Annual Report 2017/2018

Celebrating 65 years

Living diabetesSA
information • support • education • products

Contents

About Diabetes SA

Diabetes SA has been delivering services to people with diabetes and their families since 1953. As a not for profit, member based Association that is largely self-funded, our mission is to educate, advocate, support and fund research that provides better outcomes for people at risk or living with diabetes.

Empowering people to live well with diabetes and raising awareness for those at risk is our vision for all South Australians.

About Diabetes

Diabetes is considered to be the biggest challenge confronting Australia's health system. Understanding diabetes and its seriousness is important, not only for the person living with diabetes who needs to learn how to manage their diabetes, but also for the family, friends and wider community who need to know how to support them. As at 30 June 2018, there were 106,166 people registered with the NDSS, of which were 94,124 people with type 2 diabetes, 8,763 people with type 1 diabetes, 2,759 people with gestational diabetes and 520 with other types of diabetes.

Type 1 Diabetes

Type 1 diabetes is an autoimmune disease. This means that the body's own immune system has attacked the insulin producing cells of the pancreas. The pancreas can no longer produce insulin when this occurs. Although often diagnosed in childhood or adolescence, it can occur at any age.

Currently type 1 diabetes cannot be prevented or cured.

Type 2 Diabetes

Type 2 diabetes occurs when the pancreas does not produce enough insulin or the insulin being produced does not work effectively (this is called insulin resistance). Although often diagnosed in adulthood, more and more children and teens are being diagnosed.

In many people, type 2 diabetes can be prevented or its onset delayed with regular exercise, healthy eating, not smoking and maintaining a healthy weight.

Gestational Diabetes Mellitus

Gestational Diabetes Mellitus (GDM) occurs during pregnancy when the pregnancy hormones block the action of insulin. This leads to insulin resistance and high blood glucose levels.

Many women cannot prevent GDM. However, women can reduce their risk by maintaining a healthy weight before getting pregnant and during pregnancy, healthy eating and doing regular physical activity.

Equally for people at risk of developing diabetes, being aware of the risk factors, the signs and symptoms and knowing what you can do to prevent or delay the onset of type 2 diabetes is vitally important.

The Association

Bankers Bank SA Torrensville Branch, 143 Henley Beach Rd, Mile End SA 5031
Auditors BDO Australia, Level 7, 420 King William Street, Adelaide SA 5000
Consultants and Advisors (Honorary) (Consultant Endocrinologist), Dr Anthony Roberts, MBSS, FRACP (Consultant Podiatrist), Sara Jones, PhD, MSC, BA, Dip APP SC (POD)

Office Bearers

Patron His Excellency The Honourable Hieu Van Le AC, Governor of South Australia

Board of Management

President
Peter Crouch

Vice President
Monika Kruger

Vice President
Geoff Weeks

Treasurer
Colin Butterick

Committee Member
Paul Kerin

Committee Member
Allan Baird

Committee Member
Roslyn Hewlett

Management Team

Chief Executive Officer
Angelique Pasalidis

Executive Manager Service Development & Delivery
Fiona Benton

Executive Manager Corporate Services
Matthew Casburn

Accountant
Paul Wilson

Health Services Manager
Anne Fleming

Member & Community Partnerships Manager
Scott Mates

Candidate Statements

Peter Crouch

Previous contributions to Diabetes SA

Member of the Board of Management since 29 September 2011.

President since 30 November 2015.

Personal statement

I retired recently from the South Australia Police as a Detective Inspector with 43 years of service. I have a Diploma in Management (Human Resources), a Graduate Certificate in Applied Management and a Graduate Certificate in Business Administration.

I have type 2 diabetes, which is prevalent in the adults of my family and as such have a keen interest in assisting people with diabetes management.

Monika Kruger

Previous contributions to Diabetes SA

Member of the Board of Management since 23 October 2012. Vice President since 30 November 2015. Member of the Research Grants Committee 2018. Member of the Ladies Auxiliary 1992 – 1997.

Personal statement

Diagnosed with type 1 diabetes in 1978 I became a member of Diabetes SA at the same time.

My work experience includes various roles with 3 banks, self-employment as a truck then van carrier and various roles with 4 commonwealth government departments. Though now retired, I remain active on other general committees.

I joined the board with a strong commitment to ensure Diabetes SA remained innovative and relevant in supporting all South Australians with or at risk of diabetes, being particularly keen to support the work of Australia's best researchers and most promising projects to improve management and care for all.

A long-held vision to fund research saw the Board develop and commit to a research agenda and in 2018 we provided funding across the types of diabetes. The future is very exciting as we roll out our strategic direction and continue to support all people at risk or living with diabetes.

Sincere thanks must be extended to the Board of Management who volunteer their time each month and give of their vast experience and knowledge to govern the Association.

Candidates featured on pages 4 to 7 have re-nominated for 2018/2019. Candidate Statements detail contributions to the Association, professional experience and achievements.

Whilst the majority of our Board Members have diabetes, care for a person with diabetes (parent/guardian) or others have a particular area of expertise to offer, the Association is committed to ensuring that there is representation on the Board of Management.

Pictured: Professor Paul Ward, Associate Professor Richard Young, Dr Chinmay Marathe, Peter Crouch (Diabetes SA President), Dr Christina Bursill, Geoff Weeks (Diabetes SA Vice President. Chair of the Diabetes SA Research Sub-Committee), Dr Rebecca Thomson, Professor Damien Keating.

Candidate Statements

Geoff Weeks

Previous contributions to Diabetes SA

Member of the Board of Management since 28 July 2015. Vice President since 22 November 2016. Chair of the Research Grants Committee 2018.

Personal statement

After 42 years in Banking including various senior management roles, I have now retired allowing me to provide experience and knowledge to Diabetes SA.

Having seen the effect of diabetes on my father and the assistance my mother gave him to try to deal with diabetes, I now wish to assist members and their families through the provision of services at Diabetes SA. As a member of the Board of Management I am keen to further research and education, whilst ensuring that we have a strong Association that will enable the provision of ongoing support and services.

Colin Butterick

Previous contributions to Diabetes SA

Member of the Board of Management since 28 June 2016. Treasurer since 28 February 2017.

Personal statement

A family history of type 2 diabetes and my diagnosis was the catalyst for my application to become a Board Member with Diabetes SA.

I have over 24 years-experience at an executive level in the financial services industry including nine years as the CEO of Powerstate Credit Union. I have held senior management positions in the Government Statutory Authorities embracing Defence, Pre-School and Child Care. I also have extensive Board experience in organisations engaged in Financial Services, Information Technology, Aged Care and Community Services in both profit and not for profit sectors. I am currently a Director of Credit Union SA and Board Chair of Trinity Place Retirement Village.

Diabetes SA Research Grant Recipients

Candidate Statements

Paul Kerin

Previous contributions to Diabetes SA

A member of the Board of Management since 28 June 2016.

Personal statement

I joined the Board of Diabetes SA as I have lived with type 1 diabetes for many years and have been very fortunate to have enjoyed the benefits of access to excellent services, advice and support and this has made a very positive difference to my life. I therefore want to help Diabetes SA make a positive difference to the lives of people living with diabetes.

I have wide experience in the not for profit, public and private sectors. I am currently Adjunct Professor in the School of Economics at the University of Adelaide, a member of the Investment Process Committee at JCP Investment Partners, a member of the Board and Deputy Chair of Downs Syndrome SA and a member of the Board of Downs Syndrome Australia and Orana Australia Inc.

I have previously served on the boards of the Adelaide Central Market, the Children's Protection Society, Prahran Markets (Chairman) and Wheat Exports Australia. I have also served as Professor and Head of School of Economics at the University of Adelaide and as CEO both for the Essential Services Commission of SA and A T Kearney (Australia and New Zealand).

Allan Baird

Previous contributions to Diabetes SA

A member of the Board of Management since 28 June 2016.

Personal statement

With tertiary qualifications in Business, Industrial Engineering and Information Systems and over 30 years' experience as a senior manager and IT professional in both public and private sectors in Australia and overseas, Diabetes SA has given me the opportunity to couple my professional experience with my understanding of diabetes. As a person living with type 1 diabetes I want to ensure that we can continue to improve our services to people living with diabetes and their carers.

The fact that South Australia continues to have the highest per capita number of people living with diabetes than any other State or Territory, is a clear demonstration of the need for a strong Diabetes SA.

I am vitally interested in ensuring that Diabetes SA remains an important and significant contributor of quality services and support to the membership and to the broader community through education, support, advocacy and the funding of research.

The changes that have been overseen by the Board in the last two years have resulted in a more focussed organisation, but there is much more to be done to ensure its reach extends to as many as possible who need our services and those who can help provide them.

I will continue to work with my fellow Board Members and the wonderful team at Diabetes SA to do what I can to ensure that no person with diabetes in South Australia goes without the services and support that we all need.

