

**St John Ambulance Australia SA Inc  
Annual Financial Report  
for the year ended 30 June 2017**

# St John Ambulance Australia SA Inc Annual Financial Report - 30 June 2017

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**St John Ambulance Australia SA Inc**  
**Statement of comprehensive income**  
**For the year ended 30 June 2017**

	Notes	2017 \$	2016 \$
<b>Income</b>	2	<b>11,016,314</b>	9,189,196
Other income	3	<b>958,812</b>	975,806
Net gain on disposal of property, plant and equipment		<b>353,665</b>	140,022
Cost of sales		<b>(856,131)</b>	(656,653)
Employee expenses		<b>(5,682,140)</b>	(5,427,485)
Depreciation and amortisation expense	4	<b>(589,567)</b>	(600,329)
Administrative expenses	4	<b>(3,973,011)</b>	(4,311,253)
<b>Surplus/(deficit) for the year</b>		<b><u>1,227,942</u></b>	<u>(690,696)</u>
<b>Other comprehensive income/(loss)</b>			
<i>Item that may be reclassified to profit or loss</i>			
Changes in the fair value of available-for-sale financial assets	13(a)	<b><u>505,922</u></b>	<u>(87,170)</u>
<b>Total comprehensive income/(loss) for the year</b>		<b><u>1,733,864</u></b>	<u>(777,866)</u>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

**St John Ambulance Australia SA Inc**  
**Statement of financial position**  
**As at 30 June 2017**

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	2,471,103	5,301,151
Term deposits (greater than 90 days)		4,360,139	150,000
Trade and other receivables	6	844,923	563,809
Inventories		136,936	157,647
<b>Total current assets</b>		<b>7,813,101</b>	<b>6,172,607</b>
<b>Non-current assets</b>			
Available-for-sale financial assets	7	8,441,358	8,056,373
Property, plant and equipment	8	3,995,300	3,921,542
Intangible assets	9	109,272	29,929
<b>Total non-current assets</b>		<b>12,545,930</b>	<b>12,007,844</b>
<b>Total assets</b>		<b>20,359,031</b>	<b>18,180,451</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	10	1,533,722	1,360,852
Lease liabilities	12	51,129	-
Provision for employee entitlements	11	552,147	559,334
<b>Total current liabilities</b>		<b>2,136,998</b>	<b>1,920,186</b>
<b>Non-current liabilities</b>			
Lease liabilities	12	203,356	-
Provision for employee entitlements	11	93,899	69,351
<b>Total non-current liabilities</b>		<b>297,255</b>	<b>69,351</b>
<b>Total liabilities</b>		<b>2,434,253</b>	<b>1,989,537</b>
<b>Net assets</b>		<b>17,924,778</b>	<b>16,190,914</b>
<b>FUNDS</b>			
Reserves	13(a)	8,566,905	7,888,510
Accumulated surplus	13(c)	9,357,873	8,302,404
<b>Total funds</b>		<b>17,924,778</b>	<b>16,190,914</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

**St John Ambulance Australia SA Inc**  
**Statement of changes in equity**  
**For the year ended 30 June 2017**

	Notes	Fair Value Reserve \$	Legacy Reserve \$	Operations Branch District Reserve \$	Accumulated surplus \$	Total funds \$
<b>Balance at 1 July 2015</b>		2,244,994	4,999,607	437,403	9,101,555	16,783,559
(Loss) for the year		-	-	-	(690,696)	(690,696)
Other comprehensive (loss)		(87,170)	-	-	-	(87,170)
Transfer to/(from) reserves		-	102,894	5,561	(108,455)	-
Share bequest	13	-	185,221	-	-	185,221
<b>Balance at 30 June 2016</b>		<b>2,157,824</b>	<b>5,287,722</b>	<b>442,964</b>	<b>8,302,404</b>	<b>16,190,914</b>
<b>Balance at 1 July 2016</b>		2,157,824	5,287,722	442,964	8,302,404	16,190,914
Profit for the year		-	-	-	1,227,942	1,227,942
Other comprehensive income		505,922	-	-	-	505,922
Transfer to/(from) reserves		-	615,437	(442,964)	(172,473)	-
<b>Balance at 30 June 2017</b>		<b>2,663,746</b>	<b>5,903,159</b>	<b>-</b>	<b>9,357,873</b>	<b>17,924,778</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

