

annual report

2010



transplant
australia
make the most of life.

contents

Vision and Mission	4
Chairman's Report	5
Chief Executive Officer's Report	6
Year in Review	8
Governance Statement	10
Directors' Report	11
Directors	11
Company Secretary	11
Information on Directors	11
Principal Activities	12
Review of Operations	12
Changes in state of affairs	12
Subsequent events	12
Likely developments and expected results	12
Environmental regulations	12
Indemnification and insurance of directors and officers	12
Proceedings on behalf of the Company	12
Directors' Benefits	12
Auditors	12
Financial Report	13
Income Statement	13
Balance Sheet	14
Statement of Changes in Equity	14
Cash Flow Statement	15
Notes to the Financial Statements	16
Directors' Declaration	22
Chief Executive Officer's Declaration under the Charitable Fundraising Act	23
Auditors Independence Declaration	24
Independent Audit Report to the Members of Transplant Australia Limited	25
Message from the Australian Sports Commission	27

vision and mission

Transplant Australia exists to make the most of life – promoting the life-saving benefits of organ and tissue donation to the Australian public and supporting those most vulnerable through their journey back to the fullness of life.

v

4

The mission of Transplant Australia is to be a strong advocate for best practice in the organ and tissue donation sector, to promote its life-saving benefits to governments and the Australian public and to provide all those touched by transplantation with support, education and guidance to improve their health, quality of life and well-being.

m

Chairman's Report

I would like to begin by saying that it has been a great honour to be involved with Transplant Australia over the past 12 months. It has also been my great pleasure to serve as the Chairman on the Board with such distinguished fellow board members.

I have learned a great deal over these months and have met some very interesting people, many of whom are members of Transplant Australia, such as the local members who attended the NSW Miracle Dinner at Dooley's Catholic Club. I have had the pleasure of attending a one day conference in Melbourne which was hosted by the Australian Sports Commission and attended by many of the other sporting organizations which also receive support from the Federal Government.

I was very fortunate to be invited to Canberra by the Australian Government's Organ and Tissue Authority for the launch of the DonateLife Media Campaign hosted by Prime Minister Kevin Rudd. The function was also attended by many of the other groups who play an important role in organ and tissue transplantation.

I was overwhelmed by the Australian Transplant Games which were held in Canberra in October last year. These games celebrate the determination of all those involved in transplantation, either as a donor or as a recipient. It was very moving for both my wife and I to witness how well people are able to compete following a transplant. The DonateLife Thank You garden was a very emotional event for all those that were involved and was a very fitting way for us all to show our appreciation to those who have made the greatest sacrifice of all.

The Gala Dinner that was held in the Great Hall of Parliament House was a beautiful setting for all those who attended the Games to celebrate their accomplishments and contributions. I was very pleased to see the Australian Donor Family Quilt on exhibition at the Gala Dinner. The quilt was very emotional for all those families who participated.



Alan Amodeo OAM

helping to tell the Transplant story. The organization has done a great job but there is so much more to do. We must help to increase the donor numbers through awareness and to do all we can to get the waiting list numbers down. If we can help to accomplish these goals it would make a great difference to those whom it affects.

A handwritten signature in black ink that reads "Alan Amodeo". The signature is written in a cursive, flowing style.

Alan Amodeo OAM
Chairman

There were other functions such as the community engagement activities and the Grape Adventure held in the Hunter Valley in May last year.

The Malpa Indigenous Advocacy breakfast that was held in the Mural Hall of Parliament House in November was definitely another very moving activity that was attended by many of the current Parliamentarians. I was fortunate enough to meet all of the Indigenous people that attended and I must admit that it was truly a very informative meeting for me. I was very interested to see and learn about their beautiful and unique artwork and to witness them paint in person.

I must commend Chris Thomas, Julie Edwards, John Hogan-Doran, Amelia McLaurin and Don Palmer, Fellow Directors, State Presidents and all of our volunteers across Australia for the great work they have done over the past year

CEO's Report

The Annual Report is traditionally an opportunity to look back over the performance of an organisation in the past 12 months and the Chairman and our Year in Review cover this more than adequately.

This Report, which will be presented to the Membership in April, is also an opportune time to look forward and paint a vision for Transplant Australia. Importantly, a vision to which all members can aspire.

