

AUSTRALIAN CYSTIC FIBROSIS RESEARCH TRUST
ABN 90 202 760 228

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018



CYSTIC FIBROSIS

Australia

Rose Cottage
2 Richardson Place
North Ryde NSW 2113
PO Box 268
North Ryde NSW 1670

Australian Cystic Fibrosis Research Trust
(ABN 90 202 760 228)

Financial report

For the year ended 31 December 2018

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Australian Cystic Fibrosis Research Trust

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Trustees' report

The trustees of Australian Cystic Fibrosis Research Trust (the 'trust') present this report for the year ended 31 December 2018.

Trustee

The names of each person who has been a trustee at any time during, or since the end of, the year are:

Name:	Appointed:
Mitchell Messer	1992
Conrad Guerra	1992
Paul Dalby	2009
Margaret Walker	Resigned 6/4/18
Dr Patrick O'Connor	2015
Laurie Daly	2018

The trustees have been in office since the start of the financial year to the date of this report unless other stated.

Principal activities

The principal activities of the trust during the financial year were to advance and improve the treatment of cystic fibrosis in Australia, promoting innovative research and supporting young scientists to become involved in the search for answers.

Review of Operations

The Trustees report that the operations of the year resulted in a deficit of \$236,999 (2017: Deficit \$247,707).

Trustees' benefits

During or since the end of the financial year no Trustee has received or become entitled to receive any benefit by reason of a contract made by the trust or related entities with a Trustee or with a firm of which a Trustee has substantial financial interest.

Auditor's independence

The auditor's declaration of independence appears on page 2 and forms part of the Trustees' Report for the year ended 31 December 2018.

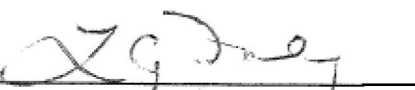
Signed in accordance with a resolution of the trustees:

Trustee:



Mitch Messer

Trustee:



Laurie Daly

Dated: 6 April 2019



Auditor's declaration of independence

To the Trustees of Australian Cystic Fibrosis Research Trust

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018 there have been no contraventions of:

- (i) the auditor independence requirements of Section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Roberts & Morrow
Chartered Accountants

Michelle A Paull
Partner
Registered Company Auditor Number: 164853

Dated: 6 April 2019

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Statement of profit or loss and other comprehensive income

	Note	2018 \$	2017 \$
Revenue			
Donations received		157,687	36,951
Research funding		64,000	66,250
Interest received		3,431	3,745
Other income		9,147	-
Total revenue		234,265	106,946
Expenditure			
Funds paid for approved research & PHD grants		(471,204)	(249,653)
Donations		-	(100,000)
Bank charges		(60)	-
Other expenses		-	(5,000)
		471,264	(354,653)
Surplus / (deficit) for the year		(236,999)	(247,707)
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the year		-	-
Total comprehensive income		(236,999)	(247,707)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Statement of financial position as at 31 December 2018

	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	3	446,745	509,375
Pledges receivable		-	34,875
		446,745	544,250
Total assets		446,745	544,250
Current liabilities			
Research grants and PHD grants payable		190,560	54,357
GST Payable		4,036	745
Total current liabilities		194,596	55,102
Total liabilities		194,596	55,102
Net assets		252,149	489,148
Equity			
Settlement sum		900	900
Retained earnings		251,249	488,248
Total equity		252,149	489,148

The statement of financial position is to be read in conjunction with the attached notes.

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Financial report for the year ended 31 December 2018

Statement of changes in equity

	Retained earnings	Settlement Sum	Total equity
Balance at 1 July 2016	735,955	900	736,855
Deficit for the year	(247,707)	-	(247,707)
Other comprehensive income	-	-	-
Balance at 30 June 2017	488,248	900	489,148
Deficit for the year	(236,999)	-	(236,999)
Other comprehensive income	-	-	-
Balance at 31 December 2018	251,249	900	252,149

The statement of changes in equity is to be read in conjunction with the attached notes.