**St John Ambulance Australia SA Inc**  
**Statement of cash flows**  
**For the year ended 30 June 2017**

	2017	2016
Notes	\$	\$
<b>Cash flows from operating activities</b>		
Receipts in course of operations (inclusive of GST)	8,788,944	8,898,763
Payments in course of operations (inclusive of GST)	(10,738,858)	(10,695,101)
Proceeds from grants	1,266,478	1,230,819
Proceeds from donors, bequests and fundraising	1,637,453	175,330
<b>Net cash inflow (outflow) from operating activities</b>	16 <b>954,017</b>	<b>(390,189)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(495,326)	(210,077)
Payments for intangibles	(79,343)	(33,612)
Transfer (to)/from term deposits	(4,210,139)	1,095,156
Transfer from cash in managed investment fund	120,937	232,566
Proceeds from disposal of property, plant and equipment	440,151	276,570
Dividends and other distributions	329,963	53,125
Interest received	109,692	122,276
<b>Net cash (outflow) inflow from investing activities</b>	<b>(3,784,065)</b>	1,536,004
<b>Net cash inflow (outflow) from financing activities</b>	-	-
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(2,830,048)</b>	1,145,815
Cash and cash equivalents at the beginning of the financial year	5,301,151	4,155,336
<b>Cash and cash equivalents at end of the financial year</b>	5 <b>2,471,103</b>	<b>5,301,151</b>

*Cash held in term deposits (greater than 90 days) at period end were \$4,360,139 (2016: \$150,000). Refer to the statement of financial position.*

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

## 1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for St John Ambulance Australia SA Inc, referred to as St John.

### (a) Basis of preparation

#### (i) *Special purpose financial report*

In the directors' opinion, St John is not a reporting entity because there are no users dependent on general purpose financial statements.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the *Associations Incorporation Act 1985* (as amended) and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act 2012) requirements and must not be used for any other purpose.

The financial report has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, the *Associations Incorporation Act 1985* (as amended) and the *ACNC Act 2012*. It contains only those disclosures considered necessary by the directors to meet the needs of the members.

St John is a not-for-profit entity for the purpose of preparing the financial report.

The financial report is presented in Australian dollars, which is the functional currency of St John.

#### (ii) *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for available-for-sale financial assets which are recorded at fair value.

#### (iii) *New and amended standards adopted by St John*

The adoption of new standards and amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

#### (iv) *Critical accounting estimates*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying St John's accounting policies. The estimates and underlying assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by St John.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### (v) *New standards and interpretations not yet adopted*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the St John. The St John's assessment of the impact of these new standards and interpretations is set out below.

**1 Summary of significant accounting policies (continued)**

**(a) Basis of preparation (continued)**

<b>Title of standard</b>	<b>Nature of change</b>	<b>Impact</b>	<b>Mandatory application date/ Date of adoption by St John</b>
AASB 9 <i>Financial Instruments</i>	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	<p>Following the changes approved by the AASB in December 2014, St John no longer expects any impact from the new classification, measurement and derecognition rules on St John's financial assets and financial liabilities.</p> <p>While St John has yet to undertake a detailed assessment of the debt instruments currently classified as available-for-sale financial assets, it would appear that they would satisfy the conditions for classification as at fair value through other comprehensive income (FVOCI) and hence there will be no change to the accounting for these assets.</p> <p>There will also be no impact on St John's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and St John does not have any such liabilities.</p>	Must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety.



**1 Summary of significant accounting policies (continued)**

**(a) Basis of preparation (continued)**

<b>Title of standard</b>	<b>Nature of change</b>	<b>Impact</b>	<b>Mandatory application date/ Date of adoption by St John</b>
<p>AASB 15 <i>Revenue from Contracts with Customers</i></p>	<p>The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.</p>	<p>At this stage, St John is not able to estimate the impact of the new rules on St John's financial statements. St John will make more detailed assessments of the impact over the next twelve months.</p>	<p>Mandatory for financial years commencing on or after 1 January 2018. Expected date of adoption by St John: 1 July 2018.</p>
<p><b>Title of standard</b> IFRS 16 <i>Leases</i></p>	<p><b>Nature of change</b> IFRS 16 specifies how to recognise, measure, present and disclose leases. The updated standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases. However, if the term is 12 months or less or the underlying asset has a low value, lessors can continue to classify leases as operating or finance. IFRS 16's approach to lessor accounting remains substantially unchanged from its predecessor, IAS 17.</p>	<p><b>Impact</b> At this stage, St John is not able to estimate the impact of the new rules on St John's financial statements. St John will make more detailed assessments of the impact over the next twelve months.</p>	<p><b>Mandatory application date/ Date of adoption by St John</b> IFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019. Expected date of adoption by St John: 1 July 2019.</p>

## 1 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

There are no other standards that are not yet effective and that would be expected to have a material impact on St John in the current or future reporting periods and on foreseeable future transactions.

