



**Financial Report**  
**For the year ended 30 June 2019**

**IN 2 BUSINESS PTY LTD**  
9/429 The Boulevard  
KIRRAWEE NSW 2232

# Ostomy NSW Limited ABN 92 003 107 220

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# Ostomy NSW Limited ABN 92 003 107 220

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
Revenue	2	14,028,258	14,171,454
Cost of goods traded		(12,856,909)	(13,071,130)
Gross surplus		1,171,349	1,100,324
Other income	2	99,926	331,944
Employee benefits expense	3a	(733,891)	(730,660)
Depreciation and amortisation expense	3a	(17,140)	(19,167)
Finance costs		-	(9)
Freight and cartage		(311,447)	(294,163)
Fundraising and nurse support expense		(49,509)	(70,965)
Other operating expenses		(185,814)	(196,555)
<b>Profit before income tax</b>		<b>(26,526)</b>	<b>120,749</b>
Income tax expense		-	-
<b>Profit for the year</b>		<b>(26,526)</b>	<b>120,749</b>
 <b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Gains on revaluation of non-current assets, net of tax		-	-
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Fair value gains/(losses) on available-for-sale financial assets, net of tax		-	-
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(26,526)</b>	<b>120,749</b>
Total comprehensive income attributable to members of the entity		(26,526)	120,749

The accompanying notes form part of these financial statements.

# Ostomy NSW Limited ABN 92 003 107 220

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	977,792	1,443,776
Trade and other receivables	5	1,104,698	543,704
Inventories	6	495,562	579,751
Other assets	7	-	10,000
<b>TOTAL CURRENT ASSETS</b>		<b>2,578,052</b>	<b>2,577,231</b>
<b>NON-CURRENT ASSETS</b>			
Other assets	7	450	450
Property, plant and equipment	8	1,219,671	1,233,536
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,220,121</b>	<b>1,233,986</b>
<b>TOTAL ASSETS</b>		<b>3,798,173</b>	<b>3,811,217</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	1,385,851	1,384,496
Other liabilities	10	25,414	24,765
Provisions	11	91,164	87,570
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,502,429</b>	<b>1,496,831</b>
<b>NON-CURRENT LIABILITIES</b>			
Other Liabilities	10	-	-
Provisions	11	44,337	36,453
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>44,337</b>	<b>36,453</b>
<b>TOTAL LIABILITIES</b>		<b>1,546,766</b>	<b>1,533,284</b>
<b>NET ASSETS</b>		<b>2,251,407</b>	<b>2,277,933</b>
<b>EQUITY</b>			
Retained earnings		2,251,407	2,277,933
Reserves		-	-
<b>TOTAL EQUITY</b>		<b>2,251,407</b>	<b>2,277,933</b>

The accompanying notes form part of these financial statements.

# Ostomy NSW Limited ABN 92 003 107 220

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

Note	Retained Earnings \$	Financial Assets Reserve \$	Revaluation Surplus \$	Total \$
<b>Balance at 1 July 2017</b>	2,157,184	-	-	2,157,184
<b>Comprehensive income</b>				
Profit (loss) for the year	120,749	-	-	120,749
Other comprehensive income for the year:				
- net fair value gains on available-for-sale financial assets	-	-	-	-
- gains on revaluation of land and buildings	-	-	-	-
Total other comprehensive income	-	-	-	-
<b>Total comprehensive income attributable to members of the entity for the year</b>	120,749	-	-	120,749
<b>Balance at 30 June 2018</b>	2,277,933	-	-	2,277,933
<b>Balance at 1 July 2018</b>	2,277,933	-	-	2,277,933
<b>Comprehensive income</b>				
Profit (loss) for the year	(26,526)	-	-	(26,526)
Other comprehensive income for the year:				
- net fair value gains on available-for-sale financial assets	-	-	-	-
- gains on revaluation of land and buildings	-	-	-	-
Total other comprehensive income	-	-	-	-
<b>Total comprehensive income attributable to members of the entity for the year</b>	(26,526)	-	-	(26,526)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>				
Transfer on sale of asset	-	-	-	-
<b>Total transactions with owners and other transfers</b>	-	-	-	-
<b>Balance at 30 June 2019</b>	2,251,407	-	-	2,251,407

The accompanying notes form part of these financial statements.

