Financial Report
2023/2024

Diabetes SA Support Always

Treasurer's Report

I'm delighted to present my second Treasurer's report since being appointed as Treasurer of Diabetes SA.

This financial year has been challenging for the organisation, with the effects of changes to the Department of Veterans' Affairs (DVA) Diabetes Membership and Commonwealth Rehabilitation Appliance Program (RAP) taking effect. The overall small profit for the year of $0.034 million is testament to the hard work of your Diabetes SA team to offset the impacts of this change.

To recap, the positive financial outcome in 2022/23 (a Net Profit of $1.169 million) benefited from two tail winds: Fundraising Income of $1.273 million primarily due to one very generous bequest, and the positive movement in the market value of investments. Strong investment returns across global share markets have continued, realising a gain on investments in 2023/24 of $0.682 million (2022/23: $0.433 million). Macquarie Private Wealth continue to provide guidance on appropriate investment strategies to protect the investment assets of your organisation.

Our ability to maintain overall costs very close to 2022/23 notwithstanding general cost of doing business increases, has also assisted in sustaining a small profit for the year. Last year I noted the strategic imperative to diversify sources of income. This work has been ongoing this year, and whilst our employee costs have been lower due to staff vacancies over the course of the year, our spend in other areas has increased. This increased spend reflects the early investments being made in income generation and diversification, with a website upgrade underway and investments for the longer term in fundraising strategies taking place.

Collectively as a Board, and in my role as Treasurer, we are very focused on securing the financial viability and sustainability of your member organisation into the future.

Linzi Carr, Treasurer

Statement by Board of Management

The Diabetic Association of SA Incorporated trading as Diabetes SA

In the opinion of the Board of Management of the Diabetic Association of South Australia Incorporated, the 2023/2024 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 2024 and of its performance for the financial year ended on that date; and
(ii) Complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2022; 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 2023/2024 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 ....25. day of ...September.........2024

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

....
PRESIDENT

....
TREASURER

Statement of Profit or Loss and Other Comprehensive Income

The Diabetic Association of SA Incorporated trading as Diabetes SA

Statement of Profit or Loss and Comprehensive Income for the financial year ended 30 June 2024

	Note	2024	2023
		$	$
Revenue and Other Income			
Revenue - sale of goods		344,269	523,106
Revenue - rendering of services	3A	2,596,801	3,042,208
Investment income	3B	295,392	316,931
Other gains / (losses)	4	681,976	433,116
Other Income	5	675,838	1,354,541
Total Revenue and Other Income		4,594,276	5,669,902
Expenses			
Inventory purchases		225,845	329,474
Employee benefits	6A	2,719,948	2,811,207
Suppliers	6B	1,473,909	1,178,522
Depreciation and amortisation	6C	103,111	148,939
Finance costs		36,472	32,004
Total Expenses		4,559,285	4,500,146
Profit/(Loss) for the year		34,991	1,169,756
Other comprehensive income		-	-
Total comprehensive income for the year		34,991	1,169,756

The Statements are to be read in conjunction with the accompanying notes.

Statement of Financial Position

The Diabetic Association of SA Incorporated trading as Diabetes SA
Statement of Financial Position as at 30 June 2024

	Note	2024	2023
		$	$
ASSETS			
Current assets			
Cash and cash equivalents	7	575,151	1,247,954
Trade and other receivables	8	32,604	85,996
Inventories		97,480	123,844
Prepayments		148,524	187,898
Total current assets		853,759	1,645,692
Non-current assets			
Property, plant and equipment	9	1,045,047	1,115,999
Intangible assets	10	-	-
Right of use assets	11	4,190	24,795
Other financial assets	12	8,529,595	7,405,582
Total non-current assets		9,578,832	8,546,376
Total assets		10,432,591	10,192,068
LIABILITIES			
Current liabilities			
Trade and other payables	13	262,897	431,242
Lease liabilities	16	4,190	25,693
Provisions	14	344,227	331,746
Revenue received in advance or repayable	15	755,377	383,433
Total current liabilities		1,366,691	1,172,114
Non-current liabilities			
Provisions	14	86,840	99,451
Revenue received in advance or repayable	15	113,029	89,463
Total non-current liabilities		199,869	188,914
Total liabilities		1,566,560	1,361,028
NET ASSETS		8,866,031	8,831,040
EQUITY			
Reserves		7,535,294	7,669,623
Retained Earnings		1,330,737	1,161,417
TOTAL EQUITY		8,866,031	8,831,040

The Statements are to be read in conjunction with the accompanying notes.