### (b) Income recognition

Income is measured at the fair value of the consideration received or receivable. Amounts disclosed as income are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

St John recognises income when the amount of income can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of St John's activities as described below. St John bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Income is recognised for the major business activities as follows:

#### (i) Charitable income

Income is received from fundraising events, legacies and bequests, and is recognised when cash is received or at the time of receiving written confirmation of the legacy or bequest. When assets such as investments or properties are received from a bequest or donation, the asset is recognised at fair value, with a corresponding amount of income, when St John gains control of such assets.

#### (ii) Interest, dividend and distribution income

Interest income is recognised as it accrues. Dividend and distribution income is recognised upon receipt. Where dividends are franked, the dividend is not recognised inclusive of imputation credits, instead imputation credits are recognised when received from the ATO.

#### (iii) Sale of goods

Income from the sale of goods is recognised in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer.

#### (iv) Training income

Income from training courses is recognised in the accounting period in which the training services are rendered.

#### (v) Event income

At the time of event booking, regardless of whether payment is up-front or on credit, the income is deferred until the event date at which point the income is recognised.

### (c) Government grants

Grants constituting non reciprocal transfers received from the Government are recognised as income when St John obtains control of the benefit. A non reciprocal transfer is one in which St John receives assets and services or has liabilities extinguished without giving approximately equal value in exchange to the other party or parties to the transfer. Grants in which St John is required to repay unutilised funding are treated as reciprocal transfers and income is recognised by reference to the stage of completion of the transaction in accordance with AASB 118 'Revenue'. If grant income relating to the financial year has not been received at year end, it is recognised as an asset entitled "Grant income receivable".

## 1 Summary of significant accounting policies (continued)

### (d) Income tax

St John is a public benevolent institution and has been endorsed as an income tax exempt charitable entity and as a deductible gift recipient.

### (e) Leases

Leases of property, plant and equipment where St John, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that St John will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to St John as lessee are classified as operating leases (note 12). Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

### (f) Impairment of assets

St John does not have any goodwill or intangible assets that have an indefinite useful life. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, 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.

### (h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

## 1 Summary of significant accounting policies (continued)

### (h) Trade receivables (continued)

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that St John will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

### (i) Investments and other financial assets

#### *Classification*

#### *(i) Available-for-sale financial assets*

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

#### *Recognition and derecognition*

Purchases and sales of financial assets are recognised on trade-date - the date on which St John commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and St John has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to the statement of comprehensive income as gains and losses from investment securities.

#### *Measurement*

At initial recognition, St John measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within other income or other expenses in the period in which they arise.

#### *Fair value*

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), St John establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity specific inputs.

## **1 Summary of significant accounting policies (continued)**

### **(i) Investments and other financial assets (continued)**

#### *Impairment*

St John assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

If there is evidence of impairment for any of St John's financial assets carried at amortised cost, the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred. The cash flows are discounted at the financial asset's original effective interest rate. The loss is recognised in the statement of comprehensive income.

### **(j) Inventories**

Inventories include first aid equipment and training packs. Inventories are valued at average cost. Inventory identified as obsolete is written off to the statement of comprehensive income.

### **(k) Property, plant and equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to St John and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

- |                       |               |
|-----------------------|---------------|
| - Buildings           | 20 years      |
| - Plant and equipment | 3 - 10 years  |
| - Motor vehicles      | 5 - 6.5 years |

Some buildings are situated on leased land. In these cases the land is written down to one dollar while the buildings are depreciated on a straight line basis over the lesser of the lease term and 20 years.

## 1 Summary of significant accounting policies (continued)

### (l) Intangible assets

#### (i) IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through income generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where St John has an intention and ability to use the asset.

