



Queensland
Stoma Association

• ABN 82 438 903 230

QUEENSLAND STOMA ASSOCIATION LTD

FINANCIAL REPORT

For the year ended 30 June 2023

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PROFIT AND LOSS REPORT – 1 JULY 2022 to 30 JUNE 2023

	2023	2022
Income		
Credit Card Fee	4,678.68	4,656.52
Donations	38,960.96	25,554.21
Bank Interest	14,794.64	106.43
Invoicing Fee	1,160.99	1,277.59
Membership fees	289,331.21	282,459.32
Postage/Packaging/Handling	335,800.09	287,777.43
Miscellaneous Revenue	445.00	2,174.02
Rental Income		
Rental Income Unit 4A	49,547.07	46,725.82
Rental of Mezzanine 4B	0.00	25,339.05
Total Rental Income	49,547.07	72,064.87
Sales		
Appliances sold	83,213.12	53,812.34
NDIS Sales	47,830.83	31,631.87
Non-listed Items	384.00	216.39
Total Sales	131,427.95	85,660.60
SAS Handling Fee	310,378.93	283,978.63
IT Project & Support Reimbursements	23,283.00	18,895.00
QLD Ostomate Support Programme Funding	105,070.00	100,000.00
ACSA IT Hub - utilities contribution	3,800.00	0.00
Total Trading Income	1,308,678.52	1,164,604.62
Cost of Sales		
Opening Stock	355,340.62	187,004.59
Appliances purchased (incl SAS)	11,445,295.08	10,542,223.80
Appliances reimbursed SAS	(11,286,162.23)	(10,326,157.49)
Non -listed Items	1,390.66	1,853.20
Reduced by closing stock	(418,927.44)	(355,340.62)
Total Cost of Sales	96,936.69	49,583.48
Gross Surplus	1,211,741.83	1,115,021.14
Operating Expenses		
A.C.S.A Affiliation	26,730.00	25,224.00
Audit Fees	900.00	900.00
Bank Charges	307.55	348.40
Body Corporate Unit 1	21,063.00	11,727.20
Cleaning	9,218.35	8,832.52
Computer - Maint and Software	2,611.08	1,111.44

Computer -Purchase Equipment	909.09	0.00
Credit Card Merchant Fees	4,168.97	3,841.94
Depreciation	57,819.80	61,348.74
Dishonoured Cheque	13.64	0.00
Electricity	6,283.30	7,791.48
Employment Expenses		
Allowances - First Aid	371.27	354.83
Long Service Leave	5,496.76	6,742.29
Superannuation Guarantee	35,102.18	28,527.70
Wages Expenses	312,065.48	296,780.23
Total Employment Expenses	353,035.69	332,405.05
Equipment Purchase	69.99	0.00
Eway Fees	7,067.74	5,692.24
External Meeting Expenses	90.91	909.10
Freight of Goods	3,144.35	2,874.12
Insurances	6,509.09	6,163.21
Internet Services	0.00	128.00
Miscellaneous	1,564.38	1,704.33
NDIS Registration	900.00	0.00
Office Equipment - non capital	2,194.22	100.00
Packaging Materials	5,656.94	4,289.23
Photocopier Expenses	442.43	1,224.95
Postages	195,094.48	168,366.72
Purchase Puppets (ODSF)	300.00	0.00
Rates - Unit 1	4,875.82	4,745.03
Repairs & Maint - Unit 1	6,532.00	5,438.85
Stationery	4,492.21	5,257.92
Support Program - Ostomate Information Events	45.45	0.00
Telephone/Facsimile	3,526.44	2,767.42
Unit 4 Outlays and Reimbursements		
Body Corp - Unit 4	10,531.50	5,863.60
Body Corp reimbursement - U4	(6,887.60)	(3,834.79)
Electricity - Unit 4	6,633.88	6,470.80
Electricity Reimbursement - U4	(6,594.31)	(6,570.32)
Lease Costs	1,765.00	0.00
Lease Mgr Expenses Reimburse	3,120.00	3,900.00
Rates - Unit 4	4,058.03	3,947.40
Rates Reimbursement - U4	(2,653.92)	(2,581.60)
Repairs & Maint - U4	1,406.00	1,555.70
Repairs & Maint Reimburse - U4	(1,237.82)	(1,154.07)
Water rates Unit 4	991.43	1,263.91
Water Rates Unit 4 Reimburse	(648.39)	(883.69)
Total Unit 4 Outlays and Reimbursements	10,483.80	7,976.94
Volunteer Refresh GST Free	1,582.65	1,775.97
Volunteers Expenses	35,886.52	30,201.48

