

CROHN'S & COLITIS AUSTRALIA  
ABN 42 082 747 135

# **Crohn's & Colitis Australia (CCA)**

A trading name of Australian Crohn's and Colitis Association (ACCA)

ABN 42 082 747 135

Financial Report for the year ended  
31 December 2018

**CROHN'S & COLITIS AUSTRALIA**  
**ABN 42 082 747 135**

**DIRECTORS REPORT**

The Directors of the Australian Crohn's and Colitis Association (ACCA) trading as Crohn's & Colitis Australia (CCA) present their report on the company for the financial period 1 January 2018 to 31 December 2018.

In order to comply with the provisions of the *Australian Charities and Not-for-profits Commissions Act 2012*, the Directors report as follows:

The name of each person who has been a Director during the period and to the date of this report are as follows. Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

**Mr Bruce Rosengarten**

*[Chair/Director – appointed – 23 July 2018]*  
*BEC GDipPDM GAICD*

Bruce Rosengarten has spent over 35 years in executive roles across eminent organisations. Until mid-2017, Bruce was Executive General Manager, Commercial at Caltex responsible for all sales, marketing, innovation and convenience stores. Bruce has held senior roles at Weight Watchers (President Asia Pacific and emerging markets) at Shell (Global Vice President Retail, Marketing) where he led Fuels, Convenience stores, Loyalty, Cards, Marketing and the Shell brand globally. Prior, he was Executive Director at Crown launching Crown locally and internationally and running Tables Games. He spent over 12 years at Coles Myer running regions of Department stores and as Managing Director of World 4 Kids.

Bruce has extensive governance experience across a diverse range of organisations including ASX listed, private companies, joint ventures, industry associations and not for profit. Bruce was a Director of Jewish Care Vic 2008-15 and its President/Chair 2009-2012. He has held governance roles in not profit sector including the Singapore Jewish Welfare Board and as a Council Member of Mt Scopus Memorial College. He has also held extensive roles in industry associations including International Committee Chair National Association of Convenience Stores, Australian Institute of Petroleum, VP South Australian Retailer's Association, Rundle Mall Management Committee Member.

Bruce is the author of *Passionate Leadership*, runs his own consultancy and is a member of several advisory Boards: Binyan 3D Studios (Chairman).

**Professor Paul Pavli**

*[Director]*  
*MB BS (Hons) PhD FRACP*

Professor Paul Pavli trained in Gastroenterology at Concord and Royal North Shore Hospitals in Sydney and has had an ongoing interest in the basic science and clinical aspects of the inflammatory bowel diseases (IBD) since he finished his specialist training. Paul completed a Ph.D. in gastrointestinal immunology at the Australian National University (ANU) and has pursued an active research program studying the causes of IBD. Working with researchers from the ANU, he helped establish the Australian Familial IBD Register in the early 1990s, and more recently, has been studying the role of bacteria in triggering IBD.

In parallel, he has helped develop a clinical service in IBD at Canberra Hospital where patients have access to all facets of treatment including clinical trials of novel therapies and nursing, surgical, nutritional and psychological support for patients and their families. Paul has maintained an active role as a teacher and mentor for undergraduate medical students, hospital resident staff, and advanced trainees in Gastroenterology who wish to specialize in the management of IBD. He has also served on a number of Federal and Territory government bodies and professional organizations including the Australian Drug Evaluation Committee (ADEC), now the Advisory Committee on Pharmaceutical Medicines (ACPM), the National Health and Medical Research Council (NHMRC), the Royal Australasian College of Physicians, the Gastroenterological Society of Australia and Therapeutic Guidelines.

