

**Carclew Incorporated**  
**30th June 2019**  
**Report by the Board of Directors**

During the financial year, no officer of the Association, or any firm of which an officer is a member, or any corporate in which an officer has a substantial interest, has received or become entitled to receive a benefit as a result of a contract between an officer, firm or corporate and the Association.

During the financial year, no officer of the Association has received directly or indirectly from the Association any payment or other benefit of a pecuniary value, other than in the case of officers employed by the Association, approved salaries which have been determined in accordance with general market conditions.

Dated at Adelaide this 6<sup>th</sup> day of September 2019

Signed in accordance with a resolution of the Board

  
Jane Doyle - Chairperson

  
Patricia Walton - Chief Executive

**Carclew Incorporated**  
**30th June 2019**  
**Statement by the Board of Directors**

The Board has determined that the Association is not a reporting entity and that the special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the Financial Statements.

In the opinion of the Board of Carclew Incorporated (the "Association") the financial statements as set out on pages 3 to 14:

- 1 Presents a true and fair view of the financial position of Carclew Incorporated as at 30 June 2019 and its performance for the year ended on that date in accordance with the Associations Incorporation Act SA 1985, and Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board to the extent described in Note 1 to the Financial Statements.
- 2 At the date of this statement, there are reasonable ground to believe that Carclew Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Board.

  
Jane Doyle - Chairperson

  
Patricia Walton - Chief Executive

Dated at Adelaide this 6<sup>th</sup> day of September 2019

**Carclew Incorporated**  
**Statement of Comprehensive Income**  
**For the year ended 30 June 2019**

<b>Income</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
South Australian Government grants	2(a) & 8(c)	2,958,091	2,770,307
Other grants	2(a)	336,102	234,291
Trusts and Foundations	2(a)	70,904	55,868
Fundraising	2(a)	124,013	66,651
Earned income	2(a)	218,881	286,791
<b>Total income</b>		<u>3,707,991</u>	<u>3,413,906</u>
<b>Expenses</b>			
<i>Administration &amp; Directorate</i>			
Administration		494,277	475,815
Directorate		258,293	242,323
Facilities		9,506	11,591
Odeon Theatre		-	62,824
<i>Arts Programs</i>			
Arts Programs		568,553	486,203
Aboriginal Artists in Schools CESA		2,050	-
Artists in Schools		31,671	30,889
Carclew Futures		16,072	-
Children's Voices		-	8,869
Contemporary Music		2,289	-
Creative Bodybased Learning		2,882	27,330
Creative Experts		79,132	-
DEAL - Developing Effective Arts Learning		98,193	8,437
Dusk Arts Market		21,807	26,634
Emerging Curators Program		8,677	11,602
Explore Arts		19,989	47,043
ExpressWay Arts		65,519	37,094
Fifth Quarter		-	19,432
Game Makers		-	1,721
Grounded		-	18,832
History Festival Open Day		-	155
Music Match / Arts Match		130,904	48,292
National Sector Summit		-	45,825
Ngarrindjeri Yanun - ATSI Artists in Residence		2,290	80,612
Pom Pom		110,343	125,357
Regional Youth Arts Creative Producer		108,452	86,199
Residents & Exhibitions		10,472	8,469
Smart Arts		14,360	-
Stage Sparks		52,113	30,898
Strategic Initiatives		8,016	20,100
Stories without Borders - Media & Multiculturalism		47,849	2,151
Tjitjiku Tjukurpa		120,605	-
<i>Marketing &amp; Development</i>			
Marketing & Development		223,418	209,742
Development		18,350	18,266
Arts, Education & Philanthropy Resource		0	4,478
<i>Carclew Funding Program</i>			
Carclew Board & Committees		1,251	32,624
Carclew Funding Program		1,191,031	1,155,832
<b>Total expenses</b>		<u>3,718,364</u>	<u>3,385,637</u>
<b>Surplus before interest income</b>		<u>(10,373)</u>	<u>28,270</u>
Interest income		16,107	19,510
<b>Surplus for the period</b>		<u><u>5,734</u></u>	<u><u>47,779</u></u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes set out on pages 7 to 14

