

**JULY 2018 – JUNE 2019**

*Our mission is to empower, connect and support people with neuromuscular conditions, and be an effective advocate for the neuromuscular community*



## MDNSW BOARD (AS AT 20/11/2019)

Anthony Ball	President and Chairperson of the Board
Shannon Finch	Vice President
Rick Arnheim	Honorary Treasurer
A/Prof Kristi Jones	Medical Director
Kim Brislane	
Dr Christina Liang	PATRON – Her Excellency the Honourable Margaret Beazley AO QC
David Kay	
Nathan Teong	
Stuart Uhlhorn	HONORARY SOLICITOR – Simon Gates
Michelle Ball	AUDITOR – Jane Victoria Perry

## MUSCULAR DYSTROPHY NSW STAFF (AS AT 20/11/2019)

Charlotte Sangster	Chief Executive Officer
Maralyn McCann	Office Manager
Angelito Escalada	Finance Manager
Gracia Selina	Finance Officer
Joan Martin	Client Services Manager
Mitchell Taylor	Client Programs Coordinator
Ganesh Kakani	Client Services Coordinator
Jenny Smith	Client Services Events & Administration Support
Milvia Harder	Project Officer
Carolyn Campbell-McLean	Project Officer
Alicia Ballesty	Marketing & Development Manager
Jess Chippendale	Development Coordinator
Tash Sanders	Development Coordinator
Louise Walpole	Development Coordinator

## VISION

Our vision is *that everyone with a neuromuscular condition can live the life they choose.*

## VALUES

Empowerment and responsiveness  
Integrity and respect  
Partnerships and teamwork

Muscular Dystrophy Association of New South Wales  
ABN 11 774 587 436

Front cover: Mums enjoying 'timeout' at Mums' Retreat, at Collaroy, March 2019

## OBJECTIVE

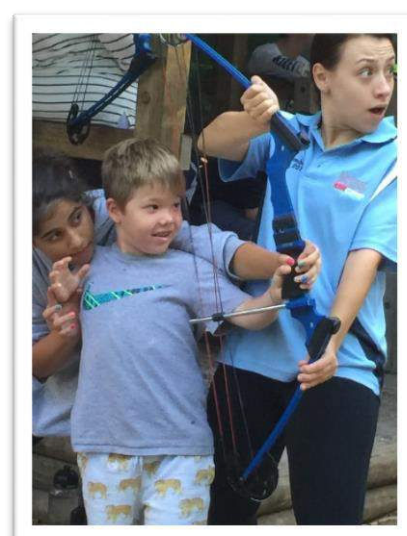
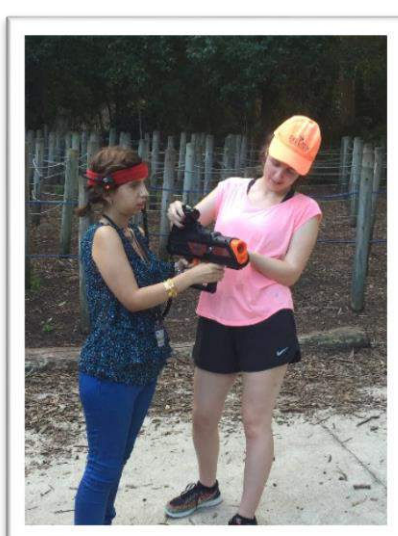
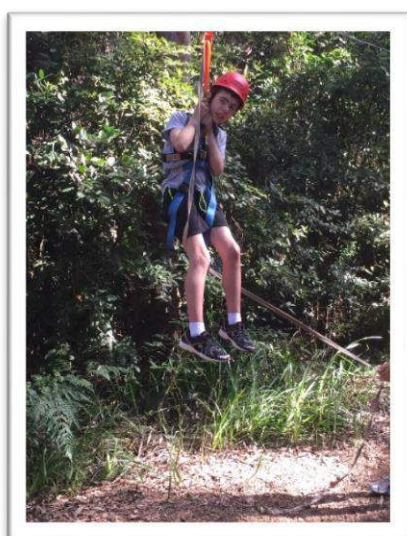
The objective of Muscular Dystrophy NSW is to provide support and services to our clients, all of whom have a neuromuscular condition, or are caring for someone with a neuromuscular condition. As a charity with a Deductible Gift Recipient (DGR) status, Muscular Dystrophy NSW is committed to delivering quality services to all of its clients. 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 Chief Executive Officer 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, Marketing and Development, Finance and Operations.

