Continence Foundation of Australia

PROMOTING BLADDER AND BOWEL HEALTH

2017 Financial Statements

Continence Foundation of Australia Ltd

Statement of Profit and Loss and Other Comprehensive Income For the Year Ended 30 June 2017

	Note	2017 $	2016 $
Revenue			
Conference and Seminars		690,325	810,820
Interest		226,783	221,795
Membership Fees		119,203	120,289
Programs		3,570,941	3,723,754
Peak Body Status Funding		375,000	246,483
Other		533,291	470,086
Profit on sale of Asset		6,805	0
Total Operating Revenue		**5,522,348**	**5,593,227**
Kidsflix - Fundraising		156,611	218,637
Total Revenue		**5,678,959**	**5,811,864**
Expenditure			
Conference and Seminars		511,513	599,882
Depreciation		28,297	20,222
Programs		3,570,941	3,723,754
Salaries and Oncost		282,159	229,242
Other		163,557	129,667
Total Operating Expenditure		**4,556,467**	**4,702,767**
Kidsflix - Expenses		126,623	178,039
Total Expenditure		**4,683,090**	**4,880,806**
Surplus before income tax	3	**995,869**	**931,058**
Income tax expense		-	-
Surplus after income tax		**995,869**	**931,058**
Other comprehensive income			
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive income for the period		**995,869**	**931,058**

The accompanying notes form part of these financial statements.

Financial Statements 2017

Statement of Financial Position as at 30 June 2017

		2017	2016
	Note	$	$
Assets			
Current Assets			
Cash and Cash Equivalents	4	9,899,735	8,677,329
Kidsflix - SA Bank	4	0	17,132
Trade and Other Receivables	5	131,486	62,340
Prepayments		93,657	130,575
Total Current Assets		**10,124,878**	**8,887,376**
Non Current Assets			
Property, Plant and Equipment	6	54,131	40,369
Security Deposit		2,020	7,159
Total Non Current Assets		**56,151**	**47,528**
Total Assets		**10,181,029**	**8,934,904**
Liabilities			
Current Liabilities			
Trade and Other Payables	7	982,385	735,492
Kidsflix – SA		0	20,864
Employee Benefits	8	330,500	346,668
Conference revenue in advance		191,216	243,477
Income Received in Advance		248,995	98,472
Total Current Liabilities		**1,753,096**	**1,444,973**
Non Current Liabilities			
Employee Benefits	8	182,676	240,543
Total Non Current Liabilities		**182,676**	**240,543**
Total Liabilities		**1,935,772**	**1,685,516**
Net Assets		**8,245,257**	**7,249,388**
Equity			
Retained Surplus		8,245,257	7,249,388
Total Equity		**8,245,257**	**7,249,388**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity For the Year Ended 30 June 2017

	Retained Earnings	Total Equity
	$	$
Balance at 1 July 2015	**6,318,330**	**6,318,330**
Total comprehensive income for the period	931,058	931,058
Balance at 30 June 2016	**7,249,388**	**7,249,388**
Total comprehensive income for the period	995,869	995,869
Balance at 30 June 2017	**8,245,257**	**8,245,257**

Statement of Cash Flows For the Year Ended 30 June 2017

	Note	2017	2016
		$	$
Cash Flow from Operating Activities			
Cash receipts from operations		5,474,488	6,446,337
Interest		226,783	221,795
Payment to consultants, suppliers and employees		(4,460,743)	(4,980,295)
Net Cash inflow from operating activities	9	**1,240,528**	**1,687,837**
Cash Flow from Investing Activities			
Purchase of Property, Plant and Equipment		(56,254)	(14,078)
Proceeds from sale of Property, Plant & Equipment		21,000	0
Net Cash inflow (outflow) from investing activities		**(35,254)**	**(14,078)**
Cash Flow from Financing Activities			
Net Increase (Decrease) in financing activities		-	-
Net Increase (Decrease) in Cash Held		**1,205,274**	**1,673,759**
Cash and cash equivalents at the beginning of the financial year		8,694,461	7,020,702
Cash and cash equivalents at the end of the financial year	4	**9,899,735**	**8,694,461**

The accompanying notes form part of these financial statements.