**Carclew Incorporated**  
**Statement of Financial Position**  
**As at 30 June 2019**

	Note	2019 \$	2018 \$
<b>Current Assets</b>			
Cash and Cash Equivalents			
Receivables	9(a)	1,865,164	1,561,324
Other Assets	3	297,268	19,784
	4	32,071	-
<b>Total Current Assets</b>		<u>2,194,502</u>	<u>1,581,108</u>
<b>Non-Current Assets</b>			
Plant & Equipment	5	62,488	80,050
<b>Total Non-Current Assets</b>		<u>62,488</u>	<u>80,050</u>
<b>Total Assets</b>		<u>2,256,990</u>	<u>1,661,158</u>
<b>Current Liabilities</b>			
Payables	6	242,295	177,685
Grants and Income in Advance	8(a)	1,042,455	505,547
Philanthropic Foundations	8(b)	156,989	194,609
Provisions	7	222,455	196,254
<b>Total Current Liabilities</b>		<u>1,664,193</u>	<u>1,074,095</u>
<b>Non Current</b>			
Provisions	7	-	-
<b>Total Liabilities</b>		<u>1,664,193</u>	<u>1,074,095</u>
<b>Net Assets</b>		<u>592,797</u>	<u>587,063</u>
<b>Members' Funds</b>			
Retained Surplus		592,797	587,063
<b>Total Members' Funds</b>		<u>592,797</u>	<u>587,063</u>

The above statement of financial position should be read in conjunction with the accompanying notes set out on pages 7 to 14

**Carclew Incorporated**  
**Statement of Changes in Members' Funds**  
**For the year ended 30 June 2019**

	<b>Retained Surplus</b>	<b>Total</b>
<b>Balance at 1 July 2017</b>	539,283	539,283
Surplus attributable to members	47,779	47,779
<b>Balance at 30 June 2018</b>	<u>587,063</u>	<u>587,063</u>
Surplus attributable to members	5,734	5,734
<b>Balance at 30 June 2019</b>	<u>592,797</u>	<u>592,797</u>

The above statement of changes in members' funds should be read in conjunction with the accompanying notes set out on pages 7 to 14

**Carclew Incorporated**  
**Statement of Cashflows**  
**For the year ended 30 June 2019**

	Note	2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Receipts from State Government Grants		1,577,287	1,539,035
Receipts from Grants, Sponsorship, Activities & Other Income		1,239,125	1,215,327
Interest Received		16,107	19,510
Payments for Administration		(494,277)	(475,815)
Payments for Projects & Activities		<u>(2,030,402)</u>	<u>(1,834,524)</u>
<b>Net cash provided by operating activities</b>	9(b)	<u>307,840</u>	<u>463,533</u>
<b>Cash flows from investing activities</b>			
Payment for fixed assets		-	(35,303)
Proceeds on disposal of fixed assets		-	-
<b>Net cash (used in) investing activities</b>		<u>-</u>	<u>(35,303)</u>
<b>Cash flows from Carclew Administered Grants</b>			
Funds Received from State Government	8	1,107,713	1,054,965
Disbursements of Administered Grants	8	<u>(1,111,713)</u>	<u>(1,121,853)</u>
<b>Net cash provided by/(used in) Carclew Administered Grants</b>		<u>(4,000)</u>	<u>(66,888)</u>
<b>Increase/(Decrease) in cash held</b>		303,840	361,342
<b>Cash at beginning of the financial year</b>		1,561,324	1,199,982
<b>Cash at end of the financial year</b>	9(a)	<u>1,865,164</u>	<u>1,561,324</u>

The above statement of cash flows should be read in conjunction with the accompanying notes set out on pages 7 to 14

**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

**1. Statement of Significant Accounting Policies**

The Association is domiciled in Australia

This financial report was authorised for issue by the directors on .....*blh*.....September 2019

The financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act SA 1985. The Board has determined that the association is not a reporting entity.

