

Annual Report

July 2012 – June 2013

*Improving the quality of life of all people living
with a Neuromuscular Condition*





MUSCULAR DYSTROPHY
NEW SOUTH WALES

BOARD

Peter Debnam
Robert Ferguson
Graeme Troy
Dr Kristi Jones
Percival Baptiste
Dr Heather Johnston
Ian Williams
Martin Dalrymple
Rick Arnheim
Shannon Finch
Fiona Simson
Tracey Brown

President and Chairperson of the Board
Vice President
Honorary Treasurer
Medical Director

HONORARY SOLICITOR

Simon Gates

HONORARY AUDITOR

Domenic Cutrupi

MUSCULAR DYSTROPHY NSW STAFF

Penelope Hodge
Loretta Downie
Maralyn McCann
Chaitali Desai
Gracia Selina
Jenny Smith
Kags Garrard
Allison Maher
Melissa Steck
Kejanna Taylor-King
Robyn Hines
Melanie Tran

CEO
Manager, Events and Client Programs
Office Manager
Finance Manager
Finance Officer
Project Assistant
Fundraising Manager
Marketing Communications Manager
Client Programs Coordinator
Client Services/Regional NSW
Client Services Coordinator
Website Administrator



Three of our Boccia
champions:
L to R
Daniel Michel, Phil
Bates and Tait
Jenkins

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 DGR (Deductible Gift Recipient) status Muscular Dystrophy NSW is committed to delivering quality services to its clients while keeping administrative overheads to a minimum.

Muscular Dystrophy NSW has a Board of Governance which provides strategic direction. The Board is comprised of 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 CEO 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

- Camp
- Events Program
- Weekend Retreats
- Regional and Rural NSW Support
- Client Newsletter
- Advocacy
- Duke of Edinburgh's Program
- Support and training to service providers
- Boccia
- FlexiRest Respite Program
- Information and Referral Service
- Equipment Funding
- Medical and Information Seminars
- Research Funding
- Social Group opportunities
- NEWS



Kids at camp, Narrabeen 2013

President's Report

At the outset, thank you for giving me the opportunity to serve our Association as President. It has been an honour and an absolute pleasure to work with such inspiring people – whether our clients, their family and friends or our tireless staff and dedicated Directors. We get widespread support because our Association is doing a great job for so many great people – young and young at heart.

One of our excellent services is the Camp at Narrabeen. We've just completed our Sept Camp where we welcomed our new Minister for Disability Services, who came along to meet our campers, carers and supporters. The Minister was moved by the sheer delight of our campers and the wonderful care and dedication of our staff and volunteers. I wasn't surprised by the Minister's reaction because, to my mind, our Camps represent a window on the success of MDNSW in providing invaluable and ongoing support to our clients and their families. And just last week, we also launched our inaugural Over 50s Lunch with the NSW Governor present. It was a great success.

Each time I meet with our clients and their families, I know I'll again be in awe of their courage and their determination to best use every minute of the lives they are given. On your behalf, I salute our clients who are our inspiration.

Our Association has been led by our extremely capable Chief Executive Officer, Pene Hodge. Pene has continued to lead our staff onwards and upwards and she has inspired our Board with her quietly confident manner in managing every issue we've confronted over the last twelve months.

We do a lot of planning for the normal routine of business and also for risk management. Pene has tirelessly ensured the smooth running of our day to day business and services, while behind the scenes ensuring our planning and management systems are up to speed. On those occasions when we've been confronted by an unexpected issue – some big and some small - Pene and her team have quickly found a professional way forward in dealing with each challenge.

We are also very grateful to those who have accepted the challenge of working in our small team of professional staff. Each a professional, they're also real zealots for excellence in client service and their individual responsibilities. I can't speak highly enough of their energy and commitment to our Association and our clients. Thank you to all our staff for making the year resoundingly successful.

Thank you to Pene, Treasurer Graeme Troy and Chaitali for the presentation of our annual accounts. This was a good result in difficult circumstances and future years will be no less challenging.

As you know, MDNSW has been evolving for some years but the rate of change picked up again this last twelve months. We continue to be well positioned for growth or consolidation over the next year, depending upon how the economy unfolds in the New Year. We've been implementing our Strategic Plan and as you can see from Pene's CEO Report, we have had many successes this year.

Two years ago, our Board began a process of Strategic Redirection and Board Renewal under the guidance of Rob Ferguson and Colin Gunn. A series of strategic workshops were conducted and new Directors were introduced to the Board.

Over the last twelve months, Rick Arnheim, Shannon Finch, Fiona Simson and Tracey Brown joined our Board and later in this meeting, I'll propose the very capable and well known Carolyn Campbell-McLean as our newest Director.

To our retiring Directors and our continuing and new Directors, I'd like to formally thank you for your extraordinary commitments to our Association in time, energy, perseverance and good humour. Your Association has been very well served by these Directors over the last year.

