for trading Australian managed fund units		263,341	456,839
Securities in managed funds held for trading purposes to generate income through the receipt of distributions and capital gains.			
 Note 8: Other Assets			
Current			
Security deposit		22,005	-
Other		897	10,000
Prepayments		14,233	8,102
Accrued Income		7,632	2,673
		<u>44,767</u>	<u>20,775</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Note 9: Property, plant and equipment			
Plant and equipment – at cost		24,557	24,557
Add: Purchases		18,955	
Less: Accumulated depreciation		(22,319)	(13,255)
Total plant and equipment		<u>21,194</u>	<u>11,303</u>
 Motor vehicles – at cost		 90,965	 108,228
Less: Accumulated depreciation		(49,852)	(40,955)
Less: Sale of Asset			(17,264)
Total motor vehicles		<u>41,112</u>	<u>50,008</u>
 Leasehold Improvement – at cost		 8,175	
 Total property, plant and equipment		 <u>70,481</u>	 <u>61,311</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	Motor Vehicles	Total
2017			
Balance at the beginning of the year	11,303	50,008	61,311
Depreciation expense	(9,064)	(8,897)	(17,961)
Purchase of asset	18,955		18,955
Carrying amount at the end of year	<u>21,194</u>	<u>41,112</u>	<u>62,306</u>

Note 10: Trade and Other Payables

Current		
Trade payables	8,280	33,703
Accrued expenses	39,099	35,529
Other payables	12,936	10,437
Superannuation liability	5,135	5,574
	<u>65,450</u>	<u>85,243</u>

Note 11: Provisions

Current		
Annual leave liability	75,122	93,746
	<u>75,122</u>	<u>93,746</u>

Non-current

Long service leave liability	26,959	20,355
	<u>26,959</u>	<u>20,355</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 12: Other Liabilities	Note	2017	2016
		\$	\$
Current			
Grant and retreat income in advance		69,712	104,329
Bequest income received in advance		159,644	41,174
Research bequest income received in advance		252,024	275,924
Other income in advance		20,999	67,159
		<u>502,379</u>	<u>488,586</u>
Non-current			
NEWS fund held		35,409	32,043
Bequest income received in advance		297,454	81,115
		<u>332,862</u>	<u>113,158</u>
Note 13: Capital and leasing commitments			
Operating Lease Commitments			
Non-cancellable operating lease rentals are payable as follows:			
Less than one year		6,338	40,334
Between one and five years			124,672
		<u>6,338</u>	<u>165,006</u>

Note 14: Events after the Statement of Financial Position date

In the opinion of 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 result of those operations, or the state of affairs of the company in future financial years.

Note 15:

a. Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

Short-term benefits

Salary and wages	136,565	126,262
Superannuation	11,025	11,299
	<u>147,590</u>	<u>137,561</u>

Long-term benefits

Employee benefits	2,125	18,962
Total compensation	149,715	156,523

b. Other related party

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

Andrews Insurance Services-purchase of two insurance policies with total annual premium of \$5,871.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 16: Financial risk management

General objectives, policies and processes

In common with all businesses, the Association is exposed to risks that arise from its use of financial instruments. This note describes the Association's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout those financial statements.

There have been no substantive changes in the Association's exposure to financial instrument risks, the objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Board has overall responsibility for the determination of the Association's risk management objectives and policies. The Association's management policies and objectives are therefore designed to minimise potential impacts of these risks on the results of the Association where such impacts may be material. The Board receives reports from the Management through which it reviews the effectiveness of the process put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible.

The Association's financial instrument consists mainly of cash and cash equivalents, short-term investments, trade and other receivables, trade and other payables and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2017 \$	2016 \$
Financial Assets			
Cash and cash equivalents	5	1,179,714	768,872
Financial assets at fair value – Held for trading	7(a)	263,341	456,839
Trade and other receivables	6	3,712	5,017
		<u>1,446,767</u>	<u>1,230,728</u>
Financial Liabilities			
Financial liabilities at amortised cost – trade and other payables	10	65,450	85,243
		<u>65,450</u>	<u>85,243</u>

Note 17: Fundraising appeals conducted

Fundraising appeals conducted during the financial year included mail appeals, raffles and various other sundry fundraising projects and general receiving of indirectly solicited donations and bequests