The financial report has been prepared on an accrual 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 significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**(a) Income Tax**

The Association is exempt from Income Tax, pursuant to the Income Tax Assessment Act.

**(b) Plant and Equipment**

*Basis of measurement of carrying amount*

Each class of property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

*Depreciation*

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

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation rate</b>
Office Equipment	25% - 33%
Theatre Equipment	25% - 40%
Motor Vehicles	20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

**(c) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the lease term.

**1. Statement of Significant Accounting Policies (continued)**

**(d) Impairment of Assets**

At each reporting date, the association reviews the carrying amounts of all assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

**(e) Employee Benefits**

Employee benefits comprise wages and salaries, annual, long-service and non-accumulating sick leave, and contribution to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in other payables in respect of employees' services up to reporting date. Liabilities for annual leave in respect of employees' services up to reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and are measured at the rates paid or payable.

The provision for employee entitlements to long service leave represents the amount which the Association has a present obligation to pay resulting from employees with more than six years of service provided up to the balance date. The provision for Long Service Leave has been calculated at nominal amounts based on current wage and salary rates and includes related on-costs.

**(f) Provisions**

Provisions are recognised when the association 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(g) Cash and cash equivalents**

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

**(h) Goods and Services Tax (GST)**

Revenues, 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 Tax 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 payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

**(i) Revenue Recognition**

*Grant Income*

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.



**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

**1. Statement of Significant Accounting Policies (continued)**

*Donations and bequests*

General donations and bequests are recognised as revenue when received. Donations to specific projects are treated as grants in advance and recognised as revenue when the projects are delivered and project expenses incurred.

*Interest Revenue*

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

*Revenue from sale of goods and rendering of services*

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to customers.

*Treatment of Goods and Services Tax (GST)*

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

**(j) Trade creditors and other payables**

Trade payables and other payables represent liabilities for goods and services provided to the association prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days or less. The notional amount of the creditors and other payables is deemed to reflect fair value.

**(k) Trade and other receivables**

Trade receivables are recognised and carried at original invoice amount less an allowance for uncollectable amounts. Normal terms of settlement are 30 days. The notional amount of the receivable is deemed to reflect fair value.

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

**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

<b>2. Income from Operating Activities</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>(a) SA Government Grants:</b>		
SA Government Operations Grant	2,685,000	2,594,000
SA Government Grants - other	273,091	176,307
Total SA Grant Income	<u>2,958,091</u>	<u>2,770,307</u>
<i>Other Grants</i>		
Other grants	336,102	234,291
Total Grant Income	<u>336,102</u>	<u>234,291</u>
<i>Trusts and Foundations</i>		
Trusts and Foundations	70,904	55,868
Total Trusts and Foundations	<u>70,904</u>	<u>55,868</u>
<i>Fund raising:</i>		
Giving Circle	2,913	22,850
Donations	121,100	43,801
	<u>124,013</u>	<u>66,651</u>
<i>Earned income</i>		
Income from operating activities	215,052	247,128
Other income	3,829	39,662
Total earned income	<u>218,881</u>	<u>286,791</u>

**(b) Significant expenses**

The following significant expense items are relevant in explaining the financial performance:

Employee expenses	1,578,244	1,415,783
Operating lease rental expense	13,592	27,741
Net (gain) / loss on disposal of non current assets	-	10,085

**3. Receivables**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Current</i>		
Trade receivables	297,268	14,113
GST Receivable	-	5,671
Total receivables	<u>297,268</u>	<u>19,784</u>

Receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment was required at 30 June 2019 (2018: Nil)

**4. Other Assets**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Prepayments	32,071	-
	<u>32,071</u>	<u>-</u>

**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

**5. Plant and Equipment**

**Reconciliations**

Movements in the carrying amounts for each class of plant and equipment between the beginning and end of the current and prior financial year.