Candidate Statements

Roslyn Hewlett

Previous contributions to Diabetes SA

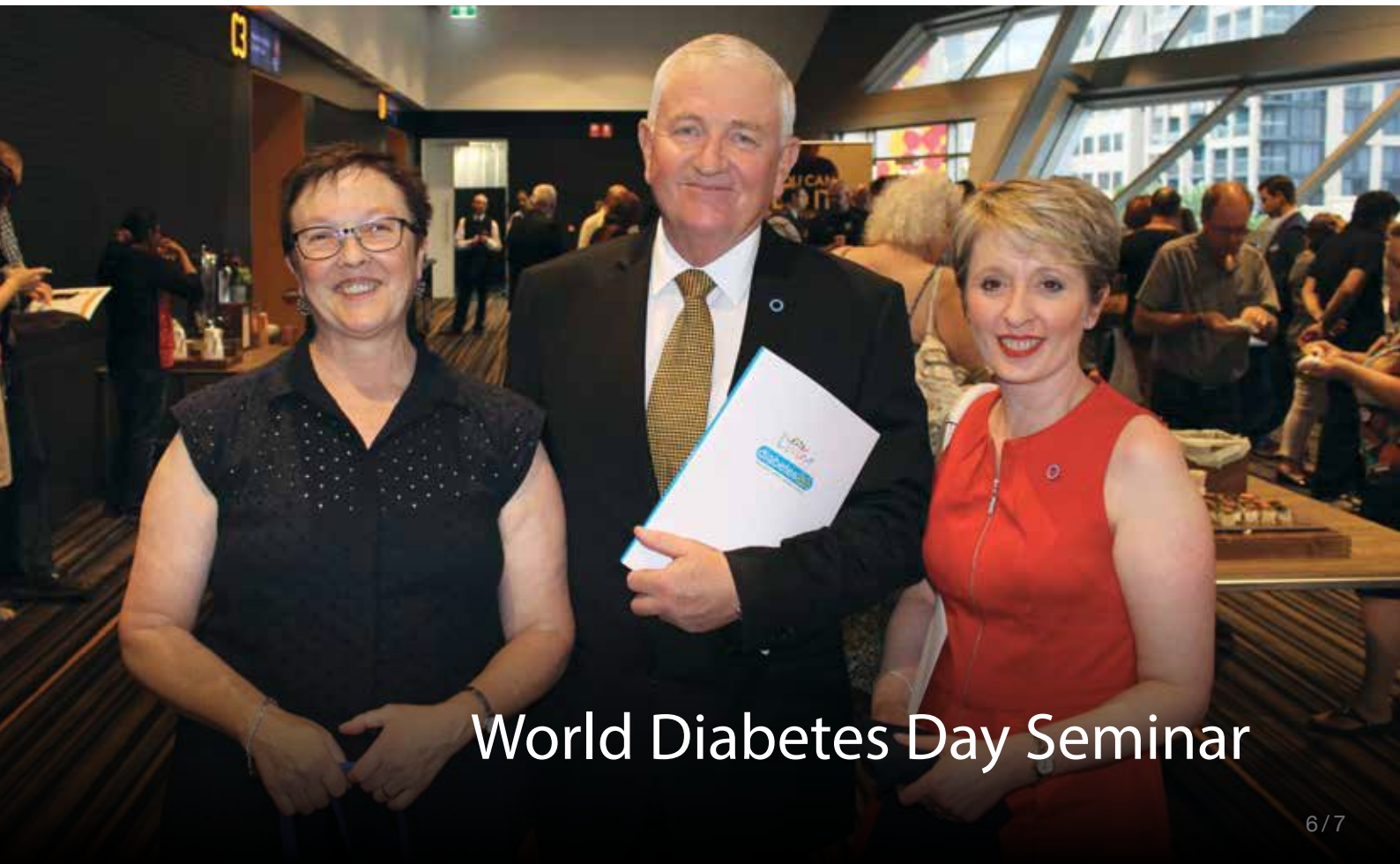
A member of the Board of Management since 28 June 2016.

Personal statement

With over 30 years' experience in the health care sector, I am passionate about the delivery of client centred, evidence-based health care. I have a Bachelor of Nursing, Graduate Diploma in Nursing Science, Bachelor of Laws and Masters in Healthcare Administration.

As the mother of a teenage girl who was diagnosed with type 1 diabetes at the age of 5, I know the challenges that families face and how the services offered by Diabetes SA can help.

I joined the Board to try and give back to an organisation that had supported my family and to ensure that it could continue to support other families like my own.



Celebrating 65 years of *service to the community*

"Such an association could run summer camps for diabetic children... It could have a 'big brother or sister' movement, with older diabetics helping the new ones, and showing them that diabetes isn't so bad after all. There could be club rooms where diabetics could learn some of the mathematics of their diet."

Dr Charles Best

Dr Charles Best.

1950's

1952: Dr Charles Best expressed a view that there should be a Diabetic Association in South Australia.

1953: The Diabetic Association of South Australia held its inaugural meeting.

1954: The Diabetic Association of South Australia Incorporated and the first country branch at Port Augusta was established.

1956: The first Children's Camp was held for 15 children aged between 8–15 years.

1960's

1961: The Women's Auxiliary was formed with 20 inaugural members.

1961: The first Teen and Young Adults Camp for 14 people aged 16–25 years was held at The Ranch, Port Noarlunga.

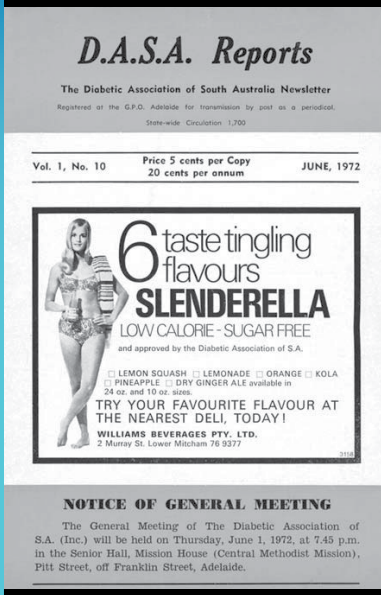
1967: The first office and advisory centre of the Diabetic Association of South Australia Inc. was opened at 45 Gawler Place, Adelaide.

1967: The Association celebrated its first National Diabetes Awareness Week in South Australia.

1969: Formation of Mount Gambier branch.

Stan Norris's veteran car advertising Diabetes Week, 1967.

Front cover design of DASA Reports.



D.A.S.A. Reports

The Diabetic Association of South Australia Newsletter

Registered at the G.P.O. Adelaide for transmission by post as a periodical. State-wide Circulation 1,700

Vol. 1, No. 10 — Price 5 cents per Copy, 20 cents per annum — JUNE, 1972

6 taste tingling flavours SLENDERELLA

LOW CALORIE - SUGAR FREE

and approved by the Diabetic Association of S.A.

☐ LEMON SQUASH ☐ LEMONADE ☐ ORANGE ☐ KOLA ☐ PINEAPPLE ☐ DRY GINGER ALE available in 24 oz. and 10 oz. sizes.

TRY YOUR FAVOURITE FLAVOUR AT THE NEAREST DELI, TODAY!

WILLIAMS BEVERAGES PTY. LTD.
2 Murray St. Lower Mitcham 76 9377

NOTICE OF GENERAL MEETING

The General Meeting of The Diabetic Association of S.A. (Inc.) will be held on Thursday, June 1, 1972, at 7.45 p.m. in the Senior Hall, Mission House (Central Methodist Mission), Pitt Street, off Franklin Street, Adelaide.

1970's

1970: First edition of the quarterly members only DASA Reports was published.

1971: Formation of Broken Hill branch.

1971: Formation of Whyalla branch.

1976: "DASA Reports" was changed to "Diabetes Education" and later incorporated into the Associations bi-monthly newsletter "Alert" first published in September 1976.

1976: The Association held its first lottery.

1980's

1984: The Association's library was opened offering diabetes related books.

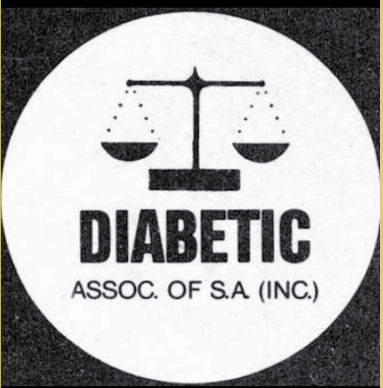
1985: South Australia's first recipient of a Kellion Victory Medal was presented to Mr Horace Jared, aged 80, for living with diabetes for over 50 years.

1987: The National Diabetic Supplies Scheme, later to become the NDSS, is announced in the Federal budget, with subsidised syringes and test strips.

1987: First production of the Women's Auxiliary cookbook 'Easy Diabetic Recipes'.

1988: First use of the trading name Diabetes Australia – South Australia.

1988: Transfer of the Association's head office to Hilton.



The logo as it appeared on the Association's letterheads.

1990's

Children test their didgeridoo ability at the 1993 camp.

1990: Introduction of a free service for the safe disposal of used needles and syringes.

1991: The World Health Organisation launches World Diabetes Day on November 14 each year in recognition of the birthday of Frederick Banting, in response to rising prevalence of diabetes around the globe.

1996: Establishment of the Associations northern metropoitian outlet at Elizabeth Vale.

1997: Establishment of Associations southern metropoitian outlet at Noarlunga Health Village.

2000's

2001: Announcement of free needles and syringes for people living with diabetes following the Association's lobbying of the State Government.

2002: Change of the Association's trading name to Diabetes South Australia.

2003: The book 'From Backrooms to Boardrooms' was prepared to mark the next 50 years of The Diabetic Association of South Australia.

2006: Launch of the new Diabetes SA Living logo.

From left: Don Clisby (DASA treasurer), Jennifer Barber (CEO), Dean Brown (Minister for Human Resources), after the 'free' syringes announcement.

2010's

Heather Green, president of the Diabetes SA Auxiliary (1983 – 2010)

2010: The Auxiliary formally ceased its primary functions.

2011: Establishment of Diabetes SA's Clothing Collection Operation.

2015: Launch of the new look 36 page Living magazine.

2017: Ceasing of Diabetes SA's Clothing Collection Operation.

2017: The Association announced it's set to fund diabetes research for all South Australians.

2017: South Australia records the highest prevalence in the nation of diabetes, 6.1% of the state population. 89.0% of those diagnosed have type 2, 8% type 1, 3% gestational.

Caitlin and her brother Callum

President's Report

I am particularly pleased to be able to report that 2017/18 has been another strong and successful year for Diabetes SA during which we have delivered several changes and programs.

Although our Chief Executive, Angelique Pasalidis, will take you through many of these in more detail in her report, there are matters that I would like to highlight.

