

THE MARY POTTER
FOUNDATION INC

Annual Report
2013-2014

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Our Vision

No one should face dying or bereavement without the care and support they need.

Our Donor Commitment

We value and respect our donors, understanding that they choose to make it possible to deliver our vision.

Our Values

Responsive

Respectful

Appreciative

Kindness

Excellence

Chairman's Report



Danny Watson
Chairman

I am pleased to present our 2013/14 Annual Report as Chairman of The Mary Potter Foundation.

I express my sincere thanks to every individual, community group and organisation for showing support and care for those who needed the Mary Potter Hospice and Calvary Cancer Services during the past year. You will find on the following pages a summary of the amazing impact of your gifts. We are truly humbled by what is made possible through our own community.

A real highlight of the year was installing a new family kitchen in the Hospice. We know this has been really appreciated by family and friends as we modelled the kitchen on the comforts of home. I acknowledge the role of the Chip in for Calvary Golf Day committee headed up by Jenny Hurley from the Hurley Hotel Group and all of the participants.

We are continuing to focus on improvements to the physical environment of the Hospice and one of our important projects is creating new garden spaces. These projects will be made possible through SA Power Networks Employee Foundation and the 2014 Chip in for Calvary Golf Day.

The additional support offered through the range of therapy programs has continued to be so valued by patients and family members. This led to increased hours for complementary therapy and the introduction of music therapy in February. It has been inspiring to the Foundation team, with thanks to our donors, that patients and their families now have a range of programs focused on supporting their wellbeing along with opportunities to make the most of their time with loved ones. Along with supporting the vital medical and nursing care it is about helping everyone to live well before they die.

Our investment in the education of future doctors and nurses has continued thanks to the Fay Fuller Foundation support for our partnership with the University of Adelaide. This valuable partnership facilitates a palliative care teaching stream at the University supported by a teaching and clinical representation in the Hospice. We recognise the importance of teaching skills and knowledge along with the practice of palliative medicine and nursing in the Hospice setting.

Further investment in building the skills and knowledge of the Hospice team continues to be made possible through the Aldo Crotti Scholarship program supported by San Remo and the Crotti family. Members of the nursing team are currently supported in post graduate palliative care studies and throughout the year other team members have attended seminars and conferences at state and national level.

It has been inspiring to the Foundation team, with thanks to our donors, that patients and their families now have a range of programs focused on supporting their wellbeing along with opportunities to make the most of their time with loved ones.

We remain grateful to those individuals who choose to remember The Mary Potter Foundation through gifts in their will. The generosity and foresight of their planned giving plays a vital role in meeting the needs of patients and their families.

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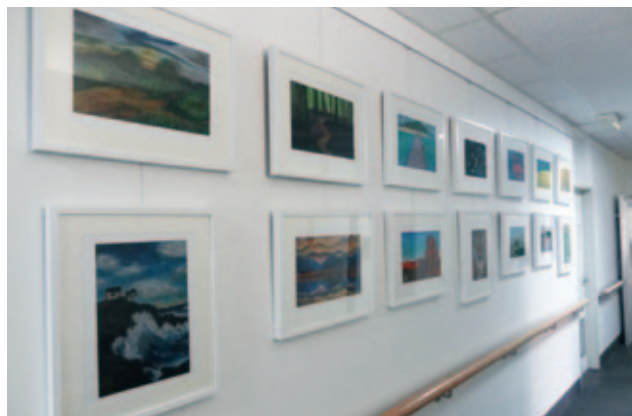


Before and after photos of the family kitchen upgrade in the Hospice.



Far left: Staff in training for the new scalp cooling system used during chemotherapy.

Left: 2013 Mary Potter Medal Winner Lachlan McMichael with Mary Potter A/Prof Greg Crawford. (Photo courtesy of Tony Lewis).



Far left: Music Therapist Lucy May plays her guitar for hospice patient Daryl.

Left: The newly installed Living Art Gallery exhibiting art from local school students.

Chairman's Report *continued*

There are community groups who continue to support us each year and I wish to acknowledge the Order of St John of Jerusalem whose commitment to the Hospice has been extraordinary. Lions Club of Adelaide Italian and Lions Club of Glenside, Rotary Club of West Torrens along with Kiwanis Rostrevor also continue to make valued contributions. We commend all of these groups for choosing to be part of the vital care given to hundreds of South Australian families each year.

I also gratefully acknowledge the long term support of Australian Executor Trustees through their annual distribution and welcome new support from the Lang Foundation who this year made a generous five year commitment to help fund care in the Hospice.

We recognise especially that this support comes during challenging times which really demonstrates the tremendous spirit of giving in our South Australian business community.

We are very fortunate to have support from the business community largely through event sponsorship and you will see a listing of all the organisations which have worked with and supported us in the past 12 months included in this report. We recognise especially that this support comes during challenging times which really demonstrates the tremendous spirit of giving in our South Australian business community.

On behalf of the Board and the staff I sincerely thank our Patrons Rick Allert AO and Lady Mary Downer. I would like to especially acknowledge the 20 year anniversary of Lady Downer's role as Patron.