	Office Equipment	Motor Vehicles	Theatre Equipment	Building Improvement	Fixtures & Fittings	Total
<i>Plant and equipment - at cost</i>						
Balance at 1 July 2017	168,223	76,591	127,482	38,541	32,587	443,424
Additions	7,000	28,302	-	-	-	35,302
Disposals	(23,745)	-	(127,482)	(38,541)	-	(189,768)
Balance at 30 June 2018	151,479	104,893	-	-	32,587	288,959
Balance at 1 July 2018	151,479	104,893	-	-	32,587	288,959
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Balance at 30 June 2019	151,479	104,893	-	-	32,587	288,959

*Plant and equipment - accumulated depreciation*

Balance at 1 July 2017	158,306	34,643	117,879	38,541	20,242	369,610
Depreciation charge for the year	4,698	11,197	-	-	3,086	18,981
Disposals	(23,262)	-	(117,879)	(38,541)	-	(179,682)
Balance at 30 June 2018	139,742	45,840	-	-	23,328	208,908
Balance at 1 July 2018	139,742	45,840	-	-	23,328	208,908
Depreciation charge for the year	3,436	11,810	-	-	2,315	17,561
Disposals	-	-	-	-	-	-
Balance at 30 June 2019	143,178	57,650	-	-	25,643	226,469

*Plant and equipment - carrying amounts*

At 30 June 2018	11,737	59,054	-	-	9,260	80,050
At 30 June 2019	8,301	47,243	-	-	6,945	62,488

**6. Payables**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Trade creditors	111,204	46,526
Accrued expenses	48,228	89,755
Payroll accruals	51,344	32,136
Deposits on hire	9,251	9,268
GST Payable	22,267	-
	<u>242,295</u>	<u>177,685</u>

**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

<b>7. Provisions</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>Current</i>		
Annual leave	107,291	94,307
Long Service Leave	115,163	101,947
	<u>222,454</u>	<u>196,254</u>
<i>Non Current</i>		
Long Service Leave	-	-
Number of employees at year end	25	22
<b>8. Grants and Income in Advance</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<i>(a) Project Grant and Income in Advance</i>		
Artists in Schools	35,122	40,792
Arts Programs	4,545	-
Carclew Futures	10,000	-
Child decided funding project	-	10,000
DEAL - Developing Effective Arts Learning	341,870	238,563
Emerging Curators Program	12,520	3,398
ExpressWay Arts	-	2,000
Facilities	1,473	1,572
Gig Rig - Music Mobile	80,000	80,000
Music at Work	450,000	-
National Sector Summit	19,955	-
Stage Sparks	-	24,102
Stories without Borders - Media & Multiculturalism	-	47,849
Regional Youth Arts Creat - Writing Place	29,700	-
June S Tanner Scholarship	4,000	-
Carclew Board Grants & Disbursements	53,271	57,271
8(c)	<u>1,042,455</u>	<u>505,547</u>
<i>(b) Foundations</i>		
Music Match / Arts Match	125,704	194,609
Creative Bodybased Learning	22,118	-
Creative Experts	9,167	-
	<u>156,989</u>	<u>194,609</u>
<i>(c) Carclew Grants &amp; Disbursements</i>		

During the year, Carclew Inc. administered the disbursement of grants and Fellowships from the SA Government (Arts South Australia), to various Youth Arts Organisations and individual emerging artists.

The amounts disbursed are included in the operating accounts of the Association. The balance of funds remaining undistributed is included in the Statement of Financial Position

The total amounts received and distributed in respect of the funding year ended 30 June 2019 and 2018, are as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Carclew Administered Grants Brought Forward	57,271	124,159
Carclew Administered Grants Received	1,107,713	1,054,965
Carclew Administered Grants Disbursements	(1,111,713)	(1,121,853)
Carclew Administered Grants Carried Forward	53,271	57,271
	<u>53,271</u>	<u>57,271</u>
Represented by:		
Cash (included in Cash at Bank)	53,271	57,271
	<u>53,271</u>	<u>57,271</u>