	2017 \$	2016 \$
i) Results of fundraising appeals		
Gross proceeds from fundraising appeals	530,580	712,338
Less: Direct costs of fundraising appeals	(41,957)	(49,834)
Net surplus obtained from fundraising appeals	<u>488,622</u>	<u>662,504</u>
ii) Application of net surplus obtained from fundraising appeals		
Distributions (expenditure on direct services)	926,244	1,209,460
Administration expenses	290,611	296,329
	<u>1,216,855</u>	<u>1,505,798</u>
Net Fundraising Appeal Deficit after application of Funds	<u>(728,233)</u>	<u>(843,285)</u>
iii) Deficit transferred to retained earnings	<u>(728,233)</u>	<u>(843,285)</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 17: Fundraising appeals conducted (continued)	2017	2017	2016	2016
	\$	%	\$	%
iv) Comparisons of certain monetary figures and percentages				
Total cost of fundraising	41,957	7.91	49,834	7.00
Gross proceeds from fundraising	530,580		712,338	
Net surplus from fundraising	488,622	92.09	662,504	93.00
Gross proceeds from fundraising	530,580		712,338	
Total costs of services	926,244	71.67	1,209,460	76.89
Total expenditure	1,292,374		1,573,048	
Total costs of services	926,244	69.13	1,209,460	90.57
Total income received	1,339,888		1,335,456	

Note 18: Contingent Liabilities and Contingent Assets

No Contingent Liability or Asset is known to exist at the date of the Financial Statements.

Note 19: Directors Remuneration

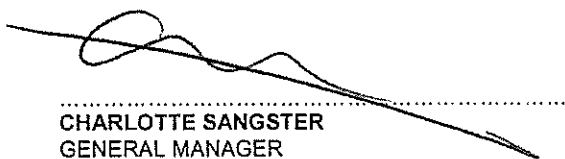
No director received any remuneration from the Company during the year.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

DECLARATION BY GENERAL MANAGER IN RESPECT OF FUNDRAISING APPEALS

I, Charlotte Sangster, General Manager of Muscular Dystrophy Association of New South Wales, declare in my opinion:

- (a) the financial report gives a true and fair view of all income and expenditure of the company with respect to fundraising appeal activities for the financial year ended 30 June 2017;
- (b) the statement of financial position sheet gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2017;
- (c) the provisions of the Charitable Fundraising (NSW) Act 1991 and Regulations under the Act and the conditions attached to the authority have been complied with during the year ended 30 June 2017;
- (d) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.



.....
CHARLOTTE SANGSTER
GENERAL MANAGER

Dated this:

24/10/2017

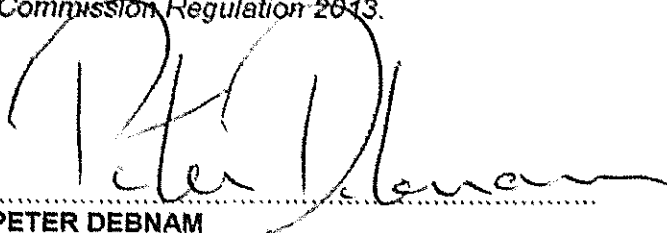
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
ABN 11 774 587 436

DIRECTORS' DECLARATION

The directors declare that in the director's opinion:

1. there are reasonable grounds to believe that the company will be able to pay its debts, as and when they become due and payable,
2. the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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



PETER DEBNAM
DIRECTOR

Dated this: 24 OCT 2017

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Muscular Dystrophy Association of New South Wales (the registered entity), which comprises the statement of financial position as at 30 June 2017, 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 directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of Muscular Dystrophy Association of New South Wales has been prepared in accordance with Div 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and Div 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

Donations and fundraising income amounting to \$530,580 are a significant source of revenue for the company. It is not always possible for the company to establish controls over the collection of all sources of fundraising and donation income prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to fundraising and donation income had to be restricted to amounts recorded in the financial records. We therefore are unable to express an opinion whether the donation and fundraising income of the Muscular Dystrophy Association of New South Wales is complete.

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 registered entity 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.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors 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 directors are responsible for assessing the registered entity'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 directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 registered entity'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 registered entity 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 directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

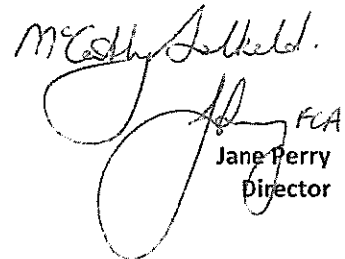
In addition, our audit report has also been prepared for the members of the company in accordance with Section 24(2) of Charitable Fundraising (NSW) Act 1991. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the Australian Charities and Not-for-profits Commission Act 2012. These additional procedures included obtaining an understanding of the internal control structure for the fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the Charitable Fundraising (NSW) Act 1991 and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal yearend financial adjustments for such matters as accruals, provisioning and valuations necessary for yearend financial report preparation.

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

Dated this 25th day of October 2017

McCARTHY SALKELD
CHARTERED ACCOUNTANTS



Jane Perry
FCA
Director

Ground Floor, Suite 3
410 Church Street
North Parramatta NSW 2151