Statement of Changes in Equity

The Diabetic Association of SA Incorporated trading as Diabetes SA
Statement of Changes in Equity for the financial year ended 30 June 2024

	Research Reserve	Endowment Reserve	Retained Earnings	Total
	$	$	$	$
Balance at 1 July 2022	925,426	5,406,763	1,329,095	7,661,284
Profit for the year	-	-	1,169,756	1,169,756
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	1,169,756	1,169,756
Transfers from RE to reserves	1,111,296	226,138	(1,337,434)	-
Balance at 30 June 2023	2,036,722	5,632,901	1,161,417	8,831,040
Balance at 1 July 2023	2,036,722	5,632,901	1,161,417	8,831,040
Profit for the year	-	-	34,991	34,991
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	34,991	34,991
Transfers from RE to reserves	27,344	(161,673)	134,329	(0)
Balance at 30 June 2024	2,064,066	5,471,228	1,330,737	8,866,031

The Statements are to be read in conjunction with the accompanying notes.

Statement of Cash Flows

The Diabetic Association of SA Incorporated trading as Diabetes SA
Statement of Cash Flows for the financial year ended 30 June 2024

	2024	2023
	$	$
OPERATING ACTIVITIES		
Receipts from customers and funding providers	4,472,391	5,221,620
Government Grants Received	-	60,000
Payments to suppliers and employees	(4,964,931)	(4,971,303)
Payments for operating leases - interest component	(561)	(1,290)
Net cash from / (used in) operating activities	(493,101)	309,027
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	(295)	-
Proceeds from disposal of financial assets	895,891	715,193
Payments to acquire financial assets	(1,336,753)	(127,024)
Investment income received	295,392	316,931
Payments for property, plant and equipment	(12,699)	(91,445)
Net cash from / (used by) investing activities	(158,464)	813,655
FINANCING ACTIVITIES		
Payments for operating leases - principal component	(21,238)	(20,508)
Net cash from / (used in) financing activities	(21,238)	(20,508)
Net increase in cash and cash equivalents	(672,803)	1,102,174
Cash and cash equivalents at the beginning of the financial year	1,247,954	145,780
	575,151	1,247,954

The Statements are to be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Financial Year Ended 30 June 2024

The Diabetic Association of SA Incorporated trading as Diabetes SA

Note Contents

1. General Information

The Diabetic Association of SA Inc. is a not-for-profit member-based association, incorporated and domiciled in Australia. The Association is largely self-funded through membership subscriptions and fundraising activities and 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.

The financial statements cover The Diabetic Association of SA Inc trading as Diabetes SA as an individual entity. The financial statements are presented in Australian dollars, which is The Diabetic Association of SA Inc trading as Diabetes SA's functional and presentation currency.

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

2. Material accounting policy information

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, 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 25th September 2024.

Preparation of the financial report on a going concern basis

The financial report has been prepared on a going concern basis, which assumes continuity of normal organisation activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Association has made a profit for the year of $34,991 (2023: $1,169,756), but has incurred net cash outflows from operating activities of $493,101 (2023: cash inflows of $309,027) and cash outflows from investing activities of $158,464 (2023: cash inflows of $813,655). The Association balance sheet showed net current liabilities at 30 June 2024 of $512,932 (2023: net current assets of $473,578).

The Board of Management, in the consideration of the appropriateness of the going concern basis for the preparation of the financial statements, have considered the following factors:

- Of the Association current liabilities at 30 June 2024, $448,658 comprises deferred membership fees, which will be recognised as income over the next 12 months and do not necessitate any cash outflow from the Association;
- The Association has $8,529,595 of financial asset investments at 30 June 2024 which are classified as non-curren assets. Whilst this classification reflects our intent to continue to invest those funds, investments can be realised at short notice to support cash flow requirements, subject to approval by the Board.

Adoption of new and revised Accounting Standards

The association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the entity.

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 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

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the association has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Impairment

The association recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the association's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(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.

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.

(e) 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.

(f) 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.

(g) 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.

(h) 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

(i) Intangible assets

Acquired intangible assets

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

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.

(i) Intangible assets (continued)

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 lives 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.

(j) Revenue recognition

The association recognises revenue as follows:

Revenue from Contracts with Customers

Revenue is recognised at an amount that reflects the consideration to which the association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale of goods

Revenue is recognised when the performance obligation to provide the goods has been satisfied.

NDSS Income

Income from the provisioning of NDSS Services is received on a quarterly basis in the first week of each quarter as income 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.

Any amounts received during the financial year which remain unspent at year end are recorded as a liability repayable to Diabetes Australia.

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.

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.

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.

Investment Income

Dividend revenue and managed funds revenue from investments is recognised on receipt.

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

(k) Reserves

Research reserve

The research reserve is a reserve to be used to fund new or continuing research that is directed towards prevention, detection, management of diabetes and the identification, delivery and performance of services for people with diabetes.

Endowment reserve

The endowment reserve is a reserve to be used for the Boards discretion to direct funds on an annual basis to the areas of need within the Association such as the development of new programs or initiatives.