I would like to take this opportunity to acknowledge my fellow Board members who have again volunteered their time and expertise along with Sue Imgraben, CEO of Calvary, and Sister Anne Sheridan as appointed representatives. The team in the Foundation office is also wonderfully supported by a group of volunteers who make such a valuable contribution.

I make special mention of Marcus La Vincente who has served on the Board since 1994. He has made a truly significant contribution throughout this time providing valuable legal advice. Marcus has been instrumental in our commitment to education and our partnership with the University of Adelaide. More recently he negotiated an annual Palliative Care Grant for a nursing student at the University of South Australia. Marcus will be retiring at our 2014 AGM and we express our sincere gratitude and wish him well for the future.

In closing I thank the Foundation team who bring commitment and passion to their roles. I gratefully acknowledge their hard work and thank all of our supporters who respond when they ask for help. I know that they feel so grateful that they do not work alone and that others share their commitment to ensuring that outstanding care and support is there when it is needed.



Danny Watson
Chairman



Our Lady of the Sacred Heart College students participating in the 2014 Walk for Love.



Far left: Adelaide Crows Captain, Nathan van Berlo visiting Marie in the Hospice.

Left: Patron Rick Allert AO with wife Barbara and Cathy Murphy at their Open Garden for Mary Potter.



Far left: Hospice staff, Anne Malik and Sigourney Reschke dressed up for Melbourne Cup festivities.

Left: Sharyn Millar from Field PR (right) with guests Linda Renfrey (centre) and Jennifer Robinson (left) at our Strathalbyn Race Day.

Thank you to all of the wonderful organisations for their support during the year:



IMPACT REPORT

Thank you to everyone who has supported The Mary Potter Foundation in the past 12 months.

You have made so much possible and impacted so many lives through your care and generosity.

HOSPICE CARE

321 PATIENTS AND THEIR FAMILIES were in the care of the Hospice team.

'The "whole family" approach to end of life that you all embrace and the effect that it had on me, will stay in my heart for many years to come. ... I would like thank you all for helping my family in such a profound way through your dedication and care.'

Daughter

'The last 10 days of his life were made so much better because we came to Mary Potter.'

Wife

PASTORAL CARE

2,000+ VISITS TO PATIENTS by the Pastoral Care team.

COUNSELLING SUPPORT

114 PATIENTS OR FAMILY MEMBERS received counselling support through the Social Worker.

44 BEREAVEMENT COUNSELLING SESSIONS with family members.

118 FAMILY MEMBERS received a follow up call from the Social Worker after they had left the Hospice.

'To our beautiful Sigourney, your help with our mum was indescribable, you were able to give her such peace and we thank you so much for that.'

Daughters

'We would like to thank you all for all your love and support through our mum's stay at the Hospice. ... All your little chats and hugs helped to ease the pain.'

Daughters

FRA ANGELICO ART PROGRAM

77 PATIENTS participated in the Fra Angelico Art Program.

219 ITEMS MADE – now treasured mementoes for family members.

LIVING ART GALLERY installed to exhibit art from local schools.

'Thank you so much for your help, and for the lovely opportunity to make this everlasting memory with Mum.'

Son

MUSIC THERAPY

(commenced February 2014)

184.5 HOURS of music therapy time for patients and family members.

A RANGE OF CDS AND ITUNES DOWNLOADS were purchased.

'The relaxation and music was beautiful and I would like to do this every day.'

Family member

BIOGRAPHY SERVICE

36 PATIENTS were given the opportunity to capture words from their lives.

'Very well run and professionally recorded.'

Patient

PET THERAPY

WEEKLY VISITS FROM DOGS AND CATS put smiles on faces through the Delta Pet Therapy program.

SUPPORTING LIVING WELL

GROUP EVENTS were held for AFL Grand Final and Melbourne Cup.

LUNCH FOR ALL VISITORS was provided on Christmas Day.

COFFEE AND FOOD was provided to share in the family kitchen each week.

SMALL GIFTS FOR PATIENTS were given at Christmas and Easter.

IPADS helped people stay in touch or download favourite movies, shows, books and music.

INDIVIDUAL SUPPORT was given throughout the year from birthday cakes, flowers for anniversaries, special meal requests, haircuts to arranging family celebrations.

STAFF SUPPORT AND EDUCATION

INVESTMENT IN THE EDUCATION AND development of the staff team.

THE COSTS OF ADDITIONAL STAFF to support the nursing team were met.

COMPLEMENTARY THERAPY

REFLEXOLOGY
122 patients
41 family members/carers

SKIN THERAPY
104 patients
37 family members/carers

MASSAGE
171 patients
65 family members/carers

'This care comes close to being the most loving gift a stranger can offer. Thank you to the therapists and to those that make them possible.'
Family member

'Most unexpected and I felt so relaxed and feel I am now able to cope with what is ahead.'
Patient in the Hospice

'I feel this service is invaluable, a place of peace and care. A place to relax in such a mindful way. Physical, emotional and spiritual care – thank you so much.'
Family member

EDUCATION FOR THE FUTURE

PARTNERSHIP WITH THE UNIVERSITY OF ADELAIDE for roles in the School of Medicine and School of Nursing with clinical presence in the Hospice.