Our current Board has been together for two years now and has been working extremely hard as a cohesive team. The skills and attributes of our board members has underwritten the best advice and direction on all major issues we have dealt with in the past year. I personally thank each one of them. My thanks must also go to our CEO Angelique, she has been integral to the process of managing innovation and change.

I see that one of our core strengths at Diabetes SA is the capability and experience of all staff which make up the team. This is borne from a culture of empowering and developing our people to succeed at every level, and encouraging accountability, innovation and excellence. This is encouraged by the Board and the CEO and one that is embedded in our culture.

I would like to express the Board's appreciation and indeed admiration for the outstanding contribution of all our staff during the year. Our Market Research is looking at the level of utilisation of Diabetes SA services along with perceptions of Diabetes SA services and future needs and preferred channels for accessing services. This will assist decision making on future services offered and scoping of opportunities for collaboration and or expansion of services.

The Board and I have also been particularly excited with the work undertaken in achieving our recent Research Grants. I must mention them all because of their diversity and importance to our members and the SA community in general.

- A bitter tale of artificial sweeteners for type 2 diabetes.
- Evaluation of the topical application of high density lipoproteins on wound healing in patients with diabetic foot ulcers – a phase ½ clinical trial
- The impact of modifiable exposures in the parent's and child's environment on the risk of type 1 diabetes.
- Effects of acute hyperglycaemia on the slowing of gastric emptying induced by short acting GLP-1 receptor agonists in type 2 diabetes.
- Understanding the regulation of gut derived glucagon and its implications for type 2 diabetes treatment.
- Reconstructing the stigma and blame, a critical pedagogy for stigmatised persons living with type 2 diabetes.

I also proudly note that although the grants were offered on a national basis, all the current research funded by Diabetes SA is with South Australian institutions. We were faced with very worthy applications and funding of only $200,000, so we sought the approval of Board to increase the funding to $270,750 which they approved. It was important for the selection committee chaired by Board member Geoff Weeks to ensure that the selected research had representation across the different types of diabetes and that outcomes would be translatable in the South Australian diabetes community.

Our special thanks must be extended to the four co-opted specialist advisors – Professor Jennifer Couper, Professor Michael Horowitz, Associate Professor Stephen Stranks and Diabetes SA's Honorary Consultant Endocrinologist Dr Anthony Roberts. Each were very giving of their time, knowledge and expertise in the review process. Thank you also to the Board Members who were part of this committee.

Once again, I express my sincere appreciation to my fellow Board members for their time, energy and dedication during the past year and for the insights and expertise they each bring to Diabetes SA. We are fortunate indeed to have such a skilled and committed staff led by Angelique and the management team who undertake the management, assessment and conduct of our varied programs.

I warmly acknowledge and thank the CEO and each staff member for their contributions to Diabetes SA because it really is an inspiring team working energetically and co-operatively to achieve for our members and the community of South Australia.

Peter Crouch
President

CEO's Report

The 2017/2018 financial year commenced with a strong sense of purpose and direction.

With newly-developed strategic objectives we set out to challenge our approach, to better understand the needs of people living with diabetes and those at risk, to understand the range of services available and where the gaps existed.

One of the first pieces of work undertaken was to understand the incidence of diabetes in South Australia.

The story this piece of work told was that we have the highest prevalence of diabetes in Australia compared to other states and territories. Essentially 6.1% of the South Australian population lives with diabetes.

Understanding the incidence of diabetes led us to mapping the range of services and programs that are provided for people in South Australia. A review of our current program and services will allow the Association to determine where our services and programs should be placed to best meet the needs of the community living with diabetes.

With a strong desire to understand the needs of the community living with diabetes particularly our members we engaged the services of a university-based market research team to investigate and report on the services that Diabetes SA should look to develop in order to continue its vital role of empowering people to live well with diabetes in the context of a dynamic and changing environment. The Association engaged Flinders Business to undertake this year long project.

Specifically, we sought to understand:

1. What are the services that our members value and wish to see continued into the future? Are these different for people who have diabetes and are not members of the Association?
2. What form should these services take and what are the most appropriate delivery channels?
3. What services that are not currently offered would be valued by members? What form would these service take? What are the most appropriate delivery channels for these services?
4. How would members wish to continue to provide support to the Association in order to fund the services members want?

The aim of the market research will be to understand:

1. The current level of utilisation of Diabetes SA services and overlap with the National Diabetes Services Scheme (NDSS) and services available through other organisations.
2. Perceptions of Diabetes SA services and future needs and preferred channels for accessing services.
3. Perceptions and views of stakeholders in relation to the future services offered and scoping of opportunities for collaboration and or expansion of services.

Initial findings from phase 1 (focus groups) saw members suggesting more flexibility around the times programs/services are provided and a stronger connection with scientific research. Above all members saw Diabetes SA as a hub for specialist knowledge and support. Their support of the Association was linked to a sense of belonging to a community of people living with diabetes and this is perhaps why so many members have remained affiliated to Diabetes SA.

For non-members the need for services linked to prevention was key. As a result, people at risk of being diagnosed with diabetes felt that they have nowhere to go and this is where Diabetes SA can play a greater role with a future prevention program.

Other insights included a need to strengthen the awareness of the services Diabetes SA provides, to maintain a combination of physical (store and face to face) and digital presence. It also confirmed the crucial role Diabetes SA plays particularly in one's journey with diabetes.

CEO's Report (continued)

Whilst phase 2 (online survey) and phase 3 (stakeholder survey) will conclude in the 2018/2019 financial year, we would expect that all three phases will deliver to the Association recommendations and high-level areas of strategy that will inform the Association's strategic direction and the development of a future business model that will ensure long term sustainability of the Association.

This year saw another major achievement with the development of the Association's research agenda. With a strong commitment and vision to fund Research the Board sought applications from state, national and international researchers with applicants asked to address one or more of the priority research areas, these being:

1. The development of intervention or prevention strategies that reduce the risk of diabetes in the South Australian community or a defined group.
2. The development of tests, tools and/or methodologies for the early detection/diagnosis for assessing risk in an individual of diabetes.
3. The investigation of new and innovative ways of treatment and management of diabetes.
4. To examine the psychosocial consequences of diabetes at the individual or community level.
5. To examine the organisation's effectiveness and or optimisation of delivery of multi-disciplinary diabetes services to the community.

In April this year we saw the awarding of research funds to six successful applicants and whilst funding was initially set at $200,000 this was later increased to $270,750 given the calibre of applicants and the Board's desire to fund research across the different types of diabetes. This could not be possible without the generous donations that we receive from our members, donors and the South Australian community. Our aim will be to offer future Research Grants Programs on a biennial basis.

Congratulations to the Research Recipients:

Dr Christina Bursill, Dr Chinmay Marathe, Dr Rebecca Thomson, Associate Professor Richard Young, Professor Damien Keating and Professor Paul Ward.

Our strong focus on prevention culminated in recommendations being made to the Board for the development of an evidence-based Type 2 Diabetes Prevention Program. The program aims to reduce the risk of or delay the onset of type 2 diabetes amongst the target group. Significant work has been undertaken in this project led by Fiona Benton and supported by Dr Hannah Wechkunanukul and Dr Tony Tu.

To better understand our value and relevance to our members and the diabetes community we embarked on a process with The Reflective to review our brand including our brand promise and logo.

Our objective from the outset has been to ensure that Diabetes SA becomes a strong consumer facing organisation that people with diabetes or those at risk can connect and engage with, that people see relevance in their association with us and that we provide value in their lives.

This process will shortly culminate in the rebranding of the Association with a new logo and brand promise. A sincere thank you must be extended to our members who took part in our recent photography and video shoots where we asked our members to tell us their story of living with diabetes.

Our commitment to improving our members experiences with us, has seen the investment in the upgrade of our Customer Relationship Management system (CRM) and the design, development and shortly implementation of our new website; work led by Matthew Casburn and undertaken by The Reflective, Pseudocode and internal staff in our membership and finance areas.

Having been with the organisation for over 15 years this year, I am filled with a great sense of pride for what we have all achieved. I am particularly thankful to the Board for their ongoing stewardship of the organisation, their vision and support. To the Management team and Staff who have worked with a sense of determination and purpose in achieving the objectives we set for ourselves. To our volunteers who are always here to support us in any way that they can and to our members who constantly amaze me with their generosity and support of our organisation.

Thank you for helping us achieve our 65 year milestone.

Angelique Pasalidis

Chief Executive Officer

2018 Teen Camp

Year in Review

This year has been a year of change. Whilst some of the change we have experienced has come from outside influences, most of the change has been affected by our commitment to improving the organisation and what we offer to the community of people living with diabetes in South Australia.

Retail

Our retail environment has seen a number of changes over the last two years as a result of NDSS product transitioning to community pharmacies under the current NDSS Agreement (2016 – 2020). The number of purchasing customers per month has decreased from 767 to 668. The Board's commitment to retaining the retail operation has seen the continuation of excellence in customer service. Personalised expert advice is an aspect of our service that we are very proud of. Due to the reduction in the compliment of staff we undertook to skill up our Customer Service Officers to work across a number of functions which has seen a seamless operating environment.

We have been working with the Department of Veterans Affairs (DVA) for the funding of membership for all eligible Gold card holders, with a positive outcome to be implemented in 2018/2019. In addition to the support members receive form the Association, we do hope this leads to an increase in purchased diabetes product from Veterans accessing their diabetes products from us, as this has been in decline over the last two years.

Our product range continues to be competitively priced and free postage to our members continues to be available for those members unable to purchase product directly in store.

Membership

The impact of changes to the NDSS was also felt in our membership base with total membership declining 7.9% in 2017/2018 compared to 2016/2017. Whilst a total of 1932 new members were welcomed this was impacted by an increase in the number of memberships that lapsed increasing 6.2%. What has buoyed this area is the increase in the rate of renewals with renewals increasing by 1,009 or 9.2%.

