



Together...improving the lives of those affected by Neurofibromatosis.



Together...reaching for a cure

NF AUSTRALIA

ABN 26 148 815 534

AND CONTROLLED ENTITY

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015

NF AUSTRALIA
ABN 26 148 815 534
AND CONTROLLED ENTITY

Financial Report
for the Year Ended 30 June 2015

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Directors' Report

Your directors present their report on the company and its controlled entity for the financial year ended 30 June 2015.

Directors

The names of each person who has been a director during the year and to the date of this report are:

	Date Appointed	Date of Cessation	A	B
J Hughes (Chair)	4 Dec. 2011	–	6	6
G Bottom	4 Dec. 2011	–	6	6
L Dell	23 Dec. 2013	-	5	6
Hugo Dudley-Smith	22 Aug. 2014	-	6	6
M Foundas	17 Nov 2012	-	4	6
N Hansra	5 May 2012	-	6	6
S Kulmar	22 Aug. 2014	-	5	6
E Listorti	6 Feb 2015	-	2	3

A – Number of board meetings attended B – Number of board meetings held during the time the director held office during the year

Principal Activities

The principal activities of the company during the financial year were to:

- provide support to members of the company;
- engage in fundraising activities primarily through the Children's Tumour Foundation of Australia, and
- act as trustee for the Lisa Palmer Foundation.

The company's short-term objectives are to provide information & support to members and their families and to increase public awareness of Neurofibromatosis ("NF").

The company's long-term objectives are to find a cure for NF through funding research.

To achieve these objectives the company has adopted the following strategies:

- Undertake regular fundraising and public awareness activities;
- Provision of support services to individuals and families affected by NF;
- Funding of NF research, and
- Provide advocacy and information service to improve outcomes for NF sufferers.

During the year the consolidated group raised income from fundraising activities of \$1,124,383 (2014: \$1,060,091) and made grants for research, equipment and support services of \$ 179,007 (2014: \$ 37,910).

Directors' Report Continued

Information on Directors

John Hughes	Chairman
Qualifications	B Comm, FAICD
Experience	Retired recently as CEO and Managing Director of Thorn Group Ltd. Previously Managing Director of Ruralco Holdings Ltd. Over 30 years executive experience in a number of leading Australian and International companies including Thorn EMI, Dominos Pizza, Sharp Corporation, Competitive Foods and Grace Bros. <ul style="list-style-type: none"> ▪ Appointed Chair on 26 November 2011 ▪ Member of Finance, Audit & Risk Committee ▪ Member of the Lisa Palmer Foundation Committee
Nirmal Hansra	Director
Qualifications	M Comm, FAICD, FCA, FCPA
Experience	Non-Executive Director of Campbell Page Ltd., Eureka Group Holdings Ltd., Kuringai Financial Services Ltd. Have A Voice Pty Ltd and Council of the Aging NSW and Advisory Board Member of BTO Group Ltd. Over 8 years corporate advisory experience and 35 years executive experience as Finance Director/Chief Financial Officer of leading Australian and International companies including Industrea Ltd., Australian Pharmaceutical Industries Ltd., Ruralco Holdings Ltd., Rentworks Ltd., NetComm Australia Pty. Ltd., Fujitsu Australia Ltd. and Texas Instruments Australia Ltd. <ul style="list-style-type: none"> ▪ Appointed Chairman of Finance, Audit & Risk Committee on 5 May 2012 ▪ Member of the Lisa Palmer Foundation Committee
Geoff Bottom	Director
Experience	Over 30 years retail experience and currently Store Manager of Bernardi's Supa IGA in Bathurst NSW. Geoff is actively involved with the Rotary Club of Australia and has received the Paul Harrison Award and the Blue Sapphire Award for fundraisings. <ul style="list-style-type: none"> ▪ Chairman of NSW State Committee
Laurence Dell	Director
Qualifications	Masters in Management, BA (Management & Political Science)
Experience	Consulting Director at PWC, Melbourne specialising in delivering productivity programs that result in significantly improved and sustainable business performance. With over 10 years' experience, Laurence has lead large and complex performance improvement projects across a range of industries. <ul style="list-style-type: none"> ▪ Chairman of Victorian State Committee – appointed in December 2013
Hugo Dudley-Smith	Director
Qualifications	B Civil Engineering (First Class Honours)
Experience	Managing Director of Gresham Partners' Corporate Advisory Business in Sydney. Extensive experience in M&A transactions and financing deals. Previously worked with Goldman Sachs in London and Sydney in their corporate finance team. <ul style="list-style-type: none"> ▪ Member of Finance, Audit & Risk Committee