As part of our renewal process, we are launching a new MDNSW Medical Council in the next few months, which will seek to involve not only Doctors who retired from our Board this year but also Doctors from previous years and a network of health professionals. The Medical Council will be chaired by our new Deputy President Ian Williams and will provide advice to the MDNSW Board and CEO. It will aim to involve a wide section of the

medical community in engaging with MDNSW and providing a forum for discussion of medical related issues. The Medical Council will meet at least twice a year and it is envisaged the Council could also meet with our Client Services Committee and our Research Committee.

We are also adopting the convention that our Board's Deputy President will chair the Medical Council and the Client Services Committee. I have discussed this with Rob Ferguson and Ian Williams and in anticipation of Rob's retirement from the Board next year, later in this meeting I will propose Ian Williams be appointed Deputy President. Ian would then chair the Medical Council and Client Services Committee and of course stand in for the President at Board Meetings if needed.

Similarly, with Graeme due to retire from our Board next year, later in this meeting I will propose Rick be appointed Treasurer and being a key member of our Leadership Team (President, Deputy President, Treasurer and CEO) the Treasurer will chair the Fundraising & Marketing Committee as well as the Finance Committee. Rick has agreed to take on these responsibilities. Graeme will continue as a member of the Finance Committee as well as the Marketing & Fundraising Committee until his retirement from the Board next year.

Your Board and Management will also undertake a major strategic review over the next six months in anticipation of a significantly changed operating and regulatory environment over the next five years.

Our Association's role remains clear - MDNSW is the leading whole of life provider of choice of 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.

Nettie joined the Board two years ago and immediately threw her energy, enthusiasm and marketing brain into our activities and our future. She has been a very enthusiastic supporter of MDNSW but her energy and her drive have taken her from us to become CEO of Arthritis New South Wales.

Heather was in practice as a Paediatric Neurologist, with special expertise in neurophysiology and neuromuscular medicine, at Sydney Children's Hospital, for 20 years until she retired last year. At the time of her retirement she held the posts of Director of the Neuromuscular Clinic and Head of the Department of Neurology. Heather was our Medical Director between 1999 and 2010 and she also served on the executive Board of the International Child Neurology Association for an 8 year term.

Alastair is a Clinical Neurologist and Head of the Neurology Department at Concord Hospital and Associate Professor at University of Sydney. He is Director of Stroke Services for the Sydney Local Health District. He has a special interest in neuromuscular disorders and conducts a neuromuscular disorder clinic. He is Co-Chair of the Clinical Committee of the Australian Neuromuscular Network.

While performing their demanding roles as senior medical practitioners in this state, Alastair and Heather undertook to give time, energy and advice to MDNSW over 30 years between them. Their service to MDNSW has been exemplary and included serving as our Medical Directors for many years.

We are indebted to each of these former Directors for their tireless efforts, their dedication and their friendship. We wish them well in the future which we hope also includes continuing their relationship with our Association and friendship with your colleagues at MDNSW. Would you please join me in thanking Alastair, Heather and Nettie for their service to our Association.

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

Peter Debnam
President

Member, Blaise
Lovelace and
President, Peter
Debnam



CEO's Report

While the past year has seen the beginning of a period of unprecedented change for the Australian Disability Sector and increased regulatory oversight for the not for profit sector, our mission *to improve the quality of life of all people living with a neuromuscular condition* has stayed strong. While considering the implications of and forward planning for the incoming National Disability Insurance Scheme we have continued to deliver and further develop our high quality services.

A major focus of our organisation has been to ensure that the services we provide are person centred, individualised and client needs driven. As part of an ongoing evaluation process we carried out a Client and Family Survey. This gave us valuable insight into what services our clients' value, what areas we could improve on and what new services we should include in future planning. During this evaluation process we considered the services we provide from new diagnosis to end of life care. Several gaps in our service provision were identified and as a result a number of new programs were introduced.

This included the introduction of two new adult Retreats - the Ngundabaa Mum's Retreat and the Blokes in a Boat Retreat. Both were a resounding success and plans have been made to make them a regular addition to our events program. We recently launched in Sydney a new program for the over 50s, with similar support groups being developed throughout NSW. Following ongoing comments from our clients about the challenges of finding employment, we presented a proposal to Ageing Disability and Home Care (ADHC) for a Working Wheels Employment Program. We were thrilled to receive funding for a two year pilot to develop the program.

An identified gap and a goal of our Strategic Plan has been to provide equitable services throughout NSW. This is a challenge with only a small team and such a vast geographical area. Following a restructure, two of our three Coordinators can now focus on support to clients and their families living in regional NSW. During the past year, our Regional Coordinator carried out 70 home visits, provided services to 56 new members, did 24 regional trips and developed 7 new support groups.

ADHC have continued to fund our Case Coordination, Camp, Retreat, Training and Duke of Edinburgh's programs. Following the success of our online training program ADHC provided funding for us to deliver one day training programs for health and community care professionals who are assisting and caring for people living with a neuromuscular condition in NSW. To date, over 300 have attended the program and participant feedback is showing that the training is proving to be extremely valuable.