In the ongoing plan to engage with members, strategies including engagement calling and lapsed member calling have provided opportunities for the Association to speak to members about the reasons for their membership lapsing as well as providing opportunities to allow members to renew over the phone or have another reminder sent.

Our focus on implementing a year long market research project has come at the right time. Our need to engage with our members and potential members is very important to ensure that we continue to meet the needs of our member base whilst also considering the needs of people with diabetes in the community.

Our membership base is made up of 2,187 (8.7%) type 1, 21,081 (88.8%) type 2, 1,686 (6.84%) other types of diabetes, 47 (0.18%) gestational and 123 (0.48%) pre-diabetes.

Membership is strong in the outer north (27%) and outer south (18%) following the pattern of prevalence of diabetes in South Australia. A similar pattern exists in the metropolitan areas of Adelaide with metro west (13%), metro north (12%) and metro south (11%).

Fundraising

A major change in the fundraising program was implemented in the 2017/2018 financial year with the engagement of an external fundraising organisation to review and work with the Association to develop a three-year plan early in 2017. Best practice direct mail principles were implemented in our appeal program with Donor Republic working with the Association to develop our campaigns providing a framework for future campaign development to be undertaken internally.

This approach brought new ways in segmenting our donor base, communication techniques and highlighted the need for the development and use of member stories to engage with the member base.

Lotteries also undertook a major change with a decision taken to outsource the administration of the program to a third party in this case Arthritis SA. Along with this, the structure of the lottery also changed including a reduction in the volume of tickets, increase in price per ticket and the movement to electronic tickets instead of a book to reduce overall postage and printing costs.

Whilst a number of problems were experienced given the range of changes, we have worked closely with Arthritis SA to improve the communication and processes for the next lottery program. We hope you can continue to support the new look lottery program as 60% of the income we receive in funding comes from lotteries.

Health Services

Our Health Services team have continued to provide valuable phone and email support to more than 2,200 South Australians affected by diabetes, in addition we have also provided 618 face to face consultations through both brief interventions in our retail area and one on one booked consultations.

A total of 76 education sessions were provided with 790 people attending. Eight seminars were offered with 916 people attending. The four major seminar events were professionally filmed, edited and made available to the general public via the online learning platform. The reach of this platform has seen more than 5,200 hits across the five topics of healthy eating, travelling with diabetes, how diabetes affects your body, hypoglycaemia and gestational diabetes.

Meeting the needs of health professionals resulted in three – two-day sessions being conducted with 31 health professionals attending, one dietetic session with 5 health professionals attending and four school sessions conducted with 61 people attending. Fee for service guest speaking sessions also grew with the Association delivering 34 sessions to a variety of organisations and events.

The Association hosted on four separate occasions the Mental Health Professionals Network (MHPN) meetings with 95 health professionals in attendance.

During 2017/2018 Diabetes SA conducted two camps, both of which were conducted over 2 days on a weekend for children diagnosed with type 1 diabetes. 32 children between the ages of 10–12 attended Kids camp in May and 29 teens between the ages of 13–16 years attended Teen Camp in February. Both camps had excellent outcomes, with the campers gaining experience, knowledge, confidence and making great friendships with other children. The children and teens participated in many activities including; high ropes, canoeing, giant swing, flying fox, archery, bouldering wall, football, tennis, juke box, air hockey table and a movie night with lots of laughter and fun.

Information technology

2017/2018 paved the way for a critical review of all Diabetes SA IT systems and infrastructure.

The Associations' Customer Relationship Manager (CRM) software iMIS was upgraded and a new web interface setup to allow better data integrity and faster processing times. Setup of a new integrated system between the CRM and financial package as well as implementation of a new payment gateway commenced development with all deliverables to be launched in quarter 1 and 2 of 2018/2019 in a staged approach.

Working with external IT consultants, Diabetes SA commenced the development of a Strategic IT Plan to set out the approach the Association will take in the management of its infrastructure in the upcoming three years.

Brand review

Commencing in early 2017 and continuing through the 2017/2018 financial year the Association commenced a brand review with an external marketing agency, The Reflective. After a comprehensive process of developing a new brand strategy and brand identity, and the development of a style and language guide, the team at Diabetes SA decided on a new logo, public facing image and brand promise. With confirmation from the Board of Management, Diabetes SA undertook a comprehensive review of all collateral and website copy and commenced the process of updating and developing new resources and a website to deliver on the brand promise. This work is expected to be launched in quarter 2 of 2018/2019.

NDSS

The end of the 2017/2018 financial year sees the Association mid way through the administration of the current Agreement (2016-2020), with a number of services transitioning from state and territory Agents to a centralised approach.

A centralised NDSS Helpline was implemented in 2017, with Diabetes SA transitioning in October 2017. Simple, high volume calls such as updating NDSS registrant details are now processed through the Helpline, whilst calls requiring complex case management and the skills of highly trained health professionals and other staff are transferred to the relevant state or territory Agent (Diabetes SA). The aim of this model is to create efficiencies whilst providing a high level of customer service.

Furthermore, the Fulfilment Efficiencies Project saw the Association transition a number of NDSS administrative activities to a central provider. The distribution of new and replacement cards, NDSS information packs, the issuing of gestational diabetes reminder letters for follow up screening, and the sending youth communications moved to the central provider from July 2018.

Savings generated nationally through the aforementioned activities are being reinvested to increase services delivered under the NDSS in each state and territory.

A nationally consistent educational offering that is evaluated for continuous improvement continues to be provided. Evaluation considers a number of factors such as reach, behavioural outcomes, intent to change, faciliator behaviour and the likeliness to recommend the program to others.

We continued to focus on a number of priority areas (in line with the National Diabetes Strategy 2016-2020), with the following outcomes:

- Aged Care – 19 sessions (244 attendees)
- Aboriginal Torres Strait Islander – 10 sessions (1574 attendees)
- Aboriginal Torres Strait Islander health professional and health workers education – 22 sessions (117 attendees)
- Culturally and Linguistically Diverse – 14 sessions (444 attendees)
- Mental Health – 3 sessions (26 attendees).

The Health Professional Awareness program which involves the visiting of GP practices to update and educate doctors and nurses about the services available under the NDSS with the aim of increasing registration to the NDSS and referrals to NDSS programs, continued in its second year. The Engagement Officer visited 252 medical practices and clinics with a reach of 317 GP's and 408 nurses and allied health professionals.

Access to fully subsidised continuous glucose monitoring (CGM) products under the NDSS commenced in April 2017, with the successful bedding down of the program in the last financial year. The subsidy applies to people aged 21 and under.

The forthcoming year will see improvements to the current NDSS systems in order to meet emerging and future needs. To transition to more flexible and integrated IT systems, the NDSS Enhancements Project was initiated in February 2017. The Project will result in a more streamlined customer relationship management and transitioning to the new system will occur in 2018/2019.

Diabetes SA member Rodney Johns

Camp Volunteers

Maree Thus
Ryan Bailey
Vicki Hewett
Jackie Langley

Laura Kate O'Donohue
Emily Taylor
Rado Gregoric

Shaun Johnson
Chloe Timmers
Hazel Grigg
Dr Piyumi Sirisena

Louise Wilson
Michele Kurbatfinskiy
Helen Huang

Effie Kopsaftis
Phobe Giles
Carolyn Nguyen
Dr Priya Augustine

Our Kids and Teen Camps could not be possible without the generous giving of time from our camp volunteers, this year we were fortunate to have the following people generously volunteer their time and expertise to ensure the camps went ahead and were an enjoyable and memorable experience for everyone.

Our Volunteers

Carol Assad
Annette Buttle
Rae Cole

Frank Cole
Trudie Cossey
Brenton Gill

Gloria Green
Don Lukes
Joy Paul

Bronwyn Schoen
Gary Sholdis
Graham Smoker

Don Lukes and Gary Sholdis are our two regular volunteers in Health Services, they assist every Wednesday for 2 – 2.5 hours and are happy to assist with any task we request of them. Both Don and Gary are highly regarded in the team and always bring a smile to all of us.

Thank you to all of the Volunteers who helped Diabetes SA by contributing many hours of their time over the financial year. Without you we could not achieve what we do.

Volunteers Gary and Don

Thank You

We would like to say thank you to everyone who supported us through bequests, donations, and participation in fundraising activities and campaigns.

In particular we would like to mention:

Major Donors

- J. Richards
- T. and A. Sullivan
- E. Bruce
- T. Slater
- B. Saint

Major Memorial Donors

- L. Forrester
- D. Rumbelow
- D. Andre

Community & Corporate Donors

- Revenue SA
- Belair Primary School
- St Joseph' School
- Zorich Group
- Lenswood Primary School
- Lions Club of Blackwood Inc
- Lions Club of Yankalilla & Goolwa
- Lions Club of Edwardstown

Bequestors

- W. Gallagher
- B. Walters
- J. Pratt

Memorial Donations

The Association would like to thank all those who made a generous donation in memory of a loved one. Your acknowledgement of the work we do is very much appreciated.

Community Fundraising at St Joseph's School

World Diabetes Day Seminar

The Year Ahead

As we look forward to another busy year our focus will turn to the review of recommendations and high-level strategies from the Flinders Business Market Research project. We see this report and the completion of other associated projects as providing very valuable information that will inform the development of future services and programs and the channels in which these are delivered.

Member and community engagement

With the market research project at the half way point, some interesting findings have already emerged that are beginning to set the scene for how we develop our program and service offering.