## OUR SERVICES

Information, Referral & Advocacy  
The Duke of Edinburgh's Award  
NDIS Support Coordination  
Talking Point Newsletter  
Camp Program  
Weekend Retreats  
Peer Connect Program  
Sibling Support Program  
Community events

Neuromuscular Information & Research Day  
Research PhD Scholarship  
Assistance to Regional & Rural NSW  
Support through Clinics  
Support to service providers  
Cough Assist Machine Loan Program  
Schools Boccia Equipment Loan Program  
Support to National Electric Wheelchair Sports



**Adventure Camp 2019 - Collaroy**



## PRESIDENT'S REPORT

2019 has been another eventful and productive year for MDNSW as we continued to work toward our strategic goals guided by our vision that everyone with a neuromuscular condition lives the life they choose.

The association was active this year and Chief Executive Officer, Charlotte Sangster, and her team excelled in pursuing our goals:

- Empowering and supporting our people to build their capacity and independence
- Facilitating better connections for our people, their families and carers – with each other, to their communities and to the services and supports they choose
- Building knowledge and awareness of neuromuscular conditions, and becoming a leading knowledge hub
- Being a strong and effective advocate for people with neuromuscular conditions
- Placing MDNSW on a sustainable footing

Our core activity included the delivery of our events and two camps (Summer and Adventure) which provide important connections for our families. I am pleased to say these were conducted successfully and the feedback received was overwhelmingly positive. We know how important these opportunities are for families and we will continue to build and improve the experience for participants.

Our financial position remains stable, thanks to constant oversight by our finance team, and Treasurer, Rick Arnheim, and there are good prospects for growth of this base as we continue to build our fundraising and grants application capability. It is said there is no mission with money and we must extend our revenue raising efforts to support the growing list of services we provide and meet the needs of our clients. I am pleased to report that changes to the structure and personnel brought a sharper focus to our fundraising and marketing efforts and we saw strong growth in our Sugar Free September (SFS) campaign this year. I would like to single out the work of Louise Walpole, who has taken SFS from a small campaign to where it is now and I am confident the campaign will develop into a key pillar of our fundraising efforts.

Our team might be small in size but it is big on talent, enthusiasm and commitment to the cause and I marvel at the way our people go about their work. We are fortunate to have such a competent and passionate group and I want to acknowledge their effort and achievement here, and thank them for their contribution.

We are fortunate to have a strong Board that works diligently to provide sound stewardship and direction for the organisation. I would like to thank them for giving MDNSW their time and energy and for supporting me as Chair. I extend a warm welcome to the Board to Michelle Ball, who joined us in December 2018. Michelle is a senior executive at a global financial institution who has personal experience of our issues as her



son has muscular dystrophy and I know she will make a substantial contribution to our work.

Thank you all, for making the year rewarding and productive and for supporting MDNSW.

**Anthony Ball**

President, Muscular Dystrophy Association of NSW  
15 November 2019

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MDNSW Staff: Above – left to right – Ganesh, Angelito, Carolyn, Jenny, Milvia, Maralyn, Joan, Gracia, Mitch, Charlotte, Louise.  
Below – left to right – Tash, Alicia, Jess.





## CHIEF EXECUTIVE OFFICER'S REPORT

Thank you to everyone for your support this year!

On the 5 April 2019, the Prime Minister, the Hon Scott Morrison MP, and Minister for Families and Social Services, the Hon Paul Fletcher MP, announced the establishment of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (the Royal Commission).

Muscular Dystrophy NSW welcomes the announcement and we hope the Royal Commission shines a light on the impact of abuse, neglect and exploitation and raises community awareness of the experiences of people with a disability and their families regarding these important issues.

We call on the Australian Government to ensure that the Royal Commission can drive research to address critical knowledge gaps about the extent, prevalence, impact of violence, abuse, neglect and exploitation of people with disability, and the drivers and structural enablers of violence.

We will continue to keep our members informed and engaged with updates on the Royal Commission process via our website and social media channels.

