St John Ambulance Australia SA Inc

Annual financial report
for the year ended 30 June 2019

St John Ambulance Australia SA Inc

Annual Financial Report - 30 June 2019

Contents

St John Ambulance Australia SA Inc
Statement of comprehensive income
For the year ended 30 June 2019

	Notes	2019 $	2018 $
Income	2	**11,115,815**	9,846,983
Other income	3	**1,139,572**	1,106,117
Net (loss)/gain on disposal of property, plant and equipment		**13,490**	(21,375)
Cost of goods sold		**(1,513,477)**	(1,090,955)
Employee expenses		**(5,978,969)**	(5,565,593)
Depreciation and amortisation expense	4	**(475,072)**	(412,835)
Administrative expenses	4	**(3,955,126)**	(3,676,818)
Surplus for the year		**346,233**	185,524
Other comprehensive income			
Item that may be reclassified to profit or loss			
Changes in the fair value of available-for-sale financial assets	13(a)	**48,729**	261,490
Total comprehensive income for the year		**394,962**	447,014

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 2019

	Notes	2019 $	2018 $
ASSETS			
Current assets			
Cash and cash equivalents	5	**934,196**	4,606,439
Term deposits (greater than 90 days)	5	**5,515,090**	2,301,075
Trade and other receivables	6	**1,105,617**	931,007
Inventories		**248,200**	171,378
Total current assets		**7,803,103**	8,009,899
Non-current assets			
Financial assets	7	**8,985,045**	8,970,696
Property, plant and equipment	8	**4,294,569**	3,799,355
Intangible assets	9	**366,774**	253,397
Total non-current assets		**13,646,388**	13,023,448
Total assets		**21,449,491**	21,033,347
LIABILITIES			
Current liabilities			
Trade and other payables	10	**1,311,768**	1,824,093
Lease liabilities	11	**162,719**	53,260
Provision for employee entitlements	12	**625,138**	548,578
Total current liabilities		**2,099,625**	2,425,931
Non-current liabilities			
Lease liabilites	11	**528,904**	150,096
Provision for employee entitlements	12	**58,932**	90,252
Total non-current liabilities		**587,836**	240,348
Total liabilities		**2,687,461**	2,666,279
Net assets		**18,762,030**	18,367,068
FUNDS			
Reserves	13(a)	**9,293,252**	8,998,653
Accumulated surplus	13(c)	**9,468,778**	9,368,415
Total funds		**18,762,030**	18,367,068

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

	Fair Value Reserve $	Legacy Reserve $	Accumulated surplus $	Total funds $
Balance at 1 July 2017	2,663,746	5,903,159	9,353,149	17,920,054
Profit for the year	-	-	185,524	185,524
Other comprehensive income	261,490	-	-	261,490
Transfer to/(from) reserves	-	170,258	(170,258)	-
Balance at 30 June 2018	**2,925,236**	**6,073,417**	**9,368,415**	**18,367,068**
Balance at 1 July 2018	2,925,236	6,073,417	9,368,415	18,367,068
Profit for the year	-	-	346,233	346,233
Other comprehensive income/(loss)	48,729	-	-	48,729
Transfer to/(from) reserves	-	245,870	(245,870)	-
Balance at 30 June 2019	**2,973,965**	**6,319,287**	**9,468,778**	**18,762,030**

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 2019

	Notes	2019 $	2018 $
Cash flows from operating activities			
Receipts in course of operations (inclusive of GST)		**9,714,062**	9,401,292
Payments in course of operations (inclusive of GST)		**(12,096,143)**	(10,647,386)
Proceeds from grants		**1,422,510**	1,146,141
Proceeds from donors, bequests and fundraising		**481,457**	357,225
Net cash (outflow) inflow from operating activities	16	**(478,114)**	257,272
Cash flows from investing activities			
Payments for property, plant and equipment		**(452,944)**	(338,015)
Payments for intangibles		**(143,328)**	(115,804)
Transfer from/(to) term deposit		**(3,214,015)**	2,059,064
Transfer (to)/from cash in managed investment fund		**34,377**	(272,571)
Proceeds from disposal of property, plant and equipment		**14,306**	20,300
Dividends and other distributions		**479,464**	407,658
Interest received on financial assets held as investments		**88,011**	117,432
Net cash (outflow) inflow from investing activities		**(3,194,129)**	1,878,064
Cash flows from financing activities			
Net cash inflow (outflow) from financing activities		**-**	-
Net (decrease) increase in cash and cash equivalents		**(3,672,243)**	2,135,336
Cash and cash equivalents at the beginning of the financial year		**4,606,439**	2,471,103
Cash and cash equivalents at the end of the financial year	5	**934,196**	4,606,439

