

St John Ambulance Australia SA Inc

ABN 42 947 425 570

Annual report for the year ended 30 June 2021

St John Ambulance Australia SA Inc

ABN 42 947 425 570

Financial report - 30 June 2021

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St John Ambulance Australia SA Inc
Statement of comprehensive income
For the year ended 30 June 2021

		2021	2020
	Notes	\$	Restated * \$
Income	3	23,319,547	19,533,051
Other income	4	1,127,123	1,107,201
Net gain on disposal of property, plant and equipment		45,827	40,168
Cost of goods sold		(6,866,407)	(6,185,981)
Employee expenses		(7,821,569)	(6,878,027)
Depreciation and amortisation expense	5	(686,867)	(618,632)
Administrative expenses	5	(6,292,420)	(6,060,655)
Surplus for the year		<u>2,825,234</u>	<u>937,125</u>
Other comprehensive income/(loss)			
<i>Item that may be reclassified to profit or loss</i>			
Changes in the fair value of available-for-sale financial assets	15(a)	<u>831,062</u>	<u>(519,082)</u>
Total comprehensive income for the year		<u>3,656,296</u>	<u>418,043</u>

- See note 2 for details regarding the restatements due to changes in accounting policies.

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 2021

		2021	2020
	Notes	\$	Restated * \$
ASSETS			
Current assets			
Cash and cash equivalents	6	756,571	1,877,254
Term deposits (greater than 90 days)	6	4,633,119	3,405,153
Trade and other receivables	7	680,863	1,351,724
Inventories		414,747	324,418
Other current assets	8	5,444,038	1,819,800
Total current assets		11,929,338	8,778,349
Non-current assets			
Financial assets	9	9,261,326	8,430,597
Property, plant and equipment	10	4,259,766	3,904,336
Right-of-use assets	11	1,659,527	1,343,819
Intangible assets	12	444,854	388,923
Total non-current assets		15,625,473	14,067,675
Total assets		27,554,811	22,846,024
LIABILITIES			
Current liabilities			
Trade and other payables	13	2,297,134	1,744,677
Lease liabilities	11	279,806	243,316
Provision for employee entitlements	14	933,724	786,790
Total current liabilities		3,510,664	2,774,783
Non-current liabilities			
Lease liabilities	11	1,257,511	1,000,468
Provision for employee entitlements	14	180,416	120,849
Total non-current liabilities		1,437,927	1,121,317
Total liabilities		4,948,591	3,896,100
Net assets		22,606,220	18,949,924
FUNDS			
Reserves	15(a)	9,853,765	8,932,888
Accumulated surplus	15(c)	12,752,455	10,017,036
Total funds		22,606,220	18,949,924

- See note 2 for details regarding the restatements due to changes in accounting policies.

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 2021

	Fair value reserve \$	Legacy reserve \$	Accumulated surplus \$	Total funds \$
Balance at 1 July 2019 (Restated *)	2,973,965	6,319,287	9,238,629	18,531,881
Surplus for the year (Restated *)	-	-	937,125	937,125
Other comprehensive (loss)	(519,082)	-	-	(519,082)
Transfer to/(from) reserve	-	158,718	(158,718)	-
Balance at 30 June 2020 (Restated *)	2,454,883	6,478,005	10,017,036	18,949,924
Balance at 1 July 2020	2,454,883	6,478,005	10,017,036	18,949,924
Surplus for the year	-	-	2,825,234	2,825,234
Other comprehensive income	831,062	-	-	831,062
Transfer to/(from) reserve	-	89,815	(89,815)	-
Balance at 30 June 2021	3,285,945	6,567,820	12,752,455	22,606,220

- See note 2 for details regarding the restatements due to changes in accounting policies.

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 2021

		2021	2020
Notes		\$	Restated * \$
Cash flows from operating activities			
Receipts in course of operations (inclusive of GST)		10,073,317	8,688,957
Payments in course of operations (inclusive of GST)		(23,608,667)	(20,549,637)
Proceeds from grants		2,069,758	2,029,650
Proceeds from donors, bequests and fundraising		12,187,211	9,328,088
Net cash inflow (outflow) from operating activities	18	721,619	(502,942)
Cash flows from investing activities			
Payments for property, plant and equipment		(770,608)	(230,237)
Payments for intangibles		(144,769)	(703,746)
Transfer (to)/from term deposit		(1,227,965)	2,109,937
Transfer from cash in managed investment fund		333	35,369
Proceeds from disposal of property, plant and equipment		184,271	-
Dividends and other distributions		445,805	472,963
Interest received on financial assets held as investments		14,102	59,917
Net cash (outflow) inflow from investing activities		(1,498,831)	1,744,203
Cash flows from financing activities			
Principal elements of lease payments		(343,471)	(298,203)
Net cash (outflow) from financing activities		(343,471)	(298,203)
Net (decrease) increase in cash and cash equivalents		(1,120,683)	943,058
Cash and cash equivalents at the beginning of the financial year		1,877,254	934,196
Cash and cash equivalents at the end of the financial year	6	756,571	1,877,254

- See note 2 for details regarding the restatements due to changes in accounting policies.