Initial findings from the focus groups include:

- A personalised approach to meeting people's needs.
- Offering an ability for people to be part of a diabetes community so that they can share their experiences or learn from others.
- Having services available in convenient times and locations including outside of business hours.
- Offering different delivery channels for people to access services using technology – website, social media and apps.
- Offering a combination of face to face and digital programs and services.
- Extending existing programs and services to include eye care, exercise, mental health injecting innovation with the latest scientific/ medical research.
- Increasing awareness of the organisation and the services and programs offered.
- Communicating very clearly the value of membership.
- Creating opportunities to establish new associations with the Diabetes SA brand including – specialist knowledge and specialist service/advice/support. Lobbying and advocating for people with diabetes and raising public awareness – lifting the stigma associated with diabetes and reaching out to schools and children more.
- Diabetes SA has a role in assisting people with their understanding of the National Diabetes Services Scheme changes.

Initial findings from the online survey indicated that:

- Diabetes SA is often the first source of services for diabetes that comes to mind for people. Nearly one in three recalled Diabetes SA as the first thought. For the wider public or at risk, more than half could not recall any source of services for diabetes and only 14% of those surveyed mentioned Diabetes SA.
- Awareness of our programs and services is overall rather low even across our members. Less than 30% on average could recall our services. For the wider public and at risk nearly 90% did not know the programs and services we provide.
- Of the people surveyed 80-90% have not used the Diabetes SA programs or services with the most common reason being location and access issues, along with lack of awareness, however satisfaction of users who used the services was rather high.
- Future intentions to use the Diabetes SA services and programs was rather high and respondents also highlighted the importance of a prevention program that is flexible and tailored to individual needs, offered as a combination of face to face and phone coaching in individual and group settings.

As we move to the next phase of market research with a survey of our stakeholders, Flinders Business will consolidate the findings working with Diabetes SA to deliver high level recommendations. The development of a plan will follow in the later half of 2018/2019.

During 2017/2018 three significant pieces of work were commenced that would better inform the Association of the current environment in relation to the demographics of people living with diabetes, the diabetes services available in South Australia, as well as the examination of our programs and services in relation to reach access and outcomes. This body of work will culminate in a robust health services plan that meets the needs of our members.

The Diabetes in South Australia Demographics report April 2018 provided a comprehensive review of people living with diabetes in South Australia. The report provided insight into the demographic profile of people living with diabetes in South Australia.

Diabetes type, age, gender, geography, culture and socio-economic status was explored.

A database of diabetes services and programs across the state was developed in order to provide an understanding of the services available to the person living with diabetes. It is an invaluable tool in the development of a plan as it provides information about services that exist and identifies the gaps.

A thorough review of our health services programs is near completion, this includes factors such as reach access levels and outcomes. This work will help identify the areas for development, particularly when the demographics report findings and the database of existing services is taken into account.

We aim to develop a better, more comprehensive program that is evidence based and is delivered where there is a need and in a way that increases our reach and effectiveness.

Our evaluation framework is being further developed so that we are able to continuously improve our services. The market research report that will be delivered in 2018/2019 will also provide us with information about what our members would like to see.

Health Services continue to review and improve on delivering current and informative information at all sessions and evaluations are becoming more streamlined to assist us in making positive changes to meet the needs of our members.

We are very excited to be able to offer not only our existing sessions, but to be able to offer some new and exciting education sessions that have not been delivered by us previously. There are plans to expand our deliveries in country, rural and remote areas to extend our reach and we have also begun to deliver on three new education sessions under the NDSS, they are; Ready Set Go that cover fitness and exercise, a pumping workshop to learn and understand your pump better and living with insulin to have a better understanding of your medication and its effects.

Information technology

2018/2019 will see the launch of key IT projects that will change the way the Association conducts its business.

In quarter 2 of the financial year the Association will launch its new integrated website. The website will be run using the Associations' CRM and will be fully integrated, enabling user self service for membership, products, and events as well as a more functional user interface and experience. Furthermore, for increased security and reliability the CRM will be migrated to Microsoft Azure cloud servers, providing Diabetes SA with cost savings, and the flexibility to scale the server based on demand.

The Association will continue to enhance the iMIS CRM and look to remove the need of Excel databases by housing all member related data in the CRM.

The Strategic IT Plan will be finalised in early 2018/2019 and will include a review of the Associations' records management system and financial package.

Marketing

With the establishment of a new brand promise and identity in quarter 2 of 2018/2019, Diabetes SA will begin the year with an updated set of marketing collateral and a new website that caters to the needs of its members.

November 2018 will see the launch of a new look Living Magazine. The Member-only publication underwent an extensive review in 2017/2018 to determine how it aligns with the new brand promise. The publication will be renamed to 'My Life - Living with diabetes' and will continue to provide members with all the latest diabetes news and information, as well as a unique look at our members and the diabetes community.

During the 2018/2019 financial year the Association will also look to formalise its Marketing & Communications Plan with assistance from The Reflective. This will see a centralised approach to marketing that will enable better reporting and a higher standard in respect to marketing and the returns it provides to the Association.

Prevention detection program

One of the strategic objectives set by Board for 2017- 2020 is 'to make diabetes prevention a whole of community focus'. As such work was undertaken in 2017/2018 for a proposal for a Diabetes SA Type 2 Diabetes Prevention Program (Diabetes SA-T2DPP). This was presented to Board in April and approval to progress with the development of the Diabetes SA Lifestyle Change Program (Diabetes SA-LCP) was granted. The Diabetes SA-LCP will be utilised as the tool for the Diabetes SA-T2DPP, with a trial being proposed as a first step in the implementation of the program.

The Diabetes SA-LCP aims to reduce the risk of or delay the onset of type 2 diabetes amongst the target group. The program will be developed utilising research based evidence underpinned by the major guidelines.

A 3-year plan has been developed; the main components include:

1. Systematic review registered with Joanna Briggs Institute
2. Diabetes SA T2DPP Trial comprised of planning the trial, implementation and data collection, and program evaluation.
3. Follow up study.

Work has commenced in the design and planning for the Trial, and it is envisaged that 2018/2019 will see considerable progress. This is the first significant step and investment in the area of prevention for the Association.

Work in the area of a Diabetes Detection program was deliberately delayed in 2017/2018 as we focused on a proposal for a prevention program. This will be an area of focus now as it fits well with the work in the diabetes prevention area.

Fundraising

Our focus in 2018/2019 will be to bed down the current 3-year fundraising plan which will include the development of a Research Appeal to raise funds for the next round of Diabetes SA Research Grant Funding. A focus also on developing our Bequest program and the investigation of Trusts, Grants and Foundations along with Corporate Partnerships will be a priority.

Research

With the success of the first round of Research Grant funding being provided to the six successful applicants in 2018, our aim will be to develop a biennial process to facilitate further research funding. The involvement of co-opted specialist advisors in the Research Sub-Committee will continue as this proved to be invaluable in the process of determining the successful applicants.

Thank you must be extended to the inaugural specialist advisors – Professor Jennifer Couper, Professor Michael Horowitz, Associate Professor Stephen Stranks and Honorary Consultant Endocrinologist Dr Anthony Roberts.

Afinion POC Device presentation

Kellion Victory Medals

The Kellion Victory Medal was named after Claude Kellion when diabetes claimed the life of his son John Claude. A successful business man, Claude established the Kellion Diabetes Foundation in John's memory.

In view of his outstanding contribution towards diabetes in Australia, Mr Claude Kellion AM was invited to have his name associated with the Kellion Victory Medal Scheme. Silver-plated 50 year and gold-plated 60 year victory medals have been produced and provided, together with certificates. There is also a platinum medal for 70 years and a certificate and plaque for 75 and 80 years. Thus the Kellion Victory Medal Scheme was established.

Read the full stories of the lives of our Kellion victory medal recipients by visiting our website:
www.diabetessa.com.au

Kellion Victory Medal Awards

60 years

David Hersey

In 1958, at 13 years of age, David was diagnosed with type 1 diabetes. With no heredity risk factors, the onset of the condition came as an unwelcome surprise. Thankfully 30 years after his initial diagnosis, he came under the care of Dr Phillip Harding, a highly esteemed Endocrinologist, now retired. He initiated a total change in treatment with blood glucose testing, new insulins administered by pens, and a balanced diet.

David is most grateful for Dr Harding's expertise and support for 22 years and for the continuing care of his General Practitioner, Dr Andrew Wilson. David enjoys excellent health and his 60 years with type 1 has not prevented him from enjoying and achieving his life pursuits.

He would like to thank his wife, Cathy, and their two children for all their love and support. They have been part of his journey and admirably helped him to keep on track.

50 years

Colleen Bindloss

In February 1967, at the age of 3, I was hospitalised with pre-clinical diabetes. I was admitted to the Royal Children's Hospital in Melbourne. After finishing Year 12 studies I completed a degree in medical laboratory science. I went to work in an immunology laboratory in Melbourne.

After I married in 1987 we lived overseas. With a 6 week old baby we moved to Adelaide for work and have happily lived here ever since. We had our second daughter in 1993. I have been so lucky to have the support of a wonderful family.

Over the years I have worked in research at Flinders and Adelaide University, the Women's and Children's Hospital and SAHMRI. Thanks to medical researchers like Frederick Banting and Charles Best et al I have been able to survive this long. Diabetes is not a bed of roses it is more a forest of pine needles.

50 years

Thomas Crossan

I arrived in Australia in late April 1960, strong, fit and healthy. Being a qualified electrician, I found work within a few days and also accommodation close by. So I was able to walk to work. Dr. Donald McDonald admitted me as a patient with diabetes in 1966.

After six weeks, I returned to work at GM. Holdens at Elizabeth, where I was happy and secure in my employment, and stayed there until my retirement in December 1995. In 1996 my wife and I went on a six month tour that was very enjoyable and without complications.

My wife Kay and I married 26 January 1960 in Belfast, Northern Ireland, our first daughter was born 28 January 1960 and our second daughter was born 13 December 1962.

We have three wonderful grandchildren and are still leading a happy and fulfilled life.