Volunteers Refreshments	1,836.86	1,196.65
Water Rates- Unit 1	1,168.93	1,454.82
Website	4,348.17	36,705.41
Worker Insurance	4,637.70	3,769.80
QLD Ostomate Support Program		
Support Program - Project Administration and Office Support	5,317.35	5,560.00
Support Program - Special Needs Support Officer	35,840.28	29,739.62
Support Program - Additional Technical Maintenance and Support	0.00	2,872.50
Support Program - Project Hours for Existing QSA Full Trained Staff	37,380.00	38,940.59
Support Program - After Hours on-call staff costs	12,192.00	6,914.00
Support Program - Stomal Therapist Services	10,020.00	6,325.00
Support Program - Project Staff Superannuation Guarantee	6,831.64	8,418.41
Support Programme - Equipment Set Up Costs	2,804.62	679.15
Support Program - Emergency Supplies (Appliances)	1,997.19	5,088.86
Support Program - After Hours Delivery Costs	45.41	1,557.18
Support Program - Ongoing Communication Costs	1,522.23	1,551.68
Support Program - Indemnity Insurance	1,002.47	0.00
Total QLD Ostomate Support Program	114,953.19	107,646.99
Total Operating Expenses	900,464.74	853,919.95
Other Revenue		
Abnormal Income	13,984.00	0.00
Part payment for reimbursement of QSA Portal Costs	40,000.00	40,000.00
Total Other Revenue	53,984.00	40,000.00
Net Surplus	365,261.09	301,101.19

BALANCE SHEET – 30 JUNE 2023

	30 Jun 2023	30 Jun 2022
Assets		
Bank		
Building Inv Acc 10302872	1,874,387.37	859,613.20
Gift Fund - 10045781	40,961.48	40,941.01
Operating A/C 10021069	839,159.12	1,184,573.00
Total Bank	2,754,507.97	2,085,127.21
Current Assets		
Accounts Receivable	931,005.21	1,017,677.23
Reception Float	100.00	100.00
SOH - Stock on Hand	418,927.44	355,340.62
Undeposited cheques clearing account	0.00	2,107.00
Total Current Assets	1,350,032.65	1,375,224.85
Fixed Assets		
Unit 1 Furniture and Fixtures: Cost	150,934.34	150,934.34
Unit 1 Furniture and Fixtures: Depreciation	(135,840.87)	(120,747.44)
Unit 1 Land & Building: At cost	1,350,000.00	1,350,000.00
Unit 1 Land and Building: Depreciation	(209,250.00)	(186,000.00)
Unit 1 Plant and Equipment - Cost	25,842.78	18,100.36
Unit 1 Plant and Equipment -Depreciation	(25,842.78)	(18,100.36)
Unit 4 Land and Building: At Cost	418,668.75	418,668.75
Unit 4 Land and Building: Depreciation	(222,912.22)	(211,765.47)
Unit 4 Plant and Equipment - Cost	5,872.00	5,872.00
Unit 4 Plant and Equipment - Depreciation	(5,578.40)	(4,991.20)
Total Fixed Assets	1,351,893.60	1,401,970.98
Total Assets	5,456,434.22	4,862,323.04
Liabilities		
Current Liabilities		
Accounts Payable	981,126.90	775,409.71
Bond held for Unit 4/10 Valente	0.00	1,700.00
GST	19,373.49	15,516.65
Prepaid Membership fees	187,930.00	163,830.00
Rent Paid in Advance Unit 4A	7,000.00	7,000.00
Superannuation Guarantee Payable	1,262.93	1,333.38
Superannuation Sal Sac	0.00	700.00
Tax Payable - PAYG	12,575.39	11,454.39
Volunteer Reimbursements to be paid	0.00	8,971.25
Total Current Liabilities	1,209,268.71	985,915.38
Non-current Liabilities		
Provision for Long Service Leave	52,803.72	47,306.96