Directors' Report Continued

Maria Foundas	Director
Experience	Procurement Manager for Football Federation Australia; Director of Autotech (Enfield) Pty Ltd and Cobra Australia Pty Limited. Previously Vice President - Regional Business Services Manager for Asia Pacific JP Morgan for over 17 years.
Stephen Kulmar	Director
Experience	Non-Executive Director of Thorn Group Limited and RCG Corporation and currently CEO of Retail Oasis, a boutique retail marketing service company. Previously Chairman and CEO of IdeaWorks. Over 30 years' experience in retail strategy, brand strategy, channel to market strategy and business development.
Eddie Listori	Director
Qualifications	BEcons
Experience	Over 25 years' experience managing various parts of Fixed Income, Currencies and Commodities globally. Currently Global Head of FICC at ANZ since September 2010; previously Executive Committee member of Dresdner Kleinwort in London and Head of Trading Asia with Bankers Trust in Singapore. Board member of the Singapore Foreign Exchange and Money Markets Association (SFEMC)

Members Guarantee

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the entity. At 30 June 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$1,100.

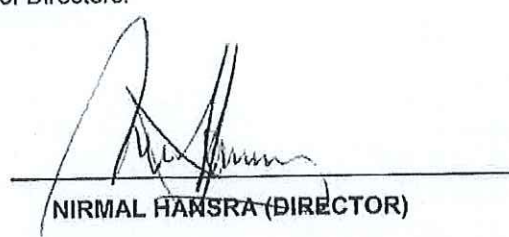
Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on the following page.

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



JOHN HUGHES (DIRECTOR)



NIRMAL HANSRA (DIRECTOR)

Dated this 14th day of August 2015

The Board of Directors
NF Australia
2/451 Lyons Road West
FIVE DOCK NSW 2046

Dear Board Members

NF Australia and Controlled Entity

In accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 I am pleased to provide the following declaration of independence to the Directors of NF Australia and Controlled Entity.

As lead audit partner for the audit of the financial report of NF Australia and Controlled Entity for the financial year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

Yours sincerely

Crowe Horwath Sydney
CROWE HORWATH SYDNEY

Russell

LEAH RUSSELL
Partner

Date this *31* day of *August* 2015

NF AUSTRALIA

ABN 26 148 815 534

AND CONTROLLED ENTITY

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2015

	NOTE	Consolidated Group	
		2015	2014
		\$	\$
Revenue			
Fundraising		456,753	379,366
Donations		667,630	680,725
Gross proceeds from fundraising activities	2	1,124,383	1,060,091
Grants received – NSW Health Department	2	19,100	18,556
Interest received - other	2	24,083	22,250
Other income	2	4,468	4,342
Total revenue & other income		1,172,034	1,105,239
Operating Expenses			
Employment expenses	2	301,073	285,971
Fundraising expenses	2	434,822	275,009
Database cost	2	133,444	7,640
Advertising & Website cost	2	93,643	28,779
Accounting fees	2	35,115	26,412
Occupancy expenses	2	24,617	20,933
Other administration costs	2	89,880	50,735
Bank fees	2	8,975	9,891
Depreciation	2	1,642	1,384
Total operating expenses		1,123,211	711,754
Operating surplus before grants made		48,823	393,485
Grants Made			
Research		66,710	-
Support Services		112,297	37,910
Total grants made	2	179,007	37,910
Net Surplus/ (deficit) for the year		(130,184)	355,575
Other comprehensive loss for the year		-	-
Total comprehensive loss for the year		(130,184)	355,575