In November 2010 the Directors of Transplant Australia held a strategic session and as CEO I was tasked with preparing a Strategic Plan to take the organisation through to 2014. The plan is now in operation.

It has three strategies:

Advocacy – To promote the life-changing benefits of transplantation to governments and authorities highlighting the costs savings while also ensuring donor families and living donors are respected and cared for.

Awareness – To promote the living proof of transplantation through promotional activities such as the Australian Transplant Games and other community engagement programs.

Support – To help transplant recipients, those awaiting transplantation, donor families and living donors in their journey associated with organ and tissue donation and transplantation.

In particular a strong focus will be growing the membership and the benefits provided to those awaiting transplantation, those who have received a transplant, donor families and living donors.

Perhaps the best way to describe the success of this strategy is to pretend to look back after the event and see what its success would have looked like. And this is what the Board has agreed:

Reputation

- Continued to have built on our reputation as a professional community organisation sought after by media, the sector and governments for our informed and reasoned beliefs and comments

Sustainability

- Diversified our income streams to a point where we were able to operate with appropriate staffing and resources and not be reliant upon any one source of funding

Improved Donation Rates

- Contributed to the sector's success in improving donation rates to between 400 and 500 deceased organ donors annually

Support of the most vulnerable

- Implemented a number of support programs to assist the chronically ill from the commencement of their journey requiring a transplant to 5, 10 and 20 years post-transplant
- Provided greater support for donor families and living donors and achieved a program where living donors out-of-pocket expenses were reimbursed

Gratitude

- Successfully implemented a change management process where gratitude and a thank you culture were core components of everything we do

Membership

- Grown the membership base both in terms of numbers and breadth of representation from younger age groups and those who wish to contribute to all of our programs – advocacy, awareness and support

Volunteerism

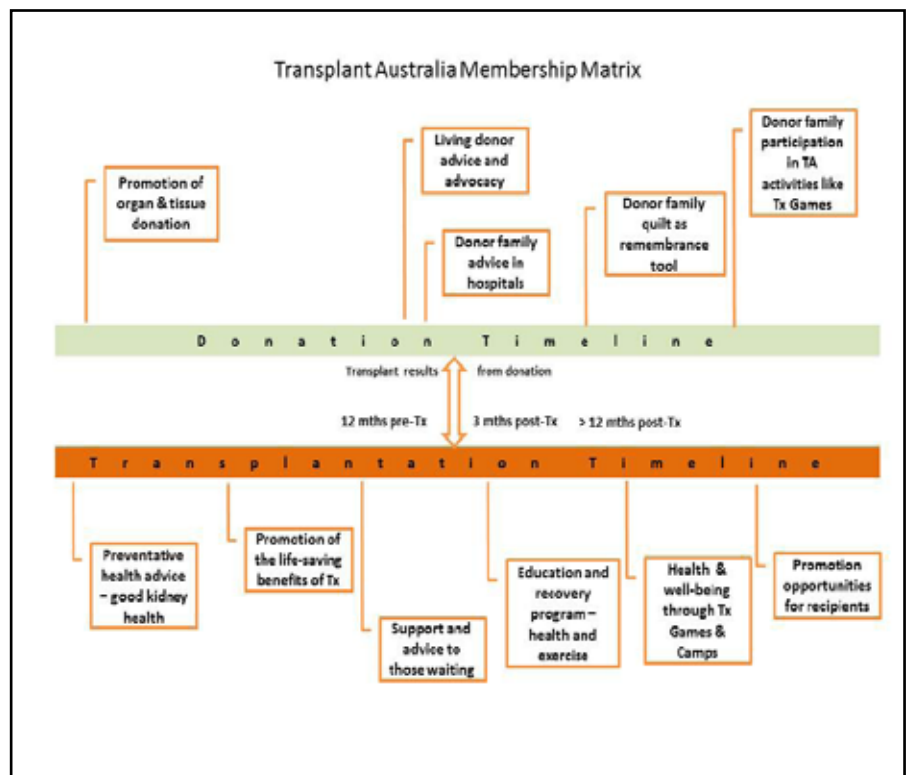
- Implemented a range of successful volunteer programs where members and the public contributed meaningfully to our work and felt valued for their contribution

Governance

- Grown the professionalism of the organisation so that in terms of governance and standards associated with fundraising we were considered in the top 30 per cent by key trusts and foundations

All of this starts with securing our financial future and the office and directors are working diligently at diversifying our income streams so that we can grow the organisation and the services we provide.