Total Non-current Liabilities	52,803.72	47,306.96
Total Liabilities	1,262,072.43	1,033,222.34

Net Assets	4,194,361.79	3,829,100.70
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Equity

Allocated Reserves	3,157,000.00	3,118,950.46
Current Year Earnings	365,261.09	301,101.19
Retained Earnings	672,100.70	409,049.05
Total Equity	4,194,361.79	3,829,100.70

DIRECTORS REPORT

The Directors of Queensland Stoma Association Ltd (QSA) present their report together with the financial statements for the financial year ended 30 June 2023.

DIRECTORS

The Directors of QSA who were in office at any time since the end of the previous financial year and to the date of this report are:

Gerald Barry AM	Chairperson
David Munro	Director
Geoffrey Melton	Director
Verda McMahon	Director
Jenny Spencer	Director
Kylie McGrory	Director and Company Secretary

PRINCIPAL ACTIVITIES

QSA is a not-for-profit Company Limited by Guarantee providing support to members who have undergone surgery resulting in a Colostomy, Ileostomy, Urostomy / Ileal Conduit or other external pouch procedure.

The primary activities of the association during the financial year ended 30 June 2023 were to provide support and information to help persons to live well following ostomy surgery, and to dispense ostomy products on behalf of the Commonwealth Government Department of Health and Aged Care to members. The cost of ostomy products dispensed to members is reimbursed by the Commonwealth Government through the Stoma Appliance Scheme. No significant change in these activities occurred during the year.

During the financial year ended 30 June 2023, QSA also delivered the QLD Ostomate Support Program (QOSP) by agreement with the Queensland Government. The QLD Ostomate Support Program enabled additional support to be made available to QLD based ostomates with special needs. This support included after hours product support provided to ostomates with an urgent product need.

During the year, QSA also helped persons not eligible for the Stoma Appliance Scheme to access essential ostomy appliances and delivered support to NDIS participants eligible to access their ostomy consumables through their NDIS consumables budget.

OBJECTIVES

The key objectives of QSA are:

Short term objectives

- To promote the general wellbeing of persons who live with a stoma
- To maintain a Board, staff and volunteers trained and capable of meeting the ostomy support needs of members including distributing ostomy products to those members

through the Stoma Appliance Scheme and delivering special need support to QLD ostomates through the QLD Ostomate Support Program.

Long term objectives:

- To help people living with a stoma to return to an acceptable quality of life following ostomy surgery, and to provide information, encouragement, and support concerning all aspects of stoma care.
- To be sustainable and to strive for continuous improvement so that the association can deliver the best possible outcomes for members and others requiring stoma related assistance.

Strategies for achieving short and long term objectives

- QSA is committed to attracting and retaining quality staff and volunteers who have an interest in working with people in need and who have the skills and capability to meet the associations objectives. The success of this strategy is evidenced by low team member turnover, regular volunteer engagement and consistent growth in membership.
- QSA staff and volunteers make every effort to meet standards of best practice and to provide clear expectations of professional accountabilities and responsibilities to all stakeholders.
- QSA has acquired and maintains suitable premises and has applied appropriate financial modelling towards long term viability with capacity for growth.
- QSA has entered into a three year agreement with the QLD Government to provide additional support to all Queensland based ostomates with special needs. This agreement will expire on 30 June 2024.
- QSA is a registered NDIS provider to May 2026.