The accompanying notes form part of these financial statements

NF AUSTRALIA

ABN 26 148 815 534

AND CONTROLLED ENTITY

Consolidated Statement of Financial Position as at 30 June 2015

		Consolidated Group	
	NOTE	2015	2014
		\$	\$
Current Assets			
Cash & cash equivalents	5 (a)	529,241	1,112,799
Trade and other receivables	6	70,135	36,119
Inventories	7	9,069	16,518
Other financial assets	8	445,000	-
Other assets	9	12,608	35,923
Total current assets		1,006,053	1,201,359
Non Current Assets			
Plant and equipment	10	4,660	4,587
Total non current assets		4,660	4,587
Total assets		1,070,713	1,205,946
Current Liabilities			
Trade and other payables	11	39,153	43,116
Provisions	12	9,883	10,969
Total current liabilities		49,036	54,085
Total liabilities		49,036	54,085
Net Assets		1,021,677	1,151,861
Total Funds			
Retained earnings		1,021,677	1,151,861
Total funds		1,021,677	1,151,861

The accompanying notes form part of these financial statements

NF AUSTRALIA

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Consolidated Statement of Changes in Equity for the year ended 30 June 2015

	Consolidated Group	
	Retained Earnings	Total
	\$	\$
Balance at 1 July 2013	796,286	796,286
Net surplus	355,575	355,575
Other comprehensive income	-	-
Balance at 30 June 2014	<u>1,151,861</u>	<u>1,151,861</u>
Net surplus/(deficit)	(130,184)	(130,184)
Other comprehensive income	-	-
Balance at 30 June 2015	<u>1,021,677</u>	<u>1,021,677</u>

The accompanying notes form part of these financial statements

NF AUSTRALIA

ABN 26 148 815 534

AND CONTROLLED ENTITY

Consolidated Statement of Cash Flows for the year ended 30 June 2015

		Consolidated Group	
	NOTE	2015	2014
		\$	\$
Cash Flows From Operating Activities			
Receipts from supporters and funding sources:			
Fundraising income		445,043	367,276
Donations		649,958	680,725
Grants		19,100	18,556
Other income		4,468	16,867
Interest income		19,450	22,285
		<hr/>	<hr/>
		1,138,019	1,105,709
Operating and fundraising expenses		(1,162,566)	(708,503)
Grants for research, equipment and support services		(112,296)	(37,910)
		<hr/>	<hr/>
Net cash provided/ (used) by operating activities	5 (b)	(136,843)	359,296
Cash Flows from Investing Activities			
Payment for plant and equipment		(1,715)	(5,800)
		<hr/>	<hr/>
Net cash used in investing activities		(1,715)	(5,800)
		<hr/>	<hr/>
Net increase/ (decrease) in cash and cash equivalents		(138,558)	353,496
Cash and cash equivalents at the beginning of the year		1,112,799	759,303
Reclassification to financial asset		(445,000)	-
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	5 (a)	529,241	1,112,799

The accompanying notes form part of these financial statements

NF AUSTRALIA

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Notes to the Financial Statements for the year ended 30 June 2015

These consolidated financial statements are for NF Australia and controlled entity ("Consolidated Group" or "Group"). NF Australia is a company limited by guarantee, incorporated and domiciled in Australia.

The separate financial statements of NF Australia have not been presented within this financial report as permitted by amendments made to the Corporations Act 2001 effective as at 28 June 2010.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 and the Corporations Act 2001.

NF Australia is a not-for-profit entity for financial reporting 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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements 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.

The financial statements were authorised for issue on 14th August 2015 by the directors of the company.

Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the company at reporting date. A controlled entity is any entity over which the company has the power to govern the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 15 to the financial statements.