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<p><b>Dr Gregory Moore</b> <i>[Director]</i> <i>MBBS (Hons) PhD FRACP</i></p> <p>Dr Greg Moore is an IBD specialist gastroenterologist. He founded the Inflammatory Bowel Diseases Unit at Monash Medical Centre in 2006 and oversees a specialised IBD clinic. Greg coordinates a busy clinical trials unit, undertakes ongoing research and combines private practice and undergraduate and post-graduate teaching. He is a senior lecturer in the Department of Medicine Monash University and supervises research students. Greg is also a member of Australian Inflammatory Bowel Disease Association, the peak medical IBD group, and is a sought after speaker at both scientific and public forums.</p>	<p><b>Ms Anita Reilly</b> <i>[Director]</i></p> <p>Anita Reilly has a long association with CCA and served in an executive position for 20 years with CCA Queensland, which merged with CCA in 2009. She runs CCA's IBD Helpline and has an intimate knowledge and understanding of IBD with over two decades of experience working with and providing help to the IBD community. Anita has also felt the impact of IBD at a close, personal level for more than 30 years as her son, now an adult, has had Crohn's since two-years of age. Outside of her involvement with CCA, Anita co-owns a small business in the building &amp; construction industry.</p>
<p><b>Mr David Reckenberg</b> <i>[Director/Company Secretary]</i> <i>Bec LLB(Hons) GC(TEAL) CertIVTA</i></p> <p>David Reckenberg is a lawyer who has worked both 'in-house' and in private practice in the wealth management industry for over 20 years, specialising in particular in superannuation law. Between 2005 and 2009 he also held operational (non-legal) management roles with AXA. David currently works part time as a special counsel with Hive Legal. David is also a qualified teacher of English as a second language and teaches part time. He started supporting CCA quite a few years ago after a family member was diagnosed with Crohn's disease.</p>	<p><b>Ms Julie Weldon</b> <i>[Director – appointed 29 January 2018]</i> <i>BBus GDipMan MAICD</i></p> <p>Julie Weldon has worked in corporate communication in both the Australia and the UK for nearly 25 years. She is the Managing Director of JAW Communications, a consultancy she founded in 2011, which works across a wide range of industries and sectors, including government, corporates, small businesses and not-for-profit groups. She was previously a director of the International Association of Business Communicators (Victoria) and served on several of IABC's international task-forces and committees. Julie has lived with Crohn's disease since 1994.</p>

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<p><b>Mr James Oliver</b> <i>[Director – appointed 3 December 2018]</i> BEC ICAEW FCA CA ANZ Registered Company Auditor</p> <p>James Oliver is a partner with Deloitte Touche Tohmatsu, specialising in governance, regulation, audit and risk management services to the financial services sector. He has worked in Deloitte's London, Sydney and Melbourne offices and is well connected within the business community.</p> <p>James has a BSc Economics from the University of Nottingham and is a Fellow of the Institute of Chartered Accountants in England and Wales. He is a member of several industry working groups on matters related to regulation, internal controls and governance.</p>	<p><b>Ms Beata Koropatwa</b> <i>[Chair/Director - resigned – 18 June 2018]</i></p> <p>Beata Koropatwa has a strong track record of successful business development and leadership for over 20 years. She has held various board positions as a director and Chairwoman. Beata is honoured to be working with CCA and making a difference to 85,000 people living with IBD through her leadership.</p>
<p><b>Ms Francesca Manglaviti</b> <i>[Managing Director/CEO – resigned – 23 April 2018]</i></p> <p>Francesca Manglaviti has held senior positions in not-for-profit, commercial and government organisations and has served on the Board of SPELD Victoria. She brings significant experience in strategic planning, marketing, fundraising, and stakeholder relationships and is a Graduate of the Institute of Company Directors, holds an MBA, Grad. Dip. Org Behaviour, Dip Ed and BA.</p>	<p><b>Mr Philip Picking</b> <i>[Director/Treasurer – resigned – 19 April 2018]</i> ACA, BBus (Acc)</p> <p>Philip Picking, retired, has extensive experience in the consulting engineering business as a Financial Controller mainly with AECOM Australia and WE Bassett Consulting Engineers after commencing with Deloitte. Philip has lived with Crohn's disease since his mid-twenties.</p>

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**Ms Hayley Torpy [nee Charles]**

*[Director – resigned 18 June 2018]*

Hayley Charles is a Chartered Accountant practicing at MOR Accountants, Ballarat, where she works across multiple specialties including accounting, structuring and taxation. From 2004 to 2012, Hayley worked at Deloitte in Melbourne, in the Tax division of Deloitte Private, specialising in the SME market. Hayley studied at the University of Melbourne where she is a member of the Alumni of the Arts, Laws and Commerce Faculties and the University College Alumni. She is the Treasurer and Board Member for the Ballarat Business Centre, Director and Secretary of the Lyon Foundation Limited (a public art museum in Melbourne) and holds memberships with the Institute of Chartered Accountants and The Tax Institute of Australia.