Speaking of our website, this year we have seen some incredible work happening both within NSW and nationally as we work towards the completion of our new MDNSW website and the launch of the national Neuromuscular Digital Resource website and community forum. Thank you to everyone who has contributed to these projects so far and for volunteering your time, expertise and sharing stories from your life with the MD community. We are so excited to bring these new resources to the community we serve!

This year we have continued to work with the Stand By Me campaign and have been able to provide ongoing specialised information, individual advocacy and referral services to those affected by neuromuscular conditions across NSW. We have been able to do this utilising the Transitional Advocacy Funding provided by the Department of Families and Community Services. We continue to work with the Stand By Me campaign, the Disability Advocacy Alliance and the NSW Government to ensure that advocacy funding remains a priority for NSW into the future.

As we move forward, we now look to one of our strategic goals of raising awareness about who we are, what we do and boosting our fundraising activity. We will do this by introducing a Marketing & Development team in the new financial year. This team will help us develop a more sustainable organisation and share our programs and services to all those affected by neuromuscular conditions living across NSW. In addition to this boost, the 2018 Sugar Free September campaign was a great success this year raising over \$50,000 and we hope to double that next year with the support of our members and community.



Lastly, I would like to note and thank the MDNSW Board of Directors and staff for all of the volunteer work and time they continue to put in on our behalf. In partnership with MDNSW, it is our members, fundraisers, donors and partners that make our community great and help us to enable others to build strength and reach their potential. We thank you.

**Charlotte Sangster**

Chief Executive Officer

Muscular Dystrophy Association of NSW

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Couples Retreat, Parramatta

May 2019



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

### CORPORATE SUPPORT

Adelaide Casino	McCarthy Salkeld
Arcade Pharmacy Wentworthville	Monaro Chemist
Bankstown Sports Club	Mulhall & Close Pharmacy
Bay Central Pharmacy	Newcastle Mobile Brake Specialist
Belmonte's Restaurant	Newcastle Senior School
Club Plus Super	News Xpress - Top Ryde
ClubsNSW	NSW Kids In Need Foundation
Coonabarabran Chemist	Pittwater RSL Club
Dal Tech Electrical & Communications Pty Ltd	Red Rooster Bass Hill
Duke of Edinburgh's International Award - Australia	Red Rooster Blacktown
East Blaxland Community Pharmacy and Post	Red Rooster Blacktown East
Exactpro Pty Ltd T/As Exact Security	Red Rooster Campbelltown
Expr3ss!	Red Rooster Carlton
Flowers and Chocolate - Florist Shop at Terminal 1 Sydney Airport	Red Rooster Chullora
Golfview Hotel	Red Rooster Coffs Harbour
Jindabyne Central School	Red Rooster Eastern Creek
Kim Vinh Pharmacy	Red Rooster Emu Plains
Kimberly-Clark Australia	Red Rooster Glendenning
Mad Mex Terminal 3 Sydney Airport	Red Rooster Goulburn
	Red Rooster Jamisontown



## CORPORATE SUPPORT (Cont)

Red Rooster Lakemba

Red Rooster Lismore

Red Rooster Mt Annan

Red Rooster Mt Druitt

Red Rooster Penrith

Red Rooster Rouse Hill

Red Rooster Seven Hills

Red Rooster Tamworth

Red Rooster Tamworth East

Red Rooster Terminal 3 Sydney Airport

Red Rooster Wentworthville

Restwell Street Newsagency

RF Electrical Pty Ltd

Rotary Club of East Maitland

Rotary Club of Griffith

St Bernadette's Primary School

Tabcorp

The Chemist Shop Silverdale

The Tradewind Foundation

The Wales Family Foundation Pty Limited

Turrumurra High School

Vision by Halcyon

## GRANTS

The Marian & E.H. Flack

James N Kirby Foundation

Hornsby RSL Club Ltd

Ingleburn RSL S/B Club Co-Op Ltd

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

# MDNSW STAFF

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Merry  
Christmas

**Muscular Dystrophy Association of  
New South Wales**

**ABN 11 774 587 436**

**Financial Report  
For the Year Ended 30 June 2019**



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

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

**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019**

Your directors present their report on the company for the financial year ended 30 June 2019:

