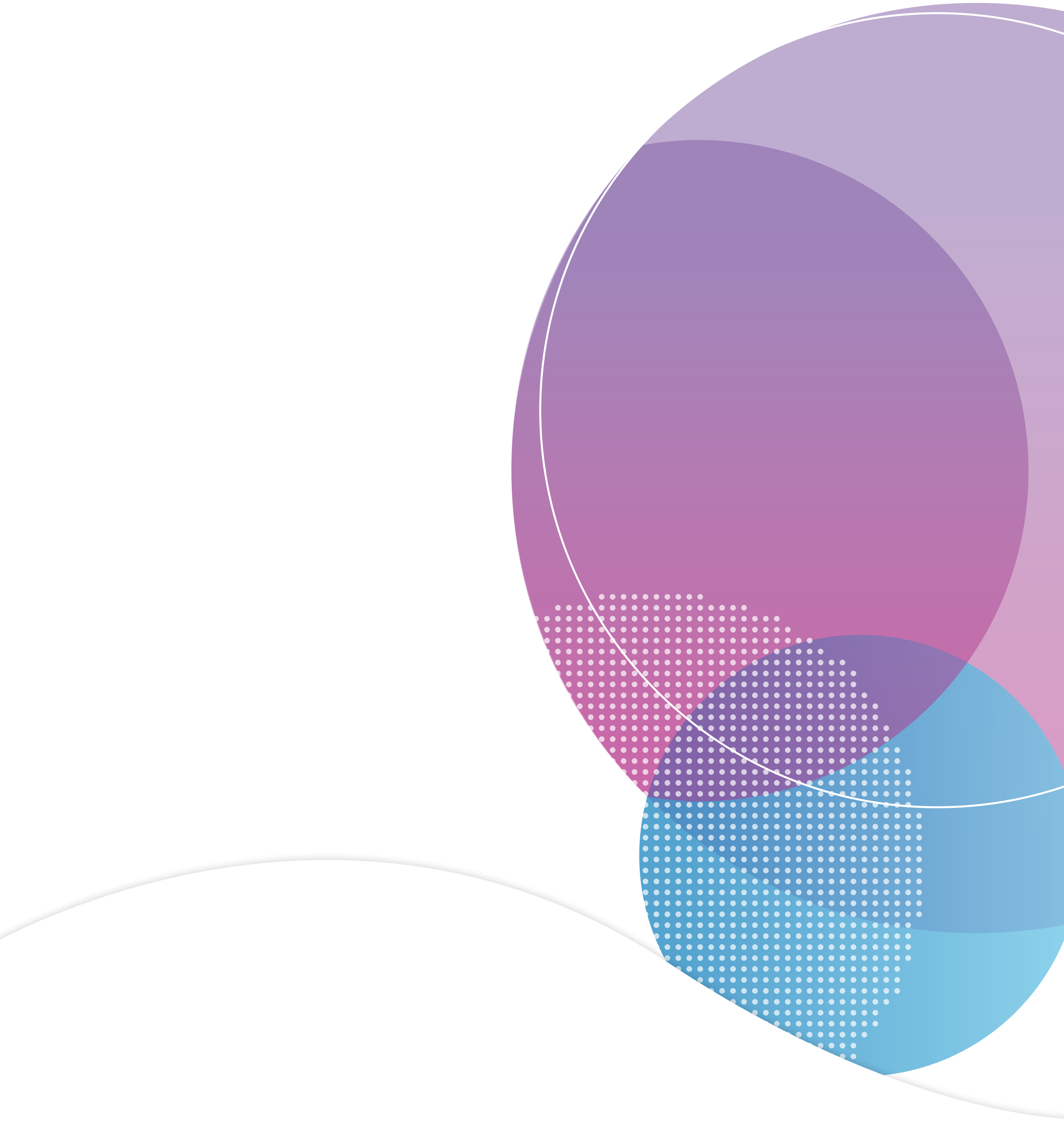
2019
FINANCIAL STATEMENTS

Continence Foundation of Australia

Celebrating 30 years of

PROMOTING BLADDER AND BOWEL HEALTH

1989 – 2019



Directors' Report

Your Directors present their report on the accounts of the company ("the Foundation") for the year ended 30 June 2019.