**The Hon Bernie Ripoll**

*[Director – resigned 4 February 2019]*

Bernie Ripoll is an Electrician by trade with a Business Degree in Marketing and has served as a Member of the Federal Parliament from 1998 to 2016. Bernie worked across most fields of government and served as part of the Government Executive in the role of Parliamentary Secretary to the Treasurer with responsibility for Financial Services, the Australian Securities and Investments Commission, the Australian Bureau of Statistics portfolio and also as Shadow Minister for Financial Services and Superannuation, Small Business and Sport. Bernie is a director with not-for-profit medical practice, Inala Primary Care, a director with digital advice platform, Map My Plan, and Chairman of Biogas developer, Utilitas Group. Bernie also sits on the advisory committee of the Self Managed Super Fund Association, is a director with the Financial and Energy Exchange and was recently appointed to the board of Allianz Australia. Bernie has a deep understanding of the systems, processes and people in government and parliament at all levels and brings a senior level of experience and knowledge with working relationships in the corporate and community sectors.

**Remuneration of Directors**

Except for Ms Francesca Manglaviti, who was remunerated as the Chief Executive Officer of CCA and Ms Anita Reilly, CCA's IBD Helpline and Queensland State Co-ordinator, all other Directors are honorary and are not remunerated other than being reimbursed for out-of-pocket expenses incurred.

**Results for Period**

The surplus of the company for the 12-month period from January to December 2018 amounted to \$91,135.

**Principal Activities**

CCA's principal activities in the course of the financial period were:

- providing supportive services to persons diagnosed with inflammatory bowel disease (IBD) and their families;
- providing information to persons diagnosed with IBD and their families, friends and other interested parties;



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- generating and fostering awareness and education programs targeted at persons diagnosed with IBD, their families, health professionals and the general public;
- assisting, supporting, participating in research studies for the benefit of persons diagnosed with IBD and their families;
- fundraising to provide grants for both pure and clinical research into the cause of, and the cure for, IBD; and
- supporting Quality of Care for people with IBD.

### **Review of Operations**

There were no significant changes in the nature of the company's principal activities during the period. During the financial period, CCA:

- conducted awareness campaigns and educational public meetings in all states;
- provided information services to members and the general public;
- provided support services to persons affected by IBD;
- supported research into IBD; and
- supported Quality of Care for people with IBD.

### **Strategic Plan & Values**

Crohn's & Colitis Australia's vision is that no one suffers from Inflammatory Bowel Disease (IBD).

The organisation's purpose is to drive quality of care for our community by educating, advocating, supporting, increasing awareness and research. Six strategic pillars underpin our purpose and vision. These are Community, Our People, Quality of Care and Research, Fundraising and Brand, Partners and Stakeholders and Operations and finance. Annual business plans are developed with management and staff to deliver the priority areas for the year and are measured against key performance indicators.

The CCA's values encompass:

#### **Achievement**

Delivering on our promise to achieve an environment where people living with IBD can fully participate in everyday social and economic activities that others take for granted.

#### **Innovation**

Continuously finding new and innovative ways to maximize the efficiency and value of our service to the IBD and broader Australian community by funding new research and developing meaningful programs that create change for the betterment of people living with IBD

#### **Relationships**

Maintaining and nurturing mutually beneficial relationships with members and collaborating with volunteers, research organisations, corporate partners, government and the health profession to help honor our commitment to people living with IBD.

#### **Integrity**

Inspiring trust and respect for our ethical practices, high standards of governance and for our honesty and transparency in our dealings.

### **Sustainability**

Building a strong organisation for future generations, providing leadership within the industry and developing the capabilities to deliver on our mission

### **Short-term Objectives**

The Charity's short-term business goals centre on the delivery of support and education to the IBD community, harnessing digital technologies to reach to increase scale and raise awareness, and continuing to improve Quality of Care for IBD patients.