50 Year Kellion Victory Medal Awards

50 years

Sylvia Freeman

Sylvia married Allan on the 12th May 1952, and had two children, Christopher and Karen before being diagnosed with type 1 diabetes in October 1962.

She spent a week in the R.A.H. being stabilised.

Sylvia has lived a good life with only a couple of hiccups until November 2012 when she suffered a stroke and now has to use a walker.

She also needs assistance around the house along with a wheelchair at other times. This has not however dulled her outlook on life, her spirit is good.

Sylvia has four grand-children and five great grand-children with another one on the way.

50 years

Graeme David Gard

Diagnosed with type 1 diabetes in Tasmania in January 1968, as a nine year old. Despite advice to the contrary at the time, I continued to play sport whenever I could.

I also enjoyed undertaking challenging bush walking in Tasmania with another friend with diabetes, which sparked an interest in landscape and wilderness photography.

I have worked for over 40 years in various levels of government and I am still gainfully employed in the Commonwealth Public Service. After 50 years of living with type 1 diabetes I still believe there is very little I can't do.

I have been married for nearly 27 years, to a beautiful woman who was never concerned about me having diabetes. We have two exceptionally talented children Matt and Emma.

50 years

Alan Howard

In the Autumn of 1962, I was 14 years old, I became very unwell and was diagnosed with Sugar Diabetes (as it was called back then). After a prolonged hospital admission, I resumed my schooling, later attending SA School of Art which lead to a career in Graphic Art.

Living with diabetes for the past 56 years has been challenging, with the support from family and health professionals I have been able to achieve this milestone, without too many diabetes complications.

I have maintained a healthy life style and kept very active. In 2015 my 6 year old granddaughter Eloise was diagnosed with type 1 diabetes, the following year her brother Noah was also diagnosed. I trust this award will be an encouragement to them both.

50 Year Kellion Victory Medal Awards

50 years

Ruth Eleanor Richards

Ruth Richards was diagnosed with type 1 diabetes in February 1960 at the age of 23. With her dearly loved and devoted husband Jim by her side they faced the grief and difficulties the diabetes diagnosis presented with dignity and determination. Under strict medical supervision Ruth and Jim were able to fulfill their desire to have a family of their own and soon became the proud parents of a daughter who was followed by a son a few years later.

“Think positively, listen to your body and be aware of what is right for it. This attitude together with testing your blood glucose regularly and leading a healthy lifestyle with exercise and a balanced diet would be my advice to those living with diabetes, both type 1 and 2.” Before her retirement Ruth worked as a Librarian for over thirty years and together with her late husband Jim has led a full and rewarding life that saw them actively involved in their local community, travel overseas, become proud grandparents to three grand-daughters and great-grandparents to three little ones who already know that great-nanna’s “special push medicine” keeps her body healthy.

50 years

Gladys Steicke

I was diagnosed with type 1 diabetes in 1968 at the age of 32. It was after having my fourth child that I felt generally unwell and was eventually sent to a gynaecologist who immediately recognised the symptoms of diabetes.

I joined the Auxiliary at Diabetes SA the same year I was diagnosed and have enjoyed building strong relationships with others going through similar issues. It’s also been rewarding helping with the many fundraising events.

I was also privileged to assist with the collating of and providing recipes for the Diabetic Recipe Book and it has been nice to share these recipes with others as cooking has been my passion.

Looking back over the past 50 years, there have been trials with my health, however this has been manageable through having a good medical team.

50 years

Elizabeth Whetham

Diagnosed in 1962 at 4 years of age, I am forever grateful for the constant care and support of my parents, encouraging me to live life and pursue my dreams.

From a very early age I had a passion to learn about other cultures and languages. I was privileged to study linguistics, anthroplogy and several languages and have lived and worked as a teacher of English as a second language in Australia, Jordan and the United Arab Emirates. I married on my return to Australia in my mid-thirties and was very thankful to give birth to two healthy daughters.

Over the years I’ve had bouts of depression, thankfully my wonderfully supportive husband of 25 years helped. One of my greatest joys has been helping raise our two daughters. I shed many tears when our eldest daughter was diagnosed with type 1 at the age of 12. But despite all, it is my hope and prayer that both our girls will enjoy the richness and fullness of life and relationships.

2018 Kids Camp

Treasurer's Report

Diabetes SA recorded an operating surplus of $161.7k for the 2017/2018 financial year after taking into account cumulative gains and losses from our available for sale investments.

This increased total equity to $10.7m which provides the Association with sufficient funds to continue to invest wisely in future projects that support better outcomes for people at risk or living with diabetes in South Australia.

In previous years, the majority of our surplus funds have been invested in low yielding Term Deposits.

By engaging Macquarie Wealth Management to process these funds ($9.33m as at 30 June 2018) a 5% return (net of fees) was achieved for the financial year. This is considered to be a sound result in line with the Board's expectations and consistent with our conservative risk appetite in relation to how the funds are to be invested.

This decision has significantly changed the structure of our Statement of Financial Position as these investments are shown as Non-current assets as distinct from Term Deposits which are recorded as Current Assets.

Another significant change in the Statement of Financial Position was created by the sale of our Salisbury North warehouse (previously used in conjunction with our now closed Clothing Collection business).

A sale price of $1.3m was negotiated which resulted in a profit of $205k, net of all fees associated with the sale process.

As in previous years, a surplus from NDSS contract activities of $121.5k has not been taken into profit but is shown as a Current Liability as it is to be returned to Diabetes Australia in accordance with the Agency Agreement.

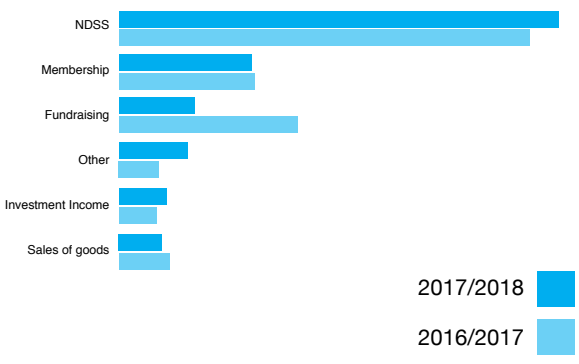
Diabetes SA is in a particularly strong financial position in its own right in an increasingly competitive and ever-changing market and our net worth (Total Assets/Total Liabilities) is the best result this decade.

Finally, I would like to thank all Board Members, CEO, Management and Staff for their ongoing support and advice as we look forward with confidence to another successful financial year.

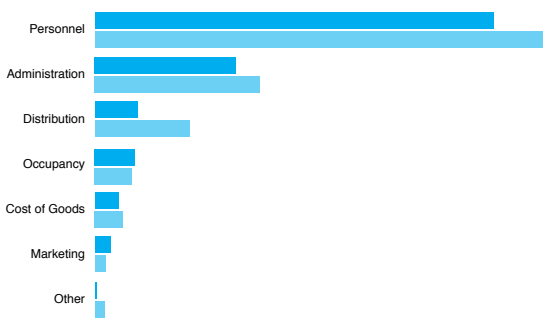
Colin Butterick

Treasurer

Where each dollar came from



Where each dollar was spent



Statement by Board of Management

The Diabetic Association of SA Inc trading as Diabetes SA
Statement by Board of Management

In the opinion of the Board of Management of the Diabetic Association of South Australia Incorporated, the 2017/2018 Financial Report of the Diabetic Association of South Australia Incorporated have been produced in accordance with:

1. (a) the Australian Charities and Not-for-profits Commission Act 2012, including:

   (i) Giving a true and fair view of its financial position as at 30 June 2018 and of its performance for the financial year ended on that date; and

   (ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013; and

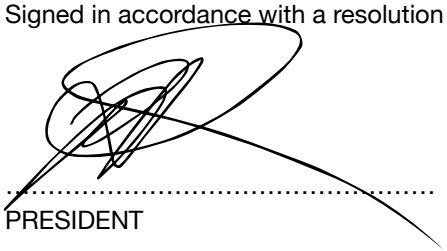
   (b) There are reasonable grounds to believe that of the Diabetic Association of South Australia Incorporated will be able to pay its debts as and when they become due and payable.

2. the Associations Incorporation Act 1985 (SA) including:

   that during the 2017/2018 financial year, no officer of the Association, or any firm of which an officer is a member, or any corporate entity in which an officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or corporate entity and the Association other than benefits received as an employee of the association as set out in the notes under Key Management Personnel Compensation.

Dated at Adelaide this 25th day of September 2018.

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



.....
PRESIDENT

.....
TREASURER

Statement of Profit or Loss and Comprehensive Income

The Diabetic Association of SA Inc trading as Diabetes SA
Statement of Profit or Loss and Comprehensive Income for the financial year ended 30 June 2018

	Note	2018	2017
		$	$
Revenue – Sale of goods		215,233	257,893
Cost of sales		(142,319)	(169,784)
Gross Profit		72,914	88,109
Revenue – Rendering of services	3	3,394,014	5,019,657
Investment Income	3	239,342	191,261
Other gains and losses	3	294,477	170,228
Distribution expenses		(259,266)	(576,086)
Marketing expenses		(96,318)	(62,335)
Occupancy expenses		(249,979)	(226,128)
Administration expenses		(3,315,521)	(3,754,422)
Other expenses		(60,877)	(10,740)
Profit for the year		18,786	839,544
Other comprehensive income:			
Net Fair Value Gain/(Loss) on available-for-sale investments taken to equity	13(ii)	189,004	390
Cumulative Gain/(Loss) reclassified from equity on disposal of available-for-sale investments	13(ii)	(46,049)	(168,271)
Total Comprehensive Income for the year		161,741	671,663

This Statement is to be read in conjunction with the accompanying notes.