St John amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- IT software 3 years

### (m) Trade and other payables

These amounts represent liabilities for goods and services provided to St John prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### (n) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when St John has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### (o) Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

## 1 Summary of significant accounting policies (continued)

### (o) Employee benefits (continued)

#### *(ii) Other long-term employee benefit obligations*

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### *(iii) Termination benefits*

Termination benefits are payable when employment is terminated by St John before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. St John recognises termination benefits at the earlier of the following dates: (a) when St John can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### (p) Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

St John Ambulance Australia SA Inc  
Notes to the financial statements  
30 June 2017  
(continued)

**2 Income**

	2017	2016
	\$	\$
<b>Commercial income</b>		
Training	5,270,314	5,337,634
Merchandising	1,917,679	1,604,536
Event fees	924,390	840,877
	8,112,383	7,783,047
<b>Grants</b>		
State government grants	395,433	429,322
Federal government grants	805,795	784,997
Non-government grants	65,250	16,500
	1,266,478	1,230,819
<b>Fundraising income</b>		
Donations, bequests and fundraising	1,637,453	175,330
	1,637,453	175,330
	11,016,314	9,189,196

The prior year amounts have been reclassified for consistency with current year presentation.

**3 Other income**

	2017	2016
	\$	\$
Investment income	439,656	433,148
Sundry income	129,630	151,140
Rental income	176,193	187,504
Administrative fees	10,096	48,357
Rebates	202,651	150,057
Camp fees received	586	5,600
	958,812	975,806



St John Ambulance Australia SA Inc  
Notes to the financial statements  
30 June 2017  
(continued)

**4 Expenses**

	2017	2016
	\$	\$
<b>Profit/(loss) for the year includes the following specific expenses:</b>		
<i>Depreciation</i>		
Land and buildings	263,799	281,805
Plant and equipment	151,586	170,440
Motor vehicles	111,947	106,100
Depreciation	527,332	558,345
<i>Amortisation</i>		
Software	62,235	41,984
Total amortisation	62,235	41,984
Total depreciation and amortisation	589,567	600,329
<i>Administrative</i>		
Occupancy	709,322	658,784
Marketing	382,439	378,726
Operational	1,192,069	1,209,740
Administration	1,517,786	1,756,913
Other	171,395	307,090
Total administrative	3,973,011	4,311,253

**5 Cash and cash equivalents**

	2017	2016
	\$	\$
<b>Current assets</b>		
Cash at bank and in hand	506,866	356,771
Term deposits at call	1,870,370	3,722,945
Cash held in managed investment fund	93,867	1,221,435
	2,471,103	5,301,151

St John Ambulance Australia SA Inc  
Notes to the financial statements  
30 June 2017  
(continued)

**6 Trade and other receivables**

	2017	2016
	\$	\$
<b>Current assets</b>		
Trade receivables	625,059	539,888
Provision for impairment of receivables	(22,796)	(7,835)
Other receivables	242,660	31,756
	844,923	563,809

**7 Available-for-sale financial assets**

	2017	2016
	\$	\$
<b>Non-current assets</b>		
Investment in managed fund	8,441,358	7,871,152
Listed securities	-	185,221
	8,441,358	8,056,373

**8 Property, plant and equipment**

	Land and buildings \$	Plant and equipment \$	Motor vehicles \$	Total \$
<b>At 30 June 2016</b>				
Cost	6,573,573	2,419,794	2,913,545	11,906,912
Accumulated depreciation	(3,415,684)	(1,963,033)	(2,606,653)	(7,985,370)
Net book amount	3,157,889	456,761	306,892	3,921,542
<b>At 30 June 2017</b>				
Cost	6,477,053	2,686,756	2,980,189	12,143,998
Accumulated depreciation	(3,605,258)	(2,073,028)	(2,470,412)	(8,148,698)
Net book amount	2,871,795	613,728	509,777	3,995,300

**9 Intangible assets**

	2017	2016
	\$	\$
<b>Software</b>		
Cost	813,009	671,473
Accumulated amortisation	(703,737)	(641,544)
	109,272	29,929

St John Ambulance Australia SA Inc  
Notes to the financial statements  
30 June 2017  
(continued)

