

# CDH Australia Limited

ABN 60 131 315 145

## Financial Report for the Year Ended 30 June 2017

### DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30 June 2017.

#### Directors

The names of each person who has been a director during the year and to the date of this report are:

Margaret Polacska – President (Terminated on 13 October 2016)  
Linda West – Secretary (Terminated on 13 October 2016)  
John Hurley – Treasurer (Terminated on 12 October 2017)  
Joshua Kirkwood – Co-president (Appointed on 13 October 2016)  
Tara Gallo – Co-president (Appointed on 13 October 2016)  
Anna Fogarty – Vice President (Appointed and terminated on 13 October 2016 and 12 October 2017 respectively)  
Lona Sarson – Vice President (Appointed on 12 October 2017)  
Courtney Vodopic – Secretary (Appointed on 13 October 2016)  
Ray Cohen (Appointed on 12 October 2017)

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 were to provide support to families affected Congenital Diaphragmatic Hernia ("CDH"), increase awareness about CDH to impacted families and the community and to support and fund research into the cause and treatment of CDH.

There was no significant change in the nature of these activities during the year.

#### Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Margaret Polacska	3	2
Linda West	3	3
John Hurley	12	10
Joshua Kirkwood	9	9
Tara Gallo	9	7
Anna Fogarty	9	9
Courtney Vodopic	9	9

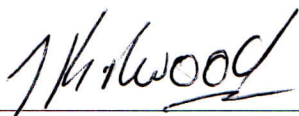
#### Contribution in winding up

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 \$10 towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is \$660 (2016: \$660).


**Auditor's Independence Declaration**

A copy of the Auditor's Independence Declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is included in page 3 of this financial report and forms part of the Directors' Report.

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



Joshua Kirkwood (Co-president)



Tara Gallo (Co-president)

Dated this 21 day of November 2017

## AUDITOR'S INDEPENDENCE DECLARATION

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of CDH Australia Limited for the year ended 30 June 2017.



HLB Mann Judd  
Chartered Accountants

Melbourne, Victoria  
21 November 2017



Nick Walker  
Partner

### HLB Mann Judd (VIC Partnership)

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

	Note	2017 \$	2016 \$
Revenue		57,594	47,980
Administration expenses		(24,328)	(22,660)
Fundraising and donation expenses		(3,740)	(32,155)
<b>Current year surplus / (deficit) before income tax</b>	2	29,526	(6,835)
Income tax expense		-	-
<b>Net current year surplus / (deficit)</b>		29,526	(6,835)
<b>Other comprehensive income</b>		-	-
Total comprehensive income attributable to members of the entity		29,526	(6,835)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash on hand	3	94,958	62,138
TOTAL CURRENT ASSETS		94,958	62,138
NON-CURRENT ASSETS			
Other non-current assets	4	660	660
TOTAL NON-CURRENT ASSETS		660	660
TOTAL ASSETS		95,618	62,798
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Accounts payable and other payables	5	3,535	241
TOTAL LIABILITIES		3,535	241
NET ASSETS		92,083	62,557
<b>EQUITY</b>			
Retained surplus		92,083	62,557
TOTAL EQUITY		92,083	62,557

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Retained Surplus \$
<b>Balance at 1 July 2015</b>	69,392
<b>Comprehensive income</b>	
(Deficit) for the year attributable to members of the entity	(6,835)
Other comprehensive income for the year	-
<b>Total comprehensive income attributable to members of the entity</b>	(6,835)
<b>Balance at 30 June 2016</b>	62,557
<b>Comprehensive income</b>	
Surplus for the year attributable to members of the entity	29,526
Other comprehensive income for the year	-
<b>Total comprehensive income attributable to members of the entity</b>	29,526
<b>Balance at 30 June 2017</b>	92,083

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	<b>Note</b>	<b>2017</b>	<b>2016</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donations, bequests and calendar sales		57,154	47,264
Payments to suppliers		(24,774)	(54,575)
Interest received		440	717
Net cash generated / (used in) from operating activities	6	32,820	(6,594)
Net increase in cash held		32,820	(6,594)
Cash on hand at the beginning of the financial year		62,138	68,732
Cash on hand at the end of the financial year	3	94,958	62,138

The accompanying notes form part of these financial statements.