EQUIPPING FUTURE DOCTORS AND NURSES with the skills and knowledge to care for people who are dying.

IMPROVING FACILITIES

A NEW FAMILY KITCHEN matching the comfort of home, was installed.

NEW EQUIPMENT AND FURNITURE purchased including two additional ceiling hoists, visitor chairs and patient recliners.

SUPPORT FOR PEOPLE WITH CANCER DURING TREATMENT IN DAY CENTRE

RESTORE program delivered:
149 reflexology treatments

179 acupuncture treatments

9 acupuncture treatments to family members or carers

693 massage treatments

115 people with cancer and a family member or carer attended one of four workshops throughout the year

'So relaxing, makes you feel like you can cope. Thank you.'
Patient comment after massage

'Excellent service – is making life and side effects of chemo bearable. Thank you for providing Leanne and her wonderful caring help!'
Patient comment after acupuncture

'Thank you for making this program available to us. It certainly was an informative and empowering session. I thoroughly enjoyed it!'
Comment after attending workshop

SCALP COOLING SYSTEM purchased aimed at reducing hair loss during cancer treatment.

Corporate Information

PATRONS

Lady Downer
Mr Rick Allert AO

CHAIRMAN

Mr Danny Watson *F CPA SF Fin FAICD*

DEPUTY CHAIRMAN

Mr Mat Denton MAICD

EXECUTIVE DIRECTOR

Mrs Cathy Murphy *BMgmt (Mktg)*

TREASURER

Mr Phil Jaquillard *B Ec FCA*

BOARD MEMBERS

Mr John Field
Mr Marcus La Vincente *LLB MBA*
Mrs Ann Magasdi *Dip T B Ed*
Mrs Judy Morris
Mr Michael Willson *AM*
Ms Anne Young
Sr Anne Sheridan *LCM RN FRCNA ACHSE*
Mrs Sue Imgraben *RN BN MRCNA FLGF*

STAFF

Ms Antonia Makkar
Fundraising Coordinator
(commenced March 2014)

Ms Paula Martin
Admin & Lottery Coordinator

Mrs Lorna Riddle
Community Champion

Ms Nicole Wood,
Admin & Database Coordinator
(commenced March 2014)

CONSULTANT

Mrs Sue Raw, Accountant
Not For Profit Accounting

FINANCIAL INVESTMENT MANAGERS

Macquarie Private Portfolio Management Limited
JB Were

AUDITORS

Sothertons

HONORARY LIFE MEMBERS

Mrs Pam Allen
Mr Rick Allert AO
Ms Beverley Arnold
Dr Sue Bardy
Mr Dennis Brown
Comm Aldo Crotti OAM (deceased)
Mr Russell Duncan
Miss B Edson
Mrs Geraldine Foulis
Dr David Gill
Mrs A Giordano
Mr Ronald Grigg (deceased)
Mr Roy Hime
Mrs Rose Hime
Mr Jamie Irwin (deceased)
Mrs Ann Irwin
Mrs B Jay (deceased)
Mr Ray Jones (deceased)
Mr Marcus La Vincente
Mrs Margaret Milne
Ms Joy Nugent
Mr Keith Opie (deceased)
Mr Ian Trengove (deceased)
Mr Danny Watson
Mr Michael Willson AM
SA Power Networks
Order of St John of Jerusalem
All members of the Little Company of Mary

Board Members



Danny Watson
Chairman



Mat Denton
Deputy Chair
Managing Director,
Supro Solutions



Phil Jaquillard
Treasurer
Director,
Jaquillard Minns



John Field
Board Member
Managing Director,
Field Public Relations



Sue Imgraben
Board Member
CEO, Calvary North
Adelaide Hospital



Marcus La Vincente
Board Member
Partner, Minter Ellison



Ann Magasdi
Board Member



Judy Morris
Board Member
Klemich Real Estate



Sister Anne Sheridan
Board Member
Province Councillor,
Little Company
of Mary



Michael Willson AM
Board Member



Anne Young
Board Member
Director, Young
Resources



Cathy Murphy
Executive Director

Treasurer's Report



Phil Jaquillard
Treasurer

I am pleased to report on the audited financial results of the Foundation for the year ended 30 June 2014.

OVERVIEW

Overall revenue for 2014 was lower than for 2013, due in part to the completion of the St Helen's Ward redevelopment, but also due to significantly lower bequests in 2014.

Bequest revenue fell to \$270,770 from \$706,282 in 2013.

Most other revenue items were consistent with the prior year, other than income from events, which grew to \$283,577 compared to \$166,239 in 2013.

In the period to 30 June 2014, I report that the net surplus was \$79,539 (2013 \$1,955,823).

In 2014, the Foundation changed the method of accounting for benevolent funding. Previously 2013, benevolent funding was shown as a reduction of the accumulated surplus, and was not shown as an expense in the current year.

