

NSW Therapeutic Advisory Group Inc

ABN: 82 707 308 091

Financial Statements

For the Year Ended 30 June 2021

NSW Therapeutic Advisory Group Inc

ABN: 82 707 308 091

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For the Year Ended 30 June 2021

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Management Committee's Report

For the Year Ended 30 June 2021

Your committee members submit the financial report of the Association for the financial year ended 30 June 2021.

1. Committee members

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

Professor Sarah Hilmer	Chair
Ms Lorraine Koller OAM (Appointed October 2020)	Vice Chair
Mr Russell Levy	Treasurer
A/Prof Bridin Murnion (Appointed October 2020)	
Ms Paula Doherty (Appointed October 2020)	
A/Prof Winston Liauw	
Ms Rosemary Burke (Retired October 2020)	Vice Chair
Ms Terry Melocco (Retired October 2020)	

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 surplus/(deficit) of the Association for the financial year amounted to \$26,855 [2020: (\$64)]. The Association is exempt from income tax.

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

Chair: 
Professor Sarah Hilmer

Treasurer: 
Mr Russell Levy

Dated this 18th day of October 2021

NSW Therapeutic Advisory Group Inc

ABN: 82 707 308 091



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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 2021, 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
Suite 1405, 370 Pitt Street
Sydney NSW 2000

Dated this 18th day of October 2021

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NSW Therapeutic Advisory Group Inc

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Statement of Profit or Loss**For the Year Ended 30 June 2021**

		2021	2020
	Note	\$	\$
Income			
Operating grants	3	549,224	548,265
Interest received		1,528	3,058
Membership fees		1,625	1,750
COVID-19 cashflow boost		57,729	42,271
		610,106	595,344
Expenditure			
Accounting fees		3,108	1,395
Auditors remuneration		9,300	9,000
Bad Debts written off		-	375
Conference/Seminar costs		2,867	109
Computer depreciation		1,735	1,304
Office equipment depreciation		856	609
Website amortisation		-	13,223
Contractor		-	364
Fees & subscription		-	407
Functions and catering		-	3,823
General expenses		453	751
Insurance		7,315	4,648
Internet/website		539	208
IT Consultation		2,332	-
Leave pay provision		9,065	6,860
Legal Fee		665	618
Office expenses		-	1,019
Printing and stationery		1,211	155
Publication Costs		4,600	-
Recruitment costs		-	782
Rent		35,259	34,803
Salaries		456,611	453,033
Staff Amenities		648	-
Storage costs		1,102	950
Superannuation		43,151	42,950
Survey costs		124	-
Teleconferencing costs		576	6,294
Training expenses		-	2,839
Travelling expenses		-	6,887
Workers compensation		1,733	2,002
		583,250	595,408
(Deficit)/Surplus before income taxes		26,856	(64)
Income tax expense	2(c)	-	-
Surplus/(Deficit) after income		26,856	(64)
Retained profit at the beginning of the financial year		251,586	251,650
Retained profits at the end of the financial year		278,442	251,586

The accompanying notes from part of these financial statements

Assets and liabilities statement

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	271,420	187,196
Trade and other receivables	5	20,845	75,236
Other financial assets	6	151,745	150,000
TOTAL CURRENT ASSETS		444,010	412,432
NON-CURRENT ASSETS			
Plant and equipment	7	5,002	7,593
TOTAL NON-CURRENT ASSETS		5,002	7,593
TOTAL ASSETS		449,012	420,025
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	21,986	29,638
Employee benefits	9	25,229	19,959
Deferred income	10	95,545	94,826
TOTAL CURRENT LIABILITIES		142,760	144,423
NON-CURRENT LIABILITIES			
Employee benefits	9	27,810	24,016
TOTAL NON-CURRENT LIABILITIES		27,810	24,016
TOTAL LIABILITIES		170,570	168,439
NET ASSETS		278,442	251,586
MEMBERS' FUNDS			
Retained profits		278,442	251,586
TOTAL MEMBERS' FUNDS		278,442	251,586

Statement of Cash Flows
For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from grants and membership	607,515	506,947
Payments to suppliers and employees	(523,418)	(561,068)
Interest received	1,872	1,702
Net cash generated by/ (used in) operating activities	14 85,969	(52,419)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(3,390)
Purchase of financial assets	(1,745)	(34,628)
Net cash used in investing activities	(1,745)	(38,018)
Net increase/(decrease) in cash and cash equivalents held	84,224	(90,437)
Cash and cash equivalents at beginning of year	187,196	277,633
Cash and cash equivalents at end of financial year	4 271,420	187,196

Notes to the Financial Statements

For the Year Ended 30 June 2021

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 2021 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 15 October 2021.

Certain comparative information has been reclassified to ensure consistency with our current year presentation and classification in the financial statements.