Our Duke of Edinburgh's program (DOE) continues to grow and develop with over twenty young people working their way through their Bronze, Silver and Gold Awards. We were honoured to be the first disability service provider in Australia to be granted a National Licence and to assist our association in Western Australia to introduce the program there. This licence will ensure we can continue to expand the program throughout Australia. Research into the effects that the DOE program have had on young people with MD is currently being carried out with preliminary results due soon.

A generous donation earmarked for research has enabled us to introduce the Sue Connor MDNSW PhD Scholarship. We were very pleased with the quality of applications received. Following an independent rating process where applications were judged on scientific merit and relevance to our members, the first recipient has been offered the scholarship and they will begin their studies in 2014.

The continuation of and increase in services has been a result of the ongoing generosity of donations from supporters and sponsors, Foundations and Trusts. This past financial year we have seen a significant increase in grants received and our database of supporters grew by 973. In an increasingly tight market and with bulk funding from State government planned to cease by 2018 there is a need to ensure this area is significantly developed to ensure ongoing sustainability. As part of this process we have developed a three tiered donor strategy, an extensive fundraising program and reallocated resources to employ a part-time Marketing Manager.

The high level of service and support we provide to people with a neuromuscular condition and their families is only possible because of the passion and dedication of our highly professional and skilled staff. Thank you to the management team for your leadership of the organisation and to all the staff who consistently amaze me with their willingness to go above and beyond to make a very real difference to the lives of our clients. I am so proud of our team whose hard work and undeniable ability have lead to MDNSW winning the following awards in 2013: *NSW Carers Award*, finalist for the NSW Business Awards for *Employer of Choice* and runners up for the NDS Service Awards for *Innovation*.

I would like to personally thank all our Board who continually give of their time, resources and expertise to ensure our organisation is well resourced and prepared for the future. A special thanks to our President Peter Debnam whose leadership and support is invaluable to me. Thank you to Rob Ferguson our Vice President, Graeme Troy our Treasurer and Dr Kristi Jones our Medical Director. To our retiring Medical Directors Dr Heather Johnston and Prof Alastair Corbett I say thank you for the many years of medical expertise you have provided to our Board, staff and clients. We look forward to continuing that relationship with the launch of the MDNSW Medical Counsel. Thank you to Nettie Bourke who stepped down from the Board following her appointment as CEO of Arthritis NSW and to Fiona Simson and Tracey Brown who have joined the Board this last financial year.

Most importantly to our members, those who have a neuromuscular condition, their families, friends and carers, thank you for your support and for sharing your experiences, insights and knowledge with us. It has been my absolute pleasure to provide services to you over the past twelve months and to continue to do so in the future.

Pene Hodge

Chief Executive Officer



Pene Hodge receiving an award from Minister John Ajaka

THANK YOU TO OUR SPONSORS.....
who have so kindly given to us this financial year:

CORPORATE SUPPORT

- Concord Golf Club
- Batchen Pty Ltd
- Canada Bay Club
- The Artarmon Masonic Hall Co P/L
- National Electric Wheelchair Sports
- NSW Harley Owners Group
- Commercial Club (Albury) Ltd
- St Johns Park Bowling Club
- Rotary Club of Griffith
- Lioness Club of Camden
- Avalon Public School
- Baulkham Hills North Public School
- Bankstown Sports Club
- Des Mullins Electrical
- Koorngal Hotel
- DS Taber Electrical
- Fitzpatricks Real Estate
- Castle Outdoor Creations
- Anytime Fitness
- PAH Innovative Construction
- Inspirations Paint & Colour
- Ian Hurst Carriers
- JRM Accounting
- Riverina Gate & Fencing Warehouse
- Riverina Australian Football Club Ltd
- Riverina Pool Supplies
- Steel Supplies
- Marbel Medical Pty Ltd
- Willyama High School
- Orange Ex-Services Club Ltd
- St Marys District Baptist Church
- Singleton Bowling Club
- Grafton Travel Agency
- Visage (Australasia) Pty Ltd
- G C McCabe & Co (Parkes) Pty Ltd
- Red Rooster
- Sumo Salad
- Spotless Catering
- Aroma's
- Bondi Bar
- Bean'N Bake
- Eagle Boys
- Velluto
- Santos



Big Red Riders preparing for the race

GRANTS

- ING Foundation
- Aussie Farmers Foundation
- St George Bank Foundation
- The Marian & E.H. Flack Trust
- The Wales Family Foundation
- ANZ Staff Foundation
- James Kirby Foundation
- Lord Mayor's Charitable Foundation
- Commonwealth Bank
- Coca Cola Foundation
- The Walter & Eliza Hall Trust
- Ageing Disability and Home Care
- Little Heroes Foundation



