



AsthmaWA

Financial Report 2019/20

Asthma Foundation of WA Incorporated

Asthma Foundation of Western Australia Financial Report 2019/20

Index

Statement by the Board	2
Statement by the Honorary Treasurer	2
Treasurer's Report	3
Auditors' Independence Declaration	4
Statement of Profit & Loss and Other Comprehensive Income	5
Statement of Financial Position as at 30 June 2020	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Independent Auditors Report	17

**ASTHMA FOUNDATION OF WESTERN AUSTRALIA INC
STATEMENT BY THE BOARD**

In the opinion of the Board, the accompanying Financial Statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- Giving a true and fair value of the financial position of Asthma Foundation of Western Australia Incorporated as at 30 June 2020, and its performance for the 12 month period ended on that date.
- Complying with the Australian Accounting Standards – as stated in Note 1 and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

There are reasonable grounds to believe that Asthma Foundation of Western Australia Incorporated will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation* on behalf of Board Members.



Chris Bath
President
19 October 2020

STATEMENT BY THE HONORARY TREASURER

I, Spencer Broad, being the Honorary Treasurer of the Asthma Foundation of Western Australia Incorporated state that in my opinion the accompanying Financial Statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- Giving a true and fair value of the Financial Position of Asthma Foundation of Western Australia Incorporated as at 30 June 2020, and its performance for the 12 month period ended on that date.
- Complying with the Australian Accounting Standards – as stated in Note 1 and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

There are reasonable grounds to believe that Asthma Foundation of Western Australia Incorporated will be able to pay its debts as and when they become due and payable.



Spencer Broad CPA
Treasurer
19 October 2020

TREASURERS REPORT

Asthma WA recorded a larger operating deficit this year as a result of a decision to add staff to build our capacity across the organisation and enable us to expand services. We also did not proceed with the Long Lunch concept in FY20 as a result of the lower than expected return from the previous year and the significant upfront costs to undertake this fundraising activity. This was fortunate, as it saved us the heartbreak of having to cancel the event due to COVID-19. Despite the impact of COVID-19, Asthma WA's financial performance was comparable to the prior year taking these factors into account.

The increase to the operational deficit of \$64,010 reflects the investment in staffing during FY20 to build our capacity across the organisation.

Our overall result was a deficit of \$218,205 a decrease of \$205,371 against the previous year due to fluctuations in the investment markets.

This was the first full year under Chief Executive Officer Donna Rendell who focused on developing a high-performance team. As a result we now have a talented Community Engagement team and a Clinical Nurse Educator joining our experienced Health Services team.

Year one of the three year fundraising plan aimed to diversify revenue streams and invest in future sustainability in a very competitive fundraising environment. The impact of these changes can already be seen with FY20 showing increases in corporate sponsorship, pro bono support and general fundraising income.

We experienced an increased demand for services due to COVID-19 and like many organisations moved our services from face-to-face to telephone and telehealth to protect our consumers and enable our staff to work safely from home. This was possible due to the ongoing support of our funders and donors.

Government and Non-Government grant income increased in FY20 and we also launched two fully funded pilot programs, the Paediatric Respiratory Hub and the Asthma Alert.

COVID-19 has had a negative impact on Asthma WA's investment portfolio with revenue decreasing by 14% and the value of our investments dropping \$39,557. However, our investment strategy of capital preservation has us well positioned to wait out the current market instability. Investments remain strong, making up \$1.2 million of our \$3.6 million balance sheet.

After eight years this will be my last year as Treasurer of Asthma WA. The last year has proved to me how adaptive and strong this team can be and I feel confident that we have helped build a service and an organisation that will both grow and thrive in the years ahead.



SPENCER BROAD CPA

TREASURER

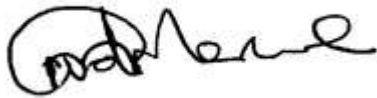
AUDITOR'S INDEPENDENCE DECLARATION

To the Board of Management of Asthma Foundation of Western Australia Incorporated

In accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2015 (WA), in relation to our audit of the financial report of the Asthma Foundation of Western Australia Incorporated for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit;
- b) No contraventions of the auditor independence requirements of section 80 the Associations Incorporation Act 2015 (WA) in relation to the audit; and
- c) No contraventions of any applicable code of professional conduct in relation to the audit.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA
Director

