EMERGENCY MEDICINE FOUNDATION LTD
ACN 128 057 170

Financial Statements for the year ended 30 June 2018

Emergency Medicine Foundation Ltd
ACN 128 057 170

CONTENTS

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STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
REVENUE		$	$
Revenue	2	2,261,933	2,250,994
LESS EXPENSES			
Corporate	3	533,457	528,393
Grants Infrastructure	4	946,987	820,812
Marketing, Public Relations and Business Development	5	140,958	149,914
Research and Grants		1,391,596	1,054,828
TOTAL EXPENSES		**3,012,998**	**2,553,947**
SURPLUS(DEFICIT) BEFORE INCOME TAX		**(751,065)**	**(302,953)**
Income tax expense	1a	-	-
SURPLUS(DEFICIT) FOR THE YEAR AFTER INCOME TAX		**(751,065)**	**(302,953)**
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(751,065)**	**(302,953)**
Surplus(deficit) attributable to the members of the company		**(751,065)**	**(302,953)**
Total Comprehensive Income attributable to the members of the company		**(751,065)**	**(302,953)**

The accompanying notes form part of these financial statements.

Emergency Medicine Foundation Ltd
ACN 128 057 170

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018	2017
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	6,513,110	7,244,290
Trade and other receivables	8	69,079	63,320
Other assets	9	30,976	28,221
TOTAL CURRENT ASSETS		**6,613,165**	**7,335,831**
NON-CURRENT ASSETS			
Property, Plant & Equipment	10	2,006	9,088
TOTAL NON-CURRENT ASSETS		**2,006**	**9,088**
TOTAL ASSETS		**6,615,171**	**7,344,919**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	146,583	126,774
TOTAL CURRENT LIABILITIES		**146,583**	**126,774**
NON CURRENT LIABILITIES			
Provisions	12	6,048	4,540
TOTAL NON CURRENT LIABILITIES		**6,048**	**4,540**
TOTAL LIABILITIES		**152,631**	**131,314**
NET ASSETS		**6,462,540**	**7,213,605**
EQUITY			
Retained surplus (deficit)		6,462,540	7,213,605
TOTAL EQUITY		**6,462,540**	**7,213,605**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Retained Surplus	Total
	$	$
Balance at 30 June 2016	**7,516,558**	**7,516,558**
Surplus/(Deficit) attributable to the company for the year	(302,953)	(302,953)
Other comprehensive income for the year	-	-
Balance at 30 June 2017	**7,213,605**	**7,213,605**
Surplus/(Deficit) attributable to the company for the year	(751,065)	(751,065)
Other comprehensive income for the year	-	-
Balance at 30 June 2018	**6,462,540**	**6,462,540**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from customers		2,287,340	2,283,003
Interest received		183,818	161,656
Payments to suppliers and employees		(3,202,338)	(2,861,859)
Net cash provided by operating activities	**16a**	**(731,180)**	**(417,200)**
Net increase/ (decrease) in cash held		(731,180)	(417,200)
Cash at beginning of financial period		7,244,290	7,661,490
Cash at end of financial period	**7**	**6,513,110**	**7,244,290**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements cover the economic entity Emergency Medicine Foundation Ltd (EMF) as an individual entity. EMF Ltd is a company limited by guarantee and is domiciled in Australia.

The financial statements were authorised for issue on 18 September 2018 by the directors of the company.

Basis of Preparation

Emergency Medicine Foundation Ltd applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not for-profit entity for financial purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Income Tax

No provision for income tax has been raised as the company operates solely as a non-profit public charitable entity and accordingly is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

b. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives.

Lease payments for operating leases with fixed rental increases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

c. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit of loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in fair value (ie gains or losses) being recognised in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

c. Financial Instruments (cont.)

Classification and Subsequent Measurement (cont.)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains and losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They are subsequently measured at fair value with any re-measurements recognised in other comprehensive income. Available-for-sale assets are classified as non-current assets when they are expected to be sold after 12 months for the end of the reporting period. All other available-for-sale assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact in the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

d. Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

f. Provisions

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

g. Cash and Cash Equivalents

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

h. Revenue and Other Income

Donations are recognised as revenue upon receipt.