OPERATING RESULTS

The surplus from activities was \$365,261.09, including net rent from Unit 4 of \$39,063.27 and the payment of \$40,000 arising from the reimbursement of the QSA Online Ordering Portal development costs by the Australian Council of Stoma Associations Ltd (ACSA). In respect of the payment by ACSA, the first instalment of the total agreed reimbursement sum of \$120,000 became payable pursuant to a contract executed between ACSA and QSA during the 2021/2022 financial year. The final payment of \$40,000 + GST will be made by ACSA to QSA during the 2023/2024 Financial Year.

No income tax is payable by QSA.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the 2022/2023 Financial Year, the Unit 4B tenancy remained vacant reducing gross rental income by \$22,518 from the 2021/2022 result to \$49,547. The rental loss was partially offset by an increase in interest income from \$106 in the 2021/2022 financial year to \$14,795 in the 2022/2023 financial year.

There were no other significant changes in the Company's state of affairs during the financial year.

MEETINGS OF DIRECTORS

During the financial year ended 30 June 2023, 5 meetings of directors were held. Attendances by each director were as follows:

	Number eligible to attend	Number attended
Gerald Barry	5	5
David Munro	5	5
Geoffrey Melton	5	4
Verda McMahan	5	5
Jenny Spencer	5	5
Kylie McGrory	5	5

DIRECTORS BENEFITS

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the association with a Director, a firm of which a Director is a member, or an entity in which a Director has a substantial financial interest.

MEMBERS LIABILITY

QSA is incorporated under the Corporations 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 \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the total amount that members of the company are liable to contribute if the company is wound-up is \$44,030.

VALUE OF VOLUNTEERS, DONATIONS AND PRO-BONO BENEFITS

The Board would like to formally acknowledge the value that is attributable to those persons who are involved in assisting the association to meet its objectives, and to express that value in dollar terms.

During the period under review these can be classified as follows:

Estimated volunteer services	\$238,211
Donations and Bequests	\$38,961
Total	\$277,172

The Board, on behalf of all members, expresses a deep gratitude for the generosity of our volunteers and donors.

ALLOCATED RESERVES

During the 2022/2023 Financial Year, the Directors of QSA introduced a reserves policy, the purpose of which is to identify the need to hold financial reserves, and to set the target range for allocated reserves. The policy aims to ensure that the activities of QSA are protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring income is not retained for longer than required. The QSA reserve allocation at 30 June 2023 is:

Reserves range	\$
Financial impact of risk	\$280,000
Working capital	\$1,600,000
Forecast R&M and Capital Expenditure	\$440,000
Provision for expansion into larger premises	\$500,000
Provision for employee entitlements	\$50,000
Minimum level	\$2,870,000
Range	10%
Maximum level	\$3,157,000

Funds reserved for capital expenditure will be applied towards the expansion and improvement of our warehousing and office facility during the 2023/2024 financial year.


GOING CONCERN

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the association to continue to operate as a going concern is dependent upon the ability of the association to generate sufficient cash flows from operations to meet its liabilities. The Directors of Queensland Stoma Association Ltd believe that the going concern assumption is appropriate.

AUDITORS INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included in page 29 of this financial report.