Cash held in term deposits at period end were $5,515,090 (2018: $2,301,075). 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.

Certain prior year amounts have been reclassified or presented for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

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

St John has applied the following new standards and amendments to accounting standards mandatory for the first time for the financial year beginning 1 July 2018:

AASB 9 Financial Instruments
AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, de-recognition of financial instruments, impairment of financial assets and hedge accounting. The primary change with effect is the change to a forward looking lifetime expected credit loss model. St John has considered forward-looking assumptions and information regarding expected future conditions affecting historical customer default rates. Based on the assessment performed, the standard did not have a material impact the results. The adoption of AASB 9 did not have any impact on the amounts recognised in prior periods and will also not affect the current period.

The accounting policy for investments has been updated to reflect the new standard in note 1(i) and for trade receivables in note 1(h)

1 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(iv) New standards and interpretations not yet adopted

Certain new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to St John have not been early adopted by St John. St John's assessment of the impact of these standards and interpretations is set out below.

• AASB 15 *Revenue from Contracts with Customers*;
• AASB 1058 *Income of Not-for-Profit Entities*; and
• AASB 16 *Leases*.

The AASB has issued a new standard for income recognition by public and private sector not-for-profit (NFP) entities. This will replace AASB 1004 Contributions and introduce major changes to the income recognition by public and private sector NFPs. Under the new standard, NFPs will need to determine whether a transaction is a genuine donation (accounted for under AASB 1058) or a contract with a customer (accounted for under AASB 15 *Revenue from Contracts with Customers*).

AASB 15 is effective from 1 July 2019, identifies performance obligations in contracts with customers, allocates the transaction price to the performance obligations and recognises revenue as the performance obligations are satisfied. The standard additionally requires more detailed disclosures. St John has have completed an initial review which indicates that AASB 15 is not expected to result in any significant change to the timing of revenue or profit recognition on service provision contracts or long-term service contracts. This assessment reflects, amongst other matters, that St John's contracting arrangements meet the requirements set out in AASB 15 to satisfy performance obligations and recognise revenue over time.

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee, effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice. The AASB decided to amend AASB 16 to provide a temporary option permitting NFP entities to initially recognise right-of-use assets arising from peppercorn leases at cost or fair value. The Directors anticipate that the adoption of AASB 16 will not have a material impact on St John's financial statements.

(v) 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.

1 Summary of significant accounting policies (continued)

(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".

(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.

1 Summary of significant accounting policies (continued)

(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 11). 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 and other receivables are stated at their amortised cost less impairment losses. The recoverable amount of St John's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate. Receivables with a short duration are not discounted and collectibility of trade receivables is reviewed on an ongoing basis. St Johns applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime.

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)

(i) Investments and other financial assets

Classification

From 1 July 2018, St John classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value (either through OCI or through profit or loss), and
• those to be measured at amortised cost.

The classification depends on the St John's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether St John has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Recognition and derecognition
Regular way 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.

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 (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

St John's subsequently measures all equity investments at fair value. Where the St John's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when St John's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment
From 1 July 2018, the St John assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(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.

1 Summary of significant accounting policies (continued)

(k) Property, plant and equipment (continued)

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	40 years
- Plant and equipment	5 - 20 years
- Motor vehicles	6 - 8 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 40 years.

(l) Intangible assets

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	5 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.

1 Summary of significant accounting policies (continued)

(n) Provisions (continued)

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.

(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.

(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.