Cash held in term deposits at period end were \$4,633,119 (2020: \$3,405,153). 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

St John has applied the following standards and amendments for the first time in their annual reporting period commencing 1 July 2020:

- *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material [AASB 101 and AASB 108]*
- *AASB 2019-3 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform [AASB 9, AASB 139 and AASB 7]*
- *AASB 2019-5 Amendments to Australian Accounting Standards - Disclosure of the Effect of New IFRS Standards Not Yet issued in Australia [AASB 1054]*
- *Conceptual Framework for Financial Reporting and AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework.*

1 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

St John also elected to adopt the following amendments early:

- *AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments [AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141].*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2021 reporting periods and have not been early adopted by St John. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(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.

(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 or as a performance obligation is satisfied, which may be at a point in time or over time, 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) Fundraising income

Income is received from fundraising events, lottery, legacies and bequests, and is recognised when performance obligations, if any, are satisfied. Otherwise, it is recognised when the cash is received. 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, at the time it is received.

1 Summary of significant accounting policies (continued)

(b) Income recognition (continued)

(ii) Interest, dividend and distribution income

Interest income is recognised as it is received. 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 performance obligations are satisfied, or at the time of sale.

(iv) Training income

Income from training courses is recognised when performance obligations are satisfied, or in the accounting period in which the training services are rendered.

(v) Event income

Income from events attended is recognised when performance obligations are satisfied. 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

Grant income is recognised at the time of fulfilling specific performance obligations as per the grant agreement. 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.

(e) Leases

St John primarily leases various office spaces and motor vehicles. Rental contracts are typically made for fixed periods of 1 to 5 years, but may have extension options as described below.

Contracts may contain both lease and non-lease components. St John allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which St John is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by St John under residual value guarantees,

1 Summary of significant accounting policies (continued)

(e) Leases (continued)

- the exercise price of a purchase option if St John is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects St John exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in St John, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, St John:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by St John Ambulance Australia SA Inc, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

St John is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal 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.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If St John is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

1 Summary of significant accounting policies (continued)

(e) Leases (continued)

Leases at significantly below-market terms and conditions (concessionary leases)

St John has decided to make use of the temporary option under AASB 2018-8 to measure the right-of-use assets at cost on initial recognition. As the amount of the concessionary lease payments are immaterial, St John does not expect a significant impact on its financial statements arising from the adoption of the cost option for concessionary leases. St John has also made the necessary disclosures in note 19 for each material concessionary lease as required by AASB 16.

St John has also decided to apply AASB 2019-8 to treat right-of-use assets arising under concessionary leases as a separate class of right-of-use assets to right-of-use assets arising under other leases for the purposes of AASB 16.

(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 collectability 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.

(i) Investments and other financial assets

Classification

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.

1 Summary of significant accounting policies (continued)

(i) Investments and other financial assets (continued)

The classification depends on 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 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 comprehensive income 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

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.

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.

1 Summary of significant accounting policies (continued)

(k) Property, plant and equipment (continued)

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

Cloud computing arrangements

Costs incurred in configuring or customising Software-as-a-Service (SaaS) and Platform-as-a-Service (PaaS) arrangements can only be recognised as intangible assets if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Those costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the arrangements to significantly customise the cloud-based software for St John, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

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 if the asset is controlled by St John. 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
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(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.

1 Summary of significant accounting policies (continued)

(n) 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 entitlements. 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 the statement of comprehensive income.

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

(o) 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.

(p) Rounding of amounts

The Association is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

2 Changes in accounting policies

(a) Configuration or customisation costs in cloud computing arrangements

St John previously capitalised costs incurred in configuring or customising Software-as-a-Service (SaaS) and Platform-as-a-Service (PaaS) arrangements as intangible assets, as St John considered that it would benefit from those costs to implement the arrangements over the contract term. Following the IFRS Interpretations Committee agenda decision on Configuration or Customisation Costs in a Cloud Computing Arrangement in March 2021, St John has reconsidered its accounting treatment and adopted the treatment set out in the IFRS IC agenda decision, which is to recognise those costs as intangible assets only if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the arrangements to significantly customise the cloud-based software for St John, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangements.