Specific short-term objectives include:

- strengthening our relationship with members by improving membership offerings, customer service and operational efficiencies
- raising awareness through large scale awareness campaigns targeting social media
- improving access to support, education and information through digital technologies
- refining our volunteer and staff management practices across all areas to increase engagement and retention
- undertaking a qualitative patient experience survey to inform a large scale quantitative survey of patient experience against standards of care
- continuing to fund clinical research
- improving strategic brand awareness and PR in corporate and government sectors
- delivering on budget and financial KPI

### **Long-term Objectives**

CCA's long-term strategy recognises the challenges faced by the IBD health community in gaining government funding to improve resources in hospitals and the recognition of IBD as a serious and growing chronic illness. The strategy also recognised the need for innovation to create long-term financial sustainability for the organisation in the current economic environment.

Long-term strategic goals include:

- extending our reach, service and impact
- educate and raise awareness in the wider community, advocate and grow our community
- develop, acknowledge and value what our people contribute. Hire the right people; remain innovative, proactive, agile and nimble.
- capture and present findings, advocate for Quality of Care improvements, leverage findings and the positive experience
- improve awareness across all key corporate, government and community sectors
- continue to collaborate, build and strengthen relationships with government, hospitals, professional and peak bodies, volunteers and corporate partners
- deliver our budget and financial KPIs, deliver our operational KPIs

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**Board and Committee Meetings and Attendance**

The number of Board meetings of Directors held during the year and the number of meetings attended by each Director is as follows:

<b>Directors</b>	<b>Board</b>	<b>Fundraising and Communications Committee</b>	<b>Audit &amp; Risk, Governance, Nomination and Remuneration Committee</b>	<b>Scientific, Medical and Quality of Care Committee</b>
Bruce Rosengarten	4 (4)	2 (3)	2 (2)	N/A
Paul Pavli	7 (9)	N/A	N/A	2 (2)
Gregory Moore	8 (9)	N/A	N/A	2 (2)
Anita Reilly	9 (9)	N/A	N/A	N/A
David Reckenberg	8 (9)	4 (7)	3 (3)	N/A
Julie Weldon	9 (9)	4 (4)	3 (3)	N/A
James Oliver	1 (1)	N/A	1 (1)	N/A
Beata Koropatwa	4 (5)	3 (4)	N/A	N/A
Francesca Manglaviti	4 (4)	3 (3)	N/A	N/A
Philip Picking	3 (3)	1 (1)	N/A	N/A
Hayley Torpy [nee Charles]	2 (4)	N/A	N/A	N/A
Bernie Ripoll	4 (9)	5 (7)	N/A	N/A

*\*Meetings eligible to attend are in brackets — meetings can be either face to face, videoconference or teleconference*

**Indemnification and Insurance of Directors and Officers**

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

**Contribution on Winding Up**

The company is incorporated under the Corporation Act 2001 and is a Company limited by guarantee. If the company is wound up the constitution states that each member is required to contribute a maximum of \$20.00 each towards meeting any outstanding obligations of the Entity. At 31 December 2018, the total number of financial members was 2,709.

**Subsequent events**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Entity, the results of those operations, or the state of affairs of the Entity in future financial years.




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**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under division 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is attached to this financial report.

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors.



**Bruce Rosengarten**  
Chairperson, CCA Board



**David Reckenberg**  
Board Director/Company Secretary

Date: 15 February 2019

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**AUDITORS INDEPENDENCE DECLARATION UNDER DIVISION 60-40**  
**OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012**  
**TO THE DIRECTORS OF AUSTRALIAN CROHN'S AND COLITIS ASSOCIATION**  
**TRADING AS CROHN'S & COLITIS AUSTRALIA**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Australian Crohn's and Colitis Association (trading as Crohn's & Colitis Australia) for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

