

Can Assist and Cancer Council NSW "Lilier Lodge"

Financial Statements

For the Year Ended 30 June 2017

Can Assist and Cancer Council NSW "Lilier Lodge"

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For the Year Ended 30 June 2017

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Can Assist and Cancer Council NSW "Lilier Lodge"


Owners' Declaration

The owners declare that the entity is not a reporting entity and that the special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial report.

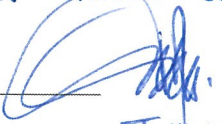
The owners of the entity declare that:

1. the financial report including notes, as set out on pages 1 to 7, present fairly the entity's financial position as at 30 June 2017 and its performance for the year then ended, in accordance with the accounting policies described in Note 1 to the financial report; and
2. in the owners' opinion, there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable, with the continuing support of the joint owners.

Signed for and on behalf of the owners by;



Can Assist
Name: D. TAYLOR
Position: DIRECTOR & TREASURER



Cancer Council NSW
Name: J. MITCHELL
Position: CEO
9.11.17

Dated 12/6/17

Can Assist and Cancer Council NSW "Lilier Lodge"

Income Statement

For the Year Ended 30 June 2017

	Note	2017 \$	2016 \$
Income			
Donations and bequests		56,165	178,991
Accommodation fees		420,499	286,844
Interest received		589	2,537
Grants received	3	-	38,800
Other income		-	1,044
		<u>477,253</u>	<u>508,216</u>
Expenditure			
Advertising		3,306	86
Auditors remuneration		3,140	12,009
Bank charges		1,416	1,180
Cleaning		19,036	34,330
Computer expenses		4,161	2,830
Consultancy		9,804	10,500
Depreciation		148,483	97,832
Doubtful debts		30	-
Electricity and gas		21,687	24,307
Gardening		4,747	3,168
Groceries and other consumables		18,846	10,489
Insurance		13,819	18,874
Linen		12,071	8,646
Management fees	4	243,203	257,231
Pest control		2,227	2,227
Printing, postage and stationery		3,343	2,125
Rates		9,759	8,841
Recruitment expense		4,818	24,511
Repairs and maintenance		9,418	174,892
Rubbish removal		3,510	3,329
Security		2,956	2,850
Staff amenities and training		2,145	2,312
Subscriptions		80	-
Sundry expenses		-	49
Sundry write offs		37	966
Telephone		4,565	6,794
Travelling		6,246	915
		<u>552,853</u>	<u>711,293</u>
Total Expenses			
		<u>(75,600)</u>	<u>(203,077)</u>
Operating loss for the year			
Accumulated losses brought forward		<u>(689,330)</u>	<u>(486,253)</u>
		<u>(764,930)</u>	<u>(689,330)</u>
Accumulated losses at the end of the year		<u>(764,930)</u>	<u>(689,330)</u>

The accompanying notes form part of these financial statements.

Can Assist and Cancer Council NSW "Lilier Lodge"

Balance Sheet

As at 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	121,936	268,743
Trade and other receivables	6	48,424	102,534
Other assets	7	11,503	12,064
TOTAL CURRENT ASSETS		<u>181,863</u>	<u>383,341</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	2,066,157	2,183,911
TOTAL NON-CURRENT ASSETS		<u>2,066,157</u>	<u>2,183,911</u>
TOTAL ASSETS		<u>2,248,020</u>	<u>2,567,252</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	38,014	281,646
TOTAL CURRENT LIABILITIES		<u>38,014</u>	<u>281,646</u>
TOTAL LIABILITIES		<u>38,014</u>	<u>281,646</u>
NET ASSETS		<u>2,210,006</u>	<u>2,285,606</u>
EQUITY			
Accumulated losses		(764,930)	(689,330)
Capital	10	2,974,936	2,974,936
TOTAL EQUITY		<u>2,210,006</u>	<u>2,285,606</u>

The accompanying notes form part of these financial statements.

Can Assist and Cancer Council NSW "Lilier Lodge"

Notes to the Financial Statements

For the Year Ended 30 June 2017

1 Basis of Preparation

The financial report is a special purpose financial report prepared for use by the joint owners of the entity. The joint owners are Cancer Patients' Assistance Society of New South Wales "Can Assist" and the Cancer Council NSW. The joint owners have determined that the entity is not a reporting entity.

The financial report has been prepared in accordance with the significant accounting policies described below, which the owners have determined are appropriate to meet their needs.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

2 Summary of Significant Accounting Policies

(a) Property, Plant and Equipment

Property, plant and equipment are measured on a cost basis. The carrying amount of property, plant and equipment is to be reviewed annually by the joint owners, to ensure that it is not in excess of the recoverable amount of those assets.

(b) Depreciation

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operation over the useful lives of the assets, with the exception of freehold land which has not been depreciated. The prime cost method of depreciation has been adopted. The depreciation rates used for each class of assets are:

Buildings	4% p.a.
Plant & Equipment	10-100% p.a.
Office Equipment	10-20% p.a.

(c) Acquisition of Assets

Assets acquired are recorded at the acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

(d) Repairs and Maintenance

Maintenance, repair costs and minor renewals are charged against income in the period in which they are incurred.

(e) Accounts Payable

Trade Payables are recognised when the entity incurs an obligation to make future payments resulting from the purchase of goods and services.

(f) Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

Notes to the Financial Statements

For the Year Ended 30 June 2017

2 Summary of Significant Accounting Policies (continued)

(f) Goods and Services Tax (GST) (continued)

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

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

(g) Receivables

Trade and other receivables are recorded at amounts due less any allowance for doubtful debts which may be applicable.

(h) Investments

Investments are recorded at lower of cost and recoverable amount. Interest revenue is recognised on an accruals basis.

