

LIFECIRCLE AUSTRALIA LIMITED

(ASX: LCA) 2013/2014

FINANCIAL REPORT

30 JUNE 2014

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LIFECIRCLE AUSTRALIA LIMITED

Directors' Report

The Directors present their report together with the annual financial report of LifeCircle Australia Limited for the year ended 30 June 2014 and the auditor's report thereon.

Directors

The Directors of the company in office during the financial year and until the date of this report are:

Name	Occupation	Appointed	Resigned
Sally Evans	Company Director / President	30/04/2010	-
Robert Nowland	Company Director	30/04/2010	27/11/2013
Gillian Batt	Company Director	03/08/2010	-
Janice Hatch	Company Director	13/09/2010	-
David Lamperd	Company Director	14/06/2011	18/03/2014
Melissa Bertolini	Company Director	10/03/2012	-
Nicholas Terzis	Company Director	27/11/2013	-
Nicholas Toonen	Company Director	18/03/2014	-

Directors' meetings and executive committee meetings

During the financial year, the Board of Directors met on six occasions, the attendance at the board meetings was as follows:

Name	Meetings Eligible to Attend	Meetings Attended
Sally Evans	6	6
Robert Nowland	3	3
Gillian Batt	6	5
Janice Hatch	6	5
David Lamperd	5	3
Melissa Bertolini	6	5
Nicholas Terzis	3	3
Nicholas Toonen	2	2

Principal Activities of the Company

The principal activities of the company include:-

- (i) Delivery of comprehensive training programs designed to up skill volunteers in community organisations and other professionals working in the end of life arena to initiate difficult conversations about death, dying and planning ahead as a means of supporting families and community around end of life issues.
- (ii) Home Hospice commenced on a volunteer basis in 1980 and became incorporated as Cancer Care HOME Hospice Incorporated in 1994 and subsequently as Cancer Care Home Hospice Limited in 2010 with the support of Social Ventures Australia and The Cancer Council NSW.
- (iii) On 1 July 2011 the company merged with Life Goes On Inc. and on 15 August, 2011 changed its name to Lifecircle Australia Limited.

Number of Members

The number of members at 30 June 2014 was 8.

LIFECIRCLE AUSTRALIA LIMITED**Directors' Report (continued)****Results**

	2014	2013
	\$	\$
Operating Profit/(Loss) for the year after income tax	<u>50,625</u>	<u>(32,416)</u>

Dividends

No dividend was paid or declared during the year ended 30 June, 2014.

Review of Operations

A review of operations for the year is set out in the Annual Report.

Events subsequent to balance date

At the date of this report there is no matter or circumstance which has arisen since 30 June 2014 that has significantly affected or may significantly affect:

- (a) the company's operations;
- (b) the results of those operations; or
- (c) the company's state of affairs,

in financial years subsequent to 30 June 2014.

Likely Developments and Expected Results of Operations

Disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

Directors' Benefits

No director of the company has received or become entitled to receive a benefit because of a contract made by the company or a related body corporate with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for the payment of \$420 per week to Bob Nowland for bookkeeping services for the period 1 July 2013 to 27 November 2013.

Directors' Indemnity

The company has paid premiums during the year for Directors and Officers liability insurance. The insurance is in respect of legal liability for damages and legal costs to a maximum of \$5 million any one claim and \$5 million in the aggregate arising from claims made by reason of any omissions or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers of the company.

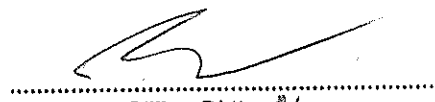
Auditors

Foster Raffan continued to act as auditors in accordance with Section 327 of the Corporations Act, 2001. The independence declaration is set out on page 3 and forms part of this Director's Report.

This report is made in accordance with a resolution of the directors.



Director – Sally Evans
Woolloomooloo
12 September, 2014.



Director – Gillian Batt

NICK TOONEN

Chartered Accountants
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3.

Independence Declaration by the Auditor

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

- (a) no contraventions of the auditor independence requirement as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

FOSTER RAFFAN
 Chartered Accountants



G D Wood, FCA
 Partner

North Sydney, 12 September, 2014.

Independent Audit Report to the Members

Scope

We have audited the financial report of LifeCircle Australia Limited for the year ended 30 June, 2014 as set out on pages 5 to 11. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Standards and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

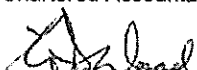
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion the financial report of LifeCircle Australia Limited is in accordance with the Corporations Act 2001, including:-

- (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in note 1 and complying with the Corporations Regulations 2001.

FOSTER RAFFAN
 Chartered Accountants



G D Wood, FCA

North Sydney, 12 September, 2014




LIFECIRCLE AUSTRALIA LIMITED*Directors' Declaration*


In accordance with a resolution of the directors of LifeCircle Australia Limited in the opinion of the directors:

- (a) the financial report of the company is in accordance with the Corporations Act, 2001 including:-
 - (i) giving a true and fair view of the company's financial position as at 30 June, 2014 and of its performance for the year ended on that date, and
 - (ii) complies with Accounting Standards and Corporation Regulations, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board.