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

**DFK BKM Audit Services**  
**Camberwell, Victoria**



**Timothy M. Kelleher**  
*Director*

Date: 15 February 2019

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**STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	12 Months to December	12 Months to December
Note	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>\$</b>	<b>\$</b>
Grants	136,999	271,800
Donations	341,873	456,255
Community fundraising	97,906	166,476
Events	271,105	28,727
Sponsorship	375,652	385,274
Earned revenue	92,337	92,567
Other income	12,696	19,318
<b>Total Revenue</b>	<b>1,328,568</b>	<b>1,420,417</b>
<b>EXPENSES</b>		
<b>Communications</b>		
Communications	42,896	35,232
Employee costs	92,317	87,648
	<b>135,213</b>	<b>122,880</b>
<b>Earned revenue</b>		
Earned revenue expenses	18,960	51,287
Employee costs	54,612	55,248
	<b>73,572</b>	<b>106,535</b>
<b>Fundraising</b>		
Fundraising	174,570	53,920
Employee costs	168,711	131,119
	<b>343,281</b>	<b>185,039</b>
<b>Programs</b>		
Programs	154,577	112,658
Employee costs	233,875	240,841
	<b>388,452</b>	<b>353,499</b>
<b>Administration</b>		
Administration	199,063	253,966
Employee costs	97,852	134,435
	<b>296,915</b>	<b>388,401</b>
<b>Total Expenses</b>	<b>1,237,433</b>	<b>1,156,354</b>
<b>SURPLUS FOR YEAR</b>	<b>91,135</b>	<b>264,063</b>

The presentation and classification of items in the statement of profit or loss has changed from the previous period to more appropriately reflect the results for the period to the users of the financial report. Comparative amounts have been restated to reflect the changed format.

The accompanying notes form part of these financial statements

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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	12 Months to December	12 Months to December
	<b>2018</b>	<b>2017</b>
	\$	\$
Opening Retained Surpluses	587,044	322,981
Surplus for year	91,135	264,063
<b>Closing Retained Surpluses</b>	<b>678,179</b>	<b>587,044</b>

The accompanying notes form part of these financial statements

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2018**

	Note	<b>2018</b>	<b>2017</b>
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash Assets	2	442,190	75,281
Inventories		6,286	7,775
Receivables and Prepayments		23,263	65,897
Bonds/Deposits		17,031	16,691
Investments	3, 1(n)	356,784	353,585
<b>Total Current Assets</b>		<b>845,554</b>	<b>519,229</b>
<b>Non-Current Assets</b>			
Investments	3, 1(n)	73,131	85,520
Office Equipment	4	86,658	103,110
<b>Total Non-Current Assets</b>		<b>159,789</b>	<b>188,630</b>
<b>TOTAL ASSETS</b>		<b>1,005,343</b>	<b>707,859</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables and Accruals	5	63,990	57,009
Prepaid Memberships		11,021	9,721
Unearned Revenue		218,501	15,000
GST Payable		733	1,563
Employees Entitlements	6	32,919	37,522
<b>Total Current Liabilities</b>		<b>327,164</b>	<b>120,815</b>
<b>TOTAL LIABILITIES</b>		<b>327,164</b>	<b>120,815</b>
<b>NET ASSETS</b>		<b>678,179</b>	<b>587,044</b>
<b>EQUITY</b>			
Retained Surpluses		678,179	587,044
<b>NET EQUITY</b>		<b>678,179</b>	<b>587,044</b>

The accompanying notes form part of these financial statements

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	12 Months to December <b>2018</b>	12 Months to December <b>2017</b>
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Receipts from donors, supporters and members		1,519,373	1,213,863
Interest received		11,540	7,158
Other income		1,156	10,453
Payments to suppliers and employees		<u>(1,151,338)</u>	<u>(1,081,222)</u>
<b>Net cash provided by/(used in) operating activities</b>	<b>7</b>	<u>380,731</u>	<u>150,252</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of property, plant and equipment		(22,672)	(26,110)
Proceeds from/(purchase of) investments		9,190	(169,408)
Payments for bonds and deposits		<u>(340)</u>	<u>(705)</u>
<b>Net cash (used in)/provided by investing activities</b>		<u>(13,822)</u>	<u>(196,223)</u>
<b>Net Increase/(Decrease) in Cash Held</b>		366,909	(45,971)
<b>Cash at the beginning of the financial period/year</b>		<u>75,281</u>	<u>121,252</u>
<b>Cash at the end of the financial period/year</b>	<b>2, 7</b>	<u><u>442,190</u></u>	<u><u>75,281</u></u>

The accompanying notes form part of these financial statements



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**1. Summary of Accounting Policies**

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its 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-profit Commission Act 2012. The company is a not-for-profit entity for the financial reporting purposes under the 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-profit Commission Act 2012 and the significant accounting policies disclosed below, which the directors 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 accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of the 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.

