

**HEART SUPPORT-AUSTRALIA  
LTD**

ABN 34 008 629 221

***Audit Report  
FY 2015-2016***



## **Contents**

<u>Item</u>	<u>Page #</u>
Director's Report .....	4
Auditor's Independence Declaration .....	5
National Office – Income & Expenditure .....	6
Branches – Income & Expenditure .....	7
Statement of Position .....	8
Notes to Financial Statements .....	9
Director's Declaration .....	13
Independent Auditor's Report to Members .....	14
Acknowledgements .....	15



**FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016**

**DIRECTOR'S REPORT**

Your Directors present this report on the company for the financial year ended 30 June 2016.

**Directors**

The names of each person who has been a Director during the year and to the date of this report (unless otherwise stated) are:

- Liz Coker (re-appointed 18 November 2015)
- Graham Neville (resigned 18 November 2015)
- Rob Edwards (re-appointed 18 November 2015)
- Graham Moon (resigned 18 November 2015)
- Judy Edyvean (re-appointed 18 November 2015)
- Steve Hart (resigned 7 February 2016)
- Maria Agostino (appointed 18 November 2015)
- John Grenon (appointed 18 November 2015)

**Principal Activities**

The principal activity of the company during the financial year was the provision of support to persons with heart problems, their carers and families. This support is accompanied by information and encouragement spread through a nationwide volunteer network and delivered via Branches established around Australia.

**Auditor's Independence Declaration**

The Auditor's independence declaration for the year ended 30 June 2016 has been received and is included in this Annual Report.

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

Liz Coker (National President)

Dated this 1st day of September 2016

**AUDITOR'S INDEPENDENCE DECLARATION**

*Under Section 307C of the Corporations Act 2001  
to the Directors of Heart Support-Australia Ltd*

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been no contraventions of:

- i. The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. Any applicable code of professional conduct in relation to the review.

John Beard  
Registered Company Auditor 15775  
22 Hensman Street LATHAM ACT 2615

Dated this 1st day of September 2016



# HEART SUPPORT-AUSTRALIA LIMITED

ABN 34 008 629 221  
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## INCOME & EXPENDITURE STATEMENT – NATIONAL OFFICE YEAR ENDED 30 JUNE 2016

	<u>2016</u>	<u>2015</u>
<b><u>INCOME</u></b>	<b>\$</b>	<b>\$</b>
Donations (General)	7,539.78	0.00
Grants	198,265.85	176,531.70
Bank Interest	884.26	1,281.27
AGM Conference Reimbursements	1,838.15	0.00
Donations (AGM)	0.00	5,000.00
Miscellaneous	0.00	165.00
Branch Closures	7,954.29	8,012.44
<b>Total Income</b>	<b>216,482.33</b>	<b>190,990.41</b>
<b><u>EXPENSES</u></b>		
Accounting & Audit	3,228.70	3,649.09
Governance – ASIC/ACNC	3.20	0.00
AGM Director Travel/Accomm/Food	4,809.83	1,951.34
AGM Conference Costs incl. Food	5,781.82	9,975.83
AGM Delegate Packs	1,575.31	2,913.75
AGM Miscellaneous	0.00	1,359.29
AGM Awards & Badges	306.74	0.00
Director Travel & Accomm	5,072.84	11,108.92
Director Meetings	413.61	0.00
Other Director Expenses	474.09	982.17
Community Resource Materials	(2.04)	1,505.45
Certificates & Badges	0.00	81.97
Travel to Branches	0.00	14,291.91
HHSS Expenses	0.00	737.91
Bank Fees	4.24	48.14
Consultancy	780.60	0.00
Depreciation	1,378.84	1,686.73
Write Off - Equipment	1,121.16	0.00
Expensed Equipment < \$2000	2,097.27	0.00
Electricity	1,885.32	1,767.67
Insurances	23,834.86	12,618.69
Photocopying & Printing	1,106.34	5,244.49
Rent	9,974.94	11,775.31
Office Repairs & Maintenance	111.82	0.00
Postage, Courier & Freight	1,506.04	6,282.36
Stationery	336.60	2,916.77
Sundries	0.00	1,779.10
Telephone	1,911.64	5,265.91
Condolence & Thank You Gifts	5.44	0.00
Staff Recruitment	0.00	240.00
Wages & Salaries incl. Superannuation	85,962.63	86,903.65
Staff Travel	49.09	1,911.59
Sundry Employee Expenses	0.00	439.82
Website	1,497.47	3,154.39
Computer & Internet	200.00	1,104.45
<b>Total Expenses</b>	<b>155,508.40</b>	<b>191,696.70</b>
<b>NET SURPLUS/(DEFICIT) for Financial Year</b>	<b>60,973.93</b>	<b>(706.29)</b>