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

The financial statements cover CDH Australia Limited as an individual entity, incorporated and domiciled in Australia. CDH Australia Limited is a company limited by guarantee.

The financial statements were authorised for issue on 21 November 2017 by the directors of the company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods 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 unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

**Accounting Policies**

**a. Revenue**

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

**b. Cash on Hand**

Cash on hand equivalents includes 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.

**c. Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.



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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d. **Income Tax**

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

e. **Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

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

## NOTE 2: NET CURRENT YEAR SURPLUS

	2017	2016
	\$	\$
<b>a. Expenses</b>		
The following expense item is relevant in explaining the financial performance:		
– Bank charges	-	12
– CAAF expenses	8,715	9,983
– Website & IT	2,891	1,233
– Printed Materials	1,092	62
– Database Fees	1,100	-
– Other expense	1,184	1,223
– Fundraising costs	3,740	251
– Donations	-	30,000
– Paypal fees	415	227
– Insurance	2,683	3,238
– Merchandise	-	1,905
– Postage	129	241
– Telephone	962	1,126
– CDH Workshops	2,682	4,214
– Consultants	2,475	-
– Auditors Remuneration	-	1,100
Total expenses	28,068	54,815
<b>b. Significant Revenue</b>		
The following significant revenue item is relevant in explaining the financial performance:		
Membership	735	615
Donations, fundraising and grants	54,832	42,644
Interest received	440	717
Other revenue	1,587	4,004
Total revenue	57,594	47,980

## NOTE 3: CASH ON HAND

	2017	2016
	\$	\$
Cash at bank	94,958	62,138

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

NOTE 4: OTHER CURRENT ASSETS

	2017	2016
	\$	\$
Preliminary expenses	660	660

NOTE 5: ACCOUNTS PAYABLE AND OTHER PAYABLES

	2017	2016
	\$	\$
Accounts payable - unsecured	3,535	241

NOTE 6: CASH FLOW INFORMATION

	2017	2016
	\$	\$
<b>Reconciliation of cash flows from operating activities with net current year surplus / (deficit)</b>		
Net current year surplus / (deficit)	29,526	(6,835)
Changes in assets and liabilities:		
– increase / (decrease) in accounts payable and other payables	3,294	241
	32,820	(6,594)

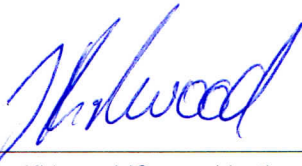
NOTE 7: MEMBERS' GUARANTEE

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 \$10 towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the Company are liable to contribute if the Company would wound up is \$660 (2016: \$660).

CDH AUSTRALIA LIMITED ABN 60 131 315 145  
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of CDH Australia Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 4 to 11, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013* applicable to the company; and
  - b. give a true and fair view of the financial position of the company as at 30 June 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
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.



Joshua Kirkwood (Co-president)



Tara Gallo (Co-president)

Dated this 21 day of November 2017

Independent Auditor's Report  
To the Members of CDH Australia Limited

Opinion

We have audited the financial report of CDH Australia Limited ("the Entity"), which comprises the statement of financial position as at 30 June 2017, the statement of profit or 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 directors' declaration.

In our opinion, the accompanying financial report of the Entity is 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 Entity's financial position as at 30 June 2017 and of its financial performance and cash flows 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.

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 our report. We are independent of the Entity in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the Directors, would be in the same terms if given as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**HLB Mann Judd (VIC Partnership)**

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

The Directors are responsible for the other information. The other information comprises the information included in the Directors' Report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Directors for the Financial Report

Management is responsible for the preparation of the special purpose financial report that gives a true and fair view in accordance with the relevant Australian Accounting Standards in accordance with the Australian Charities and Not-for Profits Commission Regulations 2013 and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Entity'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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of

not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A handwritten signature in dark ink that reads 'HLB Mann Judd'.

HLB Mann Judd  
Chartered Accountants

A handwritten signature in dark ink, appearing to be 'Nick Walker'.

Nick Walker  
Partner

Melbourne, Victoria  
21 November 2017