**Accounting policies**

*a) Revenue*

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as is received. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

*b) Inventories on Hand*

Inventories are measured at the lower of cost and current replacement cost.

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

c) *Property, Plant and Equipment*

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and any impairment losses.

The carrying amount of plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (d) for details of impairment).

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

*Depreciation*

Depreciation is provided on plant and equipment. Depreciation is calculated on a diminishing balance basis so as to write off the cost of each asset over its expected useful life.

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

d) *Impairment of Assets*

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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Where an impairment loss on a revaluated asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

e) *Employee Provisions*

*Short-term employee benefits*

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of payables and accruals in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

f) *Cash on Hand*

Cash and cash equivalents includes cash on hand, deposits held at-call with banks and other short-term highly liquid investments with original maturities of three months or less.

g) *Accounts Receivable and Other Debtors*

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

h) *Goods and Services Tax (GST)*

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

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

i) *Income Tax*

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

j) *Intangibles*

*Software*

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

**CROHN'S & COLITIS AUSTRALIA**  
**ABN 42 082 747 135**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

k) *Provisions*

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

l) *Comparative Figures*

Where required by Accounting Standards or where the presentation and classification of items has changed, comparative figures have been adjusted to conform with changes in presentation for the current financial period.

m) *Payable and Accruals*

Payables and Accruals represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid.

n) *Financial Instruments*

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit loss", in which case transaction costs are expensed to profit or loss immediately.

*Classification and subsequent measurement*

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. Fair value is determined based on current bid prices of all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

- (i) *Financial assets at fair value through profit or loss*  
Financial assets are classified as "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated such as to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management or personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount included in profit or loss.
  
- (ii) *Available-for-sale investments*  
Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.  
They are subsequently measured at fair value with measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.  
Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.  
Investments are valued at market value as at 31 December 2018.

**o) Critical Accounting Estimates and Judgments**

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

**Key Estimates - Impairment**

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

**p) New standards and interpretations not yet adopted**

AASB 16 Leases is effective for annual periods beginning on or after 1 January 2019.

AASB 16 Leases will require the net present value of payment under most operating leases to be recognised as assets and liabilities.

It introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The company currently has an operating lease for the premises that will be brought onto the statement of financial position from the 2019 financial year.

The company is assessing the potential impact on its financial statements resulting from the application of AASB 16.



**CROHN'S & COLITIS AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018	2017
		\$	\$
<b>2</b>	<b>Cash Assets</b>		
	Working Bank Accounts	417,160	65,409
	Investment Bank Account	25,030	9,872
		442,190	75,281
<b>3</b>	<b>Investments</b>		
	<b>Current</b>		
	Term Deposits	356,784	353,585
		356,784	353,585
	<b>Non-Current</b>		
	Mortgage Funds	73,131	85,520
		73,131.00	85,520.00
<b>4</b>	<b>Property, Plant and Equipment</b>		
	<b>Office Equipment</b>		
	Cost	5,431	4,269
	Accumulated Depreciation	(2,444)	(1,127)
		2,987	3,142
	<b>Fixtures &amp; Fittings</b>		
	Cost	103,071	103,071
	Accumulated Depreciation	(63,585)	(47,749)
		39,486	55,322
	<b>Computer Equipment &amp; Software</b>		
	Cost	125,780	104,270
	Accumulated Depreciation	(81,595)	(59,624)
		44,185	44,646
	<b>Total</b>	86,658	103,110
<b>5</b>	<b>Payables and Accruals</b>		
	Trade Creditors	35,555	23,528
	Sundry Creditors and Accruals	28,435	33,481
		63,990	57,009
<b>6</b>	<b>Employees Entitlements</b>		
	Provision for Annual Leave	31,177	26,330
	Provision for Long Service Leave	1,742	11,192
		32,919	37,522