**Directors**

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

Mr. Richard Arnheim	
Dr. Kristi Jones	
Mr. Martin Dalrymple	Resigned on 18 <sup>th</sup> December 2018
Ms. Shannon Finch	
Ms. Kim Brislane	
Dr. Christina Liang	
Mr. David Kay	
Mr Anthony Ball	
Ms Holly Reynolds	Resigned on 21 <sup>st</sup> August 2018
Mr. Nathan Teong	
Mr. Stuart Uhlhorn	
Ms. Michelle Ball	Appointed 18 <sup>th</sup> December 2018

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 7<sup>th</sup> year of the MDNSW PhD scholarship
- Implement the annual 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
- Raise MDNSW profile across NSW, 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

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

**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019**

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 Anthony Ball <i>President</i>	President, Muscular Dystrophy Association of NSW CEO Clubs NSW Executive Director of Clubs Australia Non-Executive Director of Hospitality Employers Mutual Limited Director since August 2017
Clinical A/Professor Kristi Jones MB BS Phd FRACP, CG (HGSA) <i>Medical Director</i>	Clinical Genetics/Paediatric 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, resigned December 2018
Ms. Shannon Finch BA (Hons), LLB (Hons), MAICD <i>Vice-President</i>	Corporate Partner, King & Wood Mallesons – resigned 31 <sup>st</sup> December 2018 Partner of Jones Day – appointed 2 <sup>nd</sup> April 2019 Chairman, Corporations Committee of the Law Council of Australia Director, ParaQuad NSW Limited Director since June 2012
Mr. Richard Arnheim BCom CA <i>Treasurer</i>	Member of Institute of Chartered Accountants Australia & New Zealand Authorised Representative and Principal of Shadforth Financial Group Director since April 2012
Ms. Kim Brislane	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), Founder and owner of Tribelle Collectors including its NFP arm 'Power Suit' supporting women suffering DV Founder, Readhead.com.au Executive Brand and Strategic Fundraising Consultant Director since 2014
Dr. Christina Liang MBBS, BSc (Med), FRACP, PhD	2010 Fellow of the Royal Australasian College of Physicians Director since 2014
Mr David Kay	Director- Health, Ageing and Human Services at KPMG Non-Executive Director of Muscular Dystrophy Foundation Australia Non-Executive Director of Accessible Arts Director since July 2017



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

**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019**

Ms Michelle Ball	Director of Wheelchair Sports Australia Regional Executive APAC L&LD, D&I and Head of HR Australia & Senior Vice President Head of HR Australia at Bank of America Meryl Lynch Director since December 2018
Ms Holly Reynolds	Managing Director of Left Field Public Relations Public Relations Manager of NSW Kids in Need Foundation Director since September 2017, resigned August 2018
Nathan Teong BCom, GradDipAppFin	Parent of George who lives with a neuromuscular condition. Director since February 2018
Stuart Uhlhorn	Fellow CPA Australia, Fellow AICD, retired company executive Director Owl Solutions (business consultants), Director since May 2018

**Meeting of Directors**

During the financial year, 6 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. Anthony Ball	6	6
Dr. Kristi Jones	6	6
Mr. Richard Arnheim	6	5
Mr. Martin Dalrymple	2	2
Ms. Shannon Finch	6	6
Ms. Kim Brislane	6	4
Dr. Christina Liang	6	5
Mr David Kay	6	4
Ms. Michelle Ball	4	3
Ms Holly Reynolds	1	0
Mr Nathan Teong	6	5
Mr Stuart Uhlhorn	6	6

**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 2019, the total amount the members of the company are liable to contribute if the company wound up is \$40,420.

Signed in accordance with a resolution of the Directors:



**Mr. Anthony Ball**  
President



**Mr. Richard Arnheim**  
Treasurer

Dated this:

23<sup>rd</sup>

October 2019

**Directors**

Jane Perry FCA  
Phillip N. McCarthy FCA  
Brad Druitt CA  
Thomas P. McCarthy CA

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 60-40 OF THE ACNC ACT  
TO THE MEMBERS OF MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN: 11 774 587 436**

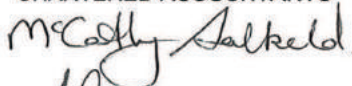
In accordance with Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, we are pleased to provide the following declaration of independence to the Members of Muscular Dystrophy Association of New South Wales.