Minister, John Ajaka chatting to Chris Holmes and Jack Bailey

THANK YOU TO OUR SUPPORTERS.....who have kindly given donations over \$100 :

- Denis & Fay Russell
- Ian Williams
- Shirley Williams
- Richard Arnheim
- Peter Debnam
- Vicki Sciulli
- John Freedman
- Katherine Holihan
- Irene Caldwell - Ash
- Stuart Garton
- Shannon Finch
- Ross Parker
- Margaret Callister
- Bruce Duck
- Pene Hodge
- Colin Gunn
- Bruce & Jill Vaughan
- Melanie Rankine
- William Harding AM
- Donald Sanders
- Angelina Ierardo
- Kristi Jones
- Philip Bates
- Joanna Fleming
- Peter Donkin
- Alan Giumelli
- Margaret Williams
- Lorna Higgs
- Olive Walker
- Geoff Peetz
- John Brindley
- Ian Devlin
- Andrew Noble
- John Bridge
- Lionel Robberds
- Marissa Brammer
- Valma Pfitzner
- Gregory Burton, SC
- Gordon Love
- Dan Williams
- Sally Egan
- Ivy Kanawati
- Carole Cullen
- Keith & Moyra Heness
- Suzanne O'Connor
- Chika Sakane
- Cam May Chung-Wright
- Ashley Hostnik
- Sally Moon
- Barbara Perry
- Beth Durran
- Julie Tate
- Todd Lyons
- Marcus Patrick Cullen
- Richard Skellern
- Alison Wason
- Janice Powell
- Wendy Clayton
- Nathan Betteridge
- Debra Cox
- Barbel Stuhr
- Charles P Curran AC
- MD Cullen
- Lynn Joffe
- Barbara Allan
- Lewis Rangott
- Stewart Gamble
- Charmaine Yu
- Rob & Kyrenia Thomas
- Manuela Crank
- Alastair Corbett
- Adam Linforth
- Alys Powell
- Kim Foster
- Raymond S Chui
- Annette Stace
- Andrea Watts
- Anthony Mansour
- Jenny Farrell
- James A Hislop
- Angus Dorney
- William Bennett
- Cameron Provost
- Lauren Harvey
- Terry Gordon
- Maria Salazar
- Clara Loughland
- Pamela Powell
- Geraldine Hannah
- Reynaldo Bambo
- Lynne Nickols
- Adrian Sobol
- Kevin Yeung
- Roxanne Young
- Lynne Bastock
- Ross Steele
- Tony Ryan
- Lynette Walker
- Janice Davis
- Tim McCabe
- Paolo and Antonella Petrone
- Judith Ireland
- Geoffrey Graham
- Vikki Bezina
- Jason O'Connor
- Patricia Irving
- Nikki Miller
- R & S Jaques
- Robert and Elaine Anstey
- Michael High
- Alys Anne Powell
- Anthony Dessel
- Judy Herbert
- Barbara Allan
- Doreen Best
- Margaret Williams
- John Samuel Scrogings
- Robert Menadue
- Beryl Benbow
- Lionel Robberds
- Solange Merdith
- Belinda Randall
- Noela Bell
- Rob Erhardt
- William Bennett
- R A & A D Gaff
- Craig Boettcher
- Jason O'Connor
- Dorothy Chaseling
- Anne Burton
- Margaret Williams
- Rosemary Anderson
- Ian Hunt
- Edward Lord
- Rob Erhardt
- Beryl Benbow
- Ian Coutts
- Lynette Walker
- Pamela Heikkinen
- Daphne Spurway
- Eric and Shirley Griffiths
- Keith Houghton
- Andrew Aiton
- John Whitehurst
- Aaron Flagg
- Lorraine Symes
- Kristina Jaworski
- Sharon Weir
- Janette Lundman
- Jennifer Parker
- Alan Slade
- Graham Read
- Don Couch
- Pauline Roberts
- Trish MacAlpine
- M Smith
- G.A. Deudekom
- Chaitali Desai
- Edmund Gralton
- Claire Gralton
- Gordon & Colleen Cox
- David and Judith Kirby
- Graeme Morgan
- Michelle Harrison - Provenzano
- Christine Andrews - Windmill
- Doug Crabbe
- Y F Roden
- Lisa Kee
- Sharon Robson
- Louise Seale
- Cosimo Martinis
- Monica Lim
- Peter Howes
- Antoinette Baron
- Megan Stewart

MUSCULAR DYSTROPHY ASSOCIATION OF
NEW SOUTH WALES
A.B.N. 11 774 587 436

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2013



MUSCULAR DYSTROPHY
NEW SOUTH WALES

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

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MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2013.