**10 Trade and other payables**

	2017	2016
	\$	\$
<b>Current liabilities</b>		
Trade payables	453,449	400,634
Income received in advance	739,236	718,919
Other payables	341,037	241,299
	<b>1,533,722</b>	<b>1,360,852</b>

**11 Provision for employee entitlements**

	2017			2016		
	Current \$	Non- current \$	Total \$	Current \$	Non- current \$	Total \$
Provision for annual leave	377,213	-	377,213	372,861	-	372,861
Provision for long service leave	174,934	93,899	268,833	186,473	69,351	255,824
	<b>552,147</b>	<b>93,899</b>	<b>646,046</b>	<b>559,334</b>	<b>69,351</b>	<b>628,685</b>

## 12 Commitments

### Finance leases

	2017	2016
	\$	\$
Commitments in relation to finance leases are payable as follows:		
Within one year	60,586	-
Later than one year but not later than five years	219,114	-
Minimum lease payments	279,700	-
Future finance charges	(25,215)	-
Total lease liabilities	254,485	-
The present value of finance lease liabilities is as follows:		
Within one year	51,129	-
Later than one year but not later than five years	203,356	-
Minimum lease payments	254,485	-

St John leases various plant and equipment with a carrying amount of \$252,564 (2016: \$nil).

Lease payments paid during the year were \$23,252.

## 13 Reserves and accumulated surplus

### (a) Reserves

	2017	2016
	\$	\$
Fair value reserve	2,663,746	2,157,824
Legacy reserve	5,903,159	5,287,722
Operations branch district reserve	-	442,964
	8,566,905	7,888,510

### (b) Nature and purpose of reserves

#### (i) Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of available-for-sale financial assets until the asset is derecognised through sale. Impairment losses are transferred to the statement of comprehensive income.

#### (ii) Legacy reserve

The legacy reserve represents funds that are to be used as approved by the Board.

#### (iii) Operations branch district reserve

The operations branch district reserve represents funds used for special projects, under the direction of the Commissioner and as approved by the Board. In the current financial year, this reserve has been transferred to the accumulated surplus.

**13 Reserves and accumulated surplus (continued)**

**(c) Accumulated surplus**

Movements in accumulated surplus were as follows:

	2017	2016
	\$	\$
Balance 1 July	8,302,404	9,101,556
Net profit/(loss) for the year	1,227,942	(690,696)
Transfer to reserves	(172,473)	(108,456)
Balance 30 June	9,357,873	8,302,404

**14 Remuneration of auditors**

During the year the following fees were paid or payable for services provided by the auditor:

**PricewaterhouseCoopers Australia**

	2017	2016
	\$	\$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	37,860	37,300
Financial statements preparation	3,500	3,450
Total remuneration of PricewaterhouseCoopers Australia	41,360	40,750

**15 Events occurring after the reporting period**

There have been no material events subsequent to balance date, that in the opinion of the Board of Directors, significantly affected or will affect the future operations of St John.

St John Ambulance Australia SA Inc  
Notes to the financial statements  
30 June 2017  
(continued)

**16 Reconciliation of cashflows from operating activities**

	2017	2016
	\$	\$
Profit/(loss) for the year	1,227,942	(690,696)
Depreciation and amortisation	589,567	600,329
Interest income	(109,692)	(108,467)
Dividends and other distributions	(329,963)	(324,681)
Investment account expenses (non-cash)	-	39,060
Net (gain) on disposal of property, plant and equipment	(353,665)	(140,022)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(281,115)	256,000
(Increase)/decrease in inventories	20,711	24,261
Increase/(decrease) in other operating liabilities	37,679	(13,991)
Increase/(decrease) in trade and other payables	152,553	(133,189)
Increase in other operating liabilities	-	101,207
Net cash inflow/(outflow) from operating activities	954,017	(390,189)

**17 Information to be provided under the Collections for Charitable Purposes Act**

	2017	2016
	\$	\$
<i>Gross income from fundraising</i>		
Fundraising department	162,831	79,732
Legacies and bequests	1,353,590	34,708
Donations	121,032	60,890
	1,637,453	175,330
 <i>Expenditure on fundraising</i>		
Fundraising department	60,845	34,080
Legacies and bequests	12,499	5,371
Donations	-	-
	73,344	39,451
 Net total St John surplus from fundraising	 1,564,109	 135,879

**St John Ambulance Australia SA Inc  
Directors' declaration  
30 June 2017**

As stated in note 1(a) to the financial statements, in the directors' opinion, St John Ambulance Australia SA Inc (St John) is not a reporting entity because there are no users dependent on general purpose financial statements. This is a special purpose financial report that has been prepared to meet the *Associations Incorporation Act 1985* (as amended) and *ACNC Act 2012* requirements.