Financial Statements 2017

Notes to the Financial Statements For The Year Ended 30 June 2017

1. Corporate Information

The financial statements cover Continence Foundation of Australia Ltd as an individual entity, incorporated and domiciled in Australia. It is a company limited by guarantee.

The financial statements were authorised for issue on 7 October, 2017 by the directors of the company.

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations as appropriate for not-for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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 to which they apply.

The financial statements except for the cash flow information have been prepared on an accrual 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.

b) Significant accounting judgements, estimates and assumptions

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring the substance of the underlying transaction and other events is reported.

The preparation of financial statements requires making judgements, estimates and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses. The estimate and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting judgements

The company has entered into leases of premises and office equipment as disclosed in Note 13(d). Management has determined that all of the risks and rewards of ownership of these premises and equipment remain with the lessor and has therefore classified the leases as operating leases.

Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Provisions for employee benefits

Provisions for employee benefits payable after 12 months from the reporting date are based on future wage and salary levels, experience of employee departures and periods of service, as discussed in Note 2(j). The amount of these provisions would change should any of these factors change in the next 12 months.

c) Revenue recognition

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian taxation Office.

Revenue from fundraising - Donations

Donations and fundraising are recognised when received.

Membership Subscription

Subscription revenue is recognised when received except where receipt relates to future period as disclosed in Note 10.

Program Revenue

Program Revenue which represents project grants is recognised only when costs relating to goods and services specified under the conditions of the funding contract are incurred. Unutilised amount is carried forward as deferred income as stated in Note 2(i)

Interest

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

Asset sales

The gain or loss on disposal of all non-current assets is determined as the difference between the carrying amount of the asset at the time of the disposal and the net proceeds on disposal.

d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the company. Fundraising activities are disclosed in Note 3 (b).

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with a maturity of less than one year. For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

f) Trade and other receivables

Trade receivables, are recognised and carried at original invoice amount. Normal terms of settlement vary from seven to 30 days. The notional amount of the receivable is deemed to reflect fair value.

A provision for impairment is made when there is objective evidence that the individual debt is impaired. Bad debts are written off when identified. No provision for impairment was required at the year end.

g) Property, plant and equipment

Basis of measurement of carrying amount

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Any property, plant and equipment donated to the company are recognised at fair value at the date the company obtains control of the assets.

Depreciation

Items of property, plant and equipment (other than land) are depreciated over their useful lives to the company commencing from the time the asset is held ready for use. Depreciation is calculated on a straight line basis over the expected useful economic lives of the assets as follows:

	2017	2016
	%pa	%pa
Project and office equipment	20.0	20.0
Computer equipment	33.3	33.3
Motor vehicles	20.0	20.0
Leasehold Improvements	33.3	33.3

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the income statement.

De-recognition and disposal

An item of property, plant and equipment is derecognised upon disposal; when the item is no longer used in the operations of the company; or when it has no sale value. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or derecognised is transferred to general funds at the date of disposal.

h) Trade and other payables

Trade payables and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The notional amount of the creditors and payables is deemed to reflect fair value.

i) Deferred income

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions usually fulfilled within 12 months of receipt of the grant. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted.

j) Employee benefits

Employee benefits comprise wages and salaries, annual and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled.

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to anticipated future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yield at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

The company pays superannuation to certain superannuation plans on behalf of its employees. Contributions are recognised in the income statement when they are due.

k) Leased assets and liabilities

Operating leases

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

l) Taxation

Income Tax

The company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997 and is therefore exempt from income tax for the purpose of Australian taxation legislation. The company also holds deductible gift recipient status.

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 Australia Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST

The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

m) Funding Agreements

The Continence Foundation of Australia acknowledges that a significant proportion of activities undertaken are supported through funding from the Department of Health. At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support future activities.

n) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not yet been adopted by the company for the annual reporting period ended 30 June 2017.