(b) Revenue

Revenue is recognised when the group is legally entitled to the income and the amount can be quantified with reasonable accuracy. All revenue is stated net of the amount of goods and services tax (GST).

Fundraising including donations and bequests are recognised as revenue when received.

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

Membership fee income is recognised on an accrual basis in the financial period.

Revenue from sale of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods purchased for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

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

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

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Notes to the Financial Statements for the year ended 30 June 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(c) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Employment costs include salaries and wages and associated on costs for permanent and part time employees as well as staff education and training.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the group.

Other administration costs are those incurred in connection with administration of the group and compliance with constitutional and statutory requirements.

(d) Cash and Cash Equivalents

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

(e) Trade and Other Receivables

Trade receivables, which comprise amounts due from sponsorship and sales of merchandise, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement are 30 days. The carrying amount of the receivable is deemed to reflect fair value.

An allowance for doubtful debts is made when there is objective evidence that the group will not be able to collect the debts. Bad debts are written off when identified.

(f) Inventories

Inventories comprise goods for resale as part of the group's charitable activities and are measured at the lower of cost and current replacement cost.

(g) Plant & Equipment

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

Plant and equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of replacement cost and subsequent disposal.

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.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Notes to the Financial Statements
for the year ended 30 June 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Depreciation Continued

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

Plant and equipment	33.33%
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(h) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and depreciated replacement cost, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is recognised immediately in the statement of comprehensive income.

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

(i) 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 group during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

(j) Deferred Income

The liability of deferred income is the unutilised amounts of grants or donations received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions fulfilled within 12 months of receipt of the grant or donation.

(k) Employee Benefits

Provision is made for the group'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 vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

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

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Notes to the Financial Statements for the year ended 30 June 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(l) Provisions

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

(m) Taxation

Income Tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

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, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

(n) Financial Instruments

Initial recognition and measurement

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

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Financial Statements
for the year ended 30 June 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(i) Receivables

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. Receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. All other receivables are classified as non-current assets. Gains or losses are recognised in the profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss through the amortisation process and when the financial liability is derecognised.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity 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 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.

(o) Leases

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

(p) Comparative Figures

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(q) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events.

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Notes to the Financial Statements for the year ended 30 June 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

Key estimate

Impairment

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

NOTE 2 STATEMENT SHOWING HOW FUNDS RAISED WERE APPLIED TO CHARITABLE PURPOSES

	Consolidated Group	
	2015	2014
	\$	\$
Gross income from fundraising	1,124,383	1,060,091
Less:		
Direct fundraising expenses	434,822	275,009
Operating expenses	688,389	436,745
Surplus from fundraising	1,172	348,337
Add:		
Income from other sources	47,651	45,148
Operating surplus	48,823	393,485
Less:		
Funds applied to:		
Research grants made	66,710	-
Support services provided	112,297	37,910
Total funds applied	179,007	37,910
Net operating surplus/(deficit)	(130,184)	355,575

NOTE 3 INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991

Fundraising Events

Fundraising events held during the year include a gala dinner and auction, fun runs and community events.

Direct costs

Direct costs in relation to these fundraising activities undertaken during the year are disclosed as fundraising expenses. The company supports its members through providing information both over the phone and in newsletters. It also provides grants to institutions undertaking research on NF related diseases.

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Notes to the Financial Statements
for the year ended 30 June 2015

NOTE 3 INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991 CONTINUED

Fundraising conducted jointly with traders

	Consolidated Group	
	2015	2014
	\$	\$
Revenue from fund raising	158,445	-
Total payments to trader	125,857	-
Gross contribution	32,588	-

NOTE 4 PERFORMANCE RATIOS

Comparisons	Consolidated Group		
	2015	2015	2014
	\$	%	%
Total cost of fundraising / gross income from fundraising	434,822/1,124,383	39%	26%
Net surplus from fundraising / gross income from fundraising	689,561/1,124,383	61%	74%
Total cost of services net of fundraising activities / total operating expenditure	688,389/1,123,211	61%	61%
Total costs of services net of fundraising expenses / total income received	688,389/1,172,034	59%	40%

The ratio of cost of fundraising to gross income from fundraising is higher than FY 2014 due to a one-off single donation of \$270,000 received in FY2014. For the same reason the net surplus from fundraising is lower than last year.