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



Gerald A Barry AM
Chairperson

**STATEMENT OF PROFIT & LOSS & OTHER COMPREHENSIVE INCOME FOR THE
YEAR ENDED 30 JUNE 2023**

	Note	2,023	2,022
		\$	\$
Revenue	5	1,308,679	1,064,604
Cost of goods sold	6	-96,936	-49,583
Gross Surplus		1,211,743	1,015,021
Employee Benefits Expense		-445,280	-419,850
Depreciation and Amortisation Expense		-57,820	-61,349
Finance Costs			
Freight and Cartage		-198,239	-171,241
Other operating expenses		-199,127	-201,480
Surplus from operations before income tax	7	311,277	161,101
Income Tax expense			
Operating Surplus/(Loss) for the year		311,277	161,101
Extraordinary receipts for the year		53,984	140,000
Total Surplus/ (loss) for the year		365,261	301,101

This statement should be read in conjunction with the notes to the financial accounts

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2,023	2,022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	8	2,754,608	2,087,334
Trade and other receivables	9	931,005	1,017,677
Inventories	10	418,927	355,340
Other current assets	11		
TOTAL CURRENT ASSETS		4,104,541	3,460,351
NON-CURRENT ASSETS			
Property, plant and equipment	12	1,351,893	1,401,971
TOTAL NON-CURRENT ASSETS		1,351,893	1,401,971
TOTAL ASSETS		5,456,434	4,862,322
CURRENT LIABILITIES			
Trade and other payables	13	981,127	775,410
Other current liabilities	14	228,141	210,505
TOTAL CURRENT LIABILITIES		1,209,268	985,915
NON CURRENT LIABILITIES			
Provisions	15	52,804	47,307
TOTAL NON CURRENT LIABILITIES		52,804	47,307
TOTAL LIABILITIES		1,262,072	1,033,222
NET ASSETS		4,194,362	3,829,100
EQUITY			
Allocated Reserves		3,157,000	-
Retained earnings		1,037,362	3,829,100
TOTAL EQUITY		4,194,362	3,829,100

This statement should be read in conjunction with the notes to the financial statements

**STATEMENT OF CHANGES IN EQUITY FOR THE TWO YEARS ENDED 30 JUNE
2023**

	Reserves	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2021	-	3,527,999	3,527,999
Surplus/(Loss) from operations for the year	-	161,101	161,101
Other extraordinary receipts for the year, net of tax	-	140,000	140,000
Total surplus for the year	-	301,101	301,101
Balance at 30 June 2022	-	3,829,100	3,829,100
Balance at 1 July 2022	-	3,829,100	3,829,100
Provision for Allocated Reserves	3,157,000	-3,157,000	0
Surplus/(Loss) from operations for the year	-	311,277	311,277
Other extraordinary receipts for the year, net of tax	-	53,984	53,984
Total surplus for the year		365,261	365,261
Balance at 30 June 2023	3,157,000	1,037,361	4,194,361

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

CASH FLOW	2,023	2,022
	\$	\$
Receipts from members and sundry activities	1,347,867	1,204,499
Interest received	14,795	106
SAS Reimbursements from Services Australia	11,286,162	10,326,157
Payments	-12,225,743	-11,168,312
Net cash provided by operating activities	423,081	362,450
(Increase)/Decrease in Debtors	86,672	-88,686
(Increase)/Decrease in inventory	-63,587	-168,336
Increase/(decrease) in Creditors	228,850	91,339
Payments for property, plant and equipment	-7,742	-11,271
Net increase/(decrease) in cash held	667,274	185,496
Cash and cash equivalents at beginning of financial year	2,087,334	1,901,838
Cash and cash equivalents at end of financial year	2,754,608	2,087,334

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

This financial report covers Queensland Stoma Association Ltd as an individual entity. Queensland Stoma Association Ltd is a not-for-profit Company Limited by Guarantee, registered and domiciled in Australia.

The principal activity of the Company for the year ended 30 June 2023 was to provide support and information to people living with a stoma following ostomy surgery, and to dispense purchased ostomy products to members, reimbursed by the Commonwealth Government through the Stoma Appliance Scheme. During the financial year ended 30 June 2023, the Company also delivered the Queensland Ostomate Support Program. Under this program, funding was provided by the Queensland Government to enable additional support to be made available to Queensland ostomates with special needs.