As a result of this change in accounting policy, St John has determined that costs totalling \$893,777 relating to the implementation of cloud computing arrangements would need to be expensed when they were incurred, as the amounts paid did not create separate intangible assets controlled by St John.

Of the total intangible assets at 30 June 2020, \$669,965 was identified that related to cloud computing arrangements requiring restatement. \$439,816 was restated into the 2020 statement of comprehensive income and \$230,149 was restated against the opening retained earnings from 1 July 2019. The depreciation and amortisation expense from 2020 was also adjusted by \$16,761.

In the current year statement of comprehensive income \$223,813 of costs were expensed that would have otherwise been capitalised under the historic treatment. The amortisation expense was also reversed, with a net increase in expenses for the current year totalling \$131,617. The closing balance of intangible assets at 30 June 2021 of \$444,854 relates to costs capitalised associated with St John's website (including lottery webpage) which meets the definition for recognition as an intangible asset under AASB 138.

The change in policy has been applied retrospectively and comparative information has been restated. This had the following impact on the amounts recognised in the financial statements:

	2020 Restatements		2020
	\$	\$	(Restated) \$
Statement of financial position			
Intangible assets	1,042,127	(653,204)	388,923
		2021 Adjustments	2021
		\$	\$
Statement of financial position			
Intangible assets	576,471	(131,617)	444,854

2 Changes in accounting policies (continued)

(a) Configuration or customisation costs in cloud computing arrangements (continued)

	2020 Restatements		2020
	\$	\$	(Restated)
	\$	\$	\$
Statement of comprehensive income			
Employee expenses	(6,712,837)	(165,190)	(6,878,027)
Administrative expenses	(5,786,029)	(274,626)	(6,060,655)
Depreciation and amortisation expense	(635,393)	16,761	(618,632)
	2021	Adjustments	2021
	\$	\$	\$
Statement of comprehensive income			
Employee expenses	(7,694,111)	(127,458)	(7,821,569)
Administrative expenses	(6,196,065)	(96,355)	(6,292,420)
Depreciation and amortisation expense	(779,063)	92,196	(686,867)
	2020 Restatements	2020	(Restated)
	\$	\$	\$
Statement of cash flows			
Payments in course of operations (inclusive of GST)	(20,109,821)	(439,816)	(20,549,637)
Payments for intangibles	(1,143,562)	439,816	(703,746)
	2021	Adjustments	2021
	\$	\$	\$
Statement of cash flows			
Payments in course of operations (inclusive of GST)	(23,384,854)	(223,813)	(23,608,667)
Payments for intangibles	(368,582)	223,813	(144,769)
The impact on St John's accumulated surplus as at 1 July 2019:			
			\$
Opening accumulated surplus (1 July 2019)			9,468,778
Adjustment due to change in accounting policy			(230,149)
Restated accumulated surplus (1 July 2019)			<u>9,238,629</u>

St John Ambulance Australia SA Inc
Notes to the financial statements
30 June 2021
(continued)

3 Income

	2021	2020
	\$	\$
Commercial income		
Training	4,963,902	4,363,619
Merchandising	2,928,219	2,658,603
Event fees	1,170,457	1,153,091
	9,062,578	8,175,313
Grants		
State government grants	360,004	343,339
Federal government grants	1,565,356	1,458,275
Non-government grants	144,398	228,036
	2,069,758	2,029,650
Fundraising income		
Fundraising income	12,187,211	9,328,088
	12,187,211	9,328,088
	23,319,547	19,533,051

4 Other income

	2021	2020
	\$	\$
Investment income	459,907	532,880
Sundry income	195,957	160,389
Rental income	130,909	142,325
Administrative fees	5,677	8,683
Rebates	334,673	262,924
	1,127,123	1,107,201

5 Expenses

	2021	2020
	\$	Restated \$
Surplus for the year includes the following specific expenses:		
<i>Depreciation</i>		
Land and buildings	141,905	135,387
Plant and equipment	176,000	167,026
Motor vehicles	61,011	186,882
Right-of-use assets	219,114	80,388
Total depreciation	598,030	569,683
<i>Amortisation</i>		
Software	88,837	48,949
Total amortisation	88,837	48,949
Total depreciation and amortisation	686,867	618,632
<i>Administrative</i>		
Occupancy	877,728	541,988
Marketing	1,324,969	1,823,478
Operational	1,148,121	1,165,578
Administration	2,675,622	2,305,945
Other	265,980	223,666
Total administrative expenses	6,292,420	6,060,655