Notes to the Financial Statements
 for the year ended 30 June 2015

NOTE 5 NOTES TO THE STATEMENT OF CASH FLOWS

		Consolidated Group	
		2015	2014
		\$	\$
(a)	Reconciliation of Cash		
	For the purposes of the statement of cash flows, cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:		
	Cash at Bank	383,742	564,753
	Term deposits	145,000	546,457
	Cash on hand	499	1,589
		<u>529,241</u>	<u>1,112,799</u>
(b)	Reconciliation of net cash flow from operating activities to operating surplus		
	Operating surplus/ (deficit)	(130,184)	355,575
	Depreciation	1,642	1,384
	Decrease/(increase) in receivables	(34,016)	470
	Decrease/(increase) in inventories	7,448	(5,765)
	Decrease/(increase) in other assets	23,314	(28,326)
	(Decrease)/increase in payables	(3,962)	31,915
	(Decrease)/increase in provisions	(1,085)	4,043
		<u>(136,843)</u>	<u>359,296</u>

NOTE 6 RECEIVABLES

		Consolidated Group	
		2015	2014
		\$	\$
	Note		
Trade receivables		47,600	44,690
Less: Provision for impairment	6 (a)	-	(8,800)
		<u>47,600</u>	<u>35,890</u>
Other receivables		22,535	229
	16	<u>70,135</u>	<u>36,119</u>

(a) Provision for impairment

Impairment allowances recognised at the reporting dates have been determined after a review of amounts outstanding at those dates.

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Notes to the Financial Statements
for the year ended 30 June 2015

NOTE 7 INVENTORIES

	Consolidated Group	
	2015	2014
	\$	\$
Goods purchased for resale	9,069	16,518
	<u>9,069</u>	<u>16,518</u>

NOTE 8 OTHER FINANCIAL ASSETS

	Consolidated Group	
	2015	2014
	\$	\$
Term deposits	445,000	-
	<u>445,000</u>	<u>-</u>

NOTE 9 OTHER ASSETS

	Consolidated Group	
	2015	2014
	\$	\$
Prepaid expenses	4,972	27,487
Deposits	7,636	8,436
	<u>12,608</u>	<u>35,923</u>

NF AUSTRALIA
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 AND CONTROLLED ENTITY

Notes to the Financial Statements
 for the year ended 30 June 2015

NOTE 10 PLANT AND EQUIPMENT

	Note	Consolidated Group	
		2015	2014
		\$	\$
Office furniture, computer and other equipment at cost		7,514	13,281
Less: Accumulated depreciation		(2,854)	(8,694)
		<u>4,660</u>	<u>4,587</u>

Movements in Carrying Amounts

2015	\$
Balance at the beginning of the year	4,587
Additions	1,715
Depreciation expense	(1,642)
Carrying amount at the end of the year	<u>4,660</u>

NOTE 11 TRADE & OTHER PAYABLES

	Note	Consolidated Group	
		2015	2014
		\$	\$
Trade creditors		37,147	33,532
Other creditors		2,006	9,584
Deferred income		-	-
	11(a)	<u>39,153</u>	<u>43,116</u>
(a) Financial liabilities as trade and other liabilities:			
Trade and other payables		39,153	43,116
Less: deferred income		-	-
Financial liabilities as trade and other payables	16	<u>39,153</u>	<u>43,116</u>

NOTE 12 PROVISIONS

	Consolidated Group	
	2015	2014
	\$	\$
Annual leave	9,883	10,969
	<u>9,883</u>	<u>10,969</u>

Notes to the Financial Statements
 for the year ended 30 June 2015

NOTE 13 CAPITAL AND LEASING COMMITMENTS

	Consolidated Group	
	2015	2014
	\$	\$

Capital Commitments

At reporting date the group has not entered into contracts for capital expenditure which have not been provided for in the financial statements.