The functional and presentation currency of Queensland Stoma Association Ltd is Australian Dollars. Comparatives are consistent with prior years, unless otherwise stated.

1. Basis of Preparation

In the opinion of those charged with Governance, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

2. Changes in Accounting Policies

There has been no change in accounting policies during the financial year.

3. Summary of Accounting Policies

(a) Revenue and other income

For current year

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations

3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of service corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

I. Donations

Donations and bequests are recognised as revenue when received.

II. Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

III. Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

IV. Contract cost assets

The Company recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Costs to obtain a contract

Costs to obtain a contract are only capitalised when they are directly related to a contract and it is probable that they will be recovered in the future. Costs incurred that would have been incurred regardless of whether the contract was won are expensed, unless those costs are explicitly chargeable to the customer in any case (whether or not the contract is won).

The capitalised costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Set-up / mobilisation costs

Costs required to set up the contract, including mobilisation costs, are capitalised provided that it is probable that they will be recovered in the future and that they do not include expenses that would normally have been incurred by the Company if the contract had not been obtained. They are recognised as an expense on the basis of the proportion of actual output to estimated output under each contract. If the above conditions are not met, these costs are taken directly to profit or loss as incurred.

Costs to fulfil a contract

Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the Company that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on a systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

V. Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

For comparative year

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts, and rebates.

Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, and it is probable that the benefits gained from the grant will flow to the entity.

When grant revenue is received whereby the Company 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.

Queensland Stoma Association Ltd receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Inventories

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

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

i. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL (Not applicable to entity)
- fair value through other comprehensive income - equity instrument (FVOCI - equity) (Not applicable to entity)
- fair value through other comprehensive income - debt investments (FVOCI - debt) (Not applicable to entity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI (Not applicable to entity)

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

ii. Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other payables.

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss. In this context, assets which are not expected to have a residual value at the end of their useful life are written down to nil in the year of acquisition.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4. Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5. Revenue and other income

	2,023	2,022
	\$	\$
Revenue from contracts with customers (AASB 15)		
Sales	131,428	85,661
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
Annual subscriptions	289,331	282,459
Cartage Income	335,800	287,777
Bank Interest	14,795	106
Donations	38,961	25,554
Rental Income	49,547	72,065
SAS Handling Fee	310,379	283,979
Other income	138,438	27,003
Total revenue	1,308,679	1,064,604

6. Cost of Goods Sold

	2,023	2,022
	\$	\$
Opening Stock	355,340	187,005
Purchases including SAS products	11,445,295	10,542,223
SAS reimbursements	-11,286,162	-10,326,157
Other purchases	1,391	1,853
Rounding	0	-1
Closing stock	-418,927	-355,340
Cost of Sales	96,936	49,583

7. Result for the Year

The surplus for the year includes the following specific expenses:

	2,023	2,022
	\$	\$
Employee Benefit Expense	445,280	419,850
Depreciation	57,820	61,349

8. Cash and Cash equivalents

	2,023	2,022
	\$	\$
Building Fund Investment A/C	1,874,387	859,613
Gift Fund Account	40,961	40,941
Operating Account	839,159	1,184,573
Float	100	100
Undeposited Funds		2,107
Total Cash and Cash Equivalents	2,754,608	2,087,334

9. Trade and other receivables

	2,023	2,022
	\$	\$
CURRENT		
Accounts Receivable	931,005	1,017,677
Total Trade and other receivable	931,005	1,017,677

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

10. Inventories

	2,023	2,022
	\$	\$
CURRENT		
Goods held at cost	418,927	355,340
Total Inventories	418,927	355,340

Write downs of inventories to net realisable value during the year were \$ NIL (2021: \$ NIL).