The company's assessment of the impact of these new standards and interpretations which are relevant to the company is set out below.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The company will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the company.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The company will adopt this standard from 1 July 2018 but the impact of its adoption is yet to be assessed by the company.

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the company.

3. Operating Profit for the Year

a) The operating profit for the year is $995,869. The net surplus comes from the Foundation's normal administrative operations, Kidsflix Fundraising activities as per Note 3 (b) and the Annual National Conference on incontinence.

b) Under an agreement entered into between the CFA and Arthritis South Australia (ASA), ASA undertake fundraising for the CFA via telemarketing. The fundraising supports Kidsflix activities in Victoria involving sponsoring theatre events for children with a disability. The fundraising activities under the agreement are subject to statutory audit by ASA's auditors, William Buck. An audit report on the telemarketing fundraising activities conducted for the CFA covering the period 1 July 2016 to 30 June 2017 has been provided. The audit provides an opinion as to whether the reporting requirements for Kidsflix are consistent with the agreement entered into between the CFA and ASA to raise funds for the CFA. Revenue for Kidsflix is recognised when received as stated in Note 2(c) and expenditure is recognised on a cash basis. The surplus for the twelve months to 30 June 2017 is $29,988.

c) As stated in Note 2(d), expenditure is accounted for on an accrual basis.

	2017	2016
	$	$

4. Cash and Cash Equivalents

Cash on hand	200	200
Cash at Bank	647,712	313,606
Short Term Deposits with the Bank	9,251,823	8,363,523
Kidsflix – SA	0	17,132
	9,899,735	**8,694,461**

5. Trade and other Receivables

Trade Receivables	5,080	0
BAS Receivables	45,855	0
Sundry Debtors	80,551	62,340
	131,486	**62,340**

6. Property, Plant and Equipment

Plant and Equipment – At cost	344,769	288,516
Accumulated Depreciation	(290,638)	(267,655)
Motor Vehicle – At cost	0	33,345
Accumulated Depreciation	0	(13,837)
Leasehold Improvements – At cost	62,554	62,554
Accumulated Depreciation	(62,554)	(62,554)
	54,131	**40,369**

7. Trade and other Payables

Trade Payables	331,824	378,204
Accrued Liabilities	64,000	44,847
Liability for Taxes Payable	21,577	135,743
Sundry Payables	564,984	176,698
	982,385	**735,492**

8. Employee Benefits

Provision for Employee Annual Leave	154,703	146,955
Provision for Redundancy	175,797	191,262
Provision for Employee Long Service Leave	0	8,451
	330,500	**346,668**
Non Current:		
Provision for Employee Long Service Leave	182,676	240,543
	513,176	**587,211**

9. Net Cash Flow from Operating Activities

Operating Surplus/ (Loss)	995,869	931,057
Add back Depreciation	28,297	20,222
Profit on disposal of asset	(6,805)	0
(Increase) Decrease in Prepayments	36,918	(87,014)
(Increase) Decrease in Receivables & Investments	(64,007)	822,922
Increase (Decrease) in Accounts Payable	226,029	34,153
Increase (Decrease) in Provisions	(74,035)	(61,690)
Increase (Decrease) in Revenue Received in Advance	98,262	28,187
Net Cash from Operating Activities	**1,240,528**	**1,687,837**

10. Members

The company is limited by guarantee. If the company is wound up, the Memorandum of Association states that each member is required to contribute a maximum of $2 towards meeting any outstanding obligations of the company. Annual subscriptions are from July to June in any one year and only recognised when received, however, subscriptions paid for future periods are treated as income in advance.

11. Segmental Information

The activities of the company are generally to assist people with incontinence, their families, carers and health professionals, the promotion of self-help groups, public awareness and research on all aspects of incontinence, and the development of accessible continence services throughout Australia.

12. Related Party Disclosures

The names of Directors who held office during the financial year were:

Assoc Prof Michael Murray	Ms Therese Tierney	Dr Janet Chase	Ms Jacinta Crickmore
Dr Ian Tucker	Ms Karen Allingham	Ms Rosemary Calder	

	2017	2016
	$	$
Income paid or payable to all Directors of the company from the company	-	-

13. Financial Instruments

a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised in respect of each class of financial asset and financial liability are disclosed in Note 2 to the financial statements.

b) Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments.