In order to more clearly indicate the net result for the financial year, benevolent funding is now shown as an expense against current year revenues.

REVENUE

Total revenues from fundraising and bequests were \$1,426,057 (previous year \$2,173,081), a decrease of \$747,024 on the previous year. This was of course expected as a result of the finalisation of the fundraising for the St Helen's Ward redevelopment.

Revenue from investment activities declined slightly over the previous year to \$325,976 (previous year \$339,086).

EXPENSES

Operating, investment and administration expenses increased 6.9% from the previous year to \$584,909 (2012/13 \$547,193).

FINANCIAL POSITION

Net assets at 30 June 2014 decreased 5.7% to \$5,241,845 (2013: \$5,560,339).

FUNDING

I am pleased to report that total benevolent funding to the Mary Potter Hospice and the Calvary Cancer Services during the financial year increased significantly to \$1,257,609 (2013: \$1,052,167).

A handwritten signature in black ink, appearing to read 'Phil Jaquillard', written in a cursive style.

Phil Jaquillard, B Ec, FCA
Treasurer

CHAIRMEN

From	To	
1987		Dr Mervyn Smith
1987	September 1988	Professor Elmslie
September 1988	March 1991	Mr Keith Opie
April 1991	September 1993	Mr Graham Inns
September 1993	September 1996	Mr Ian Trengove
September 1996	September 2002	Mr Michael Willson AM
September 2002	October 2005	Hon Jamie Irwin
October 2005	Current	Mr Danny Watson



EXECUTIVE DIRECTORS

From	To	
1987	1991	Mrs Eva Varga
April 1991	September 1992	Mr Keith Opie
September 1992	October 2005	Ms Beverley Arnold
October 2005	June 2009	Mrs Elizabeth Clare
August 2009	Current	Mrs Cathy Murphy



BOARD MEMBER MEETING ATTENDANCES

July 2013 – June 2014 (total Board meetings held: 7)

Members	Meetings Attended	Members	Meetings Attended
Mr Danny Watson	7	Mrs Ann Magasdi	6
Mr Mat Denton	5	Mrs Judy Morris	3
Mr Phil Jaquillard	6	Sr Anne Sheridan	6
Mr Marcus La Vincente	5	Mr Michael Willson AM	6
Mr John Field	4	Mrs Anne Young	7
Mrs Sue Imgraben	5		

DIRECTORS' REPORT

The Board of Directors of The Mary Potter Foundation Inc. has prepared this report in respect of the financial year ended 30 June 2014.

DIRECTORS

The Directors of the Foundation at any time during or since the end of the financial year are:

Elected from Membership

Danny Watson FCPA, SF Fin, FAICD
Chairman

Mat Denton MAICD
Deputy Chairman

Phil Jaquillard B Ec FCA
Treasurer

Marcus La Vincente LLB, MBA

Michael Willson AM

John Field

Judy Morris

Ann Magasdi Dip. T B.Ed

Anne Young

Nominated by The Little Company of Mary (LCM)

Sr Anne Sheridan LCM, RN, FRCNA, ACHSE

Nominated by Calvary Health Care Adelaide Ltd

Sue Imgraben RN, BN, MRCNA, FGLF

PRINCIPAL ACTIVITIES

The principal activities of The Mary Potter Foundation Inc. were the provision of funding and equipment to the Mary Potter Hospice and Calvary Cancer Services through fundraising activities.

SIGNIFICANT CHANGES

No significant change in the nature of these activities occurred during the year.

RESULTS

A net surplus of \$79,539 was achieved for the current financial year (2012/13: \$1,955,823). The net surplus has been calculated in accordance with note 12 - Retained Earnings. This treatment is not consistent with prior years.

FINANCIAL INTERESTS OF OFFICERS

Since the end of the previous financial year no Officer of the Foundation, or a firm of which the Officer is a member, or a corporate in which the Officer has a substantial financial interest, has received or become entitled to receive a benefit, either directly or indirectly, from the Foundation as a result of a contract between the Officer, firm or corporate and the Foundation, except as disclosed in Note 18 to the financial statements.

The term 'Officer' includes Directors of the Board who receive no remuneration, and managers who take part in the day to day management of the Foundation and receive remuneration in the normal course of their employment.

INDEMNIFICATION OF OFFICERS

The Foundation paid a premium in relation to a Directors & Officers Liability policy indemnifying the Board Members of the Foundation for losses which the Director or Officer may become legally obligated to pay on account of any claim made against the Director or Officer during the policy period 1 July 2013 to 30 June 2014 for a wrongful act committing during the policy period.

The Directors have not included details of the nature of the liabilities covered, nor the amount of the premium paid, as such disclosure is prohibited under the terms of the contract.

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



Chairman



Treasurer

Dated at Adelaide this 3rd day of October 2014.