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

	2021	2020
	\$	\$
<i>Cash and cash equivalents</i>		
Cash at bank and in hand	597,663	886,486
Cash held in managed investment fund	158,908	990,768
	756,571	1,877,254
	2021	2020
	\$	\$
<i>Term deposits (greater than 90 days)</i>		
Term deposits held in a managed investment fund	2,600,000	1,381,482
Other term deposits	2,033,119	2,023,671
	4,633,119	3,405,153

7 Trade and other receivables

	2021	2020
	\$	\$
Current assets		
Trade receivables	466,613	899,706
Allowance for expected credit losses	(31,792)	(10,886)
Other receivables	246,042	462,904
	680,863	1,351,724

8 Other current assets

	2021	2020
	\$	\$
Current assets		
Capital WIP - Lottery property development	-	745,455
Prepaid lottery assets	5,444,038	1,074,345
	5,444,038	1,819,800

9 Financial assets

	2021	2020
	\$	\$
Non-current assets		
Investment in managed fund	9,261,326	8,430,597
	9,261,326	8,430,597

10 Property, plant and equipment

	Land and buildings \$	Plant and equipment \$	Motor vehicles \$	Total \$
At 30 June 2020				
Cost	6,867,504	3,145,014	2,455,851	12,468,369
Accumulated depreciation	(3,839,150)	(2,443,729)	(2,281,154)	(8,564,033)
Net book amount	3,028,354	701,285	174,697	3,904,336
At 30 June 2021				
Cost	7,376,218	3,068,584	2,375,196	12,819,998
Accumulated depreciation	(3,946,007)	(2,368,259)	(2,245,966)	(8,560,232)
Net book amount	3,430,211	700,325	129,230	4,259,766

11 Leases

This note provides information for leases where St John is a lessee.

(a) Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	2021	2020
	\$	\$
Right-of-use assets		
Land and buildings	935,511	642,569
Motor vehicles	724,016	701,250
	1,659,527	1,343,819
Lease liabilities		
Current	279,806	243,316
Non-current	1,257,511	1,000,468
	1,537,317	1,243,784

Additions to the right-of-use assets during the 2021 financial year were \$588,301 (2020: \$59,403).

(b) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	2021	2020
	\$	\$
Depreciation charge of right-of-use assets		
Land and buildings	104,879	80,388
Motor vehicles	114,235	118,598
	219,114	198,986
Interest expense (included in finance cost)	73,771	69,986
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	10,896	15,963
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	57,476	47,831

The total cash outflow for leases in 2021 was \$411,843 (2020: \$424,412).

St John Ambulance Australia SA Inc
Notes to the financial statements
30 June 2021
(continued)

12 Intangible assets

	2021	2020
	\$	Restated \$
Software		
Cost	1,305,007	1,160,239
Accumulated amortisation and impairment	<u>(860,153)</u>	<u>(771,316)</u>
	444,854	388,923

13 Trade and other payables

	2021	2020
	\$	\$
Current liabilities		
Trade payables	905,916	531,088
Income received in advance	632,494	959,832
GST payable	386,567	-
Other payables	372,157	253,757
	<u>2,297,134</u>	<u>1,744,677</u>

14 Provision for employee entitlements

	2021			2020		
	Current \$	Non- current \$	Total \$	Current \$	Non- current \$	Total \$
Provision for long service leave	313,802	180,416	494,218	246,689	120,849	367,538
Provision for annual leave	619,922	-	619,922	540,101	-	540,101
	<u>933,724</u>	<u>180,416</u>	<u>1,114,140</u>	<u>786,790</u>	<u>120,849</u>	<u>907,639</u>

15 Reserves and accumulated surplus

(a) Reserves

	2021	2020
	\$	\$
Fair value reserve	3,285,945	2,454,883
Legacy reserve	6,567,820	6,478,005
	<u>9,853,765</u>	<u>8,932,888</u>

15 Reserves and accumulated surplus (continued)

(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 CEO.