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable – minimum lease payments:

- not later than 12 months	24,980	21,400
- later than 12 months but not later than five years	30,135	-
- greater than five years	-	-
	<u>55,115</u>	<u>21,400</u>

The property lease commitment is a non-cancellable operating lease contracted for but not capitalised in the financial statements with a 27 month term. Increases in lease commitments may occur in line with the Consumer Price Index (CPI).

Commitments

Commitments contracted for:

Research grants	<u>200,670</u>	<u>80,850</u>
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NF AUSTRALIA
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Notes to the Financial Statements
for the year ended 30 June 2015

NOTE 14 PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

	2015	2014
	\$	\$
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current Assets	569,040	654,902
TOTAL ASSETS	573,700	659,489
LIABILITIES		
Current Liabilities	49,036	54,085
TOTAL LIABILITIES	49,036	54,085
EQUITY		
Retained Earnings	524,664	605,404
TOTAL EQUITY	524,664	605,404
STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME		
Total Profit/(Loss)	(80,740)	335,961
Total Comprehensive Income	(80,740)	335,961

NOTE 15 CONTROLLED ENTITIES CONSOLIDATED

NF Australia controls the Lisa Palmer Foundation by virtue of the control tests outlined in AASB 10 Consolidated Financial Statements.

**Notes to the Financial Statements
 for the year ended 30 June 2015**

NOTE 16 FINANCIAL RISK MANAGEMENT

The group's financial instruments consist mainly of deposits with banks, receivables and payables, and leases.

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	Consolidated Group	
		2015 \$	2014 \$
Financial assets			
Cash and cash equivalents	5 (a)	529,241	1,112,799
Receivables	6	70,135	36,119
Other financial assets		445,000	-
Total financial assets		1,044,376	1,148,918
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	11	39,153	43,116
Total financial liabilities		39,153	43,116

NOTE 17 KEY MANAGEMENT PERSONNEL COMPENSATION

No personnel of the Group are key management personnel as all decisions are made by the board.

NOTE 18 RELATED PARTY TRANSACTIONS

(a) Directors' Compensation

The directors act in an honorary capacity and receive no compensation for their services.

NOTE 19 EVENTS SUBSEQUENT TO REPORTING DATE

There are no material post balance date events or transactions which would affect the financial position and performance of the group.

NF AUSTRALIA

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Notes to the Financial Statements for the year ended 30 June 2015

NOTE 20 TRUST LIABILITIES AND RIGHT OF INDEMNITY

The Company acts as trustee of the Lisa Palmer Foundation Trust. No liabilities have been incurred on behalf of that trust in the company's capacity as corporate trustee.

Liabilities incurred on behalf of the trust are not recognised in NF Australia as a parent entity, but have been included from a consolidated point of view, when it is not probable that the company will have to meet any of those trust liabilities from its own resources. When it is probable that the Company will have to meet some trust liabilities, the offsetting right of indemnity and deficiency in the indemnity are included in the parent entity numbers.

The assets of the trust, which lie behind the right of indemnity, are not directly available to meet any liabilities of the company acting in its own right. The assets of the trust were sufficient to discharge all liabilities of the trust at 30 June 2015.

The following information has been extracted from the books and records of the Lisa Palmer Foundation and has been prepared in accordance with the accounting standards.