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Statement of cash flows

	Note	2018 \$	2017 \$
Cash flows from operating activities			
Receipts from donations and other income		297,321	363,859
Payments to suppliers and employees		(363,382)	(317,047)
Interest received		3,431	3,745
Increase/ (Decrease) in cash from operating activities		(62,630)	50,557
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Net increase (decrease) in cash held		(62,630)	50,557
Cash at beginning of financial year		509,375	458,818
Cash at end of financial year	3	446,745	509,375

The statement of cash flows is to be read in conjunction with the attached notes.

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Notes to and forming part of the financial statements

1. Corporate information

The financial report of Australian Cystic Fibrosis Research Trust (the “trust”) for the year ended 31 December 2018 was authorised for issue in accordance with a resolution of the trustees on 6 April 2019.

Australian Cystic Fibrosis Research Trust is a not-for-profit entity registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC). The nature of the operations and principal activities of the trust are described in the Trustees’ Report.

2. Summary of significant accounting policies

Financial reporting framework

The Trustees have prepared the financial statements on the basis that the trust is a non-reporting entity as there are no users dependent upon a general purpose financial report.

The financial report is a special purpose financial report, which has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The trust is a non-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Statement of compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012*, the basis accounting specified by all Australian Accounting Standards and Interpretations and the disclosure requirements of Accounting Standards;

AASB 101: Presentation of Financial Statements

AASB 107: Cash Flow Statements

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031: Materiality

AASB 1054: Australian Additional Disclosures

Basis of preparation

The financial report, except for the cash flow information, has been prepared on an accrual basis and is based on historical costs. The amounts presented in the financial statements have been presented in Australian dollars and rounded to the nearest dollar.

Financial report for the year ended 31 December 2018

Australian Cystic Fibrosis Research Trust

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Notes to and forming part of the financial statements

(a) Revenue

Revenue is recognised when the trust 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.

Research Funding

Research funding is recognised when the performance obligations attaching to the research have been met.

Donations and Bequests

Revenue from receipt of donations and bequests is recognised as revenue when received.

Interest

Interest revenue is recognised as it accrues.

(b) 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.

Research Grants and PHD Grants

Expenditure for research and PHD grants is recognised when the conditions attached to the milestones in the individual agreements have been met.

(c) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(d) Account and other receivables

Trade receivables, which comprise amounts due from the provision of services, are recognised and carried at original invoice amount less any allowance for any uncollectable amounts.

An allowance for doubtful debts is made when there is objective evidence that the trust will not be able to collect the debts. Bad debts are written off when identified.

Financial report for the year ended 31 December 2018
Notes to and forming part of the financial statements

(e) Accounts and other payables

Trade creditors and other payables represent liabilities for goods and services provided to the trust 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.

(f) Research and PHD grant payables

Where milestones attaching to individual research and PHD grants have been met and payment has not been made a research and PHD grant payable is recorded. Future commitments in respect of signed agreements are disclosed at Note 5.

(g) Income tax

As a charity registered with the Australian Charities and Not-for-Profits Commission and endorsed by the ATO, the trust is exempt from income tax. Accordingly, no provision for income tax has been made.

(h) 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, 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.

(i) Comparative information

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(j) Critical Accounting Estimates and Judgements

The trustees evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the trust.

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Notes to and forming part of the financial statements

3. Cash and cash equivalents

	2018	2017
	\$	\$
Commonwealth Bank	47,155	44,302
Working account	399,590	465,072
	446,745	509,374

4. Cash flows from operations

	2018	2017
	\$	\$
Reconciliation of cash flow from operations with profit from ordinary activities		
Deficit from ordinary activities	(236,999)	(247,707)
Changes in assets and liabilities		
(Increase)/decrease in account and other receivables	34,875	243,162
Increase/(decrease) in account and other creditors	3,291	55,102
Increase in research and PHD grants payable	136,203	-
Net cash provided by operating activities	62,630	50,557

5. Contingent assets and liabilities

At year end the Trust has commitments payable for grants previously approved by the Trustees.