11. Other current assets

	2023	2022
	\$	\$
Other current assets	0	0
Total other current Assets	0	0

12. Property, plant and equipment

	2,023	2,022
	\$	\$
Freehold Land and Buildings		
Unit 1/10 Valente Close		
	1,491,286	1,491,286
	-336,408	-299,029
	1,154,878	1,192,257
Unit 4/10 Valente Close		
	418,669	418,669
	-222,912	-211,765
	195,757	206,904
Total Freehold Land and Buildings	1,350,635	1,399,161
Plant and Equipment		
Unit 1/10 Valente Close		
	35,491	27,748
	-34,526	-25,819
	965	1,929
Unit 4/10 Valente Close		
	5,872	5,872
	-5,578	-4,991
	294	881
Total plant and equipment	1,259	2,810
Total Property Plant and Equipment	1,351,893	1,401,971

Movement in carrying amounts of Property Plant and Equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Freehold land and buildings	Plant and Equipment	Total
	\$	\$	\$
Opening balance at 1/7/2022			
At cost	1,909,955	33,620	1,943,575
Additions		7,742	7,742
Disposals			
Total	1,909,955	41,362	1,951,317
Less Accumulated depreciation to 30/6/2022	-510,794	-32,276	-543,070
Less Depreciation expense 1/7/2022 to 30/6/2023	-48,525	-7,828	-56,354
Balance at end of year	1,350,636	1,258	1,351,893

13. Trade and Other payables

	2,023	2,022
	\$	\$
CURRENT		
Trade Creditors	981,127	775,410
Total trade and other payables	981,127	775,410

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14. Other current liabilities

	2,023	2,022
	\$	\$
Bond held for Unit 4B/10 Valente	0	1,700
Prepaid Membership fees	187,930	163,830
Rent Paid in Advance Unit 4A (2 months)	7,000	7,000
Superannuation Payable	1,262	2,033
GST Payable	19,373	15,517

PAYG Payable	12,575	11,454
Volunteer Reimbursements to be paid	0	8,971
Total Trade and other payables	228,141	210,505

15. Provisions

	2,023	2,022
	\$	\$
Provision for Long Service Leave	52,804	47,307
Total Provisions	52,804	47,307

16. Members' Guarantee

The Company is incorporated under the Australian Charities and Not-for-profits Commission Act 2012 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 \$ 10 each towards meeting any outstanding and obligations of the Company. At 30 June 2023, the number of members was 4,403

17. Auditors remuneration

	2023	2022
	\$	\$
Remuneration of the Auditor		
-auditing or reviewing the financial statement	900	900
Total Auditors Remuneration	900	900

18. Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

19. Events after the reporting period

There were no events of significance after the reporting period.

20. Key management personnel compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

	2,023	2,022
	\$	\$
Short term employee benefits	117,664	112,665
Lease Management Reimbursement Expense	3,120	3,900
Administration Expenses	5,000	5,000
Total Key Personnel compensation	125,784	121,565

21. Other related party transactions

AASB 124 Related Party Disclosures describes a related party as a person or entity that is related to the entity that is preparing its financial statements. A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control of the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. In considering each possible related party relationship, attention has been directed to the substance of the relationship and not merely the legal form.

During the year ended 30 June, 2023 Queensland Stoma Association Ltd had the following related party transactions as described below.

Goods and Services

During the year, Queensland Stoma Association Ltd engaged the services of an electrical contractor who is related to key personnel. The amounts of \$2429 (incl GST) was billed for services rendered and were fully paid at the reporting date.

Professional Services

Queensland Stoma Association also engaged the services of an insurance brokerage firm, an employee of whom is related to key personnel. Total brokerage fees of \$783 were paid to the broker for services rendered during the year and were fully paid at the reporting date.

Employee Benefits

One employee of Queensland Stoma Association Ltd is a close family member of key personnel. During the year ended 30 June 2023 the employee received total employee benefits of \$7,142 including superannuation. The conditions of employment for the employee are no more favourable than other association employees.

