



AUSTRALIAN  
PARALYMPIC  
COMMITTEE

## 2017/18 Finance Report

Covering the period 1 July 2017 to 30 June 2018

**AUSTRALIAN PARALYMPIC  
COMMITTEE LTD**

ACN 061 547 957

# GENERAL PURPOSE (RDR) FINANCIAL REPORT

## For the year ended 30 June 2018

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# Directors' report

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Your directors present their report together with the financial report of the Australian Paralympic Committee Ltd ("the Company"/ "APC") for the year ended 30 June 2018 and the auditor's report thereon.

## DIRECTORS

The directors of the Company in office at any time during or since the end of the financial year are:

John Fintan O'Callaghan  
Kurt Harry Fearnley  
Lachlan Harris (appointed 15 December 2017)  
John Kenneth Hartigan  
Rosanne Phyllis King  
Dr Helen Philippa Nott  
Glenn Robert Tasker  
Annabelle Williams (appointed 22 June 2018)

### Information on current Directors

- |                                       |   |
|---------------------------------------|---|
| John Fintan O'Callaghan<br>(Chairman) | <ul style="list-style-type: none"><li>- Partner at PwC and firm's Global Mining &amp; Metals Leader</li><li>- Member of Audit and Finance Committee of the International Paralympic Committee</li><li>- Bachelor of Commerce, University of Melbourne</li><li>- Fellow of Chartered Accountants Australia and New Zealand</li><li>- Member of the Australian Institute of Company Directors</li></ul>   |
| Kurt Harry Fearnley                   | <ul style="list-style-type: none"><li>- Esteemed international para-athlete (won Sydney Marathon 11 times, New York Marathon 5 times and also won three gold, seven silver and three bronze medals across five Paralympic Games)</li><li>- Representative of the resilience of the paralympic movement, for example he crawled the 96km Kokoda Trail in Papua New Guinea</li><li>- Appointed Officer of the Order of Australia (AO) 2018</li><li>- Board Member Newcastle Permanent Charitable Foundation 2018</li><li>- Board Member Australian Volunteers International 2006-2011</li><li>- Co-captain of 2016 Australian Paralympic Team</li><li>- Member of International Paralympic Committee Athletes' Council since 2016</li><li>- Awarded Medal of the Order of Australia (OAM) in 2004</li><li>- Member of the Independent Advisory Council of the NDIS (National Disability Insurance Scheme)</li><li>- Bachelor of Education, Bachelor of Human Movement, Charles Sturt University</li></ul> |
| Lachlan Harris                        | <ul style="list-style-type: none"><li>- Founder and CEO of RevTech Media, an Australia media and technology business. RevTech Media owns and operates One Big Switch, The FiftyUp Club, and RoboSave.</li><li>- Formerly the Principal Press Secretary for the Hon Kevin Rudd MP and previously served as Press Secretary for Shadow Treasurer Wayne Swan and Shadow Defence Minister Robert McClelland.</li><li>- Graduated with a Bachelor of Arts / Law at the University of New South Wales in 2003. During his studies he founded, Budgy Smuggler Swimwear</li><li>- Represented Australia at the World Junior Rowing Championships</li></ul>  |

## Directors' report (continued)

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- John Kenneth Hartigan
- Chairman of the Prime Media Group
  - Formerly Chairman and Chief Executive Officer of News Limited, Director of FOXTEL and Chairman of the Australian News Channel
  - Trustee of the Sydney Cricket and Sports Ground Trust
  - Patron of the Indigenous Marathon Project and Ambassador for the Australian Indigenous Education Foundation.
- Rosanne Phyllis King
- Chief Executive Officer – Netball Victoria
  - Formerly General Manager of People and Culture at the Geelong Cats
  - General Manager, Organisational Development for Sport New Zealand
  - Masters in Business Management, Ballarat University
- Dr Helen Philippa Nott
- Professional Company Director
  - Non-Executive Director of QBE Insurance (Australia) Limited and member of the Audit Committee, the Risk and Capital Committee, the Investment Committee and the HR, Remuneration and Nomination Committee
  - Non-Executive Director of QBE Lenders' Mortgage Insurance Limited and member of the Audit Committee, the Risk and Capital Committee, the Investment Committee and the HR, Remuneration and Nomination Committee
  - Formerly Non-Executive Director, QBE Life (Australia) Limited
  - Ph.D. in Engineering, Murdoch University
  - Member of the Australian Institute of Company Directors
- Glenn Robert Tasker
- Former Chief Executive Officer - Tennis NSW
  - Master of Education, University of Sydney
  - Bachelor of Arts, University of New England
  - Diploma of Teaching, Mitchell CAE Bathurst
  - 12 years' experience as a company director
  - Graduate of Australian Institute of Company Directors
- Annabelle Josephine Williams
- Recipient of the medal of the order of Australia in 2013 Australia Day Honors list
  - Legal Counsel – Australian Olympic Committee
  - Two-time Paralympian and multiple Paralympic medal winner
  - Chair of inaugural APC Athletes Commission
  - Vice President of the Australian Swimmers' Association
  - Member of the IAAF Disciplinary Tribunal
  - Member of the Finance, Audit and Risk Committee of the Australian Sports Foundation
  - Bachelor of International Relations and Bachelor of Law (Hons), Bond University
  - Australia Day ambassador and ambassador for the Indigenous Marathon Foundation