Directors

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

- Assoc Prof Michael Murray AM
- Ms Therese Tierney (Resigned 26 October 2018)
- 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.

Principal Activity

The principal activity of the Foundation is 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.

Operating Result

The net result of operations was a profit $967,094 (2018: $996,721)

Significant Changes

There were no significant changes in the nature of the company's principal activities during the financial year. During the year, the Foundation divested a portion of its assets into various investments managed by Morgan Stanley, in accordance with the Investment Policy adopted by the Board. The objective is to diversify the Foundation's assets to generate higher returns whilst retaining security. Returns will be reinvested into the Foundation to support current and future programs and activities.

Environmental Regulations

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

Subsequent Events

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.

Particulars of Directors during the year:

	Board meetings	
Director	**Eligible**	**Attended**
Assoc Prof Michael Murray AM MBBS, MPH, FRACP **President** **Additional Director**	10	9
Dr Ian Tucker MBBS, FRCOG, FRANZCOG, CU **Vice-President** **Additional Director**	10	9
Ms Therese Tierney RN, CRRN (USA), Grad Dip Bus Mgt **Treasurer** **Additional Director**	1	1
Dr Janet Chase PostGrad Cert (Continence and Pelv. Floor Rehab.), Cert. Management (Health), Doc Physio **Elected Ordinary Director**	10	9
Ms Rosemary Calder AM; BA (hons); LLD (hons causa); FAIM; MAICD; AFACHSM **Additional Director**	10	7
Ms Karen Allingham RN, MN (Nurs Prac) **Elected Ordinary Director**	10	9
Ms Jacinta Crickmore **Elected Ordinary Director**	10	9

Total Number of Board Meetings – 2018/2019: 10

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.

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.

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

Indemnification of Directors and Officers

Continence Foundation of Australia Ltd, its directors and officers are insured by the Victorian Managed Insurance Authority for liabilities incurred (other than liabilities specifically excluded by law) in the performance of their duties as directors or officers of the company.

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

On behalf of the directors:

Michael Murray AM
DIRECTOR
Melbourne
23 September 2019

Continence Foundation of Australia

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 2019 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:

Michael Murray AM
DIRECTOR

Janet Chase
DIRECTOR

Melbourne
23 September 2019

Statement of Profit and Loss and Other Comprehensive Income

For the Year Ended 30 June 2019

Continence Foundation of Australia Limited ABN 84 007 325 313

	Note	2019 $	2018 $
Revenue			
Conference and Seminars		682,338	774,026
Interest		199,629	228,936
Membership Fees		111,963	124,556
Programs		3,829,342	3,794,293
Peak Body Status Funding		375,000	375,000
Other		568,287	561,039
Investment Income		357,387	-
Total Operating Revenue		**6,123,946**	**5,857,850**
Total Revenue		**6,123,946**	**5,857,850**
Expenditure			
Conference and Seminars		495,487	608,855
Depreciation		196,766	66,303
Programs	2 (d)	3,829,341	3,794,293
Salaries and on-costs	2 (d)	339,160	269,221
Other		296,098	122,457
Total Operating Expenditure		**5,156,852**	**4,861,129**
Total Expenditure		**5,156,852**	**4,861,129**
Surplus before income tax	3	**967,094**	**996,721**
Income tax expense		-	-
Surplus after income tax		**967,094**	**996,721**
Other comprehensive income			
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive income for the period		**967,094**	**996,721**

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2019

Continence Foundation of Australia Limited ABN 84 007 325 313

	Note	2019 $	2018 $
Assets			
Current Assets			
Cash and Cash Equivalents	4	4,890,248	10,428,067
Investments	5	6,357,387	-
Trade and Other Receivables	6	82,425	112,513
Other Assets - Prepayments		107,489	37,497
Total Current Assets		**11,437,549**	**10,578,077**
Non-Current Assets			
Property, Plant and Equipment	7	259,949	429,324
Security Deposit		30,023	30,023
Total Non-Current Assets		**289,972**	**459,347**
Total Assets		**11,727,521**	**11,037,424**
Liabilities			
Current Liabilities			
Trade and Other Payables	8	860,960	930,313
Employee Benefits		132,106	149,896
Income Received in Advance	9	294,551	373,659
Total Current Liabilities		**1,287,617**	**1,453,868**
Non-Current Liabilities			
Employee Benefits		163,236	189,860
Lease Liabilities		67,596	151,718
Total Non-Current Liabilities		**230,832**	**341,578**
Total Liabilities		**1,518,449**	**1,795,446**
Net Assets		**10,209,072**	**9,241,978**
Equity			
Retained Surplus		10,209,072	9,241,978
Total Equity		**10,209,072**	**9,241,978**