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the Company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Company and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the 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.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST)

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

h. Revenue and Other Income (Cont.)

Revenue from the sale of goods or delivery of services is recognised upon the transfer of the goods or the provision of the service.

i. Trade & Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any impairment losses. Refer to Note 1C for further discussion on the determination and treatment of impairment losses.

j. Goods and Services Tax (GST)

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

k. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

l. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

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

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

m. Property, Plant and Equipment (Cont.)

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated at the lesser of the useful life or lease term, in this case the lease term.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office furniture and fittings	10 -33%
Computer Equipment	33%
Leasehold improvement	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

n. Critical Accounting Estimates and Judgments

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

Key estimates — Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key judgments — Provision for impairment of receivables

At balance date the Directors of the company assess receivables for impairment and make judgements in respect of the recoverability of such amounts

There were no impaired receivables at 30 June 2018.

o. Economic Dependence

The Company is dependent on the Department of Health for the majority of its revenue used to operate the business. At the date of this report Directors of the trustee company have no reason to believe the Department will not continue to support the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 2: REVENUE

	Note	2018	2017
Operating Revenue		**$**	**$**
Donations received	2a	-	502
Grants received	2b	2,000,000	2,075,000
Interest		182,533	175,492
Sponsorships and ticket sales	2c	79,400	-
		2,261,933	**2,250,994**

a **Donations received** – amounts donated to the company by individual donors to support emergency medicine research.

b **Grants received** – for investment into emergency medicine research in Queensland and received from Queensland Health in line with the current funding agreement which expires on 30 June 2020. In addition $75,000 received from PREDICT (Paediatric Research in Emergency Departments International Collaborative) in 2017 to help fund one of the Research Support Network's focuses on paediatric research.

c **Sponsorships and ticket sales** – in relation to EMF's two day research symposium recognising 10 year's of emergency medicine research funding

Emergency Medicine Foundation Ltd
ACN 128 057 170

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 3: CORPORATE EXPENSES

	Note	2018 $	2017 $
Accounting and Audit		9,039	10,000
Bank Fees		11,419	9,319
Communication and Information Technology		34,412	37,472
Depreciation		7,082	13,386
Electricity		7,686	7,422
Employee Expense		217,483	214,239
Insurance		22,035	16,472
Legal fees		2,475	291
Maintenance and Minor Assets		14,075	15,229
Printing and Stationery		6,870	9,636
Rent		168,125	163,630
Subscriptions and Memberships		5,351	5,509
Travel and Conference		9,935	11,697
Other Expenses		17,470	14,091
		533,457	**528,393**

NOTE 4: GRANTS INFRASTRUCTURE EXPENSES

Database	18,182	18,182
Educational series	3,925	-
Employee Expense - Administration	217,045	219,543
Employee Expense – Research Support Network	242,650	205,866
Honorariums	6,130	11,152
Legal Fees	8,736	855
Other Expenses	9,805	7,919
Research Support Network Grant	440,514	355,327
Travel	-	1,968
	946,987	**820,812**

NOTE 5: MARKETING, PUBLIC RELATIONS AND BUSINESS DEVELOPMENT EXPENSES

	Note	2018 $	2017 $
Consulting Fees (Public Relations and Business Development)		-	59,436
Employee Expense		74,729	72,600
Printing and Stationery		10,125	11,144
Promotion		9,271	6,734
Research symposium		46,833	-
		140,958	**149,914**

NOTE 6: OTHER

a. Auditors' remuneration:

—auditing or reviewing the financial statements	**6,500**	**10,000**

b. Lease payments

Rental expense on operating leases – minimum lease payments	**168,125**	**163,630**

NOTE 7: CASH AND CASH EQUIVALENTS

	Note		
Cash at bank		191,425	307,605
Short-term bank deposits – at call		6,321,685	6,936,685
	19	**6,513,110**	**7,244,290**

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	191,425	307,605
Short-term bank deposits – at call	6,321,685	6,936,685
	6,513,110	**7,244,290**

NOTE 8: TRADE AND OTHER RECEIVABLES

	Note	2018	2017
		$	$
CURRENT			
GST Receivable		56,458	6,717
Trade Debtors		-	42,697
Accrued interest		12,621	13,906
	19	**69,079**	**63,320**

a. Provision for Impairment of Receivables

Current receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired.