**CROHN'S & COLITIS AUSTRALIA**  
**ABN 42 082 747 135**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

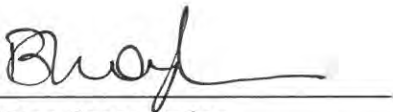
		2018	2017
		\$	\$
<b>7</b>	<b>Cash Flow Reconciliation</b>		
	<i>Reconciliation of Cash</i>		
	Cash at Bank	442,190	75,281
		442,190	75,281
	<b>Reconciliation of Net Cash provided by/(used in) Operating Activities</b>		
	Operating Surplus/(Deficit)	91,135	264,063
	<i>Non-cash flows in profit for the period/year</i>		
	Depreciation, assets written off & loss on disposal	39,124	54,740
	<i>Changes in Assets and Liabilities</i>		
	(Increase)/decrease in Receivables and Prepayments	42,634	20,108
	(Increase)/decrease in Inventories	1,489	(2,738)
	Increase/(decrease) in Payables and Accruals	6,981	43,356
	Increase/(decrease) in Employees Entitlements	(4,603)	(40,639)
	Increase/(decrease) in Prepaid Memberships and Unearned Revenue	204,801	(183,265)
	Increase/(decrease) in GST Payable	(830)	(5,373)
	Net Cash Provided By/(used in) Operating Activities	380,731	150,252
<b>8</b>	<b>Auditor's Remuneration</b>		
	Remuneration of the auditor for auditing the financial statements	9,750	9,500
<b>9</b>	<b>Events after the Reporting Date</b>		
	The directors are not aware of significant events since the end of the reporting period.		
<b>10</b>	<b>Members' Guarantee'</b>		
	CCA is a public company limited by guarantee. Should CCA be wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards any outstanding obligations of CCA. At 31 December 2018, the number of members was 2,709 (2017: 2,833).		
<b>11</b>	<b>Registered Office</b>		
	The registered office and principal place of business of CCA is:		
	Suite 4, Level 1		
	363 Camberwell Road		
	Camberwell VIC 3124		

**CROHN'S & COLITIS AUSTRALIA**  
**ABN 42 082 747 135**

**DIRECTORS' DECLARATION**

1. In the opinion of the Directors of Australian Crohn's and Colitis Association trading as Crohn's & Colitis Australia:
  - a. The financial statements and notes of Crohn's & Colitis Australia are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
    - i. Giving a true and fair view of its financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and
    - ii. Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
  - b. There are reasonable grounds to believe that Crohn's & Colitis Australia will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



**Bruce Rosengarten**  
Chairperson, CCA Board



**David Reckenberg**  
Board Director/Company Secretary

Date: 15 February 2019

**CROHN'S & COLITIS AUSTRALIA**  
**ABN 42 082 747 135**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF AUSTRALIAN CROHN'S AND COLITIS ASSOCIATION**  
**TRADING AS CROHN'S & COLITIS AUSTRALIA**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of Australian Crohn's and Colitis Association (trading as Crohn's & Colitis Australia) (the company), which comprises the statement of financial position as at 31 December 2018 and statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Crohn's & Colitis Australia has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- o giving a true and fair view of the company's financial position as at 31 December 2018 and of its performance for the year then ended; and
- o complying with Australian Accounting Standards 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 company in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 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 directors' financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. 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 the Directors for the Financial Report**

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view 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 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 a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



**CROHN'S & COLITIS AUSTRALIA  
ABN 42 082 747 135**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN CROHN'S AND COLITIS ASSOCIATION  
TRADING AS CROHN'S & COLITIS AUSTRALIA**

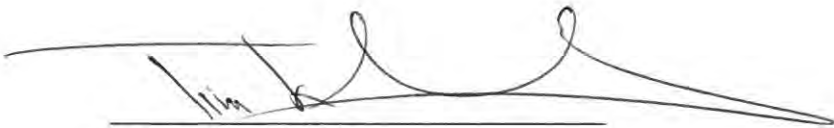
In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company 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 at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

**DFK BKM Audit Services  
Camberwell, Victoria**



**Timothy M. Kelleher**  
*Director*

Date: 15 February 2019