2 Income

	2019 $	2018 $
Commercial income		
Training	**5,444,816**	5,181,538
Merchandising	**2,842,306**	2,231,058
Event fees	**924,726**	943,713
	9,211,848	8,356,309
Grants		
State government grants	**339,588**	346,922
Federal government grants	**657,379**	618,670
Non-government grants	**425,543**	180,549
	1,422,510	1,146,141
Fundraising income		
Donations, bequests and fundraising	**481,457**	344,533
	481,457	344,533
	11,115,815	9,846,983

3 Other income

	2019 $	2018 $
Investment income	**567,475**	525,090
Sundry income	**139,355**	158,442
Rental income	**133,533**	142,471
Administrative fees	**16,601**	9,171
Rebates	**282,608**	224,151
Camp fees received	**-**	46,792
	1,139,572	1,106,117

4 Expenses

	2019 $	2018 $
Profit for the year includes the following specific expenses:		
Depreciation		
Land and buildings	**128,088**	129,202
Plant and equipment	**165,187**	142,030
Motor vehicles	**151,845**	114,685
Depreciation	**445,120**	385,917
Amortisation		
Software	**29,952**	26,918
Total amortisation	**29,952**	26,918
Total depreciation and amortisation	**475,072**	412,835
Administrative		
Occupancy	**574,022**	606,352
Marketing	**492,456**	412,445
Operational	**1,238,007**	1,119,843
Administration	**1,519,463**	1,424,046
Other	**131,178**	114,132
Total administrative	**3,955,126**	3,676,818

5 Cash and cash equivalents and term deposits (greater than 90 days)

	2019 $	2018 $
Cash and cash equivalents		
Cash at bank and in hand	**343,023**	409,926
Term deposits at call	**-**	4,042,731
Cash held in managed investment fund	**591,173**	153,782
	934,196	4,606,439

	2019 $	2018 $
Term deposits (greater than 90 days)		
Term deposits held in a managed investment fund	**1,346,209**	1,328,915
Other term deposits	**4,168,881**	972,160
	5,515,090	2,301,075

6 Trade and other receivables

	2019 $	2018 $
Current assets		
Trade receivables	**822,781**	779,362
Provision for impairment	**(13,692)**	(29,736)
Other receivables	**296,528**	181,381
	1,105,617	931,007

7 Financial assets

	2019 $	2018 $
Non-current assets		
Investment in managed fund	**8,985,045**	8,970,696
	8,985,045	8,970,696

8 Property, plant and equipment

	Land and buildings $	Plant and equipment $	Motor vehicles $	Total $
At 30 June 2018				
Cost	6,300,396	2,762,090	3,025,185	12,087,671
Accumulated depreciation	(3,580,403)	(2,182,856)	(2,525,057)	(8,288,316)
Net book amount	2,719,993	579,234	500,128	3,799,355
At 30 June 2019				
Cost	6,351,004	2,972,850	3,649,433	12,973,287
Accumulated depreciation	(3,708,490)	(2,322,734)	(2,647,494)	(8,678,718)
Net book amount	2,642,514	650,116	1,001,939	4,294,569

9 Intangible assets

	2019 $	2018 $
Software		
Cost	**1,089,141**	945,813
Accumulated amortisation and impairment	**(722,367)**	(692,416)
	366,774	253,397

10 Trade and other payables

	2019 $	2018 $
Current liabilities		
Trade payables	**439,624**	657,847
Income received in advance	**774,339**	991,067
Other payables	**97,805**	175,179
	1,311,768	1,824,093

11 Commitments

Finance leases

	2019 $	2018 $
Commitments in relation to finance leases are payable as follows:		
Within one year	**191,931**	60,586
Later than one year but not later than five years	**572,601**	158,528
Minimum lease payments	**764,532**	219,114
Future finance charges	**(72,909)**	(15,758)
Total lease liabilities	**691,623**	203,356
The present value of finance lease liabilities is as follows:		
Within one year	**162,719**	53,260
Later than one year but not later than five years	**528,904**	150,096
Minimum lease payments	**691,623**	203,356

St John leases various plant and equipment with a carrying amount of $680,107 (2018: $197,852).

Lease payments paid during the year were $130,584 (2018: $60,586).