Throughout this year we have a number of exciting projects, including an



CEO's Report

exclusive relationship with 2GB, 2CH, MTR and The Sun-Herald. A Transplant Trek is being conducted to help raise funds and a number of other exciting projects are in the wings.

An ideal outcome would be the development of an online learning tool to assist those awaiting a transplant to better understand the journey that they are about to embark on and to realise that they are safe in the hands of one of the best transplant services in the world. We hope you can join us in the next exciting chapter in the history of Transplant Australia.



A handwritten signature in black ink, appearing to read 'Christopher Thomas'.

Christopher Thomas
Chief Executive Officer

Thank you to the following:

- The Organ and Tissue Authority
- Australian Sports Commission
- ACT Health
- Aspen Pharmaceuticals
- Baxter
- Diaverum
- Fresenius
- Genzyme
- Janssen-Cilag
- Novartis
- Pfizer
- Roche
- The Shane Warne Foundation
- Amlink (Registration Services)
- Blue Arc (Web services)
- Canberra Times (Media partner)
- Datacom (IT Services for Australian Transplant Games and community beachwalk)
- Floriade (Event partner)
- Foster Raffan (pro-bono auditing services)
- GREY Advertising Canberra (pro-bono advertising services)
- Lenovo (IT partner)
- Medicare
- Media Planet (Media partner)
- WIN TV (Media partner)
- The QueenBee Quilters
- Canberra Sporting bodies and organisations
- Canberra Games LOC and volunteers
- Roadshow Entertainment
- Peppers Guesthouse, Hunter Valley
- 2GB Radio
- Ibis Sydney King Street Wharf
- Napoleon Perdis
- Swisse Vitamins
- Banana Boat
- Pharmacare

Year in Review

Advocacy

Transplant Australia plays an active role in promoting organ and tissue donation in the community, businesses, throughout the health and sporting sector, and in governments to improve Australia's donor rates. Major undertakings this reporting period include:

- Supporting the Geraldton Donor Awareness Fountain
- Malpa Indigenous Advocacy Breakfast
- CEO address at the Rotary Down Under Conference in August 2010
- Presentations throughout Australia at Rotary Groups, Lions Clubs, Universities, Schools and Community Centres
- Community engagement activities
- Australian Donor Family Quilt Launch
- DonateLife Beach Walk at Bondi Beach
- Awareness Booth at the Australian Youth and Road Trauma Forum in August 2010
- Staging of the Grape Adventure, Hunter Valley May 2010
- Liaison with the Parliamentary Secretary for Health, Ms Catherine King
- Canberra Raiders Football Game, Canberra
- Awareness stands in shopping centres across Australia and Universities during Australian Organ Donor Awareness Week
- DonateLife Thank You Garden with messages of thanks from recipients established and available to view during the month of Floriade as a vehicle to further promote the importance of organ and tissue donation
- Morning tea held by the ACT Government to show support for the Games on 21 September 2010
- Morning tea held by Medicare Australia on 1 October 2010 to promote the Games.
- Canberra Times fun run promotional booth set up and flyers distributed in 5,000 bags on 12 September 2010
- DonateLife Family Fun Run took place on 3 October 2010 in Canberra

- Morning Tea with the Governor General to launch the Transplant Games in Canberra, Floriade, 3 October 2010

Media

- Media Planet partnership, ATG 2010. TVC for out of home ads and at shopping centres across ACT and NSW, September/October 2010.
- WIN TV partnership established and TVC shown on WIN in Canberra and surrounding areas for ATG 2010, September/October 2010.
- The Canberra Times partnership established and pro-bono advertising obtained as well as a series of articles about the Games and local athletes participating.
- Social media: Launch of Transplant Australia Facebook page and twitter account.
- More than 20 television stories, interviews and mentions recorded.
- More than 130 newspaper articles recorded, including the Sydney Morning Herald, The Daily Telegraph, The Sunday Telegraph, The West Australian, The Australian, The Herald Sun, The Adelaide Advertiser, The Sunday Mail and the Canberra Times.
- Over 50 radio interviews and mentions recorded not including air time on sister radio stations across the country.