DIRECTORS' STATEMENT

1. In the opinion of the Board of Directors of The Mary Potter Foundation Inc.
 - (a) the Foundation is not a reporting entity and this special purpose financial report is prepared in accordance with the accounting policies outlined in Note 1(a) to the financial statements;
 - (b) the financial statements and notes, comprising the Statement of Comprehensive Income, the Statement of Financial position, the Statement of Cash flows and the notes to the financial statements are drawn up so as to present fairly the results and cashflows of the Foundation for the year ended 30 June 2014 and the state of affairs of the Foundation as at 30 June 2014; and
 - (c) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.
2. The financial statements have been made out in accordance with Accounting Standards and the Associations Incorporation Act 1985 (as amended) to the extent outlined in Note 1(a) to the financial statements.

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



Chairman



Treasurer

Dated at Adelaide this 3rd day of October 2014.

STATEMENT OF COMPREHENSIVE INCOME

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue from fundraising	2	1,426,057	2,173,081
Proceeds from sale of financial assets	2	717,739	920,493
Other revenues from ordinary activities	2	325,976	339,086
Total Revenue		2,469,772	3,432,660
Fundraising expenses		166,671	156,738
Benevolent funding	3	1,257,609	-
Employee benefits expenses		296,010	272,832
Depreciation expenses	3	7,427	8,220
Cost of investments sold		542,435	1,009,642
(Increase)/Reduction in carrying value of investments	3	-	(79,997)
Written down value of property, plant and equipment disposed		5,280	-
Investment expenses		41,093	32,452
Other administration expenses		73,708	76,951
Total Expense		2,390,233	1,476,838
Surplus from ordinary activities	12	79,539	1,955,823

The above statement of comprehensive income is to be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,213,185	1,367,476
Trade and other receivables	6	145,447	87,861
Financial assets	7	913,372	1,158,137
Prepayments	8	15,329	11,255
Total current assets		2,287,333	2,624,729
NON-CURRENT ASSETS			
Financial assets	7	3,421,585	3,179,855
Property, plant and equipment	9	29,572	7,270
Total non-current assets		3,451,157	3,187,125
Total assets		5,738,490	5,811,854
CURRENT LIABILITIES			
Payables	10	81,105	237,094
Provisions	11	404,140	8,367
Total current liabilities		485,245	245,461
NON-CURRENT LIABILITIES			
Provisions	11	11,400	6,054
Total non-current liabilities		11,400	6,054
Total liabilities		496,645	251,515
Net assets		5,241,845	5,560,339
EQUITY			
Retained Earnings	12	5,241,845	-
Accumulated surplus	13	-	16,780,719
Reserves	15	-	108,871
Benevolent funding	14	-	(11,329,251)
Total equity		5,241,845	5,560,339

The above statement of financial position is to be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		1,446,231	1,803,282
Cash payments in the course of operations		(1,507,542)	(463,756)
Interest & dividends received		38,351	62,273
Capital campaign pledges received		57,863	448,958
Net cash provided by operating activities	17(ii)	<u>34,903</u>	<u>1,850,757</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for investments (shares & managed funds)		(734,279)	(1,002,202)
Proceeds on sale of shares & redemption of managed funds		707,240	920,493
Interest & dividends received on investments		224,907	265,401
Proceeds on sale of property, plant & equipment		10,500	-
Payments to Calvary Cancer Centre - loan		-	-
Payments for purchase of property, plant & equipment		(35,009)	-
Payments from Calvary Cancer Services reserve		-	(24,959)
Payments to Calvary Health Care Adelaide Ltd (benevolent funding)		-	(1,013,793)
Payments for equipment and/or improvements donated to Calvary Health Care Adelaide Ltd		(544,863)	(1,147,877)
Net cash used in investing activities		<u>(371,504)</u>	<u>(2,002,937)</u>
Net increase/(decrease) in cash held		(336,601)	(152,180)
Cash at the beginning of the financial year		<u>2,208,105</u>	<u>2,360,285</u>
Cash at end of the financial year	17(i)	<u>1,871,504</u>	<u>2,208,105</u>

The above statement of cash flows is to be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

1 Significant accounting policies

(a) Basis of preparation

The financial report is a special purpose financial report which has been prepared in order to satisfy the requirements of the Associations Incorporation Act 1985 (as amended).

It has been prepared on the basis of historical cost and, except where stated, does not take into account changing money values or current valuations of non-current assets.

The following accounting policies have been consistently applied and, except where there is a change in accounting policy, are consistent with those of the previous year.

(b) Taxation

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

(c) Goods and Services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Balance Sheet.

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

(d) Revenue recognition

Donation, Appeals and Events Revenue

Donation, appeals, events and capital campaign revenue is recognised at time of receipt. Where a donation or bequest is in a form other than cash, it is recorded by the Foundation at a value which approximates the market value at time of receipt.

Investment revenue

Interest revenue is recognised in accordance with distribution and/or bank statements. Dividend revenue is recognised on receipt of the dividend payment. The dividend imputation credit refund claimed from the ATO annually is recognised in the period to which the refund relates.

(e) Interest bearing assets

Cash and term deposits

Cash and term deposits are recorded at statement value.