Transactions between related parties are on normal commercial terms and conditions no more favourable to those available to other persons unless otherwise stated.

Compensation is inclusive of GST where applicable.

22. Financial Risk Management

The association financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

The carrying amounts for each category of financial instruments, measured in accordance with *AASB 139 Financial Instruments* are as follows:

	2,023	2,022
	\$	\$
Financial assets		
Cash and cash equivalents	2,754,608	2,087,334
Trade and other receivables	931,005	1,017,677
Total Financial Assets	3,685,613	3,105,011
Financial liabilities		
Financial liabilities at invoiced cost:		
Trade and other payables	981,127	775,410
Volunteer Reimbursements April 22 to June22	0	8,971
Total financial liabilities	981,127	784,381

23. Statutory Information

The registered office and principal place of business of Queensland Stoma Association Ltd is:

Unit 1, 10 Valente Close,
Chermside QLD 4032, Australia.

DIRECTORS DECLARATION

The Directors of Queensland Stoma Association Ltd declare that, in the director's opinion:

1. The financial statements and notes as set out in pages 12 to 27 are in accordance with the *Australian Charities and Not for Profit Commission Act 2012* and:
 - a) Comply with the Australian Accounting Standards - First-time Adoption of Australian Accounting Standard AASB1;
 - b) Give a true and fair view of the financial position of the company as at 30 June 2023 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the company 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 Profit Commission Regulation 2013*.



Gerald A Barry
Director



Geoffrey K Melton
Director

Dated 4th August, 2023

AUDITOR'S DECLARATION OF INDEPENDENCE

To the directors of Queensland Stoma Association Limited

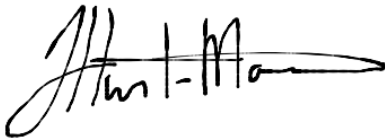
In relation to our audit of Queensland Stoma Association Limited for the year ended 30 June

2023, we declare that, to the best of our knowledge, there have been:

- (a) no contravention of the auditor independence requirements of the *Corporations Act 2001*
in relation to the audit; and
- (b) no contravention of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Queensland Stoma Association Limited

Leddy's & Associates Pty Ltd

A handwritten signature in black ink, appearing to read 'Jonathon Hunt-Mason', with a long horizontal flourish extending to the right.

Jonathon Hunt-Mason, CPA 9890220

7th August 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

Queensland Stoma Association Ltd

Report on the Financial Report

I have reviewed the accompanying financial report, being a special purpose financial report of Queensland Stoma Association Ltd which comprises the statement of financial position as at 30 June 2023 the statement of profit and loss and other comprehensive income, statements of financial position, statement of changes in equity and statement of cash flows for the year 30 June 2023 ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the responsible entities declaration.

Responsible Entities' Responsibility 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 1.2 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the needs of the members.

The responsible entities' responsibility also includes such internal control that 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.

Auditor's Responsibility

My responsibility is to express a conclusion on the financial report based on my review. I conducted my review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report: Company Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation*, in order to state whether, on the basis of the procedures described, anything has come to my attention that causes me to believe that the financial report does not satisfy the requirements of Division 60 of the ACNC Act including: giving a true and fair view of the registered entity's financial position as at 30 June 2023 and its performance for the year 30 June 2023 ended on that date; and complying with the Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC Regulation). ASRE 2415 requires that I comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

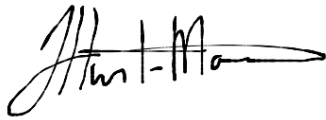
Conclusion

Based on my review, which is not an audit, nothing has come to my attention that causes me to believe that the financial report of Queensland Stoma Association Ltd does not satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance and cash flows for the year 30 June 2023 ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1.4, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Accounting

Without modifying my conclusion, I draw attention to Note 1.2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose.



Jonathon Hunt-Mason, CPA 9890220

7th August 2023

3/78 Basnett Street, Chermside West, QLD, 4032