The financial statements have been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in note 1(a).

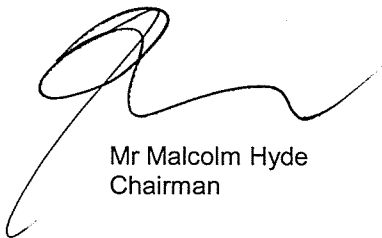
In the directors' opinion:

- (a) the financial report set out on pages 1 to 20 is drawn up so as to present fairly the results and cash flows of St John for the financial year ended 30 June 2017 and the state of affairs of St John, at 30 June 2017; and
- (b) there are reasonable grounds to believe that St John will be able to pay its debts as and when they become due and payable.

During the financial year, to the the best of my knowledge, no current officer of St John Ambulance Australia SA Inc, or any firm of which an officer is a member, or any corporate entity in which an officer has a substantial financial interest, has received or become entitled to receive a benefit, other than their remuneration as an employee of St John Ambulance Australia SA Inc or as a result of a contract between an officer and St John Ambulance Australia SA Inc, other than St John paying legal fees to Cowell Clarke, Barristers and Solicitors, a firm in which Mr R McNeil is a partner.

Since the end of the previous financial year, except as detailed above and other than an approved salary package which has been determined in accordance with general market conditions, no committee person of St John has received directly or indirectly, any payment or other benefit of a pecuniary value.

This declaration is made in accordance with a resolution of directors.



Mr Malcolm Hyde  
Chairman

Adelaide  
13 October 2017

**Independent auditor's report to the members of  
St John Ambulance Australia SA Inc**

**{The Auditor's report will be provided by your Auditor.}**





Julian McCarthy  
PricewaterhouseCoopers  
Level 11  
70 Franklin Street  
ADELAIDE SA 5000

12 October 2017

Dear Julian

***Subject: Management Representation Letter on the Financial Report for the financial year ended 30 June 2017 for St John Ambulance Australia SA Inc***

1. This representation letter is provided in connection with your audit of the financial report of St John Ambulance Australia SA Inc (the Association) for the financial year ended 30 June 2017 for the purpose of expressing an opinion as to whether the financial report gives a true and fair view in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012*.
2. I, Michael Cornish, Chief Executive Officer, confirm to the best of my knowledge and belief, and having made appropriate inquiries of the directors and officials of the Association, the following representations given to you in connection with your audit of the Association's financial report for the financial year ended 30 June 2017 (balance date), and in the light of the requirements of the *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012*.
3. I confirm our acknowledgement and understanding of our responsibilities in the terms of the audit engagement letter dated 10 March 2017.

***Financial report***

4. I acknowledge the directors and management's responsibility for ensuring:
  - a) the accuracy of the financial records and the financial report prepared from them
    - i) to give a true and fair view of the Association's financial position as at balance date and of its performance, as represented by the results of its operations and cash flows, for the financial year ended on that date
  - b) that the financial report is drawn up:
    - i) in accordance with the *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012*
    - ii) to comply with Accounting Standards and other mandatory professional reporting requirements.

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**ST JOHN AMBULANCE AUSTRALIA SA INC**  
42 947 425 570  
RTO 88041 St John Ambulance Australia

**Head Office South Australia**  
85 Edmund Avenue Unley  
South Australia 5061

**T:** 1300 78 5646  
**F:** 08 8306 6995  
**W:** [stjohnsa.com.au](http://stjohnsa.com.au)

### *Information provided*

5. I have provided you with:
- a) Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d) All information required by the *Australian Charities and Not-for-Profit Commission (ACNC) Act 2012*
6. I have communicated to you all deficiencies in internal control of which we are aware.

### *Fraud, error and non-compliance with laws and regulations*

7. I acknowledge my responsibility for the design and implementation of accounting and internal control systems to prevent and detect error and fraud. We have established and maintained adequate internal controls to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
8. I have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
9. I have disclosed to you all significant facts relating to any frauds or suspected frauds known to management that may have affected the entity; including
- a) fraud, error or non-compliance with laws and regulations involving management or employees who have a significant role in internal control
  - b) fraud, error or non-compliance with laws and regulations that could have a material effect on the financial report
  - c) communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report
  - d) knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts or others.