(c) Accumulated surplus

Movements in accumulated surplus were as follows:

	2021	2020
	\$	Restated \$
Balance 1 July	10,017,036	9,238,629
Net surplus for the year	2,825,234	937,125
Transfer to reserves	(89,815)	(158,718)
Balance 30 June	<u>12,752,455</u>	<u>10,017,036</u>

16 Remuneration of auditors

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

PricewaterhouseCoopers Australia

	2021	2020
	\$	\$
<i>Audit and other assurance services</i>		
Audit and review of financial statements	50,274	44,390
Audit and review of lottery financial statements	5,100	5,000
Financial statements preparation	3,640	3,640
Total remuneration of PricewaterhouseCoopers Australia	<u>59,014</u>	<u>53,030</u>

17 Contingent liabilities

The National Redress Scheme started on 1 July 2018 and will run for 10 years. In FY 2019/20, St John Ambulance Australia SA Inc committed to participate in the National Redress Scheme so people can access redress, noting participation speaks to the values and integrity of St John Ambulance. St John Ambulance Australia SA Inc has undertaken a detailed internal review and applied all information made available by the Government Agency administering the Scheme. At the balance sheet date, any potential liability cannot be reliably measured and has therefore been disclosed as a contingent liability.

18 Reconciliation of cashflows from operating activities

	2021	2020
	\$	Restated \$
Surplus for the year	2,825,234	937,125
Depreciation and amortisation	686,867	618,632
Interest income	(14,102)	(59,917)
Dividends and other distributions	(445,805)	(472,963)
Net (gain) on disposal of property, plant and equipment	(45,827)	(40,168)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	670,861	(246,170)
(Increase) in inventories	(90,329)	(76,218)
(Increase) in other operating assets	(3,624,238)	(1,819,800)
Increase in trade and other payables	493,228	247,475
Increase in other operating liabilities	265,730	409,062
Net cash inflow/(outflow) from operating activities	<u>721,619</u>	<u>(502,942)</u>

19 Concessionary leases

St John has 12 land and building related leases with the State Government or District Councils that have significantly below-market terms and conditions principally to enable it to further its objectives. St John is dependent on these leases to further its objectives as it utilises the land and buildings to run its operations and deliver its services. St John is restricted on the use of this land and buildings as agreed with the State Government or District Councils, and may not utilise it for other purposes including sub-leasing to other entities. The lease terms vary from 1 year to perpetuity, and the lease payments are either \$0 per annum or \$1 payable annually if demanded. As outlined in the St John's accounting policy in note 1, St John has elected to measure these leases at cost.

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

	2021	2020
	\$	\$
<i>Gross income from fundraising</i>		
Fundraising department	237,710	206,605
Legacies and bequests	79,877	39,976
Donations	188,069	84,782
Lottery	11,836,894	8,986,725
	12,342,550	9,318,088
 <i>Expenditure on fundraising</i>		
Fundraising department	250,070	191,233
Legacies and bequests	-	4,767
Donations	27,637	22,366
Lottery	7,594,534	6,742,750
	7,872,241	6,961,116
 Net total St John surplus from fundraising	 4,470,309	 2,356,972

21 COVID-19 impact

The COVID-19 outbreak was declared a pandemic by the World Health Organization in March 2020. The outbreak and the response of Governments in dealing with the pandemic is interfering with general activity levels within the community and the economy. Following the COVID-19 outbreak, St John has continued its business operations. The situation is unprecedented and management continues to consider the potential implications of COVID-19. However, as at the date these financial statements were authorised, St John was not aware of any material adverse effects on the financial statements or future results as a result of the COVID-19.

22 Events occurring after the reporting period

Except as disclosed in note 21, no other matter or circumstance has arisen since 30 June 2021 that has significantly affected St John's operations, results or state of affairs, or may do so in future years.

**St John Ambulance Australia SA Inc
Directors' declaration
30 June 2021**

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 22 is drawn up so as to present fairly the results and cash flows of St John for the financial year ended 30 June 2021 and the state of affairs of St John, at 30 June 2021; 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 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 the directors.



Ms Karen Limb
Chairman

Adelaide
29 October 2021



Auditor's Independence Declaration

As lead auditor for the audit of St John Ambulance Australia SA Inc for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'J McCarthy', is written over a faint, light-colored signature line.

Julian McCarthy
Partner
PricewaterhouseCoopers

Adelaide
29 October 2021



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 2 of the *Associations Incorporations Act 1985* and 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 2021 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 2021
- 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 significant accounting policies and other explanatory information
- 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 & 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.

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

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.

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 2021, 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 are responsible for the preparation of the financial report that gives a true and fair view 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.

PRICEWATERHOUSE COOPERS

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Julian McCarthy', written over a faint, light-colored rectangular stamp or watermark.

Julian McCarthy
Partner

Adelaide
29 October 2021