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2019
Continence Foundation of Australia Limited ABN 84 007 325 313

	Retained Earnings $	Total Equity $
Balance at 1 July 2016	**7,249,388**	**7,249,388**
Total comprehensive income for the year	995,869	995,869
Balance at 30 June 2017	**8,245,257**	**8,245,257**
Total comprehensive income for the year	996,721	996,721
Balance at 30 June 2018	**9,241,978**	**9,241,978**
Total comprehensive income for the year	967,094	967,094
Balance at 30 June 2019	**10,209,072**	**10,209,072**

Statement of Cash Flows
For the Year Ended 30 June 2019
Continence Foundation of Australia Limited ABN 84 007 325 313

	Note	2019 $	2018 $
Cash Flow from Operating Activities			
Cash receipts from operations		5,502,800	5,581,334
Interest Received		199,629	228,936
Investment Income		357,387	-
Payment to consultants, suppliers and employees		(5,113,821)	(5,077,418)
Interest Paid		(14,913)	(5,638)
Net Cash inflow from operating activities	9	**931,082**	**727,214**
Cash Flow from Investing Activities			
Funds under Management – Morgan Stanley		(6,357,387)	-
Purchase of Property, Plant and Equipment		(27,391)	(181,809)
Net Cash inflow (outflow) from investing activities		**(6,384,778)**	**(181,809)**
Cash Flow from Financing Activities			
Payment of lease liabilities		(84,123)	(17,073)
Net Increase (Decrease) in financing activities		**(84,123)**	**(17,073)**
Net Increase (Decrease) in Cash Held		**(5,537,819)**	**528,332**
Cash and cash equivalents at the beginning of the financial year		10,428,067	9,899,735
Cash & cash equivalents at the end of the financial year	4	**4,890,248**	**10,428,067**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2019

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 registered office is Suite 1,407 Canterbury Rd, Surrey Hills VIC 3127.

The financial statements are presented in Australian currency and were authorised for issue in accordance with a resolution of the directors on 23 September 2019.

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 relevant and mandatory for the current reporting period. The company has early adopted AASB 16 'Leases' and AASB 15 'Revenue from Contracts with Customers'.

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 been adopted by the company for the annual reporting period ended 30 June 2019.

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. Based on a preliminary assessment, the standard is not expected to have a material impact when it is first adopted.

AASB 1058 Income of Not-for-Profit Entities

This standard simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15 Revenue from Contracts with Customers. It replaces AASB 1004 'Contributions'. AASB 1058 will become mandatory for annual reporting periods beginning on or after 1 January 2019. The company will adopt this standard from 1 July 2019 and the impact of its adoption is not expected to have a material impact.

(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'). 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 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 and future on cost rates 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 11.

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. Any unutilised amount is carried forward as deferred income as stated in Note 2(i), subject to funder consent.

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 salaries.

Where appropriate, salaries are allocated directly to programs and appear as program costs. Other salaries are shown as Salaries and on-costs.

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.

(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

All classes of assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Any property, plant and equipment donated to the company is recognised at fair value at the date the company obtains control of the assets.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets (excluding freehold land) as follows:

	2019 %pa	2018 %pa
Plant and equipment	20.0	20.0
Computer equipment	33.3	33.3
Motor vehicles	20.0	20.0
Leasehold Improvements	42.9	42.9
Right of use asset	38.7	38.7

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 and impairment losses are recognised in the income statement.

De-recognition and disposal

An item of property, plant and equipment is de-recognised 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 de-recognised.

Any part of the asset revaluation reserve attributable to the asset disposed of or de-recognised 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 and future on-cost rates. Expected future payments are discounted using market yield at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. The company pays superannuation to employee nominated superannuation plans on behalf of its employees. Employees may contribute a part of their salary to these funds.