	Average Interest Rate	Interest Bearing Fixed	Interest Bearing Floating	Non Interest Bearing	Total
	%	$	$	$	$
1. Financial Assets					
Cash	2.53%	9,251,823	404,361	243,551	**9,899,735**
Trade and Other Receivables				131,486	**131,486**
Prepayments				93,657	**93,657**
2. Financial Liabilities					
Trade and Other Payables				982,385	**982,385**
Fund Held – Conference				191,216	**191,216**
Income Received in Advance				248,995	**248,995**

c) Credit Risk

Credit Risk refers to the risk that a counterpart will default on its contractual obligations, resulting in financial loss to the entity. The carrying amount of the financial assets recorded in the financial statements net of any provisions for losses, represents the entity's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

d) Operating Lease – Contingent Liabilities

The risks and rewards of ownership to the following remain with the Lessor as disclosed in Note 2 of the financial statements. However, management are aware there are future contractual financial obligations for lease payments during the period of the lease agreement.

Non-cancellable operating lease commitments not capitalised in the financial statements

Payable - Minimum Lease Payments	2017	2016
	$	$
Not later than 1 year	-	-
Later than 1 year but not later than 5 years	-	-

e) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements. The aggregate employee entitlement liability recognised and included in the financial statements is as follows:

	2017	2016
	$	$
Provision for Employee Entitlements		
Current	330,500	346,668
Non Current	182,676	240,543
Total	**513,176**	**587,211**

14. Contingent Liability

The Continence Foundation of Australia does not shave any contingent liability as at 30 June 2017.

Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012 and associated regulations and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- 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 and is signed for and on behalf of the Directors by.

M. Murray
Director

Therese Tierney

T. Tierney
Director

Melbourne
20 October, 2017

Directors' Report

Your Directors present their report on the accounts of the company for the year ended 30 June 2017.

1. The Directors in office at any time during or since the end of the year are:

   Assoc Prof Michael Murray
   Ms Therese Tierney
   Dr Ian Tucker
   Dr Janet Chase
   Ms Karen Allingham
   Ms Rosemary Calder
   Ms Jacinta Crickmore

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

2. The principal activity of the Foundation is generally to assist people with incontinence, their families, carers and health professionals in understanding and managing incontinence; the development of accessible continence services throughout Australia; and the promotion of self-help groups, public awareness and research on all aspects of incontinence.

   There were no other significant changes in the nature of the company's principal activities during the financial year.

3. The net result of operations was a profit $995,869.

4. No significant changes to the company's state of affairs occurred during the financial year.

5. It is not recommended that a dividend be declared, and no dividend has been declared or paid since the end of the previous financial year.

6. The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

7. No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in subsequent financial years.

8. Likely developments in the operations of the company and the expected results of those operations have not been included in this report as the directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the company.

9. Particulars of Directors at the date of this report:

   Michael Murray
   MBBS, MPH, FRACP
   President, Additional Director

   Ian Tucker
   MBBS, FRCOG, FRANZCOG, CU
   Vice-President, Additional Director

   Therese Tierney
   RN, CRRN (USA). Grad Dip Bus Mgt
   Treasurer, Additional Director

   Janet Chase
   PostGrad Cert.(Continence and Pelv. Floor Rehab.), Cert. Management (Health), Doc Physio
   Elected Ordinary Director

   Karen Allingham
   RN, MN (Nurs Prac)
   Elected Ordinary Director

   Rosemary Calder
   AM; BA (hons); LLD (hons causa; FAIM; MAICD; AFACHSM)
   Additional Director

   Jacinta Crickmore
   Elected Ordinary Director

10. Information on Directors

	Board Meetings Eligble	Board Meetings Attended
Assoc Prof Michael Murray	10	8
Ms Therese Tierney	10	4
Dr Ian Tucker	10	7
Dr Janet Chase	10	9
Ms Karen Allingham	10	8
Ms Jacinta Crickmore	10	9
Ms Rosemary Calder	10	5

Total number of Board Meetings 2016 - 2017 : 10

11. The company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the company or related body corporate:

    - Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings, or
    - Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expense of defending legal proceedings.