### COMPANY SECRETARY

James Fitzsimons held the position of Company Secretary at the end of the financial year.

# Directors' report (continued)

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## **DIVIDENDS**

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2017: \$nil).

## **CORPORATE INFORMATION**

The Australian Paralympic Committee Ltd is a company limited by guarantee that is incorporated and domiciled in Australia. The registered office and principal place of business is 1A Herb Elliott Avenue, Sydney Olympic Park, NSW 2127.

The corporate objectives of the APC are defined by and in its Constitution. These may be summarised as follows:

## **SHORT TERM AND LONG-TERM OBJECTIVES**

The APC's objectives are:

- To help Australians with disabilities participate in sport and compete at the Paralympic Games through partnerships with governments, businesses, sporting bodies and the community.
- To control, supervise and administer the representation of Australia at the Paralympic Games, Games recognised by the International Paralympic Committee ("IPC"), and other international multi-disability sports events and championships approved by the IPC involving national team participation.
- To manage partnerships with governments, businesses, national sporting organisations and disability groups, critical to delivering a successful Australian Paralympic Team.
- To coordinate, represent and promote the Paralympic movement in Australia and to encourage athletes to participate in sports to international standards.

## **STRATEGY FOR ACHIEVING THOSE OBJECTIVES**

The APC has a corporate and budget strategy that provides an outline to the key business elements, goals and key strategic elements to facilitate the accomplishment of the priorities. APC has five key strategic priorities:

1. Para Performance - innovation excellence and leadership
2. Rebuild cash reserves
3. Commercial growth
4. Greater stakeholder engagement
5. Communications/brand growth

## **PRINCIPAL ACTIVITIES**

The principal activities of the Company during the financial year were that of sport administration in relation to athletes with a disability and their progression to competing in a Paralympic Games.

## **PERFORMANCE MEASUREMENT**

The monitoring and performance of the objectives of the APC is managed through operational plans and budgetary processes that are directly linked to the corporate strategy of the APC. Actual performance is monitored monthly as a direct comparison to the budgeted operational plan.

## **OPERATING AND FINANCIAL REVIEW**

### **Operating results for the year**

The net income of the APC for the year amounted to \$64,292 (2017: \$1,505,674). This result was after charging \$38,526 (2017: \$53,623) for depreciation. Total revenue was \$11,982,430 (2017: \$13,344,625) and total expenses were \$11,918,138 (2017: \$11,838,951).

## Directors' report (continued)

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Note that the Company is a registered charity and deductible gift recipient for Australian income tax purposes. The Company is exempt from Australian income tax.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

### SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events occurring after balance sheet date which may affect either the Company's operations or results of those operations.

### LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The strategy of Australian Paralympic Committee Ltd will continue unchanged to ensure the long-term delivery of its objectives. The directors have the expectation that funding will continue under the current arrangements, but acknowledge that it is at the discretion of the Federal Government.

### ENVIRONMENTAL REGULATION

The Company's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has provided for and paid premiums during the year for directors' and officers' liability and corporate reimbursement insurance contracts.

The insurance premiums relate to:

- Cost and expenses incurred by relevant officers defending proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid with respect to the directors' and officers' liability and corporate reimbursement insurance contract, as such disclosure is prohibited under the terms of the contract.