(l) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1(b), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

3. Revenue

	2024	2023
	$	$
3A. Revenue from rendering services		
NDSS goods and services	1,985,994	2,122,829
Membership subscriptions	500,596	602,293
Sponsorship	-	-
Education and Training Fees	84,134	284,498
Other Revenue from Rendering of services	26,077	32,588
	2,596,801	3,042,208
3B. Investment income		
Interest income: Bank deposits	22,704	16,947
Managed Funds	272,688	299,984
Dividends: Financial assets at fair value through profit or loss	-	-
	295,392	316,931

4. Gains and losses

	2024	2023
(i) Other gains and losses		
Gain/(Loss) on disposal of property, plant and equipment	(1,175)	-
Gain/(Loss) on disposal of financial assets at fair value through profit or loss	58,255	(47,559)
	57,080	(47,559)
(ii) Fair Value adjustments to financial assets at fair value through profit or loss	624,896	480,675
Total gains and losses	681,976	433,116

5. Other income

	2024	2023
Fundraising	380,839	1,272,521
Rental Income	72,412	22,020
Government Grants Received - Cashflow use	-	60,000
Grants - Other	222,587	-
	675,838	1,354,541

6. Expenses

6A. Employee benefits

	2024	2023
Salaries and Wages	2,439,880	2,568,565
Long Service Leave	2,252	8,733
Annual Leave	(2,382)	(37,766)
Contributions to defined contribution plans	263,954	255,322
Other	16,244	16,353
Total employee benefits	2,719,948	2,811,207

6B. Suppliers	2024 $	2023 $
Consultants	331,322	86,413
Grant Funding	(6,011)	-
Postage	125,060	154,756
Printing & stationery	120,538	119,771
IT	500,984	361,639
Venue Hire and other activities	122,813	151,741
Repair and maintenance	19,728	33,088
Marketing	16,602	40,984
Fees and rates	21,443	36,077
Other expenses	221,430	194,053
Total goods and services supplied or rendered	1,473,909	1,178,522

6C. Depreciation and amortisation

Depreciation:	Buildings	29,356	28,623
	Furniture and equipment	47,993	73,666
	Motor vehicles	5,422	5,422
	Leased Assets	20,340	20,604
		103,111	128,315
Amortisation:	Computer Software	-	20,624
Total depreciation and amortisation		103,111	148,939

7. 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 on hand	1,095	1,494
Cash at Bank	574,056	1,246,460
Total cash and cash equivalents	575,151	1,247,954

8. Trade and other receivables

Trade receivables	1,346	50,606
Other receivables	31,258	35,390
Total trade and other receivables	32,604	85,996

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

9. Property, plant and equipment

	Freehold Land At Cost	Buildings At Cost	Furniture and Equipment At Cost	Motor Vehicles At Cost	Total
Gross Carrying Amount	$	$	$	$	$
Balance at 30 June 2023	258,000	1,464,723	1,353,908	43,374	3,120,005
Additions			12,699		12,699
Disposal			(4,363)		(4,363)
Balance at 30 June 2024	258,000	1,464,723	1,362,244	43,374	3,128,341
Accumulated Depreciation					
Balance at 30 June 2023	-	(781,807)	(1,207,107)	(15,092)	(2,004,006)
Depreciation Expense	-	(29,356)	(47,993)	(5,422)	(82,771)
Disposals	-	-	3,483	-	3,483
Balance at 30 June 2024	-	(811,163)	(1,251,617)	(20,514)	(2,083,294)
Net Book Value					
As at 30 June 2024	258,000	653,560	110,627	22,860	1,045,047

The aggregate depreciation allocated during the year is recognised as an expense and disclosed in note 6 to the financial statements. There was no depreciation during the year that was capitalised as part of the cost of other assets.

10. Intangible assets

	Intangible Assets	Work in progress	Total
Gross Carrying Amount			
Balance at 30 June 2023	633,058	-	633,058
Additions	-	-	-
Disposals/capitalisation	-	-	-
Balance at 30 June 2024	633,058	-	633,058
Balance at 30 June 2023	(633,058)	-	(633,058)
Amortisation Expense	-	-	-
Disposals/capitalisation	-	-	-
Balance at 30 June 2024	(633,058)	-	(633,058)
Net Book Value			
As at 30 June 2024	-	-	-

11. Right of use assets

	Leased Assets
Gross Carrying Amount	$
Balance at 30 June 2023	65,203
Additions	-
Disposals	-
Balance at 30 June 2024	65,203
Accumulated Depreciation	
Balance at 30 June 2023	(40,408)
Depreciation Expense	(20,340)
Disposals	(265)
Balance at 30 June 2024	(61,013)
Net Book Value	
As at 30 June 2024	4,190

12. Other financial assets

	2024	2023
Financial Assets at fair value through profit or loss	$	$
Listed securities	4,872,954	3,992,198
Managed funds	3,656,641	3,413,384
Total	8,529,595	7,405,582

The listed securities and managed funds have been valued based on their quoted market prices in active markets.