12. No Directors have received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company, or a related body corporate with a Director, a firm of which the Director is a member or an entity in which a Director has a substantial financial interest.

    This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the company's accounts, or the fixed salary of a full-time employee of the company or related body corporate.

    Directors are eligible to receive reasonable out of pocket expenses, covering flights, local travel, accommodation and similar costs, incurred in the course of attending Board meetings and other Company business.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under subdivision 60-40 of the Australian Charities and Not For Profits Commission Act 2012 is set on page 21.

This report is made in accordance with a resolution of the Board of directors.

On behalf of the directors

M. Murray
Director

Date: 20 October, 2017

Prospect
Accountants
Principal: Tim. P. Meehan
Chartered Accountant Registered Company Auditor

CONTINENCE FOUNDATION OF AUSTRALIA LIMITED
ABN: 84 007 325 313

Independent Auditor's Report

To the Members of the Continence Foundation of Australia Ltd

We have audited the financial report of the Continence Foundation of Australia Ltd which comprises the Statement of Financial Position as at 30 June 2017, the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the directors of the Board.

In our opinion, the financial report of the Continence Foundation of Australia Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a) Giving a true and fair view of the Continence Foundation of Australia Ltd's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
b) Complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Emphasis of Matter

Proceeds from appeals are a source of revenue for the company. The company has determined that, other than relying on the auditor of the appeal, it is impracticable to establish control over the collection of proceeds from appeals prior to entry into its records. Accordingly, as the evidence available to me regarding revenue from this source was limited, my audit procedures with respect to proceeds from appeals had to be restricted to the amounts recorded in the financial records. I am therefore unable to express an opinion whether the proceeds of appeals which the company obtained are complete.

The directors have added note 3(b) to explain that fundraising by Arthritis South Australia on behalf of the Continence Foundation of Australia Ltd has occurred and an amount of $29,988 surplus at year end has been achieved. I accept this additional disclosure and note that this fundraising activity has been independently audited by a registered company auditor.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of this report. We are independent of the Continence Foundation of Australia Ltd 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 my 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 audit opinion.

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

The Board is responsible for the other information. The other information comprises the information included in the Continence Foundation of Australia Ltd's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibilities 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 regards.

Responsibilities of the Board for the Financial Report

The Board of the Continence Foundation of Australia Ltd is responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Continence Foundation of Australia Ltd's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Continence Foundation of Australia Ltd or to cease its operation, or have no realistic alternative but to do so.

The Board is responsible for overseeing the Continence Foundation of Australia Ltd's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 aggregate, they could reasonably be expected to influence the economic decisions of Board taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 controls 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 Continence Foundation of Australia Ltd's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- Conclude on the appropriateness of Board' 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 Continence Foundation of Australia Ltd's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the 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 the auditor's report. However, future events or conditions may cause the Continence Foundation of Australia Ltd 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 Board 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 the audit.

PROSPECT ACCOUNTANTS
Suite 5, 74 Doncaster Road,
North Balwyn, Victoria 3104

TIM P. MEEHAN CA
PRINCIPAL
Dated: 20th October, 2017

Financial Statements 2017

Prospect
Accountants

Principal: Tim. P. Meehan
Chartered Accountant Registered Company Auditor

CONTINENCE FOUNDATION OF AUSTRALIA LIMITED
ABN: 84 007 325 313

Auditors Declaration of Independence

To the Board of the Continence Foundation of Australia Ltd

I declare that, to the best of my knowledge and belief, for the year ended 30 June 2017, there has been no contraventions of:

a) The auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit

b) Any applicable code of professional conduct in relation to the audit.

Tim P. Meehan CA
Prospect Accountants

Dated: 20th October, 2017

North Balwyn, Victoria

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Continence Foundation of Australia

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