	2015	2014
	\$	\$
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Cash and cash equivalents	48,415	546,457
Interest receivable	3,598	-
Other financial assets	445,000	-
TOTAL ASSETS	497,013	546,457
LIABILITIES		
Current Liabilities	-	-
TOTAL LIABILITIES	-	-
EQUITY		
Retained Earnings	497,013	546,457
TOTAL EQUITY	497,013	546,457
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME		
Interest received	17,266	19,659
Research and Equipment grants made	(66,710)	-
Bank charges	-	(45)
Total Profit/(Loss)	(49,444)	19,614
Total Comprehensive Income	(49,444)	19,614

NF AUSTRALIA

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Notes to the Financial Statements for the year ended 30 June 2015

NOTE 21 COMPANY DETAILS

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

NF Australia

2/451 Lyons Road West

Five Dock NSW 2046

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AND CONTROLLED ENTITY

Declaration by Directors

Requirements per Charitable Fundraising Act 1991

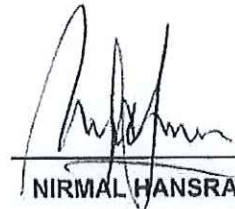
The directors of NF Australia declare that in our opinion:

- (a) The financial statements give a true and fair view of all income and expenditure of NF Australia with respect to fundraising appeals for the financial year ended 30 June 2015.
- (b) The Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2015.
- (c) The provisions of the Charitable Fundraising Act 1991 and the Regulations under that Act and the conditions attached to the authority to fundraise have been complied with during the year ended 30 June 2015.
- (d) As is common for organisations of this type, it is not practicable to maintain an effective system of internal controls over donations, subscriptions and other fund raising activities until their initial entry in the accounting records.
- (e) the financial statements are properly drawn up in accordance with Australian Accounting Standards as outlined in Note 1 to the accounts; and
- (f) at the date of this statement there are reasonable grounds to believe that the NF Australia will be able to pay its debts as and when they fall due

This statement is made in accordance with a resolution of the Board of Directors and is signed on behalf of the directors by:



JOHN HUGHES (DIRECTOR)



NIRMAL HANSRA (DIRECTOR)

Dated this ^{14th} day of August 2015

NF AUSTRALIA

ABN 26 148 815 534

AND CONTROLLED ENTITY

Directors' Declaration

Requirements per the Corporations Act 2001

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 5 to 22, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group.
2. In the directors' opinion there are reasonable grounds to believe that NF Australia will be able to pay its debts as and when they become due and payable.
3. The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.



JOHN HUGHES (DIRECTOR)



NIRMAL HANSRA (DIRECTOR)

Dated this 14th day of August 2015

NF Australia and Controlled Entity

Independent Auditor's Report to the Members of NF Australia and Controlled Entity

Report on the Financial Report

We have audited the accompanying financial report of NF Australia and Controlled Entity, which comprises the statement of financial position as at 30 June 2015, the statement of profit or 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 Directors' declaration.

Directors' Responsibility for the Financial Report

The Directors' of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors' of NF Australia and Controlled Entity, would be in the same terms if given to the Directors' as at the time of this auditor's report.



Qualification

As is common for organisations of this type, it is not practicable for NF Australia and Controlled Entity to maintain an effective system of internal control over donations and other fund raising activities until their initial entry in the accounting records. Accordingly, our audit to fund-raising activities was limited to amounts recorded.

Auditor's Opinion

In our opinion, except for the possible effects on the financial statements of the matter described in the Qualification paragraph, the financial report of NF Australia and Controlled Entity 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 2015 and of its performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) as described in note 1 and the *Australian Charities and Not-for-profit Commission Regulation 2013*.

In addition, and with reference to the *Charitable Fundraising Act 1991*:

- a. the financial report gives a true and fair view of the financial results of fundraising appeal activities for the financial year the ended 30 June 2015;
- b. the financial report has been properly drawn up and the associated records have been properly kept for the year ended 30 June 2015, in accordance with the Charitable Fundraising Act 1991 and Regulations;
- c. money received by the company as a result of fundraising appeal activities conducted during the year ended 30 June 2015 has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 and Regulations;
- d. money received by the company for a specific purpose has been applied for the purpose that it has been raised;
- e. money received and sent overseas have been properly accounted for and those funds were used in meeting the society's charitable objective; and
- f. there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

Leah Russell

LEAH RUSSELL

Partner

Dated this *31* day of *August*, 2015