(k) Lease assets and liabilities

Changes in accounting policy

The company has consistently applied accounting policies to all periods presented in these financial statements except for the change in lease accounting.

The company has early adopted AASB 16 and it has as a result changed its accounting policy for leases. In the past the company classified leases into operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the company. Operating lease payments were recognised as an expense in the income statement on a straight-line basis over the lease term.

Under AASB 16, all operating leases are accounted for by recognising right of use assets and lease liabilities for most leases except for leases of low value assets and leases with a duration of twelve months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the company's incremental borrowing rate on commencement of the lease. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate. On initial recognition, the carrying value of the lease liability also includes amounts expected to be payable under any residual value guarantee; the exercise price of any purchase option granted in favour of company if it is reasonable certain to assess that option; any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised. Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease; initial direct costs incurred; and – the amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset. Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease.

When the company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining revised lease term.

The company leased land and building for its office use during the previous financial year. The term of the lease is for two years and seven months. Fixed lease payments are made during the term of the lease. The lease has an option to renew for a further three terms. The extension option of one year each is exercisable by the company and not by the lessor. The company assesses at the lease commencement whether it is reasonably certain to exercise the extension options. The company would reassess whether it is reasonably certain to exercise the options if there is significant event or significant change in circumstances within its control.

(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)

Revenue, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, 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 up to the end of the current funding period to 30 June 2020. Discussions have commenced to establish a new funding agreement beyond that time.

3. Operating Profit for the Year

(a) The operating profit for the year is $967,094. This surplus arises from the Foundation's operations, net conference income and investment income.

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

	2019 $	2018 $
4. Cash and Cash Equivalents		
Cash on hand	200	200
Cash at Bank	406,233	513,816
Short Term Deposits at Bank	4,483,815	9,914,051
	4,890,248	**10,428,067**

5. Investments		
Funds under Management - Morgan Stanley	**6,357,387**	-

6. Trade and other Receivables		
Trade Receivables	38,712	10,533
GST Receivable	43,444	58,554
Sundry Debtors	269	43,426
	82,425	112,513

7. Property, Plant and Equipment		
Plant and Equipment – At cost	354,045	330,109
Accumulated Depreciation	(310,641)	(286,402)
Right-of-use asset – At cost	259,686	259,686
Accumulated Depreciation	(134,050)	(33,508)
Leasehold Improvements – At cost	174,340	170,884
Accumulated Depreciation	(83,431)	(11,445)
Total Property, Plant and Equipment	**259,949**	**429,324**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and equipment $	Motor Vehicle $	Leasehold Improvement $	Right-of-use asset $	Total $
Balance at 1 July 2016	**20,861**	**19,508**	**-**	**-**	**40,369**
Additions	56,254	-	-	-	56,254
Disposals	-	(14,195)	-	-	(14,195)
Depreciation expense	(22,984)	(5,313)	-	-	(28,297)
Balance at 30 June 2017	**54,131**	**-**	**-**	**-**	**54,131**
Additions	10,926	-	170,884	259,686	441,496
Disposals	-	-	-	-	-
Depreciation expense	(21,350)	-	(11,445)	(33,508)	(66,303)
Balance at 30 June 2018	**43,707**	**-**	**159,439**	**226,178**	**429,324**
Additions	23,934	-	3,456	-	27,390
Disposals	-	-	-	-	-
Depreciation expense	(24,238)	-	(71,985)	(100,542)	(196,765)
Balance at 30 June 2019	**43,403**	**-**	**90,910**	**125,636**	**259,949**

	2019 $	2018 $
8. Trade and Other Payables		
Trade Payables	196,240	222,560
Accrued Liabilities	21,417	84,253
Liability for Taxes Payable	23,505	19,025
Bladder Foundation Grant Program	525,643	513,580
Lease Liability	90,895	90,895
Sundry Payable	3,260	-
	860,960	**930,313**

	2019 $	2018 $
9. Income in advance		
Membership Fees received in advance	54,549	61,794
Conference Revenue received in advance	212,429	203,704
BBC Committed Funds	27,573	108,161
	294,551	**373,659**

	2019 $	2018 $
10. Net Cash Flow from Operating Activities		
Operating Surplus/ (Loss)	967,094	996,721
Add back Depreciation	196,766	66,303
Profit on disposal of asset	-	-
(Increase) Decrease in Prepayments	(69,993)	56,161
(Increase) Decrease in Receivables & Investments	30,088	(9,031)
Increase (Decrease) in Accounts Payable	(69,352)	(142,968)
Increase (Decrease) in Provisions	(44,413)	(173,420)
Increase (Decrease) in Revenue Received in Advance	(79,108)	(66,552)
Net Cash from Operating Activities	**931,082**	**727,214**

11. Members

The company is limited by guarantee. If the company is wound up, the Constitution 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.