DIRECTORS

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

Mr. Robert James Ferguson	Mr. Peter Debnam	
Mr. Percival Alwyn Baptiste	Mr Richard Arnheim	
Dr. Heather Johnston	Ms Shannon Finch	
Dr. Kristi Jones	Dr. Alastair Corbert	(resigned 21 February 2013)
Mr. Ian Williams	Ms. Annette Burke	(resigned 20 June 2013)
Mr. Graeme Troy	Ms. Fiona Simson	(appointed 21 February 2013)
Mr. Martin Dairymple		

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:

- Establish a Working Wheels Employment Program
- Establish a program for clients over the age of 50 years
- Implement a PhD research scholarship
- Establish a Medical Council
- Carry out of branding review, rebranding and establish a new marketing and fundraising campaign
- Implementation of Compliance Risk Management Workplace Health and Safety system
- Implementation of an approved Quality Management Program

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.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

DIRECTORS' REPORT

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

- Adoption of the 5 year Strategic Plan and annual Business Plan.
- Preparation of a fundraising and marketing strategy.
- Development of new marketing materials.
- Continually revamp, modernise the website.
- To focus on two or three major fundraising strategies per annum.
- Explore possible avenues of new funding and support in NSW regional areas.
- Increase profile through technology, social media and online mediums.

INFORMATION ON DIRECTORS

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Mr. Peter Debnam MBA, MAICD President	President, Muscular Dystrophy Association of NSW. Chairman, the Advisory Board of Our Big Kitchen Limited. Director, Care Australia, Muscular Dystrophy Foundation Australia, The Paraplegic & Quadriplegic Association of NSW, Disability Sports Australia Limited, PaddleNSW Inc, Soils for Life Pty Limited. Member, Sydney Legacy. Associate Member, North Bondi Surf Club
Mr. Robert Ferguson BA Vice President	Property Consultant. Retired. Director since May 2001.
Mr. Percival Baptiste JP	Retired. Director since November 2001.
Dr. Heather M. Johnston BSc MB ChB DObst RCOG DCH FRACP Medical Director	Head, Department of Neurology, Sydney Children's Hospital. Retired. Director since 1993.
Mr. Ian Williams BEc MBA	Finance Executive. Director since October 2005.
Dr. Kristi Jones MB BS PhD FRACP DCH	Clinical Genetics Specialist. Director since April 2006.
Mr. Graeme Troy BComm MIPA Treasurer	Director since November 2007.
Mr. Martin Dalrymple QPIB	Director, NSW Push and Power Sports, Australian Powerchair Football Association and NSW Power Football Association.
Ms. Fiona Simson BA Arts/Bus	President, NSW Farmers Director, Plantation Trading Pty Limited

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES

A.B.N. 11 774 587 436

DIRECTORS' REPORT

Ms. Shannon Finch BA (Hons),
LLB (Hons), MAICD

Corporate Partner, King & Wood Mallesons. Member of
Corporations Committee of the Law Council of Australia.

Mr Richard Arnheim BCom

Member Institute of Chartered Accountants in Australia
Authorised Representative and principal advisor of Shadforth
Financial Group.

In accordance with the company's articles of association one third of the Directors retire from the Board of Directors at the forthcoming Annual General Meeting of members. All retiring directors, being eligible, offer themselves for re-election.

MEETINGS OF DIRECTORS

During the financial year, 6 meetings of directors were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number attended
Mr. Robert James Ferguson	6	6
Mr. Percival Alwyn Baptiste	6	5
Dr. Alastair Corbett	4	2
Dr. Heather Johnston	6	5
Mr. Ian Williams	6	4
Dr. Kristi Jones	6	4
Mr. Graeme Troy	6	5
Mr. Martin Dalrymple	6	5
Mr. Peter Debnam	6	5
Ms. Nettie Burke	6	5
Mr. Rick Arnheim	6	6
Ms Shannon Finch	6	5
Ms Fiona Simson	3	3

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

DIRECTORS' REPORT

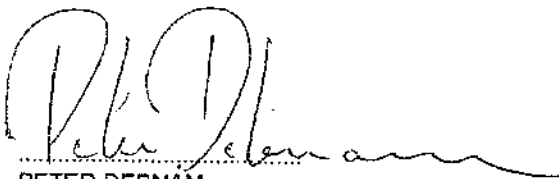
COMPANY LIMITED BY GUARANTEE

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 2013, the total amount that members of the company are liable to contribute if the company wound up is \$28,060.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read 'Peter Debnam', written over a dotted line.

PETER DEBNAM
Director

Dated:

24/09/2013


AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 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.

