



**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**

**AUDITED FINANCIAL STATEMENTS**

for the year ended

**30 JUNE 2017**

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED  
STATEMENT BY DIRECTORS  
FOR THE YEAR ENDED 30 JUNE 2017**

The directors of the registered entity declare that in the directors' opinion:

1. The financial statements and notes, as set out on pages 1 to 13, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and;
  - (a) Comply with Australian Accounting Standards; and
  - (b) Give a true and fair view of the financial position of the registered entity as at 30 June 2017 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable

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

Dated at Adelaide this 31<sup>st</sup> day of October 2017.



---

**Nick Begakis AO  
CHAIRPERSON**



---

**Wee Keat Chan  
DIRECTOR/TREASURER**

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
		\$	\$
Revenue	2	7,239,018	8,745,566
Other Income	2	273,586	562,864
Investment costs		(245,420)	(244,036)
Foundation fundraising and administration costs	3	(4,171,440)	(5,576,348)
Support given to hospital:			
Capital projects, minor works and equipment		(709,372)	(1,221,444)
Research		(1,329,585)	(1,655,949)
Other		(857,598)	(731,720)
Impairment of available for sale financial investments		-	(691,980)
Gain on revaluation of Investment Property	7	-	1,300,000
<b>Net current year Surplus/(Deficit)</b>		<b>199,189</b>	<b>486,953</b>
<b>Other comprehensive income</b>			
<b>Items that will be reclassified to profit or loss:</b>			
Fair value gains/(losses) on available-for-sale financial assets	13	1,621,862	(411,599)
<b>Total other comprehensive income for the year</b>		<b>1,621,862</b>	<b>(411,599)</b>
<b>Total comprehensive income for the year</b>		<b>1,821,051</b>	<b>75,354</b>

This Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the attached notes

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**BALANCE SHEET**  
**AS AT 30 JUNE 2017**

	Notes	2017 \$	2016 \$
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	4	1,446,424	1,527,765
Trade and other receivables	5	1,371,281	1,353,657
<b>Total Current Assets</b>		<b>2,817,705</b>	<b>2,881,422</b>
Non-Current Assets			
Financial assets	6	37,945,719	36,137,038
Investment properties	7	9,943,034	9,400,000
Plant & equipment	8	90,874	135,024
Intangibles	9	6,901	24,337
<b>Total Non-Current Assets</b>		<b>47,986,528</b>	<b>45,696,399</b>
<b>Total Assets</b>		<b>50,804,233</b>	<b>48,577,821</b>
<b>Liabilities</b>			
Current Liabilities			
Employee benefits	10	102,313	137,800
Trade and other payables	11	2,021,166	1,581,770
<b>Total Current Liabilities</b>		<b>2,123,479</b>	<b>1,719,570</b>
Non-Current Liabilities			
Employee benefits	10	42,474	41,022
<b>Total Non-Current Liabilities</b>		<b>42,474</b>	<b>41,022</b>
<b>Total Liabilities</b>		<b>2,165,953</b>	<b>1,760,592</b>
<b>Net Assets</b>		<b>48,638,280</b>	<b>46,817,229</b>
<b>Equity</b>			
Retained earnings		45,570,916	44,440,597
Investment fluctuation reserve	13	3,067,364	2,376,632
<b>Total Equity</b>		<b>48,638,280</b>	<b>46,817,229</b>

This Balance Sheet is to be read in conjunction with the attached notes

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	2017 \$	2016 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from donations, sponsorship and bequests		3,942,237	5,537,402
Payment to suppliers & employees		(3,694,127)	(5,304,939)
Interest received		11,747	14,558
Investment Income received		855,356	925,720
Other income received		43,932	157,533
Payments to Support the Hospital		(2,420,926)	(3,023,878)
<b>Net cash generated from operating activities</b>	14	<b>(1,261,781)</b>	<b>(1,693,604)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for intangibles, property plant & equipment		(564,560)	(18,661)
Proceeds from sale of property held for sale		-	99,475
Investments drawn down		1,745,000	2,100,000
<b>Net cash used in investing activities</b>		<b>1,180,440</b>	<b>2,180,814</b>
<b>Net increase (decrease) in cash held</b>		<b>(81,341)</b>	<b>487,210</b>
<b>Cash on hand at beginning of the financial year</b>		<b>1,527,765</b>	<b>1,040,555</b>
<b>Cash on hand at end of the financial year</b>		<b>1,446,424</b>	<b>1,527,765</b>