Perth

Date: 19 October 2020

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Note	30 June 2020	30 June 2019
		\$	\$
INCOME			
Administration & Fee for Service		9,471	10,885
COVID-19 Government Support		62,500	-
Community Engagement/Fundraising	2	252,872	617,806
Government Service Contracts		1,037,257	919,314
Grants (Non-Government)		209,536	173,887
Investments		84,757	98,651
Retail Trading		24,401	28,953
GROSS INCOME		1,680,794	1,849,496
COST OF GOODS SOLD		15,341	18,076
NET INCOME		1,665,453	1,831,420
EXPENSE			
Administration		150,136	137,505
Community Engagement/Fundraising		39,035	414,932
Depreciation		117,015	109,035
Motor Vehicles		17,357	16,783
Personnel –			
Administration		230,144	252,962
Programs		830,876	697,407
Community Engagement/Fundraising		231,129	179,276
Programs		222,420	131,467
Research		-	702
TOTAL EXPENSE		1,838,112	1,940,069
OPERATIONAL (DEFICIT)/SURPLUS		(172,659)	(108,649)
OTHER NON OPERATIONAL ITEMS			
Revaluation of Investments		(39,557)	113,241
Loss on Sale of Assets		(5,989)	(17,426)
TOTAL NON OPERATIONAL ITEMS		(45,546)	95,815
(DEFICIT)/SURPLUS FOR THE PERIOD		(218,205)	(12,834)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(218,205)	(12,834)

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	30 June 2020 \$	30 June 2019 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	839,535	902,957
Receivables	4	106,640	36,360
Inventories	5	11,620	9,099
TOTAL CURRENT ASSETS		957,795	948,416
NON CURRENT ASSETS			
Investments	6	1,258,489	1,214,291
Property, Plant and Equipment	7	1,863,983	1,983,019
TOTAL NON CURRENT ASSETS		3,122,472	3,197,310
TOTAL ASSETS		4,080,267	4,145,726
CURRENT LIABILITIES			
Creditors	8	136,938	114,348
Contract Liabilities	9	161,646	75,000
Provisions for Employees	10	93,288	65,860
Lease Liabilities	11	67,506	61,239
TOTAL CURRENT LIABILITIES		459,378	316,447
NON CURRENT LIABILITIES			
Lease Liabilities	11	9,815	-
TOTAL NON CURRENT LIABILITIES		9,815	-
TOTAL LIABILITIES		469,193	316,447
NET ASSETS		3,611,074	3,829,279
FUNDS EMPLOYED			
Retained Surplus		2,632,034	2,644,080
Asset Revaluation Reserve		1,157,204	1,157,204
Property Maintenance Reserve		5,000	5,000
Fallon Reserve		17,496	18,674
Research Reserve		17,545	17,155
(Deficit)/Surplus for the year		(218,205)	(12,834)
TOTAL FUNDS EMPLOYED		3,611,074	3,829,279

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	RESERVES	RETAINED SURPLUSES	TOTAL EQUITY
	\$	\$	\$
BALANCE AT 1 JULY 2018	1,198,911	2,643,202	3,842,113
Total Deficit for the year		(12,834)	(12,834)
Transfer to Reserve	(878)	878	-
BALANCE AT 30 JUNE 2019	1,198,033	2,631,246	3,829,279
Total Deficit for the year		(218,205)	(218,205)
Transfer to Reserve	(788)	788	-
BALANCE AT 30 JUNE 2020	1,197,245	2,413,829	3,611,074

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	12 Months 30 June 2020 \$	12 Months 30 June 2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Bequests		16,046	101,199
Receipts from Grants, Clients, Donations		1,564,995	1,579,613
Payments to Suppliers and Employees		(1,657,579)	(1,662,129)
Interest Received		12,213	13,989
NET CASH FROM OPERATING ACTIVITIES	12	(64,325)	32,672
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends and Rent Received		72,543	84,662
Payments for Property, Plant and Equipment		(1,763)	(14,253)
Payments/Proceeds on Sale of Investments		(85,960)	133,585
NET CASH FROM INVESTING ACTIVITIES		(15,180)	203,994
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease Liability Payments		16,083	(9,455)
NET CASH FROM FINANCING ACTIVITIES		16,728	(9,455)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(63,422)	227,211
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR			
	3	902,957	675,746
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR			
	3	839,535	902,957

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Asthma Foundation of WA Inc. (The Foundation) is a not-for-profit association incorporated and domiciled in Western Australia.

The functional and presentation currency of the Foundation is Australian Dollars.

These financial statements were authorised for issue on 19 October 2020.

Basis of Preparation

In management's opinion, the Foundation is not a reporting entity, since there are unlikely to be users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These financial statements are therefore special purpose financial statements that have been prepared to meet the reporting requirements of the Associations Incorporations Act WA 2015 and the Australian Charities and Not-for-Profit Commission Act 2012.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, unless otherwise stated.

These financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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.

New, revised or amended Accounting Standards and Interpretations adopted

The Foundation has adopted all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current period.

Impact of adoption

AASB 1058 was adopted, comparatives have not been restated as there are no changes due to the adoption.

AASB 15 was adopted using the modified retrospective approach, comparatives have not been restated as there are no changes due to the adoption.