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2019, there have been:

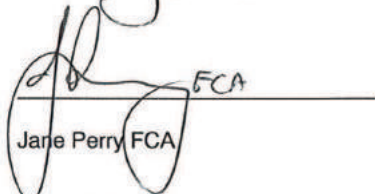
1. No contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

**Name of Firm:**

McCARTHY SALKELD  
CHARTERED ACCOUNTANTS



**Name of Partner:**



Jane Perry FCA

**Address:**

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

Dated this 24<sup>th</sup> day of October 2019

**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 2019**

	Notes	2019 \$	2018 \$
<b>REVENUE</b>			
Revenue from donations and special events	<b>2</b>	617,200	575,250
Other Income	<b>2</b>	757,511	718,062
Appeal and special event expenses		(35,125)	(42,075)
Client service provision expenses		(922,778)	(854,816)
Administration expenses		(242,608)	(210,562)
Depreciation expenses	<b>3</b>	(16,775)	(17,424)
Other expenses	<b>3</b>	(39,009)	(39,105)
Profit (loss) before financing income (cost) and income tax		118,416	129,330
Financial income		86,280	54,477
Net Financial Income	<b>4</b>	86,280	54,477
Profit (loss) for the year		204,696	183,807
<b>Total comprehensive income for the year</b>		204,696	183,807
<b>Other comprehensive income after income tax</b>			
Profit (loss) attributable to:			
Members of the company		204,696	183,807
 Total comprehensive income attributable to:			
Members of the company		204,696	183,807

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 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	1,209,258	1,332,969
Trade and other receivables	6	2,673	1,578
Financial assets	7	349,751	293,363
Other assets	8	65,212	65,500
<b>TOTAL CURRENT ASSETS</b>		1,626,894	1,693,410
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	39,230	52,311
<b>TOTAL NON-CURRENT ASSETS</b>		39,230	52,311
<b>TOTAL ASSETS</b>		1,666,124	1,745,722
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	80,033	100,602
Short-term provisions	11	80,196	64,890
Other liabilities	12	437,316	592,393
<b>TOTAL CURRENT LIABILITIES</b>		597,545	757,885
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	11	36,488	25,756
Other liabilities	12	84,348	219,033
<b>TOTAL NON-CURRENT LIABILITIES</b>		120,836	244,789
<b>TOTAL LIABILITIES</b>		718,380	1,002,674
<b>NET ASSETS</b>		947,744	743,048
<b>EQUITY</b>			
Retained earnings		947,744	743,048
<b>TOTAL EQUITY</b>		947,744	743,048

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 2019

	Retained Earnings	Total
<b>Balance at 30 June 2017</b>	559,241	559,241
Profit (Loss) attributable to members of the company	183,807	183,807
<b>Balance at 30 June 2018</b>	743,048	743,048
Profit (Loss) attributable to members of the company	204,696	204,696
<b>Balance at 30 June 2019</b>	947,744	947,744

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 2019**

	Notes	Inflows (Outflows)	Inflows (Outflows)
		2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Receipts from donations, subscriptions and government agencies		1,373,603	1,305,745
Payments to suppliers and employees		(1,518,395)	(1,163,053)
Interest received		27,500	20,718
<b>Net cash provided by (used in) operating activities</b>	<b>13</b>	(117,292)	163,410
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(6,419)	(8,175)
Proceeds from redemption		-	-
Purchase of intangibles		-	(1,980)
<b>Net cash provided by (used in) investing activities</b>		(6,419)	(10,155)
Net increase/(decrease) in cash held		(123,711)	153,255
Cash at the beginning of the financial year		1,332,969	1,179,714
<b>Cash at the end of the financial year</b>	<b>5</b>	1,209,258	1,332,969

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 2019**

**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:

<b>Class of fixed Asset</b>	<b>Depreciation Rate</b>
Plant and Equipment	10.00 – 50.00%
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 2019**

**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) Intangibles**

The organisation currently has registered (yet to be approved) a trademark for Sugar Free September.

Trademarks registered are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over its estimated useful life.

As the trademark is yet to be approved, no amortisation will be expensed until the trademark has been approved.

The directors will assess impairment for any intangibles on annual basis and make the required adjustments based on reliable evidence.

**d) 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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1: Statement of Significant Accounting Policies (continued)**

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.