.....
Director – Sally Evans

Woolloomooloo
12 September, 2014.


.....
Director – Gillian Batt *GB*
Nick Tooner.

LIFECIRCLE AUSTRALIA LIMITED*Income Statement for the year ended 30 June 2014*

	2014 \$	2013 \$
Revenue		
Grants	404,783	482,849
Donations	53,501	40,838
Events	-	20,300
Interest	1,556	5,630
Sponsorship	-	30,000
Conference	-	-
	<u>459,840</u>	<u>579,617</u>
Expenses		
Salaries and Superannuation	241,757	348,190
Mentor	405	1,998
Consultants	103,000	159,611
Conference	1,167	3,604
Travel	4,639	19,094
Other	58,247	79,690
	<u>409,215</u>	<u>612,187</u>
Operating profit/(loss) before income tax (page 11)	50,625	(32,570)
Income tax expense	-	-
Operating profit/(loss) after income tax	50,625	(32,570)
Accumulated losses – 1 July 2013	<u>(70,899)</u>	<u>(38,329)</u>
Accumulated losses – 30 June 2014	<u>(20,274)</u>	<u>(70,899)</u>

The Income Statement should be read in conjunction with the accompanying notes.

LIFECIRCLE AUSTRALIA LIMITED**Balance Sheet – 30 June 2014**

	Notes	2014 \$	2013 \$
CURRENT ASSETS			
Cash	2	68,940	210,084
Receivables	3	<u>4,355</u>	<u>3,773</u>
Total Current Assets		<u>73,295</u>	<u>213,857</u>
TOTAL ASSETS		<u>73,295</u>	<u>213,857</u>
CURRENT LIABILITIES			
Trade creditors		-	7,049
Income in advance	4	54,167	178,949
Accruals	4	7,049	61,657
Provision - Annual leave		6,452	13,468
Provision – Long service leave		<u>2,268</u>	<u>-</u>
Total Current Liabilities		<u>69,936</u>	<u>261,123</u>
TOTAL LIABILITIES		<u>69,936</u>	<u>261,123</u>
NET ASSETS/(LIABILITIES)		<u>3,359</u>	<u>(47,266)</u>
MEMBERS' EQUITY			
General reserve – Life Goes On	5	23,633	23,633
Accumulated losses		<u>(20,274)</u>	<u>(70,899)</u>
		<u>3,359</u>	<u>(47,266)</u>

The Balance Sheet should be read in conjunction with the accompanying notes.

LIFECIRCLE AUSTRALIA LIMITED*Statement of Cash Flows for the year ended 30 June 2014*

	Notes	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from members and sponsors		459,840	541,119
Payments to suppliers and employees		(602,540)	(594,875)
Interest received		<u>1,556</u>	<u>5,630</u>
Net cash (outflow) from operating activities	9	<u>(141,144)</u>	<u>(48,126)</u>
Net (decrease) in cash held		(141,144)	(48,126)
Cash - 1 July 2013		<u>210,084</u>	<u>258,210</u>
Cash - 30 June 2014	2	<u>68,940</u>	<u>210,084</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

LIFECIRCLE AUSTRALIA LIMITED**Statement of Changes in Equity for the year ended 30 June 2014**

	Issued Capital \$	General Reserve \$	Retained Earnings \$	Total Equity \$
At 1 July 2011				
Profit for the year	-	-	25,423	25,423
LGO merger (note 5)	-	<u>23,633</u>	-	<u>23,633</u>
At 30 June 2012	<u>-</u>	<u>23,633</u>	<u>(38,329)</u>	<u>(14,696)</u>
At 1 July 2012				
(Loss) for the year	-	-	(32,570)	(32,570)
Equity dividends	-	-	-	-
At 30 June 2013	<u>-</u>	<u>23,633</u>	<u>(70,899)</u>	<u>(47,266)</u>
At 1 July 2013				
Profit for the year	-	-	50,625	50,625
Equity dividends	-	-	-	-
At 30 June 2014	<u>-</u>	<u>23,633</u>	<u>(20,274)</u>	<u>3,359</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

LIFECIRCLE AUSTRALIA LIMITED*Notes to the Financial Report 30 June 2014***1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report has been prepared in accordance with the relevant Accounting Standards and the disclosure requirements of Australian Accounting Standard 1034.

The financial report is prepared in accordance with the historical cost convention. The accounting policies adopted are consistent with those of the previous year.

(a) Membership Income

Membership fees received from new members are brought to account on receipt.

(b) Income Tax

The company is classified as "Non-Profit" under section 50-10 of the Income Tax Assessment Act and is exempt from income tax as long as the constitution prohibits the distribution of profits to the members.