### PROCEEDINGS ON BEHALF OF THE APC

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

### DIRECTORS' MEETINGS

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year are:

<u>Director</u>	<u>Number of meetings eligible to attend</u>	<u>Number of meetings attended</u>
John Fintan O'Callaghan	7	6
Kurt Harry Fearnley	7	6
Lachlan Harris (appointed 15 December 2017)	3	3
John Kenneth Hartigan	7	6
Rosanne Phyllis King	7	4
Dr Helen Philippa Nott	7	7
Glenn Robert Tasker	7	7
Annabelle Williams (appointed 22 June 2018)	0	0

## Directors' report (continued)

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### **MEMBER'S GUARANTEE**

The APC is a Company limited by guarantee that is incorporated and domiciled in Australia. If the Company is wound up, its Constitution states that each member is required to contribute a maximum of \$1.00 towards meeting any outstanding obligations of the Company.

At 30 June 2018, the number of members was 16 (2017: 16 members).

### **AUDITOR INDEPENDENCE**

The directors have received the Independence Declaration from the Auditors. The Declaration is attached as page 8 of the report.

### **INDEMNIFICATION OF AUDITORS**

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Signed in accordance with a resolution of the directors.

Dated at Sydney Olympic Park this 19th day of September 2018.



John Fintan O'Callaghan  
Director





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## Auditor's Independence Declaration to the Directors of Australian Paralympic Committee Ltd

In relation to our audit of the financial report of Australian Paralympic Committee Ltd for the financial year ended 30 June 2018, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Daniel Cunningham  
Partner  
19 September 2018

# Statement of comprehensive income

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Revenue</b>			
Grants	5(a)	4,272,592	3,822,053
Sponsors	5(b)	2,619,751	4,723,138
Fundraising	5(c)	4,278,007	3,770,007
Bank interest	5(d)	67,347	136,678
Membership fees and other income	5(e)	744,733	892,749
		<u>11,982,430</u>	<u>13,344,625</u>
<b>Expenses</b>			
Sport programs	5(f)	(2,883,868)	(2,181,167)
Paralympic and other games	5(g)	(1,514,091)	(3,046,074)
Promotion, marketing and media		(1,158,437)	(1,179,982)
Fundraising		(3,196,277)	(2,739,162)
Administration	5(h)	(2,977,762)	(2,628,096)
Broadcasting		(187,703)	(64,470)
<b>Total expenses</b>		<u>(11,918,138)</u>	<u>(11,838,951)</u>
Operating surplus before income tax		64,292	1,505,674
Income tax expense		-	-
<b>Net surplus attributable to the members of the Australian Paralympic Committee Ltd</b>		64,292	1,505,674
Other Comprehensive Income		-	-
<b>Total comprehensive income for the year</b>		<u><b>64,292</b></u>	<u><b>1,505,674</b></u>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

# Statement of financial position

As at 30 June 2018

	<i>Note</i>	<b>2018</b>	<b>2017</b>
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	5,021,672	6,266,400
Trade and other receivables	7	2,386,208	579,293
<b>Total current assets</b>		<u>7,407,880</u>	<u>6,845,693</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	145,265	162,613
<b>Total non-current assets</b>		<u>145,265</u>	<u>162,613</u>
<b>Total assets</b>		<u>7,553,145</u>	<u>7,008,306</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	1,367,257	507,516
Provisions	10	105,291	73,249
Deferred revenue	11	2,583,169	734,118
Loan	12	-	2,250,000
<b>Total current liabilities</b>		<u>4,055,717</u>	<u>3,564,883</u>
<b>Non-current liabilities</b>			
Provisions	10	71,545	81,832
<b>Total non-current liabilities</b>		<u>71,545</u>	<u>81,832</u>
<b>Total liabilities</b>		<u>4,127,262</u>	<u>3,646,715</u>
<b>Net assets</b>		<u>3,425,883</u>	<u>3,361,591</u>
<b>Equity</b>			
Accumulated funds		3,425,883	3,361,591
<b>Total equity</b>		<u>3,425,883</u>	<u>3,361,591</u>

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

# Statement of changes in equity

For the year ended 30 June 2018

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	<i>Accumulated funds</i>	<i>Reserves</i>	<i>Total equity</i>
	\$	\$	\$
<b>At 1 July 2016</b>	1,855,917	-	1,855,917
Surplus for the year	<u>1,505,674</u>	-	<u>1,505,674</u>
Total comprehensive income for the year	<u>3,361,591</u>	-	<u>3,361,591</u>
<b>At 30 June 2017</b>	<u>3,361,591</u>	-	<u>3,361,591</u>
Surplus for the year	<u>64,292</u>	-	<u>64,292</u>
Total comprehensive income for the year	<u>64,292</u>	-	<u>64,292</u>
<b>At 30 June 2018</b>	<u>3,425,883</u>	-	<u>3,425,883</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

