

NSW Therapeutic Advisory Group Inc

ABN: 82 707 308 091

Financial Statements

For the Year Ended 30 June 2018

NSW Therapeutic Advisory Group Inc

ABN: 82 707 308 091

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For the Year Ended 30 June 2018

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Management Committee's Report

For the Year Ended 30 June 2018

Your committee members submit the financial report of the Association for the financial year ended 30 June 2018.

1. Committee members

The names of committee members throughout the year and at the date of this report are:

Professor Christopher Liddle	Chair
Professor Sarah Hilmer	Vice Chair
Professor Jo-anne Brien	Treasurer
Ms Terry Melocco	
Ms Rosemary Burke	
Professor Jo-anne Brien	
A/Professor Madlen Gazarian	

Principal activities

The principal activity of the Association during the financial year was to promote quality use of medicines by sharing unbiased evidence-based information about drug therapy.

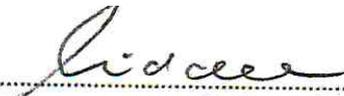
Significant changes

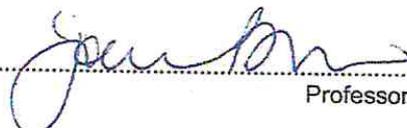
No significant change in the nature of the activity occurred during the year.

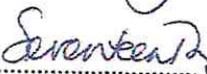
2. Operating result

The deficit of the Association for the financial year amounted to \$3,420 (2017: surplus \$42,143). The Association is exempt from income tax.

Signed in accordance with a resolution of the Members of the Management Committee:

Chair: 
Professor Christopher Liddle

Treasurer: 
Professor Jo-anne Brien

Dated this  day of  2018



STIRLING INTERNATIONAL
CHARTERED ACCOUNTANTS

Auditors Independence Declaration under the Australian Charities and Not-for-Profit Commission Act 2012 to the Management Committee of NSW Therapeutic Advisory Group Inc

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018, there have been:

- (i) no contraventions of the auditor independence requirements as set out in Australian Charities and Not-for-Profit Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

STIRLING INTERNATIONAL

Keanu Arya
Engagement Partner
Level 3, 225 Clarence Street
Sydney NSW 2000

Dated this 17th day of October 2018

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Statement of Profit or Loss**For the Year Ended 30 June 2018**

	2018	2017
Note	\$	\$
Income		
Operating grants	3 676,400	711,714
Interest received	6,707	5,140
Membership fees	1,500	1,375
	<u>684,607</u>	<u>718,229</u>
Expenditure		
Accounting fees	35,155	10,159
Auditors remuneration	6,300	8,550
Bank charges	-	60
Conference/Seminar costs	12,149	5,713
Consulting fees	-	25,000
Computer depreciation	1,017	-
Office equipment depreciation	1,064	326
Website amortisation	12,834	-
Functions and catering	313	246
General expenses	933	5
Insurance	5,886	6,449
Internet/website	508	81
Leave pay provision	17,348	2,992
Fees & subscription	552	460
Office expenses	1,767	1,476
Printing and stationery	1,005	1,851
Rent	33,471	30,440
Recruitment costs	-	570
Training expenses	8,081	2,009
Salaries	485,842	511,408
Storage costs	811	961
Superannuation	45,942	48,181
Teleconferencing costs	2,993	2,602
Travelling expenses	12,242	14,975
Workers compensation	1,814	1,572
	<u>688,027</u>	<u>676,086</u>
(Deficit)/Surplus before income taxes	(3,420)	42,143
Income tax expense	2(c) -	-
(Deficit)/Surplus after income	<u>(3,420)</u>	<u>42,143</u>
Retained profit at the beginning of the financial year	319,263	277,120
Retained profits at the end of the financial year	<u>315,843</u>	<u>319,263</u>

NSW Therapeutic Advisory Group Inc

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Assets and liabilities statement

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	337,782	207,392
Trade and other receivables	5	23,509	186,102
Other financial assets	6	113,059	109,789
Prepayments		6,261	5,614
TOTAL CURRENT ASSETS		480,611	508,897
NON-CURRENT ASSETS			
Plant and equipment	7	8,029	6,872
Website		26,446	30,000
TOTAL NON-CURRENT ASSETS		34,475	36,872
TOTAL ASSETS		515,086	545,769
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	16,647	22,956
Employee benefits	9	32,629	27,118
Deferred income		124,884	163,187
TOTAL CURRENT LIABILITIES		174,160	213,261
NON-CURRENT LIABILITIES			
Employee benefits	9	25,083	13,245
TOTAL NON-CURRENT LIABILITIES		25,083	13,245
TOTAL LIABILITIES		199,243	226,506
NET ASSETS		315,843	319,263
MEMBERS' FUNDS			
Retained profits		315,843	319,263
TOTAL MEMBERS' FUNDS		315,843	319,263

The accompanying notes form part of these financial statements.