# Ostomy NSW Limited ABN 92 003 107 220

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from government and customers		13,552,485	14,540,046
Other receipts		-	-
Payments to suppliers and employees		(14,028,106)	(14,313,673)
Interest received		12,912	14,308
Finance costs		-	-
Net cash generated by/(used in) operating activities		(462,709)	240,681
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(3,275)	(8,796)
Proceeds from sale of available-for-sale investments		-	-
Payment for available-for-sale investments		-	-
Payment for financial assets at fair value through profit or loss		-	-
Payment for intangible assets		-	-
Payment for held-to-maturity investments		-	-
Net cash (used in)/generated by investing activities		(3,275)	(8,796)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of finance lease commitments		-	-
Increase in finance lease commitments		-	-
Net cash generated by/(used in) financing activities		-	-
Net increase/(decrease) in cash held		(465,984)	231,885
Cash and cash equivalents at beginning of financial year		1,443,776	1,211,891
Cash and cash equivalents at end of financial year	4	977,792	1,443,776

The accompanying notes form part of these financial statements.

# Ostomy NSW Limited ABN 92 003 107 220

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Preparation**

Ostomy NSW Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010–2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, 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 amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 3 October 2019 by the directors of the company.

#### **Accounting Policies**

##### **a. Revenue**

Ostomy NSW Limited receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in profit or loss.

Fees paid by company members are recognised as revenue at the time of receipt.

Donations, bequests, raffles and other income are recognised as revenue when received.

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

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

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

##### **b. Inventories**

Inventories held for sale are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

##### **c. Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

##### **Freehold property**

Freehold land and buildings are shown at cost, less subsequent depreciation for buildings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements, if any, are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings and building improvements	2.5% - 20%
Office equipment	5% - 25%
Fixtures and fittings	5% - 20%
Computer hardware	25%
Computer software	25%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d. **Leases**

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

e. **Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit and loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Financial instruments of the company comprise cash and cash equivalents, trade receivables and trade payables. They are expressed at fair value in the financial statements, which is at cost.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f. **Impairment of Assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

g. **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled. Contributions are made by the company to an employee's nominated superannuation fund and are charged as expenses when incurred.

h. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts, if any (none present as at 30 June 2018 or 30 June 2019).

i. **Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

j. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

k. **Intangibles**

**Software**

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

l. **Provisions**

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

m. **Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

n. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

o. **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**Key Judgements**

(i) *Employee benefits*

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows (despite an informal company policy that requires annual leave to be used within 18 months), the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

p. **Economic Dependence**

Ostomy NSW Limited is dependent on the Department of Human Services (Medicare Australia) for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support Ostomy NSW Limited.

# Ostomy NSW Limited ABN 92 003 107 220

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>			
<b>Revenue</b>			
Revenue from (non-reciprocal) government grants and other grants:			
– sales and medicare reimbursements		12,953,068	13,086,761
		12,953,068	13,086,761
Other revenue:			
– membership income		707,733	712,157
– medicare commissions		354,545	358,228
– interest received on financial assets not at fair value through profit or loss		12,912	14,308
		1,075,190	1,084,693
<b>Total revenue</b>		14,028,258	14,171,454
<b>Other income</b>			
– gain on disposal of property, plant and equipment		-	-
– other revenue		99,926	331,944
<b>Total other income</b>		99,926	331,944
<b>Total revenue and other income</b>		14,128,184	14,503,398
 <b>NOTE 3: PROFIT FOR THE YEAR</b>			
<b>a. Expenses</b>			
Employee benefits expense:		733,891	730,660
Depreciation and amortisation:			
– buildings		6,209	6,769
– plant & equipment		10,931	12,398
Total depreciation and amortisation		17,140	19,167
 <b>NOTE 4: CASH AND CASH EQUIVALENTS</b>			
<b>CURRENT</b>			
Cash at bank		977,342	1,443,326
Cash on hand		450	450
		977,792	1,443,776
 <b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>			
<b>CURRENT</b>			
Trade receivables		1,092,588	529,803
Provision for impairment		-	-
		1,092,589	529,803
 Other receivables		12,110	13,901
<b>Total current trade and other receivables</b>		1,104,698	543,704