(i) Consumables

Food, medical and linen supplies etc. supplied in the operation of the entity are charged as expenses in the accounting year that they are acquired.

(j) Revenue

Revenue from the rendering of services is recognised upon the delivery of the service to customers. Interest revenue is recognised on a proportional basis taking into account applicable interest rates. All revenue is stated net of GST.

(k) Going concern

Notwithstanding the Joint Venture's continued losses, the financial report has been prepared on the going concern basis. This basis has been adopted as the Joint Venture has received a guarantee of continuing financial support from the joint owners Can Assist and the Cancer Council NSW to allow the Joint Venture to meet its liabilities and it is the belief of the joint owners that such financial support will continue to be made available.

Can Assist and Cancer Council NSW "Lilier Lodge"

Notes to the Financial Statements

For the Year Ended 30 June 2017

3 Grants Received

	2017	2016
	\$	\$
Office of Communities - Community Builders Project	-	23,800
Thomas Reid Foundation	-	15,000
	<u>-</u>	<u>38,800</u>

4 Management Fees

Employee wages and on-costs	191,953	205,981
Management charge	51,250	51,250
	<u>243,203</u>	<u>257,231</u>

5 Cash and Cash Equivalents

Cash on hand	500	200
Cash at bank	121,436	268,543
	<u>121,936</u>	<u>268,743</u>

6 Trade and Other Receivables

Trade debtors	39,296	53,098
Less provision for doubtful debts	(3,000)	(3,000)
	<u>36,296</u>	<u>50,098</u>
GST on acquisitions	12,128	32,436
Accrued income	-	20,000
	<u>48,424</u>	<u>102,534</u>

7 Other Assets

Prepayments	<u>11,503</u>	<u>12,064</u>
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Can Assist and Cancer Council NSW "Lilier Lodge"

Notes to the Financial Statements

For the Year Ended 30 June 2017

8 Property, Plant and Equipment

	2017	2016
	\$	\$
Land - at cost	<u>692,920</u>	<u>692,920</u>
Buildings - at cost	2,282,911	2,282,911
Less accumulated depreciation	<u>(1,202,378)</u>	<u>(1,111,058)</u>
	<u>1,080,533</u>	<u>1,171,853</u>
Plant and equipment - at cost	397,037	366,307
Less accumulated depreciation	<u>(106,265)</u>	<u>(49,727)</u>
	<u>290,772</u>	<u>316,580</u>
Office equipment - at cost	8,070	8,070
Less accumulated depreciation	<u>(6,138)</u>	<u>(5,512)</u>
	<u>1,932</u>	<u>2,558</u>
Total Property, Plant and Equipment	<u><u>2,066,157</u></u>	<u><u>2,183,911</u></u>
9 Trade and Other Payables		
Trade and other creditors	28,103	162,439
Accrued expenses	<u>9,911</u>	<u>119,207</u>
	<u>38,014</u>	<u>281,646</u>
10 Capital		
Capital injections		
Cancer Council NSW	1,487,468	1,487,468
Cancer Patients' Assistance Society of New South Wales	<u>1,487,468</u>	<u>1,487,468</u>
	<u>2,974,936</u>	<u>2,974,936</u>

Can Assist and Cancer Council NSW "Lilier Lodge"

Notes to the Financial Statements

For the Year Ended 30 June 2017

11 Retrospective restatement

(a) The following errors pertaining to prior years were noted in the current year:

Capital invested by both partners was incorrectly classified as loans when they are not repayable.

The aggregate effect of the error on the annual financial statements for the year ended 30 June 2017 is as follows:

	Previously stated	30 June 2016 Adjustments	Restated
	\$	\$	\$
Balance Sheet			
Accumulated losses	(689,330)	-	(689,330)
Capital	-	2,974,936	2,974,936
Trade & other payables - current	1,056,582	(774,936)	281,646
Trade & other payables - non-current	2,200,000	(2,200,000)	-

Can Assist and Cancer Council NSW "Lilier Lodge"

Independent Audit Report to the members of Can Assist and Cancer Council NSW "Lilier Lodge"

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the accompanying financial report, being a special purpose financial report of Can Assist and Cancer Council NSW "Lilier Lodge" (the Joint Venture), which comprises the balance sheet as at 30 June 2017, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the owners' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Joint Venture for the year ended 30 June 2017 is prepared, in all material respects, in accordance with the accounting policies described in Note 1 to the financial report.

Basis for Qualified Opinion

As is common for organisations of this type, it is not practicable to extend examination of cash-based revenue streams such as donations and bequests beyond accounting for funds received as recorded in the accounting records. Accordingly, our audit in relation to such income was limited to the amounts received. We cannot determine the effect of such adjustments, if any, which may have been necessary had the foregoing limitations not existed.

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 Joint Venture in accordance with the auditor independence requirements of 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 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 qualified opinion.

Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report is prepared to assist the Joint Venture to meet its financial reporting requirements to members. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Joint Venture and should not be distributed to or used by parties other than the Joint Venture. Our opinion is not modified in respect of this matter.

Emphasis of Matter

Without further qualification to the opinion expressed above, attention is drawn to the following matter. As described in Note 2(k) of the financial report, the Joint Venture has recorded continued losses, including a loss of \$75,600 for the financial year ended 30 June 2017. Based on the fact that the Joint Venture can be supported by the joint owners, the joint owners are of the view that the Joint Venture will continue as a going concern. If support from the joint owners is not forthcoming, there is some uncertainty as to whether the Joint Venture will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the accounting policies described in Note 1 to the financial report, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the the Joint Venture'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 intends to liquidate the Joint Venture or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Joint Venture'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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

YCG Audit Services Pty Ltd

Simon Joyce
Director
Parramatta
XX August 2017