NSW Therapeutic Advisory Group Inc

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Statement of Cash Flows For the Year Ended 30 June 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from grants and membership	802,190	566,402
Payments to suppliers and employees	(662,719)	(706,605)
Interest received	6,707	5,140
Net cash generated by/(used in) operating activities	12 146,178	<u>(135,063)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(3,238)	(6,326)
Website development costs	(9,280)	(30,000)
Purchase of financial assets	(3,270)	(2,949)
Net cash used in investing activities	(15,788)	<u>(39,275)</u>
Net increase/(decrease) in cash and cash equivalents held	130,390	(174,338)
Cash and cash equivalents at beginning of year	207,392	381,730
Cash and cash equivalents at end of financial year	4 337,782	<u>207,392</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2018

The financial statements cover NSW Therapeutic Advisory Group Inc as an individual entity. NSW Therapeutic Advisory Group Inc is a not-for-profit Association incorporated in New South Wales under the *Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010* ('the Act'). The Association is registered with the Australian Charities and Not-for-Profit Commission (ACNC) as a charity.

The principal activities of the Association for the year ended 30 June 2018 were to promote quality use of medicines by sharing unbiased evidence-based information about drug therapy.

The functional and presentation currency of NSW Therapeutic Advisory Group Inc is Australian dollars. The financial report was authorised for issue by the Management Committee on 17 October 2018.

Certain comparative information has been reclassified and restated retrospectively to ensure consistency with our current year presentation and classification and to rectify errors in the financial statements. These changes have resulted in decrease in surplus by \$3,050 and decrease in net assets by \$8,550 in comparative financial statement for year 2016-17.

1 Basis of Preparation

In the opinion of the Committee of Management, the Association is not a reporting entity because there are no users dependent on general purpose financial statement. These special purpose financial statements have been prepared to meet the reporting requirements of the Act and the *Australian Charities and Not-for-Profit Commission Act 2012*.

The financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated specifically, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted in the preparation of these financial statements.

2 Summary of Significant Accounting Policies

(a) Economic dependence

NSW Therapeutic Advisory Group Inc derives a significant portion of its revenue from the NSW Health. During the year ended 30 June 2018, approximately 83% (2017: 76%) of the Association's grant revenue were sourced from the NSW Health. Committee members have no reason to believe that the NSW Health will not continue to provide funding to the Association.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably. It is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Interest is recognised using the effective interest method.

Other income is recognised on an accruals basis when the Association is entitled to it.

(c) Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Summary of Significant Accounting Policies

(e) Trade and other receivables

Trade and other receivables include amounts due from members and third parties. 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.

For trade and other receivables a separate allowance account is used to reduce the carrying amount of receivables impaired by credit loss. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired receivables is reduced directly if no impairment amount was previously recognised in the allowance account.

(f) Website costs

The website costs have a finite life and is carried at cost until development is complete. Once development is complete it is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the website costs, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. Changes in the measurement of the liability are recognised in profit or loss.

(h) Deferred income

The Association receives grants to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the Association to treat grants as unexpended grants in the balance sheet where the Association is contractually obliged to provide the services in a subsequent financial period to when the grants are received or in the case of specific project grants where the projects have not been completed.

(i) 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). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payable are stated inclusive of GST.

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

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.

(j) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. The lease is not recognised in the statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 June 2018

3 Revenue

	2018	2017
	\$	\$
Operating grants		
NSW Health		
Funding		
- Core funding	345,274	259,043
- eMM project funding	198,915	283,476
- NSLHD funding	26,000	-
Total NSW Health Funding	<u>570,189</u>	542,519
- DUE consultancy	-	71,924
- NPS CATAG	106,211	97,271
Total operating grant income	<u>676,400</u>	<u>711,714</u>

4 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash at bank and in hand	337,782	207,392

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	<u>337,782</u>	<u>207,392</u>
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Notes to the Financial Statements

For the Year Ended 30 June 2018

5 Trade and Other Receivables

	2018	2017
	\$	\$
CURRENT		
Trade receivables	22,413	185,702
Provision for impairment of receivables	-	-
Total trade receivables	<u>22,413</u>	<u>185,702</u>
Other receivables	1,096	400
Total current trade and other receivables	<u>23,509</u>	<u>186,102</u>