# HEART SUPPORT-AUSTRALIA LIMITED

ABN 34 008 629 221  
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## INCOME & EXPENDITURE STATEMENT – BRANCHES YEAR ENDED 30 JUNE 2016

	<u>2016</u>	<u>2015</u>
<b><u>INCOME</u></b>	<b>\$</b>	<b>\$</b>
Membership Subscriptions	6,075.00	6,025.10
Grants	19,434.55	9,538.00
Fundraising	19,163.20	35,381.11
Branch Meetings	1,013.70	175.00
Donations	12,979.23	28,452.17
Bank Interest	696.94	649.17
Social Events	24,451.70	24,307.00
Exercise Activities	2,846.75	4,992.80
Other/Miscellaneous	4,023.78	2,130.89
<b>Total Income</b>	<b>90,684.85</b>	<b>111,651.24</b>
<b><u>EXPENSES</u></b>		
Branch Costs	18,031.08	14,957.90
National AGM	7,420.67	7,195.64
Bank Fees	71.85	95.30
Donations Paid incl. Equipment	33,178.46	23,293.99
Fundraising	4,145.75	6,706.08
Heart Health Support Service	3,220.58	3,798.81
Levies to National Office	0.00	50.00
Social Events	30,240.91	26,820.70
Exercise Activities	5,553.38	4,260.75
Other/Miscellaneous	3,330.19	3,962.44
Closed Branch Funds Paid to National Office	2,948.25	0.00
<b>Total Expenses</b>	<b>108,141.12</b>	<b>91,141.61</b>
<b>NET SURPLUS/(DEFICIT) for Financial Year</b>	<b>(17,456.27)</b>	<b>20,509.63</b>



# HEART SUPPORT-AUSTRALIA LIMITED

ABN 34 008 629 221  
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## STATEMENT OF POSITION YEAR ENDED 30 JUNE 2016

	Note	<u>2016</u> \$	<u>2015</u> \$
<b>Members Equity</b>	8		
Accumulated Members Funds		163,131.95	143,328.61
Surplus/Deficit for Year	6	43,517.66	19,803.34
<b>Total Members Funds</b>		<u>206,641.61</u>	<u>163,131.95</u>
<b>These Funds are Represented by:</b>			
<b><u>CURRENT ASSETS</u></b>			
<i>Cash at Bank</i>			
National Office	2	125,342.24	33,985.38
Branches	2	105,713.41	122,953.10
		<u>231,055.65</u>	<u>156,938.48</u>
Prepayments	3	0.00	7,688.20
Trade Debtors		0.00	276.52
<b>Total Current Assets</b>		<u>231,055.65</u>	<u>164,903.20</u>
<b><u>NON-CURRENT ASSETS</u></b>			
Plant & Equipment at Written Down Value	4	3,504.00	6,004.00
<b>TOTAL ASSETS</b>		<u>234,559.65</u>	<u>170,907.20</u>
<b><u>LESS LIABILITIES</u></b>			
Provision for Branch Re-Establishment	9	2,883.62	7,889.66
Australian Tax Office Liability	5	8,681.29	(3,048.06)
Staff Provisions	5	4,234.52	2,933.65
Member Donation Held in Trust	5	50.00	0.00
Trade Creditors	5	12,060.61	0.00
<b>TOTAL LIABILITIES</b>		<u>27,910.04</u>	<u>7,775.25</u>
<b>NET ASSETS (As Above)</b>		<u>206,641.61</u>	<u>163,131.95</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2016**

The financial statements cover Heart Support-Australia Ltd as an individual entity, incorporated and domiciled in Australia. Heart Support-Australia Ltd is a company limited by guarantee.

**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 order to meet the requirements of the *Corporations Act 2001*. 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 *Corporations Act 2001* 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 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.

**Accounting Policies**

**a. Revenue**

All Income items are recognised as revenue when received. Interest revenue is recognised as it is received or credited to the bank account. All revenue is stated net of the amount of goods and services tax.

**b. Property, Plant and Equipment**

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

The depreciation rates used are:

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	20% – 100%

**c. Employee Provisions**

Employee Benefits

Provision is made for the company's obligation for employee benefits. The company's obligations for Long Service Leave and Annual Leave are recognised as a part of accounts payable and other payables in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**d. Cash on Hand**

Cash on hand equivalents includes cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of three months or less.