General Activities

- Thanksgiving Ceremonies
- The Australian Transplant Cricket Club
- The Mark Cocks Research Scholarship

State Branch Activities

- Sports clinics (swimming, cycling)
- Sports teams (netball, tenpin bowling, lawn bowls, cricket)
- Awareness stands and community presentations
- Monthly meetings
- State dinners
- Christmas parties
- Fundraising days and chocolate drives

Major Fundraising Activities

- Kate Coombs 'Transplant Australia Team', Morpeth Fun Run, July 2010
- The 2010 Sun-Herald City2Surf, presented by Westpac, June 2010
- Sporting event fundraising through Everyday Hero
- Santa for a Day, Melbourne, December 2010

Transplant Games

The Transplant Games are embedded in Transplant Australia's activities including the World Transplant Games, World Winter Transplant Games, Australian Transplant Games and other international national games. This reporting period's Games activities include:

- Hosting the 12th Australian Transplant Games, Canberra
- Retaining membership status on the World Transplant Games Federation
- Representation at the World Winter Transplant Games
- Shane Warne Foundation sponsorship for juniors to attend the Australian Games
- Major partnership with Floriade in Canberra provided the opportunity to promote the message of the Games to more than 400,000 people

Corporate Charity Partners

Major Sponsors

The Organ and Tissue Authority
Australian Sports Commission
ACT Health
Aspen Pharmaceuticals
Baxter
Diaverum
Fresenius
Genzyme
Janssen-Cilag
Novartis
Pfizer
Roche
The Shane Warne Foundation

In-kind Contributors and Service Providers

Amlink (Registration Services)

Blue Arc (Web services)

Canberra Times (Media partner)

Datacom (IT Services for Australian Transplant Games and community beachwalk)

Floriade (Event partner)

Foster Raffan (pro-bono auditing services)

GREY Advertising Canberra (pro-bono advertising services)

Lenovo (IT partner)

Medicare

Media Planet (Media partner)

WIN TV (Media partner)

Membership and Support

During the reporting period there were 4,960 financial, non-financial and honorary members registered with Transplant Australia.

Life Members are currently:

Life members

Dr David Cairns*
NSW (1990)

Mr Brian Donovan
VIC (1992)

Mr Max King*
SA (1995)

Mr Gary Lowe*
NSW (1998)

MS Heather Edgell
NSW (2000)

Ms Chris Tew
VIC (2000)

Ms Mark Cocks AM*
NSW (2002)

Mr Warwick Duncan
VIC (2003)

Associate Professor Daryl Wall AM
QLD (2003)

Ms Jan Wall
QLD (2003)

Mr Ian Patten
SA (2007)

Dr Antony Harding
NSW/TAS (2007)

Ms Lynette Budge
VIC (2009)

* deceased



Governance Statement

In this section of the report we set out the key governance principles and practices adopted by the board.

Your board remains committed to conducting the Company's operations ethically and in accordance with the highest standards of governance. It views this as a cornerstone in managing the operations and a fundamental part of its responsibility to stakeholders.

Role of the Board

The board's role is to provide leadership within a framework of prudent and effective controls, which enables risks to be assessed and managed. The board's ultimate responsibility is to approve Company goals and directions, strategic plans and performance targets.

Board Meetings

During the 12-month period to 31 December 2010, the Company's board convened five times. Usually board meetings are held every second month via teleconference and at least once a year the board meets. However, meetings are convened outside the scheduled dates to consider issues of importance. Occasionally ad hoc board committee meetings are convened to address specific issues. The Chairman and Chief Executive Officer have a weekly teleconference to discuss strategic and operational issues and to agree on board agendas.

Access to Information

Directors are entitled to access all information required to discharge their responsibilities. In addition to the board papers, directors receive regular reporting from the Chief Executive Officer on the performance of the Company's operations and other significant issues. Financial results are reported quarterly by the Accountant so that directors are able to monitor financial position and performance.

Chairman

The roles of the Chairman and Chief Executive Officer are separated and clearly defined. The Chairman is responsible for leading the Board, ensuring that it functions effectively, and communicating the Board's views to stakeholders. The Chairman monitors the Board's performance and the mix of skills and effectiveness of individual contributions.