CBC Partners
Chartered Accountants



Domenic A. Cutrupi
Partner

Sydney

Dated: 24 SEPTEMBER 2013

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue from donations and special events	2	753,115	772,631
Other income	2	730,954	727,769
Appeal and special event expenses		(175,744)	(174,176)
Client service provision expenses		(1,221,555)	(1,077,385)
Administration expenses		(231,695)	(195,993)
Depreciation expenses	3	(28,559)	(25,178)
Other expenses	3	(725)	(398)
Profit (loss) before financing income (cost) and income tax		(174,209)	27,270
Financial income		164,426	80,311
Financial costs		-	(20,663)
Net financing income (cost)	4	164,426	59,648
Income tax expense		-	-
Profit (loss) for the year		(9,783)	86,918
Other comprehensive income after income tax		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		(9,783)	86,918
Profit (loss) attributable to: Members of the company		(9,783)	86,918
Total comprehensive income attributable to: Members of the company		(9,783)	86,918

The accompanying notes form part of these financial statements.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,064,158	1,464,725
Trade and other receivables	6	2,054	3,181
Financial assets	7	556,329	541,924
Other assets	8	21,501	70,213
TOTAL CURRENT ASSETS		<u>1,644,042</u>	<u>2,080,043</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	95,413	95,450
TOTAL NON-CURRENT ASSETS		<u>95,413</u>	<u>95,450</u>
TOTAL ASSETS		<u>1,739,455</u>	<u>2,175,493</u>
CURRENT LIABILITIES			
Trade and other payables	10	34,283	74,819
Short-term provisions	11	56,191	33,174
Other liabilities	12	637,900	783,564
TOTAL CURRENT LIABILITIES		<u>728,374</u>	<u>891,557</u>
NON-CURRENT LIABILITIES			
Other liabilities	12	320,506	583,578
TOTAL NON-CURRENT LIABILITIES		<u>320,506</u>	<u>583,578</u>
TOTAL LIABILITIES		<u>1,048,880</u>	<u>1,475,135</u>
NET ASSETS		<u>690,575</u>	<u>700,358</u>
EQUITY			
Retained earnings		627,493	601,821
Reserves		63,082	98,537
TOTAL EQUITY		<u>690,575</u>	<u>700,358</u>

The accompanying notes form part of these financial statements.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Capital Funds Reserve	Retained Earnings \$	Total \$
Balance as at 1 July 2011	43,319	570,121	613,440
Profit attributable to members of the company	-	86,918	86,918
Transfer of Allocated Capital Funds	55,218	(55,218)	-
Total other comprehensive income	-	-	-
Balance as at 30 June 2012	<u>98,537</u>	<u>601,821</u>	<u>700,358</u>
Profit attributable to members of the company	-	(9,783)	(9,783)
Transfer of Allocated Capital Funds	(35,455)	35,455	-
Total other comprehensive income	-	-	-
Balance as at 30 June 2013	<u>63,082</u>	<u>627,493</u>	<u>690,575</u>

a. Capital Funds reserve

The capital funds reserve represents funds allocated for specific expenditure in future years.

The accompanying notes form part of these financial statements.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from donations, subscriptions and government agencies		1,189,221	1,697,780
Payments to suppliers and employees		(1,696,325)	(1,464,399)
Interest received		55,275	69,026
Net cash generated from operating activities		<u>(451,829)</u>	<u>302,407</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments		92,933	-
Purchase of property, plant & equipment		(28,522)	(34,835)
Purchase of investments		(13,149)	(11,285)
Net cash used in investing activities		<u>51,262</u>	<u>(46,120)</u>
Net increase in cash held		(400,567)	256,287
Cash at beginning of financial year		1,464,725	1,208,438
Cash at end of financial year	5	<u><u>1,064,158</u></u>	<u><u>1,464,725</u></u>

The accompanying notes form part of these financial statements.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

Muscular Dystrophy Association of New South Wales has elected to early adopt the Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. 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 values as indicated, less, where applicable, 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 expected net cash flows which will be received from the assets 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.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Plant and Equipment (continued)

Depreciation

The depreciable amount of all fixed assets including buildings are depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

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

Class of fixed asset	Depreciation rate
Plant and equipment	10 - 33.33%
Motor vehicles	12.5 - 15%

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

Each asset class's carrying amount is written down immediately to its recoverable amount if the class's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of 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 to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

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

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.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial Instruments (continued)

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 method; and (iv) less any reduction for impairment.

The *effective interest 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 to 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.

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.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial Instruments (continued)

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 that are 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, 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 recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

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

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

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

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 are recognised as income equally over five financial years commencing with the financial year of initial receipt of funds. 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 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 financial assets.

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

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

(m) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial statement 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
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 2: REVENUE		
Revenue		
Special events	84,844	58,091
Donations and bequests	668,271	714,540
Total revenue	<u>753,115</u>	<u>772,631</u>
Other Income		
Membership fees	5,900	4,280
Grants received		
Department of Ageing, Disability & Home Care	620,220	664,310
Little Heroes Foundation	90,021	45,000
Other	-	10,000
Other income	14,813	4,179
Total other income	<u>730,954</u>	<u>727,769</u>
Total revenue and other income	<u><u>1,484,069</u></u>	<u><u>1,500,400</u></u>
NOTE 3: PROFIT FOR THE YEAR		
Expenses		
Depreciation		
Plant & equipment	16,279	16,112
Motor vehicles	12,280	9,066
	<u>28,559</u>	<u>25,178</u>
Other expenses		
Annual reporting	725	398
	<u>725</u>	<u>398</u>
Auditor's Remuneration		
Audit services	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	2013 \$	2012 \$
NOTE 4: NET FINANCING INCOME		
Financial income		
Interest income	55,275	69,026
Distributions - managed funds	13,149	9,520
Imputation credits - managed funds	1,813	1,765
Changes in fair value - managed funds	94,189	-
	<u>164,426</u>	<u>80,311</u>
Financial costs		
Changes in fair value - managed funds	-	(20,663)
	<u>-</u>	<u>(20,663)</u>
Net financing income / (cost)	<u>164,426</u>	<u>59,648</u>