**e. Accounts Receivable and Other Debtors**



## HEART SUPPORT-AUSTRALIA LIMITED

ABN 34 008 629 221

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Receivables represent the amount owed to the company at the end of the reporting period for goods and services provided by the company during the reporting period which remain uncollected. The balance is recognised as a current asset with the amount being normally received within 30 days of recognition of the asset.

**f. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

**g. 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*.

**h. Intangibles – Not Applicable**

**i. Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**j. Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation Standards for the current financial year. Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

**k. Accounts Payable and Other Payables**

Trade 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.

**l. Economic Dependence**

Heart Support-Australia Ltd is dependent on the Department of Health for the majority of its revenue used to operate the business.

<b>Significant Revenue</b>	2016	2015
The following significant revenue items are relevant in explaining the financial performance:		
	\$	\$
Non-Reciprocal Commonwealth Department of Health Grant – Operating	198,265.85	176,531.70

**NOTE 2: CASH ON HAND**

	2016	2015
	\$	\$
Cash at Bank - National Office	125,342.24	33,985.38
- Branches	105,713.41	122,953.10
	<b>231,055.65</b>	<b>156,938.48</b>





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ABN 34 008 629 221  
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### NOTE 3: OTHER CURRENT ASSETS

	2016	2015
	\$	\$
Prepayments	0.00	7,688.20
Trade Debtors	0.00	276.52
	<b>0.00</b>	<b>7,964.72</b>

### NOTE 4: PLANT AND EQUIPMENT

	2016	2015
<b>Plant &amp; Equipment:</b>	<b>\$</b>	<b>\$</b>
At Cost	6,509.73	14,332.73
Less Accumulated Depreciation	(3,005.73)	(8,328.73)
Net Carrying Amount	3,504.00	6,004.00

### NOTE 5: ACCOUNTS PAYABLE AND OTHER PAYABLES

	2016	2015
<b>CURRENT</b>	<b>\$</b>	<b>\$</b>
Trade Creditors	12,060.61	0.00
ATO Liability   Refund	8,681.29	(3,048.06)
Provision for Branches Reopening	2,883.62	7,889.66
Staff Provisions	4,234.52	2,933.65
Member Donation Held in Trust	50.00	0.00
	<b>27,910.04</b>	<b>7,775.25</b>

### NOTE 6: CASH FLOW INFORMATION

	2016
<b>Reconciliation of Cash Flows</b>	<b>\$</b>
<b>FUNDS IN</b>	
Net Income – National Office	60,973.93
Net Income – Branches	(17,456.27)
<b>Net Income – TOTAL</b>	<b>43,517.66</b>
Decrease in Prepayments	7,688.20
Decrease in Plant & Equipment At Cost	7,823.00
Decrease in Accumulated Depreciation	(5,323.00)
Increase in Accounts Receivable	12,060.61
Increase in Member Donation Held in Trust	50.00
Increase in ATO Liability	11,729.35
Increase in Staff Provisions	1,300.87
Decrease in Accounts Payable	276.52
Decrease in Provision for Branch Re-Establishment	(5,006.04)
<b>INCREASE IN CASH HOLDINGS</b>	<b>74,117.17</b>
<b>Cash at 1 July 2015</b>	<b>156,938.48</b>
<b>Cash at 1 July 2016</b>	<b>231,055.65</b>

### NOTE 7: ENTITY DETAILS

The registered office and principal place of business of the company is:  
Unit 11, Level 1



## HEART SUPPORT-AUSTRALIA LIMITED

ABN 34 008 629 221  
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2-10 Oatley Court  
Belconnen ACT 2617

### **NOTE 8: 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 2016, the number of members was 649.

### **NOTE 9: PROVISION FOR BRANCH RE-ESTABLISHMENT**

Company Policy is money returned to National Office from Branches is held in trust for 3 years, with 90% being returned if re-established within 1 year; 60% within 2 years; and 30% within 3 years. As at balance date, funds were provisioned for the following Branches (a zero amount indicates provisioned funds were released within the period):

	2016
<b>Branch Name/s</b>	<b>\$</b>
Wangaratta	0.00
Wagga Wagga	0.00
Warrnambool	0.00
Wonthaggi	230.19
Central Adelaide	2,653.43
Lake Cargelligo	39.78
<b>TOTAL</b>	<b>2,923.40</b>



## HEART SUPPORT-AUSTRALIA LIMITED

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**HEART SUPPORT-AUSTRALIA LTD**  
**ABN 34 008 629 221**

### **DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Heart Support-Australia Ltd, the Directors declare that:

1. The financial statements and notes, as set out herein, are in accordance with the *Corporations Act 2001*; and
  - a. Comply with the Australian Accounting Standards applicable to the company; and
  - b. Give a true and fair view of the financial position of the company as at 30 June 2016 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.