This Statement of Cash Flows is to be read in conjunction with the attached notes

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

Notes	Retained Surplus \$	Financial Assets Reserve \$	Total \$
<b>Balance as at 1 July 2015</b>	43,567,350	3,174,525	46,741,875
<b>Comprehensive Income</b>			
Surplus for the year	(813,047)	-	(813,047)
Other Comprehensive income for the year	1,686,294	(797,893)	888,401
<b>Total comprehensive income</b>	<b>873,247</b>	<b>(797,893)</b>	<b>75,354</b>
<b>Balance at 30 June 2016</b>	<b>44,440,597</b>	<b>2,376,632</b>	<b>46,817,229</b>
<b>Balance at 1 July 2016</b>	<b>44,440,597</b>	<b>2,376,632</b>	<b>46,817,229</b>
<b>Comprehensive Income</b>			
Surplus for the year	199,189	-	199,189
Other Comprehensive income for the year	931,130	690,732	1,621,862
<b>Total comprehensive income</b>	<b>1,130,319</b>	<b>690,732</b>	<b>1,821,051</b>
<b>Balance at 30 June 2017</b>	<b>45,570,916</b>	<b>3,067,364</b>	<b>48,638,280</b>

This Statement of Changes in Equity is to be read in conjunction with the attached notes

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

The directors have prepared the financial statements on the basis that the Foundation is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Foundation is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the management committee have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The Foundation is domiciled in Australia.

**(b) Taxation**

The Foundation is exempt from income tax pursuant to paragraph 50 (5) of the Income Tax Assessment Act. The Foundation is liable for fringe benefits tax (FBT), and goods and services tax (GST).

Income, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

	2017	2016
	\$	\$
<b>NOTE 2 – Revenue and other income</b>		
<b><u>Revenue</u></b>		
Revenue from operations:		
Bequests	231,991	1,459,108
Donations and event income	4,025,892	4,615,398
Total revenue from operations	4,257,883	6,074,506
Other revenue:		
Investment Income	2,981,135	2,671,060
Total other revenue	2,981,135	2,671,060
<b>Total revenue</b>	<b>7,239,018</b>	<b>8,745,566</b>
<b><u>Other income</u></b>		
Realised gain/(loss) on sale of available for sale financial investments	229,651	305,856
Profit from sale of property held for sale	-	99,475
Sundry income	43,935	157,533
<b>Total other income</b>	<b>273,586</b>	<b>562,864</b>
<b>Total revenue and other income</b>	<b>7,512,604</b>	<b>9,308,430</b>

Income derived from legacies, bequests and donations are recognised upon receipt.

**Fundraising Programs**

The operations of the fundraising program for the Women's and Children's Hospital are consolidated under the direction of the Foundation. Any subsequent appropriations of donations are made strictly in accordance with terms that may be specified by the individual donors.

The Foundation began a Direct marketing fundraising strategy that seeks to boost our active donor base from approximately 2,000 to 10,000 over the 3 years from 2014 to 2017. This program includes acquisition of new 'cash donors' via direct mail packs and new regular gift donors via 'Face to Face' acquisition as well as the conversion of donors acquired via direct mail packs to regular giving. As at 30 June 2017 our active donor base was 10,489 of which 4,216 are regular donors. This program has substantial up-front acquisition costs, but over the medium term provides a regular and predictable income stream, with overall costs at approximately 25% of donations received.

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

**NOTE 3 – Expenditure**

**(a) Auditors remuneration**

The audit of the financial report	10,680	11,656
Other services and advice	-	6,290
<b>Total auditors remuneration</b>	<b>10,680</b>	<b>17,946</b>

**(b) Depreciation and amortisation**

Plant and equipment	65,676	67,497
Motor vehicle	-	-
Intangibles (Software)	17,433	17,557
<b>Total depreciation and amortisation</b>	<b>83,109</b>	<b>80,054</b>

<b>2017</b>	<b>2016</b>
<b>\$</b>	<b>\$</b>

**(c) Employee benefits expense**

Salaries and wages	1,184,638	1,359,871
WorkCover levy	22,173	23,455
Movement in employee benefits provision	34,035	99,947
<b>Total employee benefits expense</b>	<b>1,240,846</b>	<b>1,483,273</b>

Expenses are recognised in the Foundation's income statement when and only when it is probable that the flow of economic benefits from the entity will occur and can be reliably measured.