13. Trade and other payables

	2024	2023
	$	$
Trade Payables and Accruals	251,126	397,763
Other Payables	11,771	33,479
Total	262,897	431,242

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

14. Provisions

14A. Employee provisions

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

	2024	2023
Current		
Provision for annual leave	190,291	192,673
Provision for long service leave	153,936	139,073
Total employee provisions	344,227	331,746
Non-Current		
Provision for long service leave	86,840	99,451
Total employee provisions	86,840	99,451
Total employee provisions	431,067	431,197

15. Revenue received in advance or repayable

	2024	2023
	$	$
Current		
NDSS Surplus	45,015	21,985
Upfront governnment contract payment	261,704	-
Unexpired Membership Fees	448,658	361,448
Total revenue received in advance or repayable	755,377	383,433
Non-Current		
Unexpired Membership Fees	113,029	89,463
Total revenue received in advance or repayable	113,029	89,463
Total	868,406	472,896

16. Lease Liabilities

Lease Liabilities	4,190	25,693
Future lease payments are due as follows:		
One to five years	4,190	21,210
more Than 5 years	-	4,573
Total	4,190	25,693

17. 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 2025.

18. Key management personnel remuneration

The aggregate compensation made to key management personnel of the Association is set out below:

	2024	2023
	$	$
Compensation to key management personnel of the Association	1,315,815	1,189,785
	1,315,815	1,189,785

Board Members of the Association hold voluntary positions and accordingly, no remuneration has been paid to Board Members in the amount disclosed above.

19. Related party disclosure

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 substantial financial interest has received directly or indirectly from the association any payment or other benefit of a pecuniary value.

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.

20. Remuneration of auditors

	2024	2023
During the financial year the following fees were paid or payable for services provided by the auditor of the company:	$	$
Auditing Services - BDO	19,500	17,700
	19,500	17,700

21. Fundraising

2024	Gross Income	Direct Expenditure	Overheads	Net Surplus
	$	$	$	$
Memorials	6,013	701	2,323	2,989
Appeals	68,055	129,224	42,510	(103,679)
Bequests	136,530	70,062	59,617	6,851
Research	78,572	78,562	38,030	(38,020)
Other (Non-Project)	85,364	97,328	(8,277)	(3,687)
Total	374,534	375,877	134,203	(135,546)

2023	Gross Income	Direct Expenditure	Overheads	Net Surplus
	$	$	$	$
Memorials	9,208	3,561	4,375	1,272
Appeals	85,176	48,978	54,667	(18,469)
Bequests	1,007,082	33,575	43,124	930,383
Research	88,233	25,710	36,848	25,675
Other (Non-Project)	77,311	76,489	51,202	(50,380)
Total	1,267,010	188,313	190,216	888,481

22. Contigent liabilities and assets

There are no contingent liabilities as at 30 June 2024 (2023: nil).

23. Subsequent events

There has not arisen since the end of the financial year any other 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.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE DIABETIC ASSOCIATION OF SA INC

Report on the Audit of the Financial Statement

Opinion

We have audited the National Diabetes Services Scheme Statement of Income and Expenditure of Diabetic Association of SA Inc (the Entity) for the year ended 30 June 2024 and notes to the financial statement, including material accounting policy information (together 'the financial statement').

In our opinion, the accompanying financial statement presents fairly, in all material respects, the income and expenditure of the Entity in relation to the activities of the National Diabetes Services Scheme for the year ended 30 June 2024, in accordance with the basis of accounting described in Note 1.

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 Statement* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial statement in Australia, and we have fulfilled our other ethical responsibilities in accordance with that Code.

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

Emphasis of matter – Basis of accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statement has been prepared to assist the Entity to meet the requirements of section 6.2 of the State and Territory Agent Agreement (the Agreement) between Diabetes Australia Limited and the Entity. As a result, the financial statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of agreement, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whol free from material misstatement, whether due to fraud or error, and to issue an auditor's report tl includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered mater 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 statement.

A further description of our responsibilities for the audit of the financial report is located in Appen 1. This description forms part of our auditor's report.

BDO

BDO Audit Pty Ltd

JDCarver

Josh Carver
Director

Adelaide, 21 October 2024

Appendix 1 - Additional information on the Auditor's responsibilities for the audit of the financial statement

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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DECLARATION OF INDEPENDENCE
BY JOSH CARVER
TO THE MEMBERS OF THE DIABETIC ASSOCIATION OF SA INC

As lead auditor of The Diabetic Association of SA Inc for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 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.

JDCarver

Josh Carver
Director

BDO Audit Pty Ltd

Adelaide, 21 October 2024

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