12 Provision for employee entitlements

	2019			2018		
	Current $	**Non-current $**	**Total $**	Current $	Non-current $	Total $
Provision for long service leave	**212,747**	**58,932**	**271,679**	195,416	90,252	285,668
Provision for annual leave	**412,391**	**-**	**412,391**	353,162	-	353,162
	625,138	**58,932**	**684,070**	548,578	90,252	638,830

13 Reserves and accumulated surplus

(a) Reserves

	2019 $	2018 $
Fair value reserve	**2,973,965**	2,925,236
Legacy reserve	**6,319,287**	6,073,417
	9,293,252	8,998,653

(b) Nature and purpose of reserves

(i) Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of 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.

(c) Accumulated surplus

Movements in accumulated surplus were as follows:

	2019 $	2018 $
Balance 1 July 2018	**9,368,415**	9,353,149
Net profit for the year	**346,233**	185,524
Transfer to reserves	**(245,870)**	(170,258)
Balance 30 June 2019	**9,468,778**	9,368,415

14 Remuneration of auditors

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

PricewaterhouseCoopers Australia

	2019 $	2018 $
Audit and other assurance services		
Audit and review of financial statements	**39,390**	38,430
Financial statements preparation	**3,640**	3,550
Total remuneration of PricewaterhouseCoopers Australia	**43,030**	41,980

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.

16 Reconciliation of cashflows from operating activities

	2019 **$**	2018 $
Profit for the year	**346,233**	185,524
Depreciation and amortisation	**475,072**	412,835
Interest income	**(88,011)**	(117,432)
Dividends and other distributions	**(479,464)**	(407,658)
Net loss/(gain) on disposal of property, plant and equipment	**(13,490)**	21,375
Change in operating assets and liabilities:		
(Increase) in trade and other receivables	**(174,547)**	(86,084)
(Increase)/Decrease in inventories	**(76,822)**	(34,441)
Increase/(Decrease) in other operating liabilities	**(171,489)**	244,613
Increase/(Decrease) in trade and other payables	**(295,596)**	38,540
Net cash inflow/(outflow) from operating activities	**(478,114)**	257,272

The receipt and payment in course of operations for comparative figures previously had excluded GST of $331,000. During the current financial year, the comparative figures have been restated to reflect the GST component to the receipt and payment in course of operations. The amount is immaterial and there was net nil impact from the restatement on total cash flows.

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

	2019 **$**	2018 $
Gross income from fundraising		
Fundraising department	**261,507**	181,262
Legacies and bequests	**180,460**	105,703
Donations	**39,490**	57,568
	481,457	344,533
Expenditure on fundraising		
Fundraising department	**234,982**	109,534
Legacies and bequests	**13,825**	33,456
Lottery	**23,536**	-
	272,343	142,990
Net total St John surplus from fundraising	**209,114**	201,543

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 17 is drawn up so as to present fairly the results and cash flows of St John for the financial year ended 30 June 2019 and the state of affairs of St John, at 30 June 2019; 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.

Prof Paul Arbon AM KStJ
Deputy Chairman

Adelaide
2 October 2019

Independent auditor's report

To the members of St John Ambulance Australia SA Inc

Our opinion

In our opinion:

The accompanying financial report of St John Ambulance Australia SA Inc (the Association) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

(a) giving a true and fair view of the Association's financial position as at 30 June 2019 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2019
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the declaration of the Directors.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Association in accordance with 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 other ethical responsibilities in accordance with the Code.

Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for St John Ambulance Australia SA Inc and its members and should not be used by parties other than St John Ambulance Australia SA Inc and its members. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers, ABN 52 780 433 757
Level 11, 70 Franklin Street, ADELAIDE SA 5000, GPO Box 418, ADELAIDE SA 5001
T: +61 8 8218 7000, F: +61 8 8218 7999, www.pwc.com.au

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Director's declaration for the year ended 30 June 2019, but does not include the financial report and our 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 on the other information that we obtained prior to the date of this auditor's report, 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 Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and is appropriate to meet the needs of the members. The Directors' responsibility also includes 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 Association 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 Association 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers

Julian McCarthy
Partner

Adelaide
2 October 2019