# Ostomy NSW Limited ABN 92 003 107 220

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>NOTE 6: INVENTORIES</b>			
<b>CURRENT</b>			
At cost:			
Inventory		495,562	579,751
		495,562	579,751
<b>NOTE 7: OTHER ASSETS</b>			
<b>CURRENT</b>			
Accrued income			
Prepayments		-	10,000
Other sundry		-	-
		-	10,000
<b>NON-CURRENT</b>			
Security deposit		450	450
		450	450
<b>NOTE 8: PROPERTY, PLANT AND EQUIPMENT</b>			
<b>Land and Buildings</b>			
Freehold land and buildings:			
At cost		1,267,627	1,266,877
Less: accumulated depreciation		(94,976)	(88,767)
		1,172,651	1,178,110
<b>Plant and Equipment</b>			
Plant and equipment:			
At cost		174,246	171,721
Less: accumulated depreciation		(127,226)	(116,295)
Total plant and equipment		47,020	55,426
Total property, plant and equipment		1,219,671	1,233,536

### **Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Plant and Equipment	Total
Balance at the beginning of the year	1,178,110	55,426	1,233,536
Additions at cost	750	2,525	3,275
Additions at fair value	-	-	-
Disposals	-	-	-
Depreciation expense	(6,209)	(10,931)	(17,140)
Carrying amount at the end of the year	1,172,651	47,020	1,219,671

# Ostomy NSW Limited ABN 92 003 107 220

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>			
<b>CURRENT</b>			
Trade payables		907,268	999,273
Prepaid member fees		196,292	118,053
Prepaid member postage		189,526	164,396
STN training scholarship		38,570	53,812
Other payables		54,195	48,962
		1,385,851	1,384,496
 <b>NOTE 10: OTHER LIABILITIES</b>			
<b>CURRENT</b>			
Accrued charges		25,414	24,765
<b>NON-CURRENT</b>			
Prepaid member fees		-	-
 <b>NOTE 11: PROVISIONS</b>			
<b>CURRENT</b>			
Provision for employee benefits: annual leave		57,750	56,037
Provision for employee benefits: other leave		33,414	31,533
		91,164	87,570
<b>NON-CURRENT</b>			
Provision for employee benefits: long service leave		44,337	36,453

A provision has been recognised for employee entitlements relating to long service leave. This has been stated at current estimated cost, as the directors believe the amount is immaterial, and re-statement onto a discounted current value basis is not material.

### NOTE 12: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The company is not aware of any contingent liabilities.

### NOTE 13: EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant events since the end of the reporting period.

### NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

# Ostomy NSW Limited ABN 92 003 107 220

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

### NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		\$	\$
Key management personnel compensation		100,400	116,243

### NOTE 15: OTHER RELATED PARTY TRANSACTIONS

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the year there were no related party transactions.

### NOTE 16: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		<b>2019</b>	<b>2018</b>
<b>Financial assets</b>			
Cash and cash equivalents	4	977,792	1,443,776
Loans and receivables	5	1,104,698	543,704
<b>Total financial assets</b>		<u>2,082,490</u>	<u>1,987,480</u>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
– trade and other payables	9	907,268	999,273
<b>Total financial liabilities</b>		<u>907,268</u>	<u>999,273</u>

DIRECTORS' DECLARATION

The directors of Ostomy NSW Limited declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 3 to 14, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position of the company as at 30 June 2019 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Ian Denney

Director

Greg Doyle

Director



Dated this 3<sup>rd</sup> day of October 2019

# BUSINESS PARTNER ACCOUNTANTS

ABN 31 254 110 993

Chartered Accountants and Business Advisors

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## Independent Auditor Report

To the members of Ostomy NSW Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report of Ostomy NSW Limited ("the Company"), which comprises the Statement of Financial Position as at 30 June, 2019, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors Declaration.