**NOTE 4 – Cash and cash equivalents**

Cash at bank	1,445,690	1,527,065
Cash floats	734	700
	<b>1,446,424</b>	<b>1,527,765</b>

Cash and cash equivalents comprise cash balances, call deposits and term deposits.

**NOTE 5 – Trade and other receivables**

Trade debtors	170,835	181,806
Less: impairments	-	-
Net trade debtors	170,835	181,806
Interest and investment income receivable	1,100,831	1,015,306
Prepayments	32,732	29,320
Other receivables	66,883	127,225

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

<b>Total trade and other receivables</b>	<b>1,371,281</b>	<b>1,353,657</b>
--	------------------	------------------

Trade and other receivables are stated at their amortised cost less impairment losses.

**NOTE 6 – Financial Assets**

**Available-for-sale financial assets:**

WCHF Endowment Fund	7,949,895	7,902,878
MS McLeod Fund	6,199,876	5,926,773
Research Fund	23,795,948	22,307,387
<b>Total available-for-sale financial assets</b>	<b>37,945,719</b>	<b>36,137,038</b>

The Foundation has three investment portfolios which are managed by external investment managers, these portfolios are managed under strict guidelines.

**M.S. McLeod Research Fund**

The M.S. McLeod Research Fund was established in June 1995 and consists of the proceeds of a bequest from the estate of the late Murdoch Stanley McLeod. As directed by the Supreme Court of South Australia, the Fund was established within the Foundation under a Deed of Arrangement dated 18 May 1994 and a Deed of Settlement dated 19 June 1995. In accordance with the Deeds, income from the assets of the Fund is to be applied for the "furtherance of research in the field of paediatrics and health of children" as directed in the will of Mr McLeod.

In accordance with the Deed of Settlement:

- The Trustees of the M.S. McLeod Research Fund are appointed by the Foundation having been nominated as specified.
- Administration of the M.S. McLeod Research Fund is vested in the Foundation.

As such the M.S. McLeod Research Fund has been incorporated into the accounts of the Foundation.

**Endowment Fund**

It was agreed at the meeting of Trustees of the Endowment Fund on 15 September 1997 that an endowment program be established under the auspices of the Foundation. The existing May Fotheringham Fund was renamed the Endowment Fund for the purpose of administering all endowments established within the Foundation. The May Fotheringham Fund has served as an endowment to support professional study by non-medical personnel at the Women's and Children's Hospital and the existing assets of the May Fotheringham Fund are to be designated the May Fotheringham Endowment.

In July 2004 the Endowment Fund received a bequest from the estate of Freda Mavis Boyle. This bequest now comprises the majority of the assets of the Endowment Fund.

**Research Fund**

Women's & Children's Hospital Foundation Research Fund was established in 1997 with \$5.7m being transferred from retained earnings. This amount is to be held in perpetuity as an established capital base for research. In 2004 \$3.7m was transferred from Rogerson Research Fund, this amount is to be held in perpetuity to support research. In 2004 Marjorie Edwards Estate bequest \$1.8m to be held in perpetuity for the purpose of research. In 2005 Malcolm Douglas Fund was established, to be held in perpetuity for research.

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

Investment in equity securities are held directly as being available-for-sale, and are stated at fair value. Any unrealised gains or losses are recognised directly in equity, except for impairment losses. When these investments are derecognised, the gain or loss represents the difference between the proceeds of sale and market value at the previous balance date.

The fair value of investments held as available-for-sale is their quoted bid price as at reporting date.

Units in unlisted managed investment schemes are valued at the redemption price at the reporting date quoted by the relevant investment manager which are based on the net market value of the underlying investments with allowance for disposal costs.

Interest on interest bearing securities is accrued up to balance date and brought to account in the income statement. Dividends are recognised in the income statement when they are declared.

Assets are tested for any indication of impairment at each reporting date. An indication of impairment is based on the relativity of the current value to purchase cost and the length of time the value has been degraded without substantial fluctuation. The decision to impair is based on a view on the probability of the value of the asset increasing over the short to medium term and the reason for the degradation of value. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. An impairment loss is recognised immediately in the income statement, unless the asset has been re-valued. For re-valued assets any impairment loss is offset against revaluation increments in the asset revaluation reserve.