**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

**9. Notes to the Statement of Cashflows**

	2019	2018
	\$	\$
(a) <i>Reconciliation of cash and cash equivalents</i>		
For the purposes of the statement of cashflows, cash includes cash on hand and at bank. Cash as at the end of the financial year is shown in the statement of cashflows and reconciled to the related items in the statements of financial position as follows:		
Cash on hand	1,080	850
Cash at Bank	1,864,084	1,560,474
	1,865,164	1,561,324
(b) <i>Reconciliation of surplus from ordinary activities to net cash provided by:</i>		
Surplus/(Loss) for the period	5,734	47,779
Cash flows excluded from profit attributable to operating activities		
Depreciation expense	17,562	18,981
Non-cash disposal of property, plant and equipment	-	10,085
Changes in assets and liabilities during the financial year:		
(Increase)/decrease in receivables	(277,484)	22,772
(Increase)/decrease in other assets	(32,071)	1,884
(Decrease)/increase in creditors & accruals	64,610	7,590
(Decrease)/increase in grants in advance	499,287	318,718
(Decrease)/increase in employee provisions	26,200	(31,164)
Carclew Board grants received	(1,107,713)	(1,054,965)
Carclew Board grants disbursed	1,111,713	1,121,853
Net cash (used in)/provided by operating activities	307,840	463,533

**10. Related party disclosures**

The names of each person holding the position of Board member during the financial year are:

Ms Jane Doyle	Chair
Mr Andrew Boeyen	Member and Chair Finance and ROCO Committee
Mr Anthony Peluso	Member and Member Finance and ROCO Committee
Ms Bronwyn Sugars	Member
Dr Paula Furby	Member
Mr Craig Yeung	Member
Mrs Rosina Di Maria	Member
Ms Lee Ping Angela Flynn	Member
Ms Sidsel Fawkes	Member and Staff Nominee

The persons listed above held the position of Board member for the whole of the financial year unless otherwise stated.

*Remuneration*

Amounts totaling \$4,689 (2018: \$3,893) of which \$2,721 (2018: \$2,998) was donated back to the Carclew Fellowship Program, were paid to Board members during the year being for honorariums and meeting attendance fees as determined by the Department of the Premier and Cabinet through the Minister for the Arts.

During the financial year, no officer of the Association has received directly or indirectly from the Association any payment or other benefit of pecuniary value, other than approved salaries which have been determined in accordance with the South Australian Government Wages Parity (Salaried) Enterprise Agreement 2014

*Other related parties*

Other related parties transactions to value of \$5,760 (2018: \$2,465) were paid during the year. These were priced at an arms-length basis and were no more favourable than those that would have been paid if dealing with unrelated parties.

**Carclew Incorporated**  
**Notes to the financial statements for the year ended 30 June 2019**

**11. Lease Commitment**

There are no non-cancellable operating leases contracted for that require disclosure on the financial statements.

**12. Events after Balance Date**

At the date of signing, there were no events subsequent to balance date which would have a material effect on the financial statements.

**13. Economic Dependency**

The Association is dependent upon the ongoing receipts of grants from the State Governments for its ongoing activities.

**14. The registered office and principal place of business:**

Carclew Incorporated  
11 Jeffcott Street  
North Adelaide SA 5006

**Bentleys SA Audit Partnership**

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CARCLEW INCORPORATED**

**Opinion**

We have audited the accompanying financial report, being a special purpose financial report, of Carclew Incorporated, which comprises the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies and the statement by the board of directors.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Carclew Incorporated as of 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the Associations Incorporations Act 1985 (SA).

**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 entity 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) 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 to the financial report, which describes the basis of accounting. The financial report has been prepared for distribution to members for the purpose of fulfilling the board's financial reporting obligations under the Associations Incorporations Act 1985 (SA). As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

### **Auditor's Responsibility 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.

Paragraph 41(c) of ASA 700 explains that when law, regulation or national auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below. When the auditor refers to a description of the auditor's responsibilities on a website, the appropriate authority is the Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bentleys (SA) Audit Partnership



DAVID PAPA  
Partner

Dated at Adelaide this 6<sup>th</sup> September 2019