In our opinion, the financial report of the Company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company financial position as at 30 June, 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the "Auditor Responsibilities for the Audit of the Financial Report" section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board 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.

#### Information Other than the Financial Report and Audit Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company annual report for the year ended 30 June, 2019, but does not include the financial report and our audit 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. We have nothing to report in this regard.

#### Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine 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 directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process of the Company.

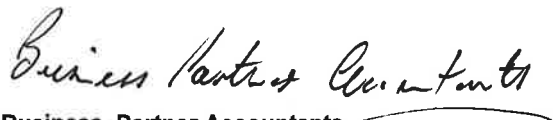
**Auditor Responsibilities for the Audit of the Financial Report**

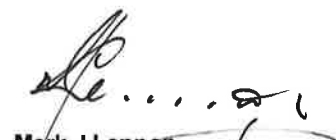
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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.

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 the 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 an 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 internal control of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit 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 audit report. However, future events or conditions may cause the Company 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 directors 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.

  
**Business Partner Accountants**  
**Chartered Accountants**

  
**Mark J Lennon**

Signed at Miranda, NSW this 3<sup>rd</sup> day of October, 2019

COMPILATION REPORT

We have compiled the accompanying general purpose financial statements of Ostomy NSW Limited, which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Position as at 30 June 2019, a summary of significant accounting policies and other explanatory notes. These have been prepared in accordance with the financial reporting framework described in Note 1 to the financial statements.

*The Responsibility of the Directors of Ostomy NSW Limited*


The directors of Ostomy NSW Limited are solely responsible for the information contained in the general purpose financial statements and have determined that the financial reporting framework used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

*Our Responsibility*

On the basis of the information provided by the directors of Ostomy NSW Limited, we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed by us, and accordingly no assurance is expressed.

The general purpose financial statements were compiled exclusively for the benefit of the directors of Ostomy NSW Limited. We do not accept responsibility to any other person for the contents of the general purpose financial statements.



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Jennene Abrook  
IN 2 BUSINESS PTY LTD  
9/429 The Boulevard  
KIRRAWEE NSW 2232

Dated 3<sup>rd</sup> October 2019

# BUSINESS PARTNER ACCOUNTANTS

ABN 31 254 110 993

Chartered Accountants and Business Advisors

PO Box 634  
Miranda NSW 1490

Principal: Mark J. Lennon B.Comm., FCA

E-mail: [info@bpaccountants.com.au](mailto:info@bpaccountants.com.au)

Tel: (02) 9524 2966

Fax: (02) 9524 2933

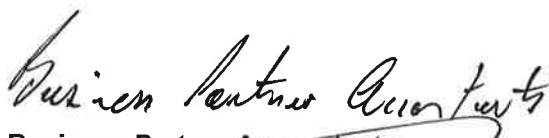
Suite 6, First Floor  
525 Kingsway  
(Cnr. Clubb Cr.)  
Miranda NSW 2228

## Auditor Independence Declaration

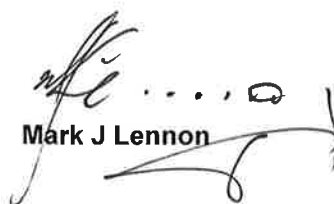
In accordance with section 60-40 of the  
Australian Charities and Not-for-profits Commission Act 2012

To the Directors of Ostomy NSW Limited

I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit in respect of the year ended 30 June, 2019.



**Business Partner Accountants**  
Chartered Accountants



**Mark J Lennon**

Dated this 3<sup>rd</sup> day of October, 2019