Listed shares

Listed shares are recorded at cost. The Board reviews the market value of the shares at the end of the financial year and where the market value is considered significantly less than cost, the value of the investments are written down to market value.

(f) Recoverable amount of non-current assets

The Foundation has adopted the cost basis of valuation for each class of non current assets.

All assets acquired including property, plant and equipment, are recorded at their cost of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

NOTES TO THE FINANCIAL STATEMENTS *continued*

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

(g) Depreciation

Property, plant and equipment are depreciated using the straight line method over their estimated useful lives.

The depreciation rates used for each class of asset were as follows:

Motor vehicles	20% pa
Office equipment and furniture	20 - 33% pa

(h) Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Foundation. Trade accounts payable are normally settled within 30 days.

(i) Employee benefits

Wages, salaries and annual leave

The provision for employee entitlements to wages, salaries and annual leave represents the amount which the Foundation has a present obligation to pay resulting from employees' services provided up to balance date. The provisions have been calculated at undiscounted amounts based on wage and salary rates that the Foundation expects to pay as at reporting date including related on-costs.

Long Service leave

The provision for employee entitlements to long service leave has been made for all employees expected to utilise their entitlements to long service leave and covers all employees with four or more years of service.

Superannuation

The Foundation contributes to various defined contribution superannuation plans. Contributions are charged as an expense as incurred.

(j) Benevolent funding

Benevolent funding payments are made to Calvary Health Care Adelaide Ltd quarterly in advance. Payment is based on meeting the deficit of CHCA but with the annual total not exceeding 20% of the cost of investments.

(k) Provision

The Foundation receives donations for specific purposes, being the St Helen's Ward Redevelopment for the Calvary Cancer Services and Doctors and Nurses education. These specific purpose donations are recorded as revenue when received and unspent funds then transferred to a provision at the end of the financial year. Expenditure is allocated against these provisions as incurred during the year. The balance of the provision represents unspent funds at the end of the year.

	2014 \$	2013 \$
2 Revenue from fundraising		
Membership subscriptions	1,518	1,427
Bequests	270,770	706,282
Doctor's education	103,000	100,000
Nurse's education	74,000	72,500
St Helen's Ward redevelopment	57,863	448,958
Calvary Cancer Services	22,249	-
Other donations	412,412	416,607
Appeals	100,538	154,697
Events	283,577	166,239
Other fundraising	100,130	106,371
	<u>1,426,057</u>	<u>2,173,081</u>
Proceeds from sale of assets		
Gross proceeds on sale of financial assets	707,239	920,493
Gross proceeds on sale of other assets	10,500	-
	<u>717,739</u>	<u>920,493</u>
Other revenues from ordinary activities		
Interest revenue	60,078	89,195
Dividend revenue	220,472	183,237
Other investment revenue	44,778	56,654
Grant Income	-	10,000
Other Income	648	-
	<u>325,976</u>	<u>339,086</u>
Total revenue	<u>2,469,772</u>	<u>3,432,660</u>

NOTES TO THE FINANCIAL STATEMENTS *continued*

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

	2014 \$	2013 \$
3 Surplus from ordinary activities		
Surplus from ordinary activities has been arrived at after charging/(crediting) the following items:		
Benevolent funding expenditure:		
Contribution to Calvary Health Care Adelaide	660,000	-
Doctor's education	115,320	-
Nurse's education	78,381	-
Hospice support	270,736	-
St Helen's Ward redevelopment	31,196	-
Calvary Cancer Services	53,160	-
Other benevolent funding expenditure	48,816	-
	<u>1,257,609</u>	<u>-</u>
Depreciation of:		
motor vehicles	4,974	4,425
office equipment & furniture	2,453	3,795
	<u>7,427</u>	<u>8,220</u>
Net expense including movement in provisions for:		
employee benefits	32,403	19,686
(Surplus)/Deficit on disposal of property, plant & equipment	5,220	-
Net adjustment to carrying value of investments	-	(79,997)
(Surplus)/Deficit on disposal of investments	(164,804)	89,149
4 Auditors remuneration		
Audit Services:		
Auditors of the Foundation - Sothertons	6,594	5,712
	<u>6,594</u>	<u>5,712</u>
5 Cash and cash equivalents		
Cash on hand and at bank	431,541	617,476
Short term deposit	781,644	750,000
	<u>1,213,185</u>	<u>1,367,476</u>

	2014 \$	2013 \$
6 Trade and other receivables		
Current		
Other Debtors		
GST refund receivable	3,656	15,388
Sundry receivables	141,791	72,473
	145,447	87,861
7 Financial assets		
Current		
Cash deposit at cost	658,319	840,629
Managed funds at book value	255,053	317,508
	913,372	1,158,137
Non current		
Listed shares at book value	3,421,585	3,179,855
	3,421,585	3,179,855
Market value		
The market value of investments at balance date (in accordance with quoted prices) are:		
Cash deposit	658,319	840,629
Managed funds	333,293	390,603
Listed shares	4,169,371	3,638,828
	5,160,983	4,870,060
8 Prepayments		
Prepayments	15,329	11,255
9 Property, plant and equipment		
Motor vehicles at cost	25,779	22,125
Less: Accumulated depreciation	(4,604)	(16,475)
	21,175	5,650
Office equipment and furniture at cost	53,947	44,717
Less: Accumulated depreciation	(45,550)	(43,097)
	8,397	1,620
	29,572	7,270