# Statement of cash flows

For the year ended 30 June 2018

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	<i>Note</i>	<b>2018</b>	<b>2017</b>
		\$	\$
<b>Operating activities</b>			
Receipts from customers		15,197,504	13,417,940
Payments to suppliers and employees		(14,211,006)	(13,091,753)
Interest received		67,347	136,678
<b>Net cash flows from operating activities</b>		<u>1,053,845</u>	<u>462,865</u>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(21,178)	(9,000)
<b>Net cash flows used in investing activities</b>		<u>(21,178)</u>	<u>(9,000)</u>
<b>Financing activities</b>			
Interest paid		(27,395)	(103,390)
Repayment of borrowings		(2,250,000)	-
<b>Net cash flows used in financing activities</b>		<u>(2,277,395)</u>	<u>(103,390)</u>
Net increase/(decrease) in cash and cash equivalents		(1,244,728)	350,475
Cash and cash equivalents at 1 July		6,266,400	5,915,925
<b>Cash and cash equivalents at 30 June</b>	<b>6</b>	<u><b>5,021,672</b></u>	<u><b>6,266,400</b></u>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

# Notes to the financial statements

For the year ended 30 June 2018

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## 1 CORPORATE INFORMATION

The financial report of Australian Paralympic Committee Ltd for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the directors on 19 September 2018.

Australian Paralympic Committee Ltd is a Company limited by guarantee incorporated and domiciled in New South Wales. Its registered office and principal place of business is 1A Herb Elliott Ave, Sydney Olympic Park, NSW.

The APC operates to foster the Paralympic movement in Australia in accordance with its Constitution. The APC's primary role is to represent and promote sport for athletes with a disability and to execute its exclusive powers for the representation of Australia at Paralympic games, both summer and winter. The APC operates predominantly in Australia except at the time of participation of Australian teams at overseas locations.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. In addition, the financial report has been prepared in accordance with the reporting requirements of the Charitable Fundraising Act 1991 (NSW), Charitable Collections Act 1946 (WA), and the Australian Charities and Not-for-profits Commission Act 2012.

The financial report has been prepared in accordance with the historical cost convention. The financial report is presented in Australian dollars (\$).

### (b) Statement of compliance

The financial report complies with the Australian Charities and Not-for-profit Commission Act 2012 and Australian Accounting Standards issued by the Australian Accounting Standards Board.

### (c) New accounting standards and interpretations

The accounting policies have been consistently applied by the Australian Paralympic Committee Ltd and are consistent with those of the prior year.

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective. The Directors have not early adopted any of these new or amended standards or interpretations for the annual reporting period ended 30 June 2018. The Directors have not fully assessed the impact of these new or amended standards and interpretations.

### (d) Foreign currency translation

#### (i) Functional and presentation currency

Both the functional and presentation currency of Australian Paralympic Committee Ltd is Australian dollars (\$).

#### (ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand. Cash accounts within investment portfolios are transitional holding accounts facilitating the management of funds from operations. Investment cash accounts are accessible to the business and as such are included in cash and cash equivalents.

The company has short term deposits with maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the statement of financial position.

### (f) Trade and other receivables

Trade and other receivables, which generally have 30-90-day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the APC will not be able to collect the receivable.

### (g) Investments and other financial assets

Investments and financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

#### *Subsequent measurement*

##### *Held-to-maturity investments*

Investments that are intended to be held-to-maturity, such as term deposits, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount.

### (h) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Computer Network - 20% to 40%
- Office Furniture and equipment – 4% to 20%

# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (h) Property, plant and equipment (continued)

#### *Impairment*

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

Where an indicator of impairment exists, the APC makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. Value in use is the depreciated replacement cost of an asset when the future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows and where the APC would, if deprived of the asset, replace its remaining future economic benefits.

Impairment losses would be recognised in the statement of comprehensive income.

#### *Derecognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

### (i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

#### *Company as a lessee*

Operating lease payments are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

### (j) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

### (k) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the APC prior to the end of the financial year that are unpaid and arise when the APC becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days of recognition.



# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (l) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### (m) Provisions

#### *General*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

#### *(i) Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

#### *(ii) Long service leave*

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### *(iii) Superannuation*

The APC contributes to a group employee superannuation scheme. Contributions on behalf of employees are based on statutory percentages of their gross salaries. The scheme provides for accumulation and the APC is under no legal obligation to make up any shortfall in the scheme's ability to meet payments due to employees. Superannuation fund contributions are charged as an expense as incurred.