	<b>2017</b>	<b>2016</b>
	\$	\$
<b>NOTE 7 – Investment properties</b>		
Investment property (at fair value)	9,943,034	9,400,000
<b>Total Investment properties</b>	<b>9,943,034</b>	<b>9,400,000</b>
<b>Revaluation / Impairment</b>		
Carrying amount at beginning of financial year	9,400,000	8,100,000
Revaluation recognised during the year	-	1,300,000
Purchase of Investment Property during the year	543,034	-
<b>Carrying amount at end of the financial year</b>	<b>9,943,034</b>	<b>9,400,000</b>

The Fair Value method has been applied for all investment property, being the amount for which the asset could be exchanged between knowledgeable, willing parties in an arm's-length-transaction. Fair Value is based on a valuation performed by a certified independent valuer. The valuation for investment properties represents the most recent directors' valuation of 30 June 2017. This has been prepared on the basis of independent valuations performed by Valcorp Australia as at 30 June 2016, which does not exceed recoverable amount at the date of the financial statements plus properties acquired during the year, fair value is representative of cost of the asset. Any gain or loss arising from a change in fair value is recognised through the profit and loss.

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

**NOTE 8 – Plant and equipment**

Plant and equipment at cost	621,759	600,233
Less: accumulated depreciation & impairments	(530,885)	(465,209)
<b>Total net carrying amount</b>	<b>90,874</b>	<b>135,024</b>

**Cost**

Balance at beginning of the year	600,233	581,572
Additions	21,526	18,661
Disposals	-	-
<b>Balance at end of year</b>	<b>621,759</b>	<b>600,233</b>

**Accumulated depreciation and impairments**

Balance at beginning of the year	465,209	397,712
Depreciation and impairments	65,676	67,497
Disposals	-	-
<b>Balance at end of year</b>	<b>530,885</b>	<b>465,209</b>

The cost model is applied to all plant & equipment, which is cost less accumulated depreciation and impairment losses. Depreciation is recorded on a straight-line basis so as to write off the cost over the estimated useful life of the asset. Plant and equipment are depreciated from the month following their commissioning and up to the month prior to disposal.

The following indicates the typical expected useful lives of plant and equipment on which depreciation charges are based:

Plant and equipment	5-10 years
Furniture and fittings	10-15 years
Motor vehicles	4 years

The gain or loss on disposal of plant and equipment is determined as the difference between the carrying amount of the asset at the time of disposal and the net proceeds of disposal, and is included in the income statement in the year of disposal.

<b>2017</b>	<b>2016</b>
<b>\$</b>	<b>\$</b>

**NOTE 9 – Intangibles**

Software at cost	126,376	126,376
Less: Accumulated amortisation & impairments	(119,475)	(102,039)
<b>Total net carrying amount</b>	<b>6,901</b>	<b>24,337</b>
<b>Computer software</b>		

Significant items of computer software are stated at cost less accumulated amortisation and impairment losses. Minor expenditure on computer software is expensed as incurred.

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of each item of computer software from the date it is acquired and is ready for use. Estimated useful lives are deemed to be 3 years. Remaining useful lives are reassessed annually. No residual value is assumed.

**NOTE 10 – Employee benefits**

**Current**

Annual leave	29,588	80,843
Long Service leave	72,725	56,957
<b>Total employee benefits</b>	<b>102,313</b>	<b>137,800</b>

**Non-Current**

Long Service leave	42,474	41,022
<b>Total employee benefits</b>	<b>42,474</b>	<b>41,022</b>

Liabilities for wages and salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on wage and salary rates the Foundation expects to pay as at reporting date including related on-costs, such as workers compensation insurance. Long Service Provision has been calculated according to AASB119 using bond rates as at 30<sup>th</sup> of June 2017 and probability factors based on employee years of service.

**NOTE 11 – Trade and other payables**

**Current**

Trade creditors	556,064	212,414
Accruals	1,351,582	1,321,899
Other payables	113,520	47,457
<b>Total trade and other payables</b>	<b>2,021,166</b>	<b>1,581,770</b>

Trade and other payables are stated at their cost.

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

**NOTE 12 – Financial Instruments**

**Interest rate risk exposure**

The Foundation's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and financial liabilities is set out in the following table

**2017**

	1 year or less	1 to 5 years	Over 5 years	Non- interest bearing	Total
	\$	\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	1,445,690	-	-	734	1,446,424
Trade and other receivables	-	-	-	1,371,281	1,371,281
Available for sale financial investments	-	-	-	37,945,719	37,945,719
<b>Total financial assets</b>	<b>1,445,690</b>	<b>-</b>	<b>-</b>	<b>39,317,734</b>	<b>40,763,424</b>
Weighted average interest rate	0.79%				
<b>Financial liabilities</b>					
Trade and other payables	-	-	-	2,021,166	2,021,166
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,021,166</b>	<b>2,021,166</b>
<b>Net financial assets / (liabilities)</b>	<b>1,445,690</b>	<b>-</b>	<b>-</b>	<b>37,296,568</b>	<b>38,742,258</b>