NOTE 5: CASH AND CASH EQUIVALENTS

CURRENT		
Cash at bank	125,993	388,260
Cash on deposit	938,165	1,076,465
	<u>1,064,158</u>	<u>1,464,725</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT		
Trade receivables	240	1,337
Other receivables	1,814	1,844
	<u>2,054</u>	<u>3,181</u>

NOTE 7: FINANCIAL ASSETS

CURRENT			
Financial assets at fair value through profit or loss	7(a)	556,329	541,924
		<u>556,329</u>	<u>541,924</u>

(a) Financial assets at fair value through profit or loss

Held-for-trading Australian managed fund units	<u>556,329</u>	<u>541,924</u>
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Securities in managed funds held for trading purposes to generate income through the receipt of distributions and capital gains.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
NOTE 8: OTHER ASSETS			
CURRENT			
Security deposits		12,650	27,191
Prepayments		2,608	19,174
Accrued income		6,243	23,848
		<u>21,501</u>	<u>70,213</u>

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

Plant and equipment - at cost	151,004	139,749
Less: Accumulated depreciation	(119,518)	(103,243)
	<u>31,486</u>	<u>36,506</u>
Total plant and equipment	<u>31,486</u>	<u>36,506</u>
Motor vehicles - at cost	92,133	74,869
Less: Accumulated depreciation	(28,206)	(15,925)
	<u>63,927</u>	<u>58,944</u>
Total motor vehicles	<u>63,927</u>	<u>58,944</u>
Total property, plant & equipment	<u>95,413</u>	<u>95,450</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 \$
<u>2013</u>			
Balance at the beginning of year	36,506	58,944	95,450
Additions at cost	11,259	17,263	28,522
Depreciation expense	(16,279)	(12,280)	(28,559)
Carrying amount at the end of year	<u>31,486</u>	<u>63,927</u>	<u>95,413</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
NOTE 10: TRADE AND OTHER PAYABLES			
CURRENT			
Trade payables		16,010	54,365
Accrued expenses		5,000	5,765
Other payables		7,852	9,819
Superannuation liability		5,421	4,870
		<u>34,283</u>	<u>74,819</u>
NOTE 11: PROVISIONS			
CURRENT			
Annual leave liability		56,191	33,174
		<u>56,191</u>	<u>33,174</u>
NOTE 12: OTHER LIABILITIES			
CURRENT			
Grant and Retreat income in advance		112,672	179,040
Bequest income received in advance		316,028	356,789
Other income in advance		209,200	247,735
		<u>637,900</u>	<u>783,564</u>
NON-CURRENT			
Bequest income received in advance		320,506	583,578
		<u>320,506</u>	<u>583,578</u>
NOTE 13: CAPITAL AND LEASING COMMITMENTS			
Operating Lease Commitments			
Non-cancellable operating lease rentals are payable as follows:			
Less than one year		76,250	77,325
Between one and five years		64,583	140,833
		<u>140,833</u>	<u>218,158</u>

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 14: EVENTS AFTER THE BALANCE SHEET 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 results of those operations, or the state of affairs of the company in future financial years.

NOTE 15: KEY MANAGEMENT PERSONNEL COMPENSATION

	2013 \$	2012 \$
<u>Short-term benefits</u>		
Salary & wages	145,494	149,852
Superannuation	13,050	13,409
	<u>158,544</u>	<u>163,261</u>
<u>Long-term benefits</u>		
Employee benefits	1,326	3,165
Total compensation	<u>159,870</u>	<u>166,426</u>

NOTE 16: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist 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	2013 \$	2012 \$
Financial Assets			
Cash and cash equivalents	5	1,064,158	1,464,725
Financial assets at fair value through profit or loss			
- Held for trading	7, (a)	556,329	541,924
Trade and other receivables	6	2,054	3,181
		<u>1,622,541</u>	<u>2,009,830</u>
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	10	34,283	74,819
		<u>34,283</u>	<u>74,819</u>

Net Fair Values

- (a) For listed available-for-sale financial assets and financial assets at fair value through profit or loss, the fair values have been based on closing quoted bid prices at the end of the reporting period. In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as process) or indirectly (derived from prices).

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

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.