### (n) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the APC and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### *(i) Grants income*

Government grants are recognised as income over the periods necessary to match the grant expenditure to which they relate. Unexpended grant income at reporting date is deferred to future years to match expenditures necessary to meet the grant conditions.

In the event a grant has no contractual obligation requiring repayment of monies where amounts remain unexpended, then the grant is brought to income immediately.

# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### (n) Revenue recognition (continued)

#### *(ii) Sponsors income*

Sponsors income is recognised on an accrual basis over the periods necessary to match the contractual conditions. Value-in-kind products and services are treated as income and are measured at market value when received.

#### *(iii) Fundraising income*

Fundraising income is brought to account as income when received, or notified to be received. Fundraising income is expended on the projects for which the income was raised in the period in which the project occurs.

#### *(iv) Interest income*

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

#### *(v) Membership fees*

Revenue is recognised when the APC's right to receive the payment is established.

#### *(vi) Broadcast revenue*

Revenue is recognised when the APC's right to receive the payment is established.

### (o) Income tax

The APC is a registered charity with deductible gift recipient status and as a sporting body is exempt from Australian Income Tax under Section 23(g) (iii) of the Income Tax Assessment Act, 1936, as amended.

### (p) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows 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 part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### (q) Presentation of Comparative Amounts

Comparative amounts may be presented differently from prior year to confirm with the current year presentation of the financial statements and notes.

# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### **Fair value**

APC uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 – the fair value is calculated using quoted prices in active markets.

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

## 4 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### *Impairment of non-financial assets*

The APC assesses impairment of all assets at each reporting date by evaluating conditions specific to the APC and to the particular asset that may lead to impairment. These include the revenue, economic and political environments and future revenue expectations. If an impairment trigger exists, the recoverable amount of the asset is determined.

#### *Deferred revenue*

Australian Sports Commission funding provided for specific sport programmes, unexpended in the financial year are held as deferred revenue within the statement of financial position of the APC. These funds will be expended in the ensuing financial year.

# Notes to the financial statements (continued)

For the year ended 30 June 2018

## 5 REVENUE AND EXPENSES

	2018	2017
	\$	\$
<b>(a) Grants</b>		
During the year the APC recognised the following federal and state government funding:		
Australian Sports Commission Funding	4,029,501	3,612,962
Queensland Government	7,091	29,091
New South Wales Government - Department for Sport & Recreation	30,000	30,000
Government of Western Australia - Department for Sport & Recreation	-	50,000
South Australia Government - Office for Recreation & Sport	36,000	-
Australian Capital Territory Government	-	100,000
Victorian Government – Department of Health and Human Services	170,000	-
	<u>4,272,592</u>	<u>3,822,053</u>
<b>(b) Sponsors</b>		
Sponsors financial contributions	2,144,816	4,662,087
Sponsors in-kind contributions	474,935	61,051
	<u>2,619,751</u>	<u>4,723,138</u>
<b>(c) Fundraising</b>		
Community Fundraising	36,041	109,400
Corporate Fundraising	67,635	75,605
Direct Response	91,460	16,818
High Value Giving	6,500	154,251
Trade Promotions	3,840,177	2,961,627
Regular Giving	236,194	452,306
	<u>4,278,007</u>	<u>3,770,007</u>
<b>(d) Bank interest</b>		
Interest income from operating bank accounts	67,347	136,678
	<u>67,347</u>	<u>136,678</u>
<b>(e) Membership fees and other income</b>		
Membership fees	8,000	8,000
Event income	-	50,613
Other income	736,733	834,136
	<u>744,733</u>	<u>892,749</u>

# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 5 REVENUE AND EXPENSES (continued)

	2018	2017
	\$	\$
<b>(f) Sport programs</b>		
Winning Edge /Paralympic preparation programs	2,883,868	2,181,167
<b>(g) Paralympic and other games</b>		
Summer Paralympic Games	739,638	2,945,848
Winter Paralympic Games	774,453	100,226
	<u>1,514,091</u>	<u>3,046,074</u>
<b>(h) Expenses included in Administration expenses on the Statement of comprehensive income are:</b>		
Depreciation expense	38,526	53,623
Rental expense relating to operating leases	32,027	23,799
Interest expense	27,395	103,390

## 6 CASH AND CASH EQUIVALENTS

Cash at bank earns interest between 1.17% (2017: 1.09%) and 2.07% (2017: 2.60%). The carrying amounts of cash and cash equivalents represent fair value.