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 2021, approximately 70% (2020: 70%) of the Association's grant revenue were sourced from the NSW Health.

(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 2021

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 2021

3 Revenue

	2021	2020
	\$	\$
Operating grants		
NSW Health		
Funding		
- Core funding	375,096	417,239
- eMM project funding	-	4,852
Total NSW Health Funding	375,096	422,091
- Social Sector Transformation Fund	1,610	-
- NPS CATAG	62,268	63,845
- NPS CATAG -VIP Program bDMARD	110,250	62,329
Total operating grant income	549,224	548,265

4 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	271,420	187,196

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	271,420	187,196
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Notes to the Financial Statements

For the Year Ended 30 June 2021

5 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	18,702	72,749
Provision for impairment of receivables	-	-
Total trade receivables	18,702	72,749
Other receivables	2,143	2,487
Total current trade and other receivables	20,845	75,236

6 Other Financial Assets

	2021	2020
	\$	\$
Term deposit	151,745	150,000

7 Property, Plant and Equipment

	2021	2020
	\$	\$
Furniture, fixtures and fittings		
At cost	6,820	6,820
Accumulated depreciation	(6,820)	(6,820)
Total furniture, fixtures and fittings	-	-
Office equipment		
At cost	10,826	10,826
Accumulated depreciation	(9,138)	(8,281)
Total office equipment	1,688	2,545
Computer equipment		
At cost	25,046	25,046
Accumulated depreciation	(21,732)	(19,998)
Total computer equipment	3,314	5,048
Total property, plant and equipment	5,002	7,593

Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Unsecured liabilities		
Trade Payables	244	93
GST payable	3,960	8,609
Other payable	11,782	14,936
Accrued expenses	6,000	6,000
	<u>21,986</u>	<u>29,638</u>

9 Employee Benefits

	2021	2020
	\$	\$
CURRENT		
Provision for annual leave	<u>25,229</u>	<u>19,959</u>
NON-CURRENT		
Provision for long service leave	<u>27,810</u>	<u>24,016</u>

10 Deferred income

	2021	2020
	\$	\$
NSW Health		
Core funding	-	21,809
Social Sector Transformation Fund	38,390	-
Total NSW Health	<u>38,390</u>	<u>21,809</u>
NPS CATAG VIP Program bDMARD	-	38,352
NPS CATAG Core funding	57,156	34,665
Total NPS CATAG	<u>57,156</u>	<u>73,017</u>
Total deferred income	<u>95,546</u>	<u>94,826</u>

Notes to the Financial Statements

For the Year Ended 30 June 2021

11 Capital and Leasing Commitments

(a) Operating leases

Operating leases contracted for but not capitalised in the financial statements

	2021	2020
	\$	\$
Minimum lease payments under operating lease:		
- not later than one year	35,206	35,206
- between one year and five years	17,603	52,808
	<u>52,809</u>	<u>88,014</u>

Operating lease for premises at 26 Leichhardt Street Darlinghurst NSW expires on 31 December 2022.

12 Contingent Liabilities

In the opinion of the Management Committee, the Association did not have any contingent liabilities at 30 June 2021 (30 June 2020: Nil).

13 Subsequent Events

The NSW Health Grant Funding agreement expired on 30 June 2021 and was renewed for a further six months ending 31 December 2021. As of the date of this report, the agreement will not be renewed for future periods. It has been a source of approximately 70% of the Association's grant revenue. The Management Committee intends to compensate the reduction in revenue by reducing staff cost and other expenses related to core funding and continue with their non-core funding operations. Costs associated with possible redundancies cannot be reliably estimated at the date of this report.

Notes to the Financial Statements

For the Year Ended 30 June 2021

14 Cash Flow Information

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

	2021	2020
	\$	\$
Net surplus/(deficit) for the year	26,856	(64)
Cash flows excluded from surplus/(deficit) attributable to Non-cash flows in profit:		
- Depreciation and amortisation	2,591	15,136
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	54,047	(73,280)
- (increase)/decrease in other assets	344	8,200
- increase/(decrease) in income in advance	720	(13,416)
- increase/(decrease) in trade and other payables	(7,652)	4,145
- increase/(decrease) in employee benefits	9,064	6,860
Cash flows from operations	<u>85,969</u>	<u>(52,419)</u>

15 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 12:

1. Presents fairly the financial position of NSW Therapeutic Advisory Group Inc as at 30 June 2021 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 Sarah Hilmer

Treasurer 
Mr Russell Levy

Dated this 18th day of October 2021



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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 2021, the statement of profit or loss, 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 statement by members of the management committee.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2021 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

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A handwritten signature in black ink that reads "Keanu Arya". The signature is fluid and cursive, with a period at the end.

Keanu Arya

Engagement Partner

Suite 1405, 370 Pitt Street

Sydney NSW 2000

Dated this 18th day of October 2021