**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.

**e) 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.

**f) 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.

**g) 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.

**h) 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1: Statement of Significant Accounting Policies (continued)**

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.

**i) 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 when the appropriate program or research expenses as approved by the board are incurred.

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).

**j) Finance Costs**

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

**k) Training and Development**

Training and development costs are expensed as they are incurred.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1: Statement of Significant Accounting Policies (continued)**

**l) Prepaid Membership Subscriptions**

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

**m) Comparative Figures**

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

**n) 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.

**o) New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The directors have decided not to early-adopt any of the new and amended pronouncements. The following sets out their assessment of the pronouncements that are relevant to the Company but applicable in future reporting periods.

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019) and AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2019)

As at the reporting date, the directors have concluded that the impact of AASB 1058 and AASB 15 on the financial statements would not be material.

The Company has chosen not to early-adopt AASB 1058 and AASB 15. However, the Company has conducted a high-level assessment of the impact of these new Standards, as follows.

A core change under AASB 1058 and AASB 15 is that focus shifts from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations. AASB 1058 is applicable when an entity receives volunteer services or enters into other transactions where the consideration to acquire the asset is significantly less than the fair value of the asset principally to enable the Company to further its objectives.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue arising from contracts with customers should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- the Company's dependence on these peppercorn/concessionary leases; and
- the nature and terms of the leases.

AASB 15 applies where there is an "enforceable" contract with a customer with "sufficiently specific" performance obligations which results in income being recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058. AASB 15 introduces a five-step approach to revenue recognition which is far more prescriptive than AASB 118: *Revenue*.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1: Statement of Significant Accounting Policies (continued)**

**Basis of preparation**

AASB 15 and AASB 1058 will be applied by the Company from its mandatory adoption date of 1 July 2019. The modified transition approach will be the chosen approach, and thus the comparative amounts for the year prior to first adoption will not be restated and the entity will recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application (1 July 2019) which is estimated to be approximately \$214,275.

The accounting for the revenue stream "Government grants – operating" will be primarily affected by these new Standards.

The income recognition for each grant has been assessed on a high-level basis to determine whether it is enforceable and whether its performance obligations are sufficiently specific. For those grant contracts that are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058. Income will be deferred under AASB 15 otherwise.

The Company's government grant revenue for the year ended 30 June 2019 related to incomplete contracts amounts to \$332,792. Of this, approximately \$118,517 will be recognised as income upfront and approximately \$214,275 will be deferred and recognised as revenue as performance obligations are satisfied.

Following the adoption of this New Standard, the entity's net profit is not expected to change as the entity recognises contract income on meeting the performance criteria of each contract and defers any revenue associated with the contract to the liability when not expended.

The Company does not expect any significant impact on its financial statements arising from the change in income recognition requirements for donations and bequests, capital grants and contributed assets. Nonetheless, from 2020, additional disclosures will be required under AASB 15 and AASB 1058.

– *AASB 2018-8: Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019)

For leases that have significantly below-market terms and conditions principally to enable the Company to further its objectives (commonly known as "peppercorn"/concessionary leases), AASB 2018-8 provides a temporary option for not-for-profit lessees to elect to measure a class (or classes) of right-of-use assets arising at initial recognition either at fair value or cost.

Where an entity elects to measure the class of right-of-use assets at cost, additional qualitative and quantitative disclosures are required and this shall include:

- the entity's dependence on these peppercorn/concessionary leases; and
- the nature and terms of the leases.

The Company has performed a high-level impact assessment and notes that all of its leases are at market terms. Accordingly, AASB 16 will apply instead.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>Note 2: Revenue</b>	<b>Note</b>	<b>2019 \$</b>	<b>2018 \$</b>
Revenue			
Special Events		98,635	113,043
Donations		263,393	223,687
Bequests		255,172	238,520
Total revenue		617,200	575,250
Other Income			
Membership fees		3,556	4,069
Grants received			
Government Grants		374,693	490,843
Other Income		379,262	223,151
Total other income		757,511	718,063
Total revenue and other income		1,374,711	1,293,313