	2018	2017
	\$	\$
Not later than 12 months	130,000	124,738
Later than 12 months but not later than five years	20,000	105,000
	150,000	229,738

The payment of these grants is contingent on the grantees completing their obligations in accordance with the terms of their grants.

To the best of the Trustees' knowledge and belief, there are no known other contingent assets or liabilities at balance date.

6. Capital commitments

To the best of the Trustees' knowledge and belief, there are no known capital commitments at balance date.

7. Events after the reporting period

To the best of the Trustees' knowledge and belief, there have been no significant events since the end of the reporting period requiring disclosure in the financial report.

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Notes to and forming part of the financial statements

8. Related parties and related party transactions

The trust's main related parties are as follows:

a. Trustee

The Trustee is the Australian Cystic Fibrosis Associations Federation Incorporation.

b. Key management personnel

The Trustees of the Australian Cystic Fibrosis Research Trust, have the authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, and are considered to be key management personnel. The Trustees did not receive any remuneration during the year ended 31 December 2018.

9. Trust details

The registered office and principal place of business of the trust is:

Rose Cottage
2 Richardson Place
North Ryde NSW 2113

Australian Cystic Fibrosis Research Trust

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Financial report for the year ended 31 December 2018

Trustees' declaration

In accordance with a resolution of the Trustees of Australian Cystic Fibrosis Research Trust, the Trustees declare that in their opinion:

1. The financial statements and notes:

a) comply with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*;

b) comply with Australian Accounting Standards; and

c) give a true and fair view of the financial position of the trust as at 31 December 2018 and its performance and cash flows for the year ending on that date.

2. There are reasonable grounds to believe that the trust will be able to pay all of its debts, and when they become due and payable.

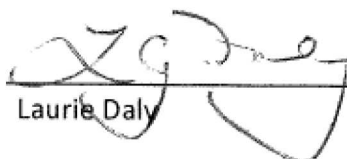
Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Regulation 2013*;

Trustee:



Mitch Messer

Trustee:



Laurie Daly

Dated: 6 April 2019

Independent auditor's report

To the Trustees of Australian Cystic Fibrosis Research Trust

Opinion

We have audited the accompanying special purpose financial report, of Australian Cystic Fibrosis Research Trust (the trust), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the trust as at 31 December 2018 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards. Further, the financial report has been prepared in accordance with Division 60 of the Australian Charities and Not-For-Profits Commission Act 2012 and the requirements set out in the Australian Charities and Not-For-Profits Commission Regulations 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 trust 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) and the auditor independence requirements of the Australian Charities and Not-For-Profits Commission Act 2012 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the Trustees in complying with the financial reporting provisions of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result the report should not be used for another purpose.

Responsibilities of the Trustees for the Financial Report

The trustees are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, in accordance with Division 60 of the Australian Charities and Not-For-Profits Commission Act 2012 and the requirements set out in the Australian Charities and Not-For-Profits Commission Regulations 2013, and for such internal control as the trustees determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Australian Cystic Fibrosis Research Trust

(a company limited by guarantee)

In preparing the financial report, the trustees are responsible for assessing the trust'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 the trustees either intends to liquidate the trust or to cease operations, or has no realistic alternative but to do so.

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 the financial report.

Our responsibilities

As part of an audit in accordance with the Australian Auditing Standards, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- Obtains 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.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Concludes on the appropriateness of the trustees' 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 the auditor concludes that a material uncertainty exists, the auditor is 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 the auditor's opinion. The auditor's 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 entity to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial report, including the disclosures made by the trustees.

Australian Cystic Fibrosis Research Trust

(a company limited by guarantee)

The auditor communicates with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Roberts & Morrow
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Michelle A Paul', enclosed within a hand-drawn oval.

Michelle A Paul
137 Beardy Street
Armidale
Auditor Registration Number: 164853

Dated: 6 April 2019