	2013 \$	2012 \$		
i) Results of Fundraising Appeals				
Gross proceeds from fundraising appeals	753,115	772,631		
Less: Direct costs of fundraising appeals	(175,744)	(174,176)		
Net Surplus obtained from fundraising appeals	<u>577,371</u>	<u>598,455</u>		
ii) Application of net Surplus obtained from Fundraising Appeals				
Distributions (expenditure on direct services)	1,221,555	1,077,385		
Administration expenses	231,695	195,993		
	<u>1,453,250</u>	<u>1,273,378</u>		
iii) The deficit of \$875,879 (2012: Deficit of \$674,923) of the \$577,371 (2012: \$598,455) surplus available from fundraising appeals conducted over total expenditure of \$1,453,250 (2012: \$1,273,378) was made as follows:				
Transfers to retained profits	<u>(875,879)</u>	<u>(674,923)</u>		
iv) Comparisons of certain monetary figures and percentages				
	2013 \$	2013 %	2012 \$	2012 %
Total cost of fundraising	175,744	23.34	174,176	22.54
Gross proceeds from fundraising	753,115		772,631	
Net Surplus from fundraising	577,371	76.66	598,455	77.46
Gross proceeds from fundraising	753,115		772,631	
Total costs of services	1,221,555	73.66	1,077,385	73.14
Total expenditure	1,658,278		1,473,130	
Total costs of services	1,221,555	82.31	1,077,385	71.81
Total income received	1,484,069		1,500,400	

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

DECLARATION BY COMPANY SECRETARY IN RESPECT OF FUNDRAISING APPEALS

I, Penelope Hodge, Secretary 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 2013;
- (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 2013;
- (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 2013; and
- (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.

 24/9/2013
PENELOPE HODGE
SECRETARY

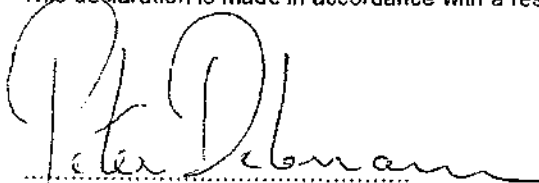
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Muscular Dystrophy Association of New South Wales, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 6 to 21, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements, except in relation to the policy of recognition of bequest income as detailed in Note 1 of the financial statements; and
 - (b) give a true and fair view of the financial position of the company as at 30 June 2013 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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


PETER DEBNAM
DIRECTOR

Dated: 24/09/2013

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

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

Report on the Financial Report

We have audited the accompanying financial report of Muscular Dystrophy Association of New South Wales, which comprises the statement of financial position as at 30 June 2013, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report to give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

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

In addition, our audit report has also been prepared for the members of the company in accordance with Section 24(2) of the Charitable Fundraising (NSW) Act 1991. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Corporations Act 2001*. These additional procedures included obtaining an understanding of the internal control structure for 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 year end financial adjustments for such matters as accruals, provisioning and valuations necessary for year end financial report preparation.

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

Basis for Qualified Auditor's Opinion

- (i) Donations and fundraising income amounting to \$753,115 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 are therefore unable to express an opinion whether the donation and fundraising income of the Muscular Dystrophy Association of New South Wales is complete.
- (ii) As disclosed in Note 1 to the financial statements, revenue received in the form of Bequests are recognised as income equally over five financial years commencing either, with the financial year of initial receipt of funds, or the commencement of a specific program or research. This practice, in our opinion, is not in accordance with Australian Accounting Standards.

The revenue disclosed for Donations and Bequests should be \$374,436 (2012: \$757,751). Accordingly, current liabilities should be reduced by \$316,028 (2012 reduced by \$356,789), non-current liabilities should be reduced by \$320,506 (2012 reduced by \$583,578), profit for the year should be decreased by \$303,832 (2012 increased by \$43,211).

Qualified Auditor's Opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation referred to in the qualified paragraphs not existed, the financial report presents fairly, in all material respects, the financial position of Muscular Dystrophy Association of New South Wales as of 30 June 2013, and its financial performance and cash flows for the year then ended in accordance with the *Corporations Act 2001* and the Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES
A.B.N. 11 774 587 436

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

Qualified audit opinion pursuant to the Charitable Fundraising (NSW) Act 1991

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation referred to in the qualified paragraph not existed:

- (a) the financial report gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 30 June 2013;
- (b) the financial report has been properly drawn up, and the associated records have been properly kept for the period 1 July 2012 to 30 June 2013, in accordance with the Charitable Fundraising (NSW) Act 1991 and Regulations;
- (c) money received as a result of fundraising appeal activities conducted during the period 1 July 2012 to 30 June 2013 has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991 and Regulations; and
- (d) there are reasonable grounds to believe that Muscular Dystrophy Association of New South Wales will be able to pay its debts as and when they fall due.

CBC Partners
Chartered Accountants



Domenic A. Cutrupi
Partner

Sydney

Dated: 30 SEPTEMBER 2013