Statement of Financial Position

The Diabetic Association of SA Inc trading as Diabetes SA
Statement of Financial Position as at 30 June 2018

	Note	2018	2017
		$	$
Current Assets			
Cash and bank balances	17	1,417,321	7,106,515
Trade and other receivables	4	10,766	94,929
Inventories	5	37,913	48,905
Other financial assets	18	950,000	-
Other assets	6	98,409	52,258
Total Current Assets		2,514,409	7,302,607
Non-Current Assets			
Property, plant and equipment	7	1,220,901	2,346,282
Intangible assets	8	155,046	9,161
Other financial assets	18	8,082,454	2,307,735
Total Non-Current Assets		9,458,401	4,663,177
Total Assets		11,972,810	11,965,784
Current Liabilities			
Trade and other payables	9	316,396	194,138
Provisions	12	258,497	268,438
Other liabilities	10	557,052	822,434
Total Current Liabilities		1,131,945	1,285,009
Non-Current Liabilities			
Provisions	12	41,014	43,942
Other liabilities	11	94,631	93,352
Total Non-Current Liabilities		135,645	137,294
Total Liabilities		1,267,589	1,422,304
Net Assets		10,705,221	10,543,480
Equity			
Reserves	13	568,925	425,970
Retained Earnings	14	10,136,296	10,117,510
Total Equity		10,705,221	10,543,480

This Statement is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity & Cash Flows

The Diabetic Association of SA Inc trading as Diabetes SA
Statement of Changes in Equity for the financial year ended 30 June 2018

	Reserves	Retained Earnings	Total
	$	$	$
Balance at 1 July 2016	593,851	9,277,966	9,871,817
Profit for the year	-	839,544	839,544
Other Comprehensive income for the year	(167,881)	-	(167,881)
Total Comprehensive Income	(167,881)	839,544	671,663
Balance at 30 June 2017	425,970	10,117,510	10,543,480
Balance at 1 July 2017	425,970	10,117,510	10,543,480
Profit for the year	-	18,786	18,786
Other Comprehensive income for the year	142,955	-	142,955
Total Comprehensive Income	142,955	18,786	161,741
Balance at 30 June 2018	568,925	10,136,296	10,705,221

Statement of Cash Flows for the financial year ended 30 June 2018

	Note	2018	2017
		$	$
Cash Flows from Operating Activities			
Receipts from customers		3,568,705	5,417,042
Payments to suppliers and employees		(4,030,309)	(5,084,535)
Net cash generated by operating activities		(461,604)	332,507
Cash Flows from Investing Activities			
Payments to acquire financial assets		(6,581,764)	(2,114,067)
Payments for property, plant and equipment		(83,663)	(42,598)
Payments for intangible assets		(164,592)	
Proceeds from disposal of property, plant and equipment		1,312,220	20,645
Proceeds from disposal of financial assets		50,868	6,753,940
Investment income received		239,342	289,153
Net cash (used in) / generated by investing activities		(5,227,590)	4,907,073
Net increase in cash and cash equivalents		(5,689,194)	5,239,580
Cash and cash equivalents at the beginning of the financial year		7,106,515	1,866,935
Cash and cash equivalents at the end of the financial year	17	1,417,321	7,106,515

This Statement is to be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Financial Year Ended 30 June 2018

The Diabetic Association of SA Inc trading as Diabetes SA

Note	Contents

1. General Information

The Diabetic Association of SA Inc. is a member based Association, largely self funded through membership subscriptions and fundraising activities. The Association is the only charity in South Australia helping people living with diabetes through the provision of information, support, education and products.

The Association also undertakes activities which improve understanding and awareness of diabetes and participates in the search for a cure.

Registered Office and Principal place of business:
159 Sir Donald Bradman Drive, Hilton SA 5033.

2. Significant Accounting Policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and complies with other requirements of the law.

The financial statements were authorised for issue by the Board of Management on 25 September 2018.

Basis of preparation

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments.

Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

Adoption of new and revised Accounting Standards

The Association has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits and investments in money market instruments.

(b) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave, when it is probable that settlement will be required and they are capable of being measured reliably. Sick leave is non-vesting and has not been provided for.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Association in respect of services provided by employees up to reporting date.

The Association contributes to complying superannuation funds at the required rate of the employees' wages and salaries. Superannuation contributions are recognised as an expense when incurred.

(c) Financial assets

Investments are recognised and de-recognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time-frame established by the market concerned, and are initially measured at fair value, net of transaction costs.

Other financial assets are classified into the following categories: 'available-for sale' financial assets, 'held-to-maturity' investments, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Available-for-sale financial assets

Listed securities held by the Association that are traded in an active market are classified as being 'available-for-sale' ("AFS") and are stated at fair value. The Association also has investments in unlisted common funds that are not traded on an active market but that are also classified as AFS financial assets and stated at fair value (because the Board of Management consider that fair value can be reliably measured). Fair value is measured in the manner described in note 19(b). Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the AFS investments revaluation reserve, with the exception of impairment losses and interest calculated using the effective interest method which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the AFS investments revaluation reserve is reclassified to profit or loss.

Held-to-maturity investments

Deposits that have fixed maturity dates where the Association has the positive intent and ability to hold to maturity are classified as held-to-maturity investments.

Held-to-maturity investments are recorded at amortised cost using the effective interest method less any impairment.

Loans and receivables

Trade receivables, loans, and other receivables are recorded at amortised cost less impairment.

Impairment of financial assets

The financial assets held by the Association are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Association's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss.

Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income.

(d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority 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 taxation authority is classified as operating cash flows.

(e) Impairment of tangible assets

At each reporting date, the Association reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(f) Income Tax

The Diabetic Association of South Australia Inc. 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.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with all categories being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(h) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(i) Payables

Trade payables and other accounts payable are recognised when the Association becomes obliged to make future payments resulting from the purchase of goods and services.

(j) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition. Freehold land is carried at cost.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognised as profit or loss.

The following estimated useful lives are used in the calculation of depreciation:

- Buildings 50 years
- Furniture and Equipment 2–10 years
- Motor Vehicles 8 years

(k) Intangible assets

During 2018 the classification of the associations assets were reviewed with the result of computer software identified as intangible assets rather than fixed assets.

Aquired intangible assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

Intangible assets - work in progress

Two projects are currently being undertaken, iMIS is our Membership management software which is currently being upgraded, the other project is in relation to upgrading our website so that members can purchase products or access their membership on-line.

Both projects should be commissioned in late 2018.

Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite.

Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note (e).

The following useful live are applied:

- Computer Software 2-5 years

Amortisation has been included within depreciation and amortisation.

Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

(l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery and/or when control of the goods has passed to the buyer.

Provision of NDSS Services

Income from the provisioning of NDSS Services is received on a quarterly basis in advance of the provisioning of the agreed services or programs. Acquittals are provided on a quarterly basis with under or over provision payments paid or returned annually.

Membership Fees

Revenue from membership fees is recognised by reference to the period of the underlying membership. Current unexpired Membership Fees are that portion of membership fees that have been paid in advance and not yet earned, but will be earned in the next 12 months. (see note 10).

Non-current unexpired Membership Fees are that portion of membership fees that have been paid in advance and not yet earned, but will be earned in greater than 12 months time. (see note 11)

Fundraising – Donations and Bequests

Revenue or assets arising from donations and bequests is recognised when control is obtained, as it is impossible for the Association to reliably measure these prior to this time.

Cash donations are recognised when banked and other donations and bequests are recognised when title or possession transfers to the Association.

Clothing Collection

Clothing collection services ceased in June 2017, revenue from the sale of goods in 2017 was recognised upon the delivery of goods to the Savers store.

Investment Income

Dividend revenue from investments is recognised when the Association's right to receive payment has been established.

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

3. Revenue and Profit

(a) Revenue

		2018 $	2017 $
Revenue from Sale of goods		215,233	257,893
Revenue from Rendering of services			
NDSS goods and services		2,266,736	2,115,853
Membership subscriptions		684,274	701,277
Fundraising (Note 21)		385,593	919,864
Clothing Collection		-	1,241,046
Education and Training Fees		39,941	29,529
Other		17,470	12,088
		3,394,014	5,019,657
Investment Income			
Interest income:	Bank deposits	22,630	49,179
	Held to Maturity Investments	-	127,971
	Managed Funds	213,754	-
Dividends:	Available for Sale Investments	2,958	14,111
		239,342	191,261

(b) Profit for the year

Profit for the year has been arrived at after (charging)/crediting the following:

(i) Other gains and losses			
Gain/(Loss) on disposal of property, plant and equipment		(8,715)	(16,154)
Gain/(Loss) on disposal of available-for-sale investments		8,820	18,111
		104	1,957
Cumulative Gain/(Loss) reclassified from equity on disposal of available-for-sale investments		46,049	168,271
		46,153	170,228
Sale of property at Salisbury North			
Profit on disposal		217,129	
Commission on disposal		(26,695)	
Rental Income - Salisbury North		23,852	-
Property Management		(9,243)	
		205,044	-
Free meter promotion		43,280	-
(ii) Other expenses			
Profit for the year includes the following expenses:			
Cost of sales		(142,319)	(169,784)
Amortisation:	Computer Software	(18,708)	(9,500)
Depreciation:	Buildings	(43,753)	(46,140)
	Furniture and equipment	(56,834)	(63,451)
	Motor vehicles	(4,650)	(4,645)
		(105,237)	(114,236)
Employee benefits expense:	Salaries and On-Costs	(2,377,213)	(2,798,620)
	Employee Benefits	12,869	96,338
		(2,364,344)	(2,702,282)
Consulting Expense:		(195,245)	(60,345)

4. Trade and Other Receivables

	2018	2017
	$	$
Trade receivables	10,766	41,110
Other receivables	-	53,819
Allowance for doubtful debts	-	-
	10,766	94,929

The average credit period on sale of goods is 30 days.
No interest is charged on trade receivables from the date of the invoice.