**Note 3: Profit/Loss for the year**

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

**Depreciation**

Plant & Equipment	7,976	8,110
Motor Vehicles	8,799	9,315
	16,775	17,425

**Administration and Other expenses**

Scholarship Grants	39,000	39,000
Other Expenses	9	105
	39,009	39,105

**Note 4: Net Financial Income**

Financial income		
Interest income	27,500	20,718
Distributions – managed funds	7,066	11,157
Imputation credits – managed funds	2,394	1,500
Changes in fair value – managed funds	49,321	21,102
	86,280	54,477

**Financial costs**

Net financing income/ (cost)	86,280	54,477
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Note 5: Cash and cash equivalents</b>			
<b>Current</b>			
Cash on hand		187	138
Cash at bank		88,440	454,800
Cash on deposit		1,120,631	878,031
		1,209,258	1,332,969
 <b>Note 6: Trade and other receivables</b>			
<b>Current</b>			
Trade receivables		279	78
Other receivables		2,394	1,500
		2,673	1,578
 <b>Note 7: Financial assets</b>			
<b>Current</b>			
Financial assets at fair value through profit or loss	<b>7(a)</b>	349,751	293,363
		349,751	293,363
(a) Financial assets at fair value through profit or loss			
Held for trading Australian managed fund units		349,751	293,363
Securities in managed funds held for trading purposes to generate income through the receipt of distributions and capital gains.			
 <b>Note 8: Other Assets</b>			
<b>Current</b>			
Other		5,908	-
Prepayments		39,299	41,993
Accrued Income		20,005	23,507
		65,212	65,500



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**NOTES TO THE FINANCIAL STATEMENTS**  
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	Note	2019 \$	2018 \$
<b>Note 9: Property, plant and equipment</b>			
Plant and equipment – at cost		42,043	43,513
Add: Purchases		6,419	-
Less: Disposals		-	(1,470)
Less: Accumulated depreciation		(36,935)	(28,959)
Total plant and equipment		11,527	13,084
 Motor vehicles – at cost		 89,784	 90,965
Less: Disposals		-	(1,181)
Less: Accumulated depreciation		(66,786)	(57,987)
Total motor vehicles		22,998	31,797
 Leasehold Improvement – at cost		 8,175	 8,175
Less: Leasehold amortisation		(5,450)	(2,725)
Total Leasehold		2,725	5,450
 Intangibles – at cost		 1,980	 1,980
		1,980	1,980
 Total property, plant and equipment		39,230	52,311

**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
<b>2019</b>			
Balance at the beginning of the year	13,084	31,797	44,881
Depreciation expense	(7,976)	(8,799)	(16,775)
Purchase of asset	6,419	-	6,419
Carrying amount at the end of year	11,527	22,998	34,525

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 10: Trade and Other Payables**

**Current**

Trade payables	29,228	37,820
Accrued expenses	40,823	35,017
Credit Cards	3,266	2,333
Net GST	(7,627)	13,289
PAYG Withholding	7,922	7,166
Superannuation liability	5,552	4,977
Other payables	869	-
	<u>80,033</u>	<u>100,602</u>

**Note 11: Provisions**

**Current**

Annual leave liability	80,196	64,890
	<u>80,196</u>	<u>64,890</u>

**Non-current**

Long service leave liability	36,488	25,756
	<u>36,488</u>	<u>25,756</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>Note 12: Other Liabilities</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>Current</b>			
Grant and retreat income in advance		214,275	216,391
Bequest income received in advance		137,783	197,465
Research bequest income received in advance		66,242	114,514
Other income in advance		19,016	64,023
		<u>437,316</u>	<u>592,393</u>
<b>Non-current</b>			
NEWS fund held		39,236	36,138
Bequest income received in advance		45,112	182,895
		<u>84,348</u>	<u>219,033</u>

**Note 13: Cash flows information**

**Reconciliation of cash flows from operations**

Operating result	204,696	183,807
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**Non-cash flows in profit**

Depreciation and amortisation	19,500	20,149
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**Changes in assets and liabilities**

(Increase)/decrease in investments	(56,387)	(30,022)
(Increase)/decrease in other current assets	2,694	(27,760)
(Increase)/decrease in trade and other receivables	(7,003)	25,035
Increase/(decrease) in trade and other payables	(310,331)	19,159
Increase/(decrease) in provisions	26,037	(10,618)
(Increase)/decrease in accrued income	3,502	(16,340)
	<u>(117,292)</u>	<u>163,410</u>