AASB 16 revisions were adopted using the modified retrospective approach, comparatives have not been restated as the changes due to the adoption are not material.

There was no impact on opening retained profits as at 1 July 2019.

Income Tax

The Foundation is a Public Benevolent Institution and is exempt from income tax.

Revenue

Donations are recognised at the time of receipt.

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement but may include management of education events, presentations at symposiums and specific training courses. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Amounts arising from grants in the scope of AASB 1058 are recognised at the assets fair value when the asset is received. The Foundation considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard. Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Foundation presents the contract as a contract asset, unless the Foundation's rights to that amount of consideration are unconditional, in which case the Foundation recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Foundation presents the contract as a contract liability.

Contract cost assets

The Foundation recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Inventories

Inventories are measured at the lower of cost and net realisable value.

Investments - FVTPL

Investments are designated at fair market value as at the reporting date. Changes in fair value are recognised in the Statement of Profit and Loss and Other Comprehensive Income.

Dividends, Interest Trust and Partnership distributions are brought to account on an accrual basis.

Property

Property held by the Foundation is recorded at fair value less accumulated depreciation on buildings and any impairment losses. Fair value assumptions are as per a Sworn Valuation held 30 June 2018 which includes impairment estimates based on a caveat held by Lotterywest that prevents the sale of Property to 27 November 2031 which may affect fair value.

Property is depreciated over 25 years.

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Plant and Equipment

Plant and equipment is carried at historical cost less, where applicable, any accumulated depreciation.

The depreciation amount of all plant and equipment is depreciated over useful lives of the assets to the Foundation commencing from the time the asset is held ready for use.

Leases

For comparative year

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

For current year

At inception of a contract, the Foundation assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Foundation has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Foundation has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Foundation recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Foundation believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The estimated life of the right-of-use assets is based on those of property, plant and equipment. The right-of-use asset is subject to the impairment requirements and is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Foundation's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based or a change in the Foundation's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Foundation has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Foundation recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Creditors

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year and which are unpaid. The amounts are usually paid within 30 days of recognition.

Research grants are recorded as an expense items in the year they are awarded and held as liabilities until the research project is completed.

Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Foundation becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

The Foundation does not have any financial assets categorised as FVOCI.

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

Subsequent measurement financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Foundation's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

The Foundation considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Foundation makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Foundation uses its historical experience to calculate the expected credit losses.

Classification and measurement of financial liabilities

The Foundation's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Foundation designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Employee Entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date.

Lease Liabilities

The Foundation holds loan agreements for motor vehicles and a lease agreement for plant and equipment. Lease liabilities have been separated into current and non-current liabilities.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST.

Property Maintenance Reserve

Lotterywest holds a caveat over Property until 27 November 2031. The caveat requests that a portion of funds be held in reserve to cover costs associated with maintenance, repairs and management of the Property.

Fallon Reserve

The Foundation holds in reserve donations made in memory of Fallon Munday. Fallon's reserve is to be used to subsidise asthma medications for families undergoing economic hardship.

Research Reserve

The Foundation holds in reserve funds specifically donated towards research.

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

Note	2020	2019
	\$	\$
2	COMMUNITY ENGAGEMENT/FUNDRAISING REVENUE	
	147,681	128,452
Donations and Fundraising Programs		
Fundraising Events	-	374,492
Bequests	16,046	101,199
Pro Bono/Contra Support	46,582	4,008
Corporate Sponsorship	34,545	-
Membership	1,018	832
Research Donations	7,000	8,823
	252,872	617,806
3	CASH AND CASH EQUIVALENTS	
	416,871	254,587
Cash at Bank		
Term Deposit	420,000	420,000
Investments Cash Account	2,664	228,370
	839,535	902,957
4	RECEIVABLES	
	102,599	22,343
Sundry Debtors		
Prepayments	4,041	14,017
	106,640	36,360
5	INVENTORIES	
	11,620	9,099
Retail Stock on Hand		
	11,620	9,099
6	INVESTMENTS	
	At Market Value as at Balance Date	
	670,127	606,060
International Shares		
Australian Shares	588,362	608,231
	1,258,489	1,214,291