12. 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.

13. Related Party Disclosures

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

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

	2019 $	2018 $
Income paid or payable to all Directors of the company from the company	-	-

14. Financial Instruments

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. Financial assets and liabilities by categories:

2019	Weighted Average Interest Rate	Interest Bearing Fixed $	Interest Bearing Floating $	Non-Interest Bearing $	Total $
Financial Assets					
Current Financial Assets					
Cash	1.52%	7,473,305	254,456	151,976	**7,879,737**
Investments				3,367,897	**3,367,897**
Trade and Other Receivables				82,425	**82,425**
Net Cash Financial Assets/(Liabilities)		**7,473,305**	**254,456**	**3,602,298**	**11,330,059**
Financial Liabilities					
Current Financial Liabilities					
Trade and Other Payables		90,895		770,065	**860,960**
Income in advance				294,551	**294,551**
Non Current Financial Liabilities					
Lease Liability		67,595			**67,595**
Total Financial Liabilities		**158,490**		**1,064,616**	**1,223,106**
Net Financial Assets/(Liabilities)		**7,314,815**	**254,456**	**2,537,682**	**10,106,953**

2018	Weighted Average Interest Rate	Interest Bearing Fixed $	Interest Bearing Floating $	Non-Interest Bearing $	Total $
Financial Assets					
Current Financial Assets					
Cash	**2.65%**	9,914,051	500,331	13,685	**10,428,067**
Trade and Other Receivables				112,513	**112,513**
Net Cash Financial Assets		**9,914,051**	**500,331**	**126,198**	**10,540,580**
Financial Liabilities					
Current Financial Liabilities					
Trade and Other Payables		96,471		833,842	**930,313**
Income in advance				373,659	**373,659**
Non Current Financial Liabilities					
Lease Liability		168,058			**168,058**
Total Financial Liabilities		**264,529**	**0**	**1,207,501**	**1,472,030**
Net Financial Assets/(Liabilities)		**9,649,522**	**500,331**	**(1,081,303)**	**9,068,550**

Financial Risk Management

The company's financial instruments are comprised of cash, receivables and payables. The company manages its exposure to key financial risks in accordance with its policies. The objective of the policies is to achieve financial targets with protecting the future financial security.

The main risks arising from the company's financial instruments are interest rate risk, credit risk and liquidity risk. Different methods are used to measure and manage these risks including monitoring levels of exposure to interest rates, conducting aging analysis and monitoring credit balances to manage credit risk and monitoring liquidity risk through the development of rolling cashflow forecasts.

(a) Interest Rate Risk

This is the risk that movement in variable interest rates will affect the financial performance by reducing interest income or increasing interest expenses. The company is exposed to floating interest rates on its cash balances and fixed interest rates on its term deposits. The effect of a reasonably change in interest rates will result in an immaterial amount of change to interest revenue.

(b) 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. The company's exposure to credit risk is very low.

(c) Liquidity Risk

The company manages its liquidity risk by maintaining adequate cash reserves and continuously monitoring forecast and actual cash flows while matching the maturity of financial assets and liabilities. The company has surplus cash assets so liquidity risk is minimal.

15. Contingent Liability

The Foundation does not have any contingent liability as at 30 June 2019 (2018 Nil).

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 2019, 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 2019 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

(a) 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.

(b) Both the investment in Morgan Stanley managed investments and the investment performance are based upon the portfolio reviews provided by Morgan Stanley. These are not accompanied by an independent auditor statement at this time. As such I do not express an opinion as to whether these investments are accurate and complete.

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.

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

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 2019, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our 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 regard.

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: 23rd September , 2019

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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 2019, 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: 23rd September , 2019

North Balwyn, Victoria

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