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

Graham Neville (Interim National Treasurer)

Dated this 30th day of September 2016



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF HEART SUPPORT-AUSTRALIA LIMITED**

**Report on the Financial Report**

We have audited the accompanying financial report of Heart Support-Australia Limited (the company), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss, the statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification by members of the committee on the annual statements giving a true and fair view of the financial position of the association.

**Committee's Responsibility for the Financial Report**

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

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

**Opinion**

In our opinion, the financial report of Heart Support-Australia Limited is in accordance with the *Corporations Act 2001*, including:

- i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements.

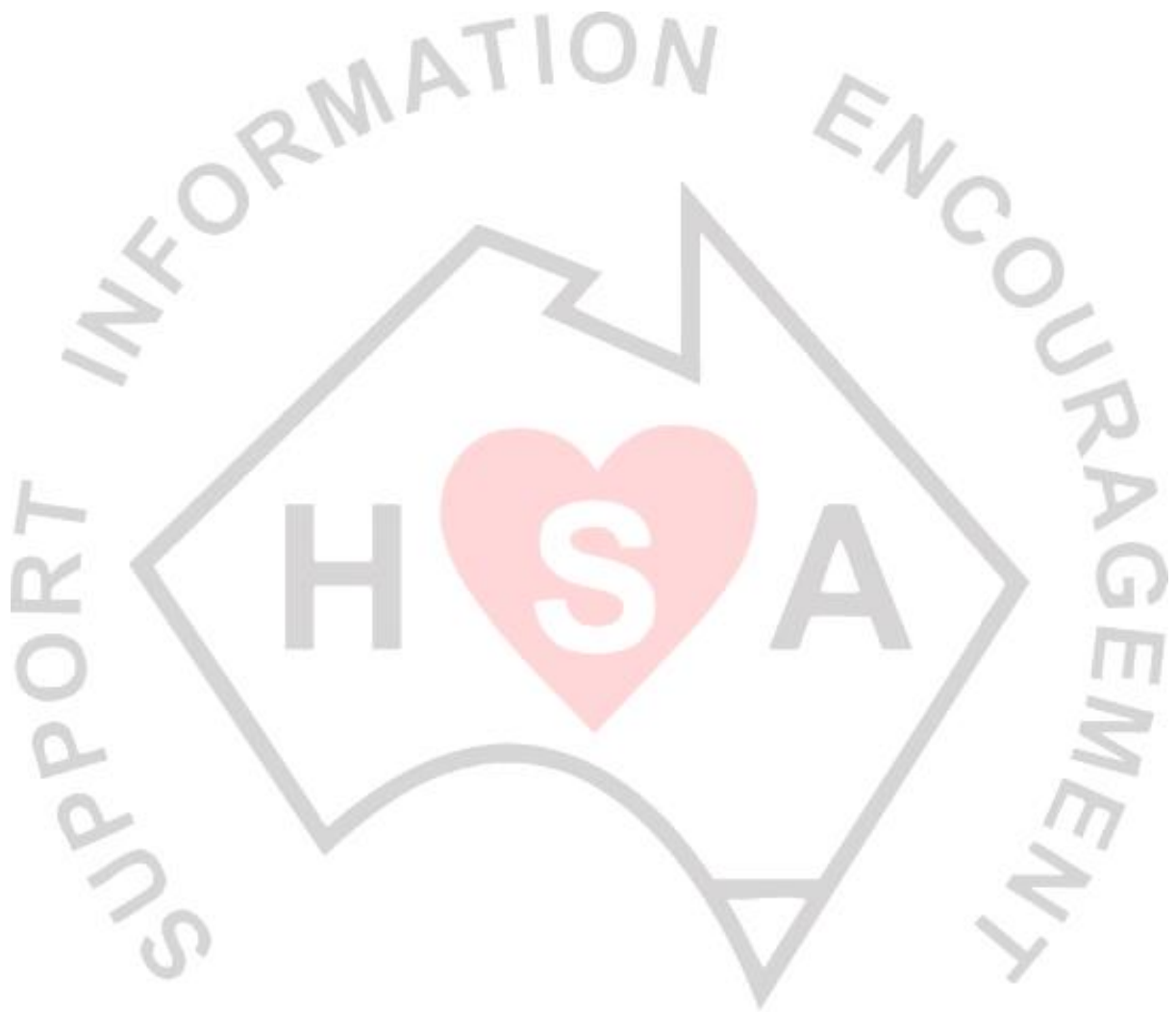
John Beard  
Registered Company Auditor 15775  
22 Hensman Street LATHAM ACT 2615

Dated this 1st day of September 2016



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