**2016**

	1 year or less	1 to 5 years	Over 5 years	Non- interest bearing	Total
	\$	\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	1,527,065	-	-	700	1,527,765
Trade and other receivables	-	-	-	1,353,657	1,353,657
Available for sale financial investments	-	-	-	36,137,038	36,137,038
<b>Total financial assets</b>	<b>1,527,065</b>	<b>-</b>	<b>-</b>	<b>37,491,395</b>	<b>39,018,460</b>
Weighted average interest rate	1.13%				
<b>Financial liabilities</b>					
Trade and other payables	-	-	-	1,581,770	1,581,770
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,581,770</b>	<b>1,581,770</b>
<b>Net financial assets / (liabilities)</b>	<b>1,527,065</b>	<b>-</b>	<b>-</b>	<b>35,909,625</b>	<b>37,439,690</b>

**WOMEN'S AND CHILDREN'S HOSPITAL FOUNDATION INCORPORATED**  
**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED**  
**30 JUNE 2017**

**NOTE 13 – Reserves**

**(a) Financial Assets Reserve**

The financial assets reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as available for sale.

**(b) Analysis of each class of reserve:**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Financial Asset Reserve</b>		
Realised gain/(loss) on sale of available for sale financial assets	(931,130)	(386,294)
Fair value gains/(losses) on available-for-sale financial assets	1,621,862	(411,599)
<b>Movement in Financial Asset Reserve</b>	690,732	(797,893)

**NOTE 14 – Cash Flow information**

Reconciliation of net surplus for the year to net cash flow from operations

Net surplus for the year	199,189	486,953
Investment Income directly reinvested	(1,959,885)	(1,460,543)
Gain on revaluation of Investment Property	-	(1,300,000)
Realised gains on available-for-sale financial investments	(229,651)	(305,856)
Profit from sale of property held for sale	-	(99,475)
Investment Costs	224,548	222,965
Depreciation of property, plant & equipment	83,109	85,054
<b>(INCREASE)/DECREASE IN ASSETS:</b>		
Trade & other receivables	(2,398)	647,928
<b>INCREASE/(DECREASE) IN LIABILITIES:</b>		
Trade creditors	457,342	21,091
Provision for employee benefits	(34,035)	8,279
<b>Net cash flow from operations</b>	<b>(1,261,781)</b>	<b>(1,693,604)</b>

**NOTE 15 – Events after the Reporting Date**

The Foundation's investment portfolio is a very significant component (asset) of the Balance Sheet. A material change in the value of this asset constitutes a non-adjusting event after the reporting period, in line with AASB 110. In accordance with para 21 of AASB 110 the nature of this event is a decrease in the market value of the investment portfolios held by WCHF and the financial effect as at 31<sup>st</sup> October 2017 is a decrease in value of \$526,740 (1.4% decrease). This change in value is inclusive of \$1,750,000 in withdrawals from the portfolio.

DECLARATION OF INDEPENDENCE  
UNDER SECTION 60-40 OF THE ACNC ACT 2012  
BY ANDREW TICKLE  
TO THE DIRECTORS OF THE WOMEN'S & CHILDREN'S FOUNDATION  
INCORPORATED

As lead auditor of **the Women's & Children's Foundation Incorporated** for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Andrew Tickle  
Director

BDO Audit (SA) Pty Ltd

Adelaide, 31 October 2017

INDEPENDENT AUDITOR'S REPORT  
**TO THE MEMBERS OF THE WOMEN'S & CHILDREN'S HOSPITAL FOUNDATION**  
INCORPORATED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the **Women's & Children's Hospital Foundation Incorporated** (the registered entity), which comprises the balance sheet as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' **declaration**.

In our opinion the accompanying financial report of **the Women's & Children's Hospital Foundation Incorporated**, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the **registered entity's financial position as at 30 June 2017** and of its financial performance for the year then ended; and
- (ii) 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*.

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 are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and **Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants** (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the registered **entity's financial** reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity 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 ACNC Act and the needs of the members. **The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 responsible entities are responsible for assessing the **registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern** and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity 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 this 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 (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

**This description forms part of our auditor's report.**

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink that reads 'Andrew Tickle'.

Andrew Tickle  
Director

Adelaide, 31 October 2017