6 Other Financial Assets

	2018	2017
	\$	\$
Term deposit	113,059	109,789

7 Property, Plant and Equipment

	2018	2017
	\$	\$
Furniture, fixtures and fittings		
At cost	6,820	6,820
Accumulated depreciation	(6,820)	(6,820)
Total furniture, fixtures and fittings	<u>-</u>	<u>-</u>
Office equipment		
At cost	9,591	8,689
Accumulated depreciation	(7,062)	(5,999)
Total office equipment	<u>2,529</u>	<u>2,690</u>
Computer equipment		
At cost	22,890	20,555
Accumulated depreciation	(17,390)	(16,373)
Total computer equipment	<u>5,500</u>	<u>4,182</u>
Total property, plant and equipment	<u>8,029</u>	<u>6,872</u>

Notes to the Financial Statements

For the Year Ended 30 June 2018

8 Trade and Other Payables

	2018	2017
	\$	\$
CURRENT		
Unsecured liabilities		
Trade Payables	80	-
GST payable	7,648	9,410
Other payable	2,919	4,996
Accrued expenses	6,000	8,550
	<u>16,647</u>	<u>22,956</u>

9 Employee Benefits

	2018	2017
	\$	\$
CURRENT		
Provision for annual leave	<u>32,629</u>	<u>27,118</u>
NON-CURRENT		
Provision for long service leave	<u>25,083</u>	<u>13,245</u>

10 Capital and Leasing Commitments

(a) Operating leases

Non-cancellable operating leases contracted but for not capitalised in the financial statements

	2018	2017
	\$	\$
Minimum lease payments under non-cancellable operating lease:		
- not later than one year	33,839	33,207
- between one year and five years	16,920	16,604
	<u>50,759</u>	<u>49,811</u>

Operating lease for premises at 26 Leichhardt Street Darlinghurst NSW expires on 31 December 2019. .

11 Contingent Liabilities

In the opinion of the Management Committee, the Association did not have any contingent liabilities at 30 June 2018 (30 June 2017: Nil).

Notes to the Financial Statements

For the Year Ended 30 June 2018

12 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2018	2017
	\$	\$
Net surplus/(deficit) for the year	(3,420)	45,193
Cash flows excluded from surplus/(deficit) attributable to operating activities		
Non-cash flows in profit:		
- Depreciation and amortisation	14,915	326
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	162,593	(106,278)
- (increase)/decrease in other assets	(647)	(5,614)
- increase/(decrease) in income in advance	(38,303)	(40,409)
- increase/(decrease) in trade and other payables	(6,309)	(28,557)
- increase/(decrease) in employee benefits	17,349	276
Cash flows from operations	146,178	(135,063)

13 Association Details

The registered office and place of business of the Association is: NSW Therapeutic Advisory Group Inc
26 Leichhardt St
DARLINGHURST NSW 2010

Statement by Members of the Management Committee

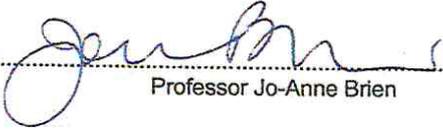
The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 2 to the financial statements, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* the *Associations Incorporation Act (NSW) 2009* and *Associations Incorporation Regulation (NSW) 2010*

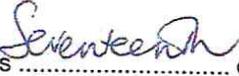
In the opinion of the committee the financial report as set out on pages 3 to 11:

1. Presents fairly the financial position of NSW Therapeutic Advisory Group Inc as at 30 June 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that NSW Therapeutic Advisory Group Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

Chair.....
Professor Christopher Liddle

Treasurer.....
Professor Jo-Anne Brien

Dated this  day of  2018



STIRLING INTERNATIONAL
CHARTERED ACCOUNTANTS

Independent Audit Report to the members of NSW Therapeutic Advisory Group Inc

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of NSW Therapeutic Advisory Group Inc (the Association), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss 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 statement by members of the management committee.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2018 is prepared, in all material respects, in accordance with *Australian Charities and Not-for-profits Commission Act 2012*, the Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010.

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 Association 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 opinion.

Emphasis of Matter - 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 Association in complying with the Australian Charities and Not-for-profits Commission Act 2012, the Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

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 Australian Charities and Not-for-profits Commission Act 2012, Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010, 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 Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

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Independent Audit Report to the members of NSW Therapeutic Advisory Group Inc

concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

STIRLING INTERNATIONAL

Keanu Arya
Engagement Partner
Level 3, 225 Clarence Street
Sydney NSW 2000

Dated this 17th day of October 2018