**Note 14: Capital and leasing commitments**

***Operating Lease Commitments***

Non-cancellable operating lease rentals are payable as follows:

Less than one year	-	-
Between one and five years	-	-
	<u>-</u>	<u>-</u>

**Note 15: 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 16:**

**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	134,682	125,546
Superannuation	12,781	11,884
	<u>147,463</u>	<u>137,430</u>

***Long-term benefits***

Employee benefits	2,933	4,781
<b>Total compensation</b>	<b><u>150,397</u></b>	<b><u>142,211</u></b>

**b. Related Party Transaction**

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 \$7,248.

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



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 17: Financial risk management**

**General objectives, policies and processes**

In common with all businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company'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 Company'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 Company's risk management objectives and policies. The Company's management policies and objectives are therefore designed to minimise potential impacts of these risks on the results of the Company 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 Company'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:

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>			
Cash and cash equivalents	5	1,209,258	1,332,969
Financial assets at fair value – Held for trading	7(a)	349,751	293,363
Trade and other receivables	6	2,673	1,578
		<u>1,561,682</u>	<u>1,627,910</u>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost – trade and other payables	10	80,033	100,602
		<u>80,033</u>	<u>100,602</u>

**Note 18: 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

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>i) Results of fundraising appeals</b>		
Gross proceeds from fundraising appeals	617,200	575,250
Less: Direct costs of fundraising appeals	(35,125)	(42,075)
Net surplus obtained from fundraising appeals	<u>582,075</u>	<u>533,175</u>
<b>ii) Application of net surplus obtained from fundraising appeals</b>		
Distributions (expenditure on direct services)	922,778	854,816
Administration expenses	242,608	210,562
	<u>1,165,386</u>	<u>1,065,378</u>
Net Fundraising Appeal Deficit after application of Funds	<u>(583,311)</u>	<u>(532,203)</u>
<b>iii) Deficit transferred to retained earnings</b>	<u>(583,311)</u>	<u>(532,203)</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

<b>Note 19: Fundraising appeals conducted (continued)</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
<b>iv) Comparisons of certain monetary figures and percentages</b>				
Total cost of fundraising	35,125	5.69	42,075	7.31
Gross proceeds from fundraising	617,200		575,250	
Net surplus from fundraising	582,075	94.31	533,175	92.68
Gross proceeds from fundraising	617,200		575,250	
Total costs of services	922,778	73.45	854,816	73.44
Total expenditure	1,256,296		1,163,983	
Total costs of services	922,778	63.16	854,816	63.42
Total income received	1,460,992		1,347,790	

**Note 20: Contingent Liabilities**

At 30 June 2019, the Company had a contingent liability of \$5,594 (2018 - \$15,949) in relation to time off in lieu entitlement derived by the employees. Management and the Board continue to monitor this entitlement on a progressive basis.

**Note 21: Directors Remuneration**

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

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DECLARATION BY GENERAL MANAGER IN RESPECT OF FUNDRAISING APPEALS

I, Charlotte Sangster, General Manager of Muscular Dystrophy Association of New South Wales, declare that 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 2019;
- (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 2019;
- (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 2019;
- (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: 15 October 2019

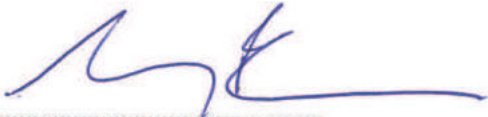
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
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DIRECTORS' DECLARATION

The directors declare that in the directors' 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*.



ANTHONY BALL  
DIRECTOR



RICHARD ARNHEIM  
TREASURER

Dated this: 15<sup>th</sup> October 2019



**Directors**

Jane Perry FCA  
Phillip N. McCarthy FCA  
Brad Druitt CA  
Thomas P. McCarthy CA

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN 11 774 587 436**

**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 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 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 2019 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 \$617,200 are a significant source of revenue for the entity. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN 11 774 587 436**

**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 2019, 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN 11 774 587 436**

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN 11 774 587 436**

**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 24<sup>th</sup> day of October 2019**

**McCARTHY SALKELD  
CHARTERED ACCOUNTANTS**

  
Jane Perry F.C.A.  
Director

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