(c) Depreciation

Depreciation is calculated on a straight line basis so as to write off the net cost of each item of equipment over its expected useful life.

(d) Charitable Fundraising Act, 1991

The accounts are prepared and Public appeals are conducted in accordance with the Charitable Fundraising Act, 1991..

	2014 \$	2013 \$
2. CASH		
Cash on hand	72	300
Westpac – Operating a/c	6,530	43,860
Westpac – Reserve a/c	60,641	158,743
Westpac – Gift a/c	<u>1,697</u>	<u>7,181</u>
	<u>68,940</u>	<u>210,084</u>
3. CURRENT ASSETS - Receivables		
Trade debtors	198	198
Less: Provision for impairment	<u>-</u>	<u>-</u>
	198	198
Prepayments	<u>4,157</u>	<u>3,575</u>
	<u>4,355</u>	<u>3,773</u>

LIFECIRCLE AUSTRALIA LIMITED*Notes to the Financial Report 30 June 2014 (continued)*

	2014	2013
	\$	\$
4. CURRENT LIABILITIES		
Accruals - Super/PAYG	2,221	26,791
- GST payable (refund)	(4,690)	(15,706)
- Other	<u>9,518</u>	<u>50,572</u>
	<u>7,049</u>	<u>61,657</u>
Income in advance		
- Smith Charitable Trust	-	41,439
- The Trust Company	54,167	54,167
- Sydney Women's Fund	-	9,974
- Ian Rollo Currie Estate Found	-	50,000
- Lord Mayors Trust	-	10,862
- Snow Foundation	<u>-</u>	<u>12,508</u>
	<u>54,167</u>	<u>178,950</u>
5. GENERAL RESERVE		
On 1 July 2011 the company took over the operations of Life Goes On and in doing so took up their bank account as a General reserve of \$23,633.		
6. LIMITED LIABILITY		
The company is limited by guarantee. In the event of the company being wound up, the liabilities of each member (both during the time of membership and for one year thereafter) is limited to \$10 (Constitution clause 7).		
7. REMUNERATION OF DIRECTORS		
The directors do not receive any remuneration for their work as officers of the company other than as disclosed in the Directors' Report.		
8. REMUNERATION OF AUDITORS		
Amounts received by the auditor of the company for:		
Audit of the financial report	1,100	1,100
Other services – financial report	<u>1,000</u>	<u>1,000</u>
	<u>2,100</u>	<u>2,100</u>
9. RECONCILIATION OF NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES TO OPERATING RESULT		
Net cash (outflow) from operating activities	(141,144)	(48,126)
Change in assets and liabilities		
Increase/(Decrease) in receivables	582	(13,777)
(Increase)/Decrease in trade creditors and leave	66,404	(30,977)
(Increase)/Decrease in income received in advance	<u>124,783</u>	<u>60,310</u>
Operating profit/(loss) after income tax	<u>50,625</u>	<u>(32,570)</u>

LIFECIRCLE AUSTRALIA LIMITED**Detailed Income Statement for the year ended 30 June 2014**

	2014 \$	2013 \$
Income		
Grants:		
Cancer Council NSW	60,000	130,000
SWF	34,974	93,026
Lord Mayors Fund	10,862	28,964
SVA	-	14,634
Snow Foundation	12,508	35,695
Mundango Trust	20,000	10,000
Smith Charitable Trust	41,439	49,294
State Trust Aust	-	9,985
Trust Company	130,000	90,417
Vincent Fairfax Family	-	20,833
Merchant Charitable Foundation	20,000	-
Ian Rollo Currie	50,000	-
Grants Community Options	25,000	-
	404,783	482,849
Donations	53,501	40,838
Events	-	20,300
Interest	1,501	5,612
Membership	55	18
Sponsorship	-	30,000
	459,840	579,617
Overheads		
Advertising	-	2,593
Annual leave	2,353	5,826
Audit fees (note 8)	2,100	2,100
Bank charges	842	836
Board expenses	29	189
Conference	1,167	3,604
Consultants	103,000	159,611
Events	-	2,532
Insurance	16,473	12,438
IT costs	3,023	560
Life Matters	2,320	4,850
Legal	(1,928)	2,000
Long service leave	2,268	-
Meeting	1,267	3,109
Mentoring	405	1,998
Office supplies	514	1,227
Payroll processing	2,622	2,809
Printing & design	4,844	8,946
Postage & freight	318	300
Public relations	-	2,250
Recruitment	-	1,278
Rent	125	2,135
Salaries	220,669	319,521
Sundry	1,338	1,000
Superannuation	21,088	28,668
Subscriptions	760	1,431
Telephone	11,325	9,608
Training	6,250	11,165
Travel	4,639	19,094
Website	1,404	509
Total Overheads	409,215	612,187
Operating Profit/(Loss) before income tax (page 5)	50,625	(32,570)