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the organisation, and earn interest at the respective short-term deposit rates.

### Reconciliation to statement of cash flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2018	2017
	\$	\$
Cash at bank and in hand	5,021,672	6,266,400
	<u>5,021,672</u>	<u>6,266,400</u>

# Notes to the financial statements (continued)

For the year ended 30 June 2018

## 7 TRADE AND OTHER RECEIVABLES (CURRENT)

	2018	2017
	\$	\$
Trade receivables	1,908,022	210,554
Allowance for impairment loss	-	-
	<u>1,908,022</u>	<u>210,554</u>
Sundry debtors	139,382	139,803
Prepayments	338,804	228,936
Carrying amount of trade and other receivables	<u>2,386,208</u>	<u>579,293</u>

### (a) Allowance for impairment loss

The amount of the allowance for impairment loss has been measured as the difference between the carrying amount of the trade receivables and the estimated future cash flows expected to be received from the relevant debtors.

	2018	2017
	\$	\$
Movements in the allowance for impairment loss were as follows:		
At 1 July	-	-
Charge for the year	-	-
Amounts written off	-	-
At 30 June	<u>-</u>	<u>-</u>

## 8 PROPERTY, PLANT AND EQUIPMENT

### *Computer Network*

At cost	491,601	475,118
Accumulated depreciation	(469,279)	(449,437)
Net carrying amount	<u>22,322</u>	<u>25,681</u>

### *Office furniture and equipment*

At cost	486,211	481,516
Accumulated depreciation	(363,268)	(344,584)
Net carrying amount	<u>122,943</u>	<u>136,932</u>

### *Total property, plant and equipment*

At cost	977,812	956,634
Accumulated depreciation	(832,547)	(794,021)
Net carrying amount	<u>145,265</u>	<u>162,613</u>

# Notes to the financial statements (continued)

For the year ended 30 June 2018

	2018	2017
	\$	\$
<b>Reconciliation of carrying amounts at the beginning and end of the year</b>		
<i>Computer network</i>		
Balance at the beginning of the year		
At cost	475,118	475,118
Accumulated depreciation	(449,437)	(429,672)
Net carrying amount	25,681	45,446
Additions	16,483	-
Depreciation charge for the year	(19,842)	(19,765)
Balance at the end of the year - Net carrying amount	22,322	25,681
<i>Office furniture and equipment</i>		
Balance at the beginning of the year		
At cost	481,516	472,516
Accumulated depreciation	(344,584)	(310,726)
Net carrying amount	136,932	161,790
Additions	4,695	9,000
Depreciation for the year	(18,684)	(33,858)
Balance at the end of the year - Net carrying amount	122,943	136,932
<i>Total property, plant and equipment</i>		
Balance at the beginning of the year		
At cost	956,634	947,634
Accumulated depreciation	(794,021)	(740,398)
Net carrying amount	162,613	207,236
Additions	21,178	9,000
Depreciation charge for the year	(38,526)	(53,623)
Balance at the end of the year - Net carrying amount	145,265	162,613

## 9 TRADE AND OTHER PAYABLES (CURRENT)

	2018	2017
	\$	\$
Trade payables	543,060	22,216
Other payables	274,464	242,700
GST/PAYG Payable	212,372	32,873
Annual leave accrued	337,361	209,727
	1,367,257	507,516

### (a) Fair value

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

### (b) Trade payables

Trade payables are non-interest bearing and are normally settled on 30-day terms.

# Notes to the financial statements (continued)

For the year ended 30 June 2018

## 10 PROVISIONS

	2018	2017
	\$	\$
<b>Current</b>		
Long service leave	105,291	73,249
<b>Non-current</b>		
Long service leave	71,545	81,832

### Nature and timing of provisions

#### Long service leave

Refer to note 2 (m) (ii) for the relevant accounting policy and a discussion of the significant estimations and assumptions applied in the measurement of this provision.

## 11 DEFERRED REVENUE

	2018	2017
	\$	\$
<b>Current</b>		
Australian Sports Commission unexpended grant income	1,267,781	296,321
Grant and sponsorship income received in advance	1,315,388	437,797
	2,583,169	734,118

## 12 LOAN

	2018	2017
	\$	\$
<b>Current</b>		
Australian Sports Commission Loan	-	2,250,000

### Secured Loan

In 2017 the APC had a non-revolving cash advance facility of up to \$2,500,000 provided by the Australian Sports Commission, and \$2,250,000 was drawn down at 30 June 2017.