### *Materiality of uncorrected misstatements*

10. There were no uncorrected misstatements brought to my attention.

### *Financial records and transactions*

11. All the financial records have been made available for the purpose of the audit, and all the transactions undertaken have been properly reflected and recorded in the financial records. All other records and related information which might affect the truth and fairness of, or necessary disclosure in, the financial report, including minutes of directors' meetings (and of all relevant management meetings), have been made available to you and no such information has been withheld.

### *Accounting estimates*

12. In relation to our estimate of Australian Accounting Standards the measurement process and underlying assumptions used for this estimate are appropriate in the context of Australian Accounting Standards, our application of these processes is consistent, complete and appropriate disclosures have been made in the financial report, and no subsequent events have occurred which require an adjustment to the estimate made.

### *Fair value measurements*

13. In relation to our fair value measurement of available for sale assets, the measurement processes and underlying assumptions used for this measurement is appropriate in the context of Australian Accounting Standards, and appropriately reflect management's intent and ability to carry out specific courses of action on behalf of the entity, where relevant. Appropriate disclosures have been made in the financial report, and no subsequent events have occurred which require an adjustment to the fair value made.

### *Related parties*

14. I have disclosed to you the identity of the Association's related parties and have provided you with all information and documentation regarding related party relationships and transactions, including support for all employee and directors' remuneration and related party transactions, including equity instruments that were issued to employees and directors during the current year.
15. Full and adequate disclosure has been made in the financial report of all related party relationships and transactions.

### *Disclosure of assets*

16. The financial report at balance date includes all assets of the Association required to be included therein in accordance with Australian Accounting Standards. The Association has satisfactory title to all recorded assets.
17. I have no plans or intentions that may materially affect the carrying values or classification of assets and liabilities.

### *Bank accounts and facilities*

18. I have formally notified and fully disclosed to you all of the following applicable to the Association:
  - a) Bank accounts that were under the Association's control during the year, including bank accounts opened and closed during the year

- b) Escrow accounts held by another party on the Association's behalf
- c) Promissory notes and/or bills of exchange held for collection by a bank or financial institution on the Association's behalf
- d) Liabilities to banks or financial institutions including mortgage debt, loans, lines of credit, compensating balance arrangements, letters of credit and related credit limits, conditions and covenants and available facilities and amounts unused
- e) Items held as security for the Association's liabilities
- f) Sealed packets, locked boxes, security packets or similar held by a bank or a financial institution on the Association's behalf
- g) Contingent liabilities including guarantees or any other commitments
- h) Foreign exchange contracts and other treasury items

### *Impairment*

19. I have considered the requirements of *Accounting Standard AASB 136 Impairment of Assets* when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.

### *Liabilities*

20. All known liabilities of the Association at 30 June 2017 were included in the financial records and no further liabilities of a material amount have since come to our knowledge.

### *Litigation and claims*

21. I am not aware of any pending litigation, proceedings, hearings or claims negotiations which may result in significant loss to the Association.

### *Contingent liabilities*

22. Contingent liabilities of the Association at balance date, to the extent to which provision has not been made in the financial report, amount to:

Secured                      \$nil

Unsecured                    \$nil

and no further contingent liabilities of a material amount have since come to our knowledge.

### *Commitments*

23. Commitments under contracts for capital expenditure at balance date, to the extent to which provision has not been made in the financial report, amount to \$nil.

*Other information*

24. I have informed you of all the documents, listed below, that I expect to issue that may comprise other information:

<b>Name of document(s) that may comprise other information</b>
Annual Report

25. The financial report and any other information obtained by you prior to the date of your auditor's report is consistent with one another and the other information does not contain any material misstatements.

*Other matters*

26. I am not aware of any possible breaches of statute, regulations, contracts, or agreements which might result in the Association suffering significant penalties or other loss. No allegations of such breaches have come to our notice.

*After balance date events*

27. No matters or occurrences have come to my attention up to the present time which would materially affect the financial report or disclosures therein, or which are likely to materially affect the future results or operations of the Association.

I understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours sincerely



Michael Cornish  
Chief Executive Officer