NOTES TO THE FINANCIAL STATEMENTS *continued*

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

	2014 \$	2013 \$
9 Property, plant and equipment cont.		
Reconciliations		
Reconciliations of the carrying amounts for each class of property, plant & equipment are set out below:		
Motor vehicles		
Carrying amount at beginning of year	5,650	10,075
Additions	25,779	-
Disposals	(5,280)	-
Depreciation	(4,974)	(4,425)
Carrying amount at end of year	21,175	5,650
Office equipment and furniture		
Carrying amount at beginning of year	1,620	5,415
Additions	9,230	-
Depreciation	(2,453)	(3,795)
Carrying amount at end of year	8,397	1,620
10 Trade and other payables		
Current		
Trade creditors and accruals	69,632	229,530
Other creditors and accruals	11,473	7,564
	81,105	237,094
11 Provisions		
Current		
Doctors' Education donations unspent	72,363	-
Nursing Education donations unspent	166,494	-
Calvary Cancer Services	77,461	-
St Helen's Ward redevelopment	67,131	-
Annual leave	13,424	8,367
Long service leave	7,267	-
	404,140	8,367
Unspent donations to Doctors' education, Nursing education, Calvary Cancer Services and St Helens Ward redevelopment have been transferred to provision accounts from reserves.		
Non Current		
Long service leave	11,400	6,054

	2014 \$	2013 \$
12 Retained Earnings		
Retained Earnings at the beginning of the financial year	5,451,468	-
Transfer from reserves	(289,162)	-
Surplus for the year	79,539	-
Retained earnings at the end of the financial year	5,241,845	-
<p>The Board has adopted a change in accounting policy by recognising benevolent funding and expenditure in the Statement of Comprehensive Income instead of in note 14, Benevolent Funding and note 15, Reserves.</p> <p>The accounts Accumulated Funding, Benevolent Funding and Reserves have been replaced by Retained Earnings in the Statement of Financial Position.</p>		
13 Accumulated surplus		
Accumulated surplus at beginning of year	-	15,576,644
Transfer (to) / from reserves	-	(517,444)
Transfer to liabilities	-	-
Transfer to benevolent funding	-	(234,304)
Transfer to provisions	-	-
Surplus for the year	-	1,955,823
Accumulated surplus at end of year	-	16,780,719
less: Benevolent funding	-	(11,329,251)
Net Accumulated surplus less Benevolent funding	-	5,451,468
14 Benevolent funding		
Benevolent funding at beginning of year	-	10,277,084
Contribution to Calvary Health Care Adelaide	-	1,013,793
Other benevolent funding expenditure	-	272,678
Specific benevolent funding donations by external parties	-	(234,304)
Benevolent funding at end of year	-	11,329,251
15 Reserves		
Calvary Cancer Services Reserve	-	108,371
St Helen's Ward Redevelopment Reserve	-	500
	-	108,871

NOTES TO THE FINANCIAL STATEMENTS *continued*

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

	2014 \$	2013 \$
15 Reserves cont.		
Movement during the year		
Calvary Cancer Services Reserve		
Balance at the beginning of the year	108,371	64,876
Current year donations	-	76,562
Current year expenditure	-	(33,067)
Transfer to provisions account	(108,371)	
Balance at the end of the year	<u>-</u>	<u>108,371</u>
St Helen's Ward Redevelopment Reserve		
Balance at the beginning of the year	500	426,741
Transfer to accumulated surplus		-
Current year donations	-	448,958
Current year expenditure	-	(875,199)
Transfer to provisions account	(500)	
Balance at the end of the year	<u>-</u>	<u>500</u>

Nature and Purpose of Reserves

Calvary Cancer Services Reserve

Donations received on behalf of Calvary Cancer Services are to be used to fund programs specifically related to the services. At the end of the financial year, total donations received were previously transferred from the accumulated surplus to a reserve to ensure that the funds were available for their specified purpose. Expenditure was allocated against the reserve as incurred. Now any unspent donations are allocated to a provision account and the corresponding movement in the provision is recognised in the Statement of Comprehensive Income.

St Helen's Ward Redevelopment Reserve

Donations received for the St Helen's Ward redevelopment were used for the sole purpose of redeveloping the St Helen's Cancer ward in the Calvary Hospital.

16 Employee benefits

Aggregate liability for employee benefits, including on-costs:

Current		
Annual leave	13,424	8,367
Long service leave	11,400	6,054
Non Current		
Long service leave	7,267	-
	<u>32,091</u>	<u>14,421</u>
Number of employees	FTE	FTE
Number of employees at year-end (full time equivalents)	4.4	2.6

16 Employee benefits cont.

Superannuation Plans

For the year ended 30 June 2014 the Foundation contributed to the HESTA, AMP and NGS superannuation funds for all eligible employees based on various percentages of their gross salary, with a minimum contribution of 9.25% (2013: 9%) of gross salary. All employees are entitled to benefits on retirement, disability or death.