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

7	PROPERTY, PLANT AND EQUIPMENT		
	Property – as per Valuation June 2018		
	Office Units 2, 3, 4 & 5, 36 Ord Street	799,133	799,113
	Renovations Office Units 2, 3, 4 & 5 36 Ord St	695,595	695,595
	Office Unit 7 36 Ord Street	300,000	300,000
	Office Unit 10 36 Ord Street	290,000	290,000
	Less Accumulated Depreciation	(299,908)	(222,308)
		1,784,800	1,862,400
	Plant & Equipment		
	Office, IT Equipment and Fittings	138,023	160,215
	Less: Accumulated Depreciation	(101,201)	(101,031)
	Motor Vehicles	43,454	73,009
	Less: Accumulated Depreciation	(1,093)	(11,574)
		79,183	120,619
	TOTAL PROPERTY, PLANT AND EQUIPMENT	1,863,983	1,983,019
8	CREDITORS		
	Sundry Creditors	107,248	59,813
	Research Grants	29,690	54,535
		136,938	114,348
9	CONTRACT LIABILITIES		
	Revenue Contract Liabilities	161,646	75,000
		161,646	75,000
10	PROVISIONS FOR EMPLOYEES		
	Provision for Holiday Pay	63,310	50,500
	Provision for Long Service Leave	29,978	15,360
		93,288	65,860
11	LEASE LIABILITIES		
	Lease Liabilities Current	67,506	61,239
	Lease Liabilities Non-Current	9,815	-
		77,321	61,239

ASTHMA FOUNDATION OF WESTERN AUSTRALIA INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

**12 RECONCILIATION OF NET CASH FLOW FROM
OPERATION ACTIVITIES**

Net Surplus/(Deficit) for the year	(218,205)	(12,834)
Non-Cash Flows in Net Surplus/(Deficit):		
Depreciation	110,341	104,511
Equipment written off	6,674	1,022
Revaluation of Investment	39,557	(113,241)
Income from Investing Activities	(66,555)	(67,235)
Change in Net Assets & Liabilities:		
(Increase)/Decrease in Trade & Other Receivables	(80,256)	100,852
(Increase)/Decrease in Prepayments	9,976	186,154
Increase/(Decrease in Creditors	47,434	5,854
Increase/(Decrease) in Research Grants	(24,845)	(59,408)
Increase/(Decrease) in Provisions	27,428	(2,664)
(Increase)/Decrease in Inventory	(2,520)	788
Increase/(Decrease) in Grants Received in Advance	86,646	(111,127)
CASH FLOWS USED IN OPERATIONS	(64,325)	32,672

13 EVENTS SUBSEQUENT TO THE REPORTING DATE

There has not been any matter or circumstance occurring subsequent to the end of the financial year to the date of signing the financial report, that has significantly affected, or may significantly affect, the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASTHMA FOUNDATION OF WESTERN AUSTRALIA INC.

Report on the Financial Report

Opinion

We have audited the financial report of Asthma Foundation of Western Australia Inc. (the Foundation), which comprises the statement of financial position as at 30 June 2020 and the statement of profit or loss and other comprehensive income, statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the declaration by the Board.

In our opinion, the accompanying financial report of Asthma Foundation of Western Australia Inc. is prepared, in all material respects, in accordance with the Associations Incorporations Act 2015 WA and the Australian Charities and Not-for-profits Commission Act 2012 including:

- i) giving a true and fair view of the Foundation's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards as stated in note 1 of the financial report and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We have 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 Foundation in accordance with the auditor independence requirements of the Associations Incorporations Act 2015, Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We confirm that the independence declaration required by the Associations Incorporations Act 2015 and Australian Charities and Not-for-profits Commission Act 2012, which has been given to the Board of Management of the Foundation, would be in the same terms if given to the Board of Management as at the date of this auditor's report.

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 the purpose of fulfilling the Board of Management's financial reporting responsibilities under the Associations Incorporation Act 2015 and the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The Board of Management are responsible for the other information. The other information comprises the information in the Foundation's annual report for the year ended 30 June 2020 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the Board of Management for the Financial Report

The Board of Management of the Foundation is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Associations Incorporations Act 2015, and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the Board of Management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board of Management are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Management either intend to liquidate the Foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- Conclude on the appropriateness of the Board of Management' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Management 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.

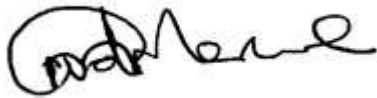
We also provide the Board of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

In our opinion, Asthma Foundation of Western Australia Inc has complied with sections 60-30(3)(b), (c) and (d) of the Australian Charities and Not-for-profits Commission Act 2012 and sections 82(1)(b), (c) and (d) of the Associations Incorporation Act 2015 (WA) :

- by providing us with all information, explanation and assistance necessary for the conduct of the audit;
- by keeping financial records sufficient to enable a financial report to be prepared and audited;
- by keeping other records required by Part 3-2 of the Australian Charities and Not-for-profits Commission Act 2012, including those records required by Section 55-5 that correctly record its operations, so as to enable any recognised assessment activity to be carried out in relation to the entity; and
- by keeping other records required by Part 5 of the Associations Incorporation Act 2015 (WA), including those records required by Section 66 that correctly record its operations, so as to enable true and fair financial statements to be prepared.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA
Director

Perth

Date: 19 October 2020