NOTE 9: OTHER ASSETS

CURRENT		
Prepayments	30,776	28,021
Bond	200	200
	30,976	**28,221**

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

Office Furniture and Fittings at cost	3,034	3,034
Less accumulated depreciation	(2,805)	(1,859)
	229	**1,175**
Computer equipment at cost	14,590	14,590
Less accumulated depreciation	(13,305)	(9,145)
	1,285	**5,445**
Leasehold improvements at cost	9,874	9,874
Less accumulated amortisation	(9,382)	(7,406)
	492	**2,468**
Total property, plant and equipment	**2,006**	**9,088**

NOTE 10: PROPERTY, PLANT AND EQUIPMENT (CONT.)

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year. The assets' useful lives were reviewed at the end of the reporting period and an adjustment made in relation to leasehold improvements to reflect expiration of the current rental lease in November 2018.

	Leasehold Improvements	Office Furniture and Fittings	Computer Equipment	Total
	$	$	$	$
Carrying amount at 30 June 2016	**9,380**	**2,786**	**10,308**	**22,474**
Additions at cost	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(6,912)	(1,611)	(4,863)	(13,386)
Carrying amount at 30 June 2017	**2,468**	**1,175**	**5,445**	**9,088**
Additions at cost	-	-	-	-
Disposals	-	-	-	-
Depreciation expense	(1,976)	(946)	(4,160)	(7,082)
Carrying amount at 30 June 2018	**492**	**229**	**1,285**	**2,006**

NOTE 11: TRADE AND OTHER PAYABLES

	Note	2018	2017
		$	$
CURRENT			
Trade payable		61,966	5,439
Other payables		42,660	39,489
Unearned Income		-	46,525
Annual leave accrual		41,957	35,321
	11a	**146,583**	**126,774**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 11: TRADE AND OTHER PAYABLES (CONT.)

a. Financial liabilities at amortised cost classified as trade and other payables	Note	2018 $	2017 $
Trade and other payables			
— Total current		146,583	126,774
— Total non-current		-	-
Less: Annual leave entitlements		(41,957)	(35,321)
Less: Unearned income		-	(46,525)
Financial liabilities as trade and other payables	**19**	**104,626**	**44,928**

NOTE 12: PROVISIONS

NON CURRENT		
Long Service Leave	6,048	4,540
	6,048	**4,540**

NOTE 13: CONTINGENT LIABILITIES

The company has provided a Bank Guarantee for the amount of $76,286 (2017: $76,286) as security for lease of office premises. The Bank Guarantee is backed by a term deposit held for that amount with the Bank of Queensland. There were no other contingent liabilities at 30 June 2018.

NOTE 14: EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There were no post balance date events affecting the financial statements of the company.

NOTE 15: LEASING AND OTHER COMMITMENTS

a. Operating Lease Commitments	2018 $	2017 $
Cancellable operating leases contracted for but not capitalised in the financial statements		
Payable — minimum lease payments		
— not later than 12 months	99,308	184,481
— later than 12 months but not later than 5 years	116,654	66,211
Minimum lease payments	**215,962**	**250,692**

The operating lease commitment consists of a property lease and equipment rental agreements which are non-cancellable operating leases contracted for but not capitalised in the financial statements with a 5 year term, with an option to renew for another 3 years at the end of the term where applicable.

NOTE 15: LEASING AND OTHER COMMITMENTS (CONT.)

b. Grant Commitments

The company has awarded grants and assumed, upon merging, the obligation for grants previously awarded by Queensland Emergency Medicine Research Foundation, to various administering institutions for the support of research.

The amounts payable under the grants awarded are recognised as a commitment, rather than a liability, as the company does not have a present obligation to settle the commitment until the grant recipients have provided to the company the pre-determined deliverables or completed the pre-determined milestones and the company is satisfied with the deliverables and milestones.

When the deliverables and milestones have been satisfactorily achieved the company will recognise a liability for any of the grants payable.

It is the company's policy to ensure that sufficient funds are maintained within its cash reserves to fund the balance of the grant commitments.