5. Inventories

Finished Goods at cost	37,913	48,905

6. Other Current Assets

Prepayments	98,409	52,258

7. Property, Plant and Equipment

	Freehold Land	Buildings	Furniture & Equipment	Motor Vehicles	Total
	At cost	At cost	At cost	At cost	
Gross Carrying Amount	$	$	$	$	$
Balance at 30 June 2016	518,000	2,307,002	993,484	68,809	3,887,297
Additions	-	-	42,598	-	42,598
Disposals	-	-	(59,938)	(35,879)	(95,818)
Balance at 30 June 2017	518,000	2,307,002	976,144	32,930	3,834,077
Additions	-	-	45,704	37,960	83,663
Disposals	(260,000)	(886,584)	(22,158)	(32,930)	(1,201,672)
Balance at 30 June 2018	258,000	1,420,418	999,690	37,960	2,716,068
Accumulated Depreciation					
Balance at 30 June 2016	-	(613,370)	(795,074)	(15,057)	(1,423,501)
Depreciation Expense	-	(46,140)	(63,451)	(4,645)	(114,236)
Disposals	-	-	41,562	8,380	49,942
Balance at 30 June 2017	-	(659,510)	(816,963)	(11,322)	(1,487,795)
Depreciation Expense	-	(43,753)	(56,861)	(4,608)	(105,222)
Disposals	-	63,714	21,829	12,307	97,850
Balance at 30 June 2018	-	(639,549)	(851,995)	(3,623)	(1,495,167)
Net Book Value					
As at 30 June 2017	518,000	1,647,492	159,181	21,608	2,346,282
As at 30 June 2018	258,000	780,868	147,695	34,337	1,220,901

The aggregate depreciation allocated during the year is recognised as an expense and disclosed in note 4 to the financial statements.

There was no depreciation during the year that was capitalised as part of the cost of other assets.

8. Intangible assets

	Intangible assets	'Work in progress		Total
	Computer Software	iMIS Project	Website Update	
	At cost	At cost	At cost	
Gross Carrying Amount	$	$	$	$
Balance at 30 June 2016	306,690	-	-	306,690
Additions	-	-	-	-
Disposals/capitalisation	-	-	-	-
Balance at 30 June 2017	306,690	-	-	306,690
Additions	24,950	72,617	67,025	164,592
Disposals/capitalisation	-	-	-	-
Balance at 30 June 2018	331,640	72,617	67,025	471,282
Accumulated Amortisation				
Balance at 30 June 2016	(288,028)	-	-	(288,028)
Amortisation Expense	(9,500)	-	-	(9,500)
Disposals/capitalisation	-	-	-	-
Balance at 30 June 2017	(297,528)	-	-	(297,528)
Amortisation Expense	(18,708)	-	-	(18,708)
Disposals/capitalisation	-	-	-	-
Balance at 30 June 2018	(316,236)	-	-	(316,236)
Net Book Value				
As at 30 June 2017	9,162	-	-	9,162
As at 30 June 2018	15,404	72,617	67,025	155,046

9. Trade and Other Payables

	2018	2017
	$	$
Trade Payables	310,649	191,592
Other Payables	5,747	2,546
	316,396	194,138

The average credit period on purchases of goods is 30 days.
No interest is charged on payables from the date of the invoice.

10. Other Current Liabilities

Accrued Liabilities	45,015	149,219
Unexpired Membership Fees	390,523	415,166
NDSS Surplus	121,514	258,049
	557,052	822,434

11. Other Non-Current Liabilities

	2018 $	2017 $
Unexpired Membership Fees - Non Current	94,631	93,352

12. Provisions

The aggregate employee benefits provision recognised and included in the financial statements is as follows:

Current	Provision for annual leave	134,176	146,971
	Provision for long service leave	124,321	121,467
		258,497	268,438
Non-Current	Provision for long service leave	41,014	43,942

13. Reserves

Capital Development Reserve	(i)	400,000	400,000
Available for Sale Reserve	(ii)	168,925	25,970
Closing Balance		568,925	425,970

(i) Capital Development Reserve

Opening balance	400,000	400,000
Movement in Reserve	-	-
Closing balance	400,000	400,000

The capital development reserve is a reserve to be used to fund future capital projects.

(ii) Available for Sale Reserve

Opening balance	25,970	193,851
Net Fair Value Gain/(Loss)	189,004	390
Cumulative Gain/(Loss) reclassified	(46,049)	(168,271)
Closing balance	168,925	25,970

The available for sale reserve reflects the accumulated fair value adjustments to available for sale financial assets.

14. Retained Earnings

Balance at beginning of financial year	10,117,510	9,277,966
Profit for year	18,786	839,545
Balance at end of financial year	10,136,296	10,117,510

15. Economic Dependency

The Diabetic Association of South Australia Inc. has an Agency Agreement with Diabetes Australia to manage the National Diabetes Services Scheme (NDSS) in South Australia until 30 June 2020.

16. Related Party Transactions

During the financial year to which the accounts relate, no officer or firm in which the officer is a member or a body corporate in which the officer has a substancial financial interest has received directly or indirectly from the association any payment or other benefit of a pecuniary value.

Key Management Personnel Compensation

The aggregate compensation made to Board Members and other members of key management personnel of the Association is set out below:

	2018 $	2017 $
Compensation to Board Members and other members of key management personnel of the Association	689,037	766,004
	689,037	766,004

During the year key management and personnel have purchased goods from the Association which were domestic or trivial in nature on the same terms and conditions available to customers.

17. Notes to the Statement of Cash Flows

Reconciliation of cash and cash equivalents

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

Cash	4,505	4,488
Bank balances	1,412,816	7,102,027
	1,417,321	7,106,515

18. Other Financial Assets

Held-to-maturity investments carried at amortised cost

Term deposits	Current	950,000	-

In 2017 and 2018 the Association held various short term deposits with various financial institutions

The weighted average interest rate on term deposits held during the 2018 year was 2.43% p.a. (2017 - 2.68% p.a.)

The fixed deposits had maturity dates ranging between 3 to 6 months from last reporting date.

Available-for-sale investments carried at fair value

Listed securities	Non-Current	4,322,285	1,462,556
Managed Funds	Non-Current	3,760,169	845,179
		8,082,454	2,307,735

19. Financial Instruments

(a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of financial assets and financial liabilities are disclosed in note 2 to the financial statements.

(b) Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of available-for-sale assets are determined as follows:

- The fair values of available-for-sale assets with standard terms and conditions and traded on an active liquid market are determined with reference to quoted market prices.
- The fair values of available-for-sale assets with standard terms and conditions but not traded on an active liquid market were based on a statement provided from Public Trustee.

20. Obligations Under Operating Leases

Non-cancellable operating lease commitments	2018 $	2017 $
Not later than 1 year	31,578	14,637
Later than 1 year and not later than 5 years	16,386	9,908
Later than 5 years	-	-
	47,964	24,545

The operating leases are for motor vehicles leased for use on NDSS activities and Association office equipment.

The Association does not have an option to purchase the leased assets at the expiry of the lease terms.

21. Fundraising

2018	Gross Income $	Direct Expenditure $	Overheads $	Net Surplus $
Memorials	29,161	974	22,408	5,780
Appeals	106,436	51,160	81,786	(26,510)
Bequests	65,518	114	50,345	15,059
Lotteries	127,425	93,959	97,914	(64,449)
Other (Non-Project)	57,054	5,039	43,841	8,174
	385,593	151,246	296,294	(61,946)
Sponsorships	-	-	-	-
Total	385,593	151,246	296,294	(61,946)

2017	Gross Income $	Direct Expenditure $	Overheads $	Net Surplus $
Memorials	33,492	879	19,519	13,094
Appeals	85,420	29,859	49,783	5,778
Bequests	549,265	101	29,160	520,004
Lotteries	164,541	78,621	95,894	(9,974)
Other (Non-Project)	66,791	2,404	38,926	25,461
	899,509	111,864	233,282	554,363
Sponsorships	20,355	-	-	20,355
Total	919,864	111,864	233,282	574,718

22. Contingent Liability

There are no contingent liabilities as at 30 June 2018 (2017: nil).

23. Subsequent Events

There has not arisen since the end of the financial year any item, transaction or event of a material and unusual nature likely, in the opinion of the Board of Management, to affect significantly the operations of the Association, the results of these operations or the state of affairs of the Association in subsequent financial years.

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Centre
Level 7, 420 King William Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

DECLARATION OF INDEPENDENCE

BY G K EDWARDS

TO THE BOARD OF MANAGEMENT OF THE DIABETIC ASSOCIATION OF SA INCORPORATED

As lead auditor of the Diabetic Association of SA Incorporated for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

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

G K Edwards
Director

BDO Audit (SA) Pty Ltd

Adelaide, 28 September 2018

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

Level 7, BDO Centre
420 King William St
Adelaide SA 5000
GPO Box 2018, Adelaide SA 5001
AUSTRALIA

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE DIABETIC ASSOCIATION OF SA INCORPORATED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Diabetic Association of SA Incorporated (the registered entity), which comprises the statement of financial position as at 30 June 2018, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the statement by the board of management.

In our opinion the accompanying financial report of The Diabetic Association of SA Incorporated, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

(i) Giving a true and fair view of the registered entity's financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The responsible entities of the registered entity are responsible for the other information. The other information comprises the information in the registered entity's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: http://www.auasb.gov.au/auditors_files/ar3.pdf.

This description forms part of our auditor's report.

BDO

BDO Audit (SA) Pty Ltd

G K Edwards
Director

Adelaide, 28 September 2018

Living diabetesSA

information • support • education • products

The Diabetic Association of South Australia Incorporated

159 Sir Donald Bradman Drive, Hilton SA 5033

Phone (08) 8234 1977

Fax (08) 8234 2013

Email info@diabetessa.com.au

Website www.diabetessa.com.au