Following the positive trading results achieved in 2016 and 2017 the APC repaid this loan in full in September 2017, three years ahead of its maturity date.

## 13 COMMITMENTS AND CONTINGENCIES

### (a) Commitments

#### Operating lease commitments – Company as lessee

The APC has not entered into any new leases in the year ending June 30, 2018. There are two existing operating leases – one with respect to property leases and one with respect to office equipment. These leases have an average life of between 2 and 7 years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering these leases.



# Notes to the financial statements (continued)

For the year ended 30 June 2018

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Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	2018	2017
	\$	\$
Within one year	193,862	192,100
After one year but not more than five years	697,911	805,049
After more than five years	-	101,282
Total minimum lease payments	891,773	1,098,431

**(b) Contingencies**

Australian Paralympic Committee Ltd had no contingent liabilities at 30 June 2018 (2017: \$nil).

## 14 RELATED PARTY DISCLOSURES

At 30 June 2018, there was no amount receivable from a director in relation to costs not covered by Australian Paralympic Committee Ltd (2017: \$nil).

In 2017, the CEO personally donated \$50,000 to support the Athlete Wellbeing Program. There were no donations of a similar nature made in 2018.

## 15 KEY MANAGEMENT PERSONNEL

	2018	2017
	\$	\$
Total compensation	1,377,372	1,033,845
Compensation in bands		
\$0	8	6
\$0,-\$49,999	1	-
\$50,000-\$149,999	7	6
\$150,000+	2	1
Number of Staff	18	13

Note that compensation comprises actual remuneration earned during the year, even if the staff member was employed for part of a year (not grossed up).

## 16 REMUNERATION OF DIRECTORS

Except for normal reimbursements for expenses incurred in conducting their duties and responsibilities, the directors of the APC do not and have not received remuneration, fees or other payments for services rendered.

## 17 EVENTS AFTER BALANCE DATE

There have been no other significant events occurring after balance sheet date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

# Notes to the financial statements (continued)

For the year ended 30 June 2018

## 18 FUNDRAISING SUPPLEMENTARY INFORMATION

### Fundraising 2018

The information below is required to be furnished under the Charitable Fundraising Act 1991 (NSW).

The Australian Paralympic Committee Ltd is required to provide minimum fundraising information under the reporting requirements of the Collections for Charitable Purposes Act 1939 (SA), Charitable Fundraising Act 1991 (NSW), Charitable Collections Act 1946 (WA), Charitable Collections Act 2003 (ACT), The Collections for Charities Act 2001 (TAS), Charitable and Non-Profit Gaming Act 1999 (QLD) and the Fundraising Appeals Act 1998 (VIC).

ALL	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	36,041	67,635	236,194	6,500	91,460	437,830	3,840,177	4,278,007
Expenditure	498	40,777	18,809	-	11,000	71,084	2,856,809	2,927,893
Net Surplus /(Deficit)	35,541	26,858	217,385	6,500	80,460	366,746	983,368	1,350,114
Net %	99%	40%	92%	100%	88%	84%	26%	32%

The figures above relate strictly to the fundraising incomes and expenditures accounted for within the financial year, 1 July 2017 to 30 June 2018. The net surplus, or net deficit, reported does not necessarily reflect the outcome of the fundraising campaigns as their effective period may differ from the financial year.

Note that administration costs of \$268,384 (2017: \$264,977) have not been included in the expenditure above.

For purposes of consistency and comparison, the full information is furnished for all States.

NSW	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	12,127	57,359	75,615	-	47,442	192,543	1,387,108	1,579,651
Expenditure	168	34,581	6,021	-	5,706	46,476	1,031,906	1,078,382
Net Surplus /(Deficit)	11,959	22,778	69,594	-	41,736	146,067	355,202	501,269
Net %	99%	40%	92%	0%	88%	76%	26%	32%

ACT	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	236	-	24,163	-	1,425	25,824	-	25,824
Expenditure	2	-	1,924	-	171	2,097	-	2,097
Net Surplus /(Deficit)	234	-	22,239	-	1,254	23,727	-	23,727
Net %	99%	0%	92%	0%	88%	92%	0%	92%

QLD	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	7,338	7,188	57,260	-	5,755	77,541	166,569	244,110
Expenditure	102	4,334	4,560	-	692	9,688	123,915	133,603
Net Surplus /(Deficit)	7,236	2,854	52,700	-	5,063	67,853	42,654	110,507
Net %	99%	40%	92%	0%	88%	88%	26%	45%