	Note	2014 \$	2013 \$
17 Notes to Statements of Cash Flows			
(i) Reconciliation of Cash			
For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and cash deposits at call. Cash as at the end of the financial year as shown on the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:			
Cash on hand and at bank	5	431,541	617,476
Short term deposits	5	781,644	750,000
Investments - cash deposit	7	658,319	840,629
		1,871,504	2,208,105
(ii) Reconciliation of operating surplus to net cash provided by operating activities			
Surplus from ordinary activities		79,539	1,955,823
Add / (less) non-cash items:			
Depreciation on property, plant and equipment		7,427	8,220
(Surplus)/Deficit on disposal of property, plant and equipment		5,220	-
(Surplus)/Deficit on disposal of investments		(164,804)	89,149
		-	(79,997)
		(152,157)	17,372
Add / (less) items classified as investing activities:			
Interest and dividends received on investments		(286,947)	(268,356)
Interest on Calvary Cancer Services bank account recorded against Calvary Cancer Services Reserve		-	(30)
		(286,947)	(268,386)
Net cash provided by operating activities before change in assets and liabilities		(359,565)	1,704,808
Change in assets and liabilities during the financial year:			
(Increase)/decrease in other debtors		2,882	(3,778)
(Increase)/decrease in other current assets		(4,074)	(3,527)
(Decrease)/increase in payables		377,990	152,288
(Decrease)/increase in provisions		17,670	966
Net cash provided by operating activities		34,903	1,850,757

NOTES TO THE FINANCIAL STATEMENTS *continued*

The Mary Potter Foundation Inc.
For the year ended 30 June 2014

18 Related parties

Directors

The names of each person holding the position of Director on The Mary Potter Foundation Inc. Board during the financial year are Danny Watson, Mat Denton, Phil Jaquillard, John Field, Marcus La Vincente, Ann Magasdi, Judy Morris, Michael Willson, Anne Young, Sister Anne Sheridan LCM and Sue Imgraben. Details of movements in Directors during the year are set out in the Directors Report.

Danny Watson is a former employee of Macquarie Private Portfolio Management Limited (MPPM). Mr Watson retired from MPPM prior to his appointment to the Foundation Board. MPPM are engaged by the Foundation to manage a portfolio of investments (being cash, managed funds and shares). All dealings were under normal commercial terms and conditions.

Calvary Health Care Adelaide Ltd provides payroll services for the employees. This service is provided at no charge.

19 Incorporation

The Mary Potter Foundation Inc. was incorporated in South Australia on 25 October 1988 under the Associations Incorporation Act 1985 (as amended). The registered office is at 89 Strangways Terrace, North Adelaide, South Australia and its principal activities are fundraising.

20 Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Foundation, to affect significantly the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in future financial years.

21 Estate Entitlements

The Foundation is entitled to a residual interest in the Estate of Dene Snook (Deceased). It is not known when this entitlement will be realised.

AUDITOR'S REPORT



PARTNERS:
David Ellis
James McKenzie
Ross Musolino
Alexander Reade

INDEPENDENT AUDITORS REPORT TO THE BOARD OF DIRECTORS OF THE MARY POTTER FOUNDATION INC

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of The Mary Potter Foundation Inc for the year ended 30 June 2014, which comprises the Director's Report, Director's Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, and accompanying notes.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial report are appropriate to meet the requirements of the Associations Incorporation Act 1985 (as amended) and are appropriate to meet the needs of the members. The Board's responsibility also includes such internal controls as the board determines are necessary to enable the preparation of a financial report that 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 have 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 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 judgment, 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 entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board, 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.

Ref #: 315454_1

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Sothertons: An association of independent
accounting firms throughout Australia



Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Opinion

In our opinion the financial report of The Mary Potter Foundation Inc is prepared in accordance with the Associations Incorporation Act 1985 (as amended), including:

- a. giving a true and fair view of the Foundation's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the board's financial reporting responsibilities under the Associations Incorporation Act 1985 (as amended). As a result, the financial report may not be suitable for another purpose.

SOTHERTONS ADELAIDE PARTNERSHIP

**J E MCKENZIE
PARTNER**

Dated at Adelaide this 3rd day of October, 2014



PARTNERS
David Ellis
James McKenzie
Ross Musolino
Alexander Reade

THE MARY POTTER FOUNDATION INC.

AUDITORS INDEPENDENCE DECLARATION

We declare, that to the best of our knowledge and belief, during the year ended 30 June 2014 there have been:

- (i) no contraventions of the auditor independence requirements in relation to the audit, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Sothertons Adelaide Partnership
Chartered Accountants

Name of Partner:


Jim McKenzie

Address: 42 Hurtle Square, Adelaide SA

Dated at Adelaide this 3rd **day of** October **2014**



THE MARY POTTER FOUNDATION

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