The company's expectations of the timing of the payment of the remaining grant commitments is as follows:

Grants Payable

	Note	2018	2017
		$	$
— not later than 12 months		832,345	1,374,724
— later than 12 months but not later than 5 years		980,006	1,395,672
		1,812,351	**2,770,396**

NOTE 16: CASH FLOW INFORMATION

a. Reconciliation of Cash Flow from Operations with Surplus After Income Tax

	2018	2017
Net Surplus/(Deficit) after income tax	(751,065)	(302,953)
Depreciation	7,082	13,386
Changes in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	(5,759)	(12,599)
Decrease/(Increase) other assets	(2,755)	(9,512)
Increase/(decrease) in trade and other payables	19,809	(107,540)
Increase/(decrease) in provisions	1,508	2,018
Net cash provided by operating activities	**(731,180)**	**(417,200)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 16: CASH FLOW INFORMATION (CONT.)

b. Credit Facilities

There were no credit facilities in place at balance date.

c. Non cash financing and investing Activities

There were no non-cash financing and investing activities during the year.

NOTE 17: KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel are the directors and other officers that have the authority and responsibility for planning, directing and controlling the activities of the company.

Remuneration paid to the key management personnel of the company during the period 1 July 2017 to 30 June 2018 was as follows.

	Short-term Benefits	Post-employment Benefits	Other Long-term Benefits	Total
2018	**$**	**$**	**$**	**$**
Total compensation	129,975	12,163	-	142,138
2017				
Total compensation	127,634	11,955	-	139,589

NOTE 18: RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

NOTE 19: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks and accounts receivable, accounts payable and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2018	2017
Financial assets		**$**	**$**
Cash and cash equivalents	7	6,513,110	7,244,290
Trade and other receivables	8	69,079	63,320
		6,582,189	**7,307,610**
Financial liabilities			
Trade and other payables (excluding employee benefits)	11a	104,626	44,928
		104,626	**44,928**

NOTE 19: FINANCIAL RISK MANAGEMENT (Cont.)

Financial Risk Management Policies

The Directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are assessed, approved and reviewed by the Finance, Risk and Audit Committee which makes recommendations to the Board of Directors of the company on a regular basis. These include the credit risk policies and future cash flow requirements.

NOTE 20: CAPITAL MANAGEMENT AND RESERVE

Management controls the capital of the company in order to maintain a good debt to equity ratio and ensure that the company can fund its operations and continue as a going concern.

The company has established a policy to ensure sufficient capital to settle all of its liabilities and unpaid grant commitments so that in the event that grant funding is not made available from Queensland Health in future years, these reserves will fund the grant commitments and operations of the company.

The table following demonstrates the reserve available at the end of the financial year.

	Note	2018	2017
		$	$
Assets available			
Cash and cash equivalents	7	6,513,110	7,244,290
Trade and other receivables	8	69,079	63,320
		6,582,189	**7,307,610**
Liabilities and commitments			
Trade and other payables	11	146,583	126,774
Provisions	12	6,048	4,540
Operating lease commitments	15a	215,962	250,692
Unpaid grant commitments	15b	1,812,351	2,770,396
		2,180,944	**3,152,402**
RESERVE AVAILABLE		**4,401,245**	**4,155,208**

NOTE 21: COMPANY DETAILS

The registered office and principal place of business of the company is:

2/15 Lang Parade

Milton QLD 4064

Emergency Medicine Foundation Ltd
ACN 128 057 170

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 20, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

    a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and

    b. give a true and fair view of the financial position of the company as at 30 June 2018 and of the performance for the year ended on that date.

2. In the Directors' opinion 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 made in accordance with a resolution of the Board of Directors.

Dr Anthony Bell
Chair

Dated this 18th day of September 2018

Bentleys
THINKING AHEAD

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EMERGENCY MEDICINE FOUNDATION LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Emergency Medicine Foundation Ltd (the "Company"), which comprises the statement of financial position as at 30 June 2018 and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

In our opinion the financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profit 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 then ended; and
(ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulations 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Australian 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.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Australian Charities and Non-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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF EMERGENCY MEDICINE FOUNDATION LTD

Bentleys
THINKING AHEAD

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 Australian Auditing Standards, we exercise professional judgement 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 Company'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 Company'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 Company 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 those charged with governance 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.

Bentleys.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

A Carle

Ashley Carle
Director
Brisbane, 20 September 2018