# Notes to the financial statements (continued)

For the year ended 30 June 2018

## 18 FUNDRAISING SUPPLEMENTARY INFORMATION (continued)

VIC	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	11,289	3,088	2,935	6,500	27,280	51,092	1,129,729	1,180,821
Expenditure	157	1,862	234	-	3,281	5,534	840,435	845,969
Net Surplus /(Deficit)	11,132	1,226	2,701	6,500	23,999	45,558	289,294	334,852
Net %	99%	40%	92%	100%	88%	89%	26%	28%

TAS	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	820	-	7,207	-	850	8,877	-	8,877
Expenditure	11	-	574	-	102	687	-	687
Net Surplus /(Deficit)	809	-	6,633	-	748	8,190	-	8,190
Net %	99%	0%	92%	0%	88%	92%	0%	92%

SA	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	2,408	-	49,658	-	2,748	54,814	886,453	941,267
Expenditure	33	-	3,954	-	331	4,318	659,456	663,774
Net Surplus /(Deficit)	2,375	-	45,704	-	2,417	50,496	226,997	277,493
Net %	99%	0%	92%	0%	88%	92%	26%	29%

WA	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	1,735	-	4,869	-	5,880	12,484	270,318	282,802
Expenditure	24	-	388	-	707	1,119	201,097	202,216
Net Surplus /(Deficit)	1,711	-	4,481	-	5,173	11,365	69,221	80,586
Net %	99%	0%	92%	0%	88%	91%	26%	28%

NT	Community Fundraising	Corporate Fundraising	Regular Giving	High Value Giving	Direct Response	Total excl Trade Promotions	Trade Promotions	Total
Revenue	88	-	14,487	-	80	14,655	-	14,655
Expenditure	1	-	1,154	-	10	1,165	-	1,165
Net Surplus /(Deficit)	87	-	13,333	-	70	13,490	-	13,490
Net %	99%	0%	92%	0%	88%	92%	0%	92%

# Notes to the financial statements (continued)

For the year ended 30 June 2018

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## 19 ECONOMIC DEPENDENCY

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

Australian Paralympic Committee Ltd has a net current assets position of \$3,352,163 as at 30 June 2018 (2017: \$3,280,810) and has generated an operating surplus for the year of \$64,292 (2017: \$1,505,674). The net cash inflows from operating activities during the year were \$1,053,845 (2017 \$462,865). As at 30 June 2018 the Company has net assets of \$3,425,883 (2017: \$3,361,519).

The APC is economically dependent on grants provided by the Australian Sports Commission to continue at its current level of operations. A recurring reduction in grants provided would impact on operating levels.

The Company has prepared detailed cashflow forecasts over which analysis has been performed. These show that the Company can pay its debts as and when they fall due in the ordinary course of business and as such the Directors have concluded that the going concern basis is appropriate.

## Directors' declaration

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In accordance with a resolution of the directors of Australian Paralympic Committee Ltd, I state that in the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

Dated at Sydney Olympic Park this 19th day of September 2018.



John Fintan O'Callaghan  
Director

## Independent Auditor's Report to the Directors of Australian Paralympic Committee Ltd

### Report on the Financial Report

#### Opinion

We have audited the financial report of Australian Paralympic Committee Ltd (the Committee), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Committee is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and 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 Committee in accordance with 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.

#### Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Financial Report

The directors of the Committee are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Committee'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 Committee 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Committee's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Committee's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Committee to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)***

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2015* and the *WA Charitable Collections Act (1946)* and then *WA Charitable Collections Regulations (1947)*.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

### **Opinion**

In our opinion:

- a) the financial report of Australian Paralympic Committee Ltd has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2018, in all material respects, in accordance with:
  - i) sections 20(1), 22(1-2) and 24(1-3) of the *NSW Charitable Fundraising Act 1991*;
  - ii) sections 9(6) and 10 of the *NSW Charitable Fundraising Regulations 2015*;
  - iii) the *WA Charitable Collections Act (1946)*; and
  - iv) the *WA Charitable Collections Regulations (1947)*.
- b) the money received as a result of fundraising appeals conducted by the Committee during the financial year ended 30 June 2018 has been properly accounted for and applied, in all material respects, in accordance with the above-mentioned Acts and Regulations.





*Ernst & Young*

Ernst & Young

*Daniel Cunningham*

Daniel Cunningham  
Partner  
Sydney  
19 September 2018



AUSTRALIAN  
PARALYMPIC  
COMMITTEE

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