Chief Executive Officer

The Chief Executive Officer is selected by the Board and is primarily responsible for running the operations and implementing board strategy and policy. The Chief Executive Officer is subject to annual performance reviews by the non-executive directors.

Re-election

In accordance with the Company's constitution, non-executive directors are subject to re-election by rotation every two years. There are no maximum terms for non-executive director appointments.

Risk Management

The Board is responsible for ensuring material risks facing the Company have been identified and that appropriate and adequate control, monitoring and reporting mechanisms are in place. The risk profile of the Company currently includes major risk categories covering:

- Strategy and Reputation
- Operational including People and Games
- Medical
- Financial including insurances

Directors' Report

The Directors submit herewith the annual financial report of Transplant Australia Limited ("the Company") for the year ended 31 December 2010. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

The state branches operating within the Company are:

Transplant Australia ACT; NSW; VIC / TAS; QLD; SA /NT; and WA.

The operating units within the Company are:

- National
- Australian Games

The names of the Directors of the Company during or since the end of the financial period are:

Directors

Dr Alan Amodeo OAM (Chairman)
(Appointed 10 April 2010)

Mr Christopher D. Thomas (Chief Executive Officer)

Mr Chris Smith (Appointed 10 April 2010)

Major General Peter Dunn AO
(Appointed 10 April 2010)

Ms Janice R. Wall

Mr Matthew C. Maddocks

Professor Jeremy Chapman (Appointed 10 April 2010)

The Hon Justice Tricia Kavanagh
(Appointed 15 February 2011)

Bernard Morellini (Resigned 10 April 2010)

Christine Tew (Resigned 10 April 2010)

Antony Harding (Resigned 10 April 2010)

Professor Daryl Wall AM (Resigned 10 April 2010)

Company Secretary

Mr Matthew C. Maddocks

Information on Directors

Information on Directors holding office at the date of this report:

	Tertiary Qualifications	Experience/Area of Expertise	Special Responsibilities
Dr Alan Amodeo OAM	Doctorate in Medicine, BSc in Biology Chemistry	Medical and Pharmaceutical Industry/ Charities / Finance	Chairman
Professor Jeremy Chapman	MB BCHIR M D FRACP FRCP	Transplant Physician	Medical Advisor
Peter Dunn AO	Master of Defence Studies, Bachelor of Arts Fellow Institute of Company Directors FAICD, Fellow Institute of Management FAIM,	Corporate Governance Executive leadership and organisational capacity building	Governance Advocacy
Tricia Kavanagh	L.L.B (Hons) PhD	Justice – Industrial Court NSW Member of CAS, Australian Arbitrator, Court of Arbitration Sport	Recipient
Matthew Maddocks	Graduate Certificate in Change Management, Aust Graduate School Management/ Investment Banking, Finance Services	Finance	Company Secretary
Chris Smith		Radio Announcer/ Journalism	Media/PR
Christopher Thomas	Post-Graduate Diploma in Management Macquarie Graduate School of Management	Management Marketing Communications	Chief Executive Officer
Janice Wall		Management – National Games Advisor	Games Advisor

Directors' Meetings

The number of meetings of directors held during the financial year and the number of meetings attended by each of the Directors were as follows:

	Meetings Held while a Director	Director Meetings Attended
Alan Amodeo OAM	3	3
Jeremy Chapman	3	3
Peter Dunn AO	3	1
Antony Harding	2	2
Tricia Kavanagh	-	-
Matthew Maddocks	5	5
Bernard Morellini	2	2
Chris Smith	3	3
Christine Tew	2	2
Christopher Thomas	5	5
Prof Daryl Wall AM	2	2
Janice Wall	5	5

Directors' Report

Principal Activities

The Company operates to raise awareness of the need for organ and tissue donation, and provide support and sporting programs for members in Australia.

Review of Operations

A review of the Company operations and the results of those operations appear in the Chairman's Report and Chief Executive Officer's Report.

Summarised operating results are as follows:

	2010 \$	2009 \$
Net Profit (Loss)	190,889	(206,599)

Changes in state of affairs

During the financial year there has been no significant change in the state of affairs of the Company.

Subsequent events

There has not been any matter or circumstance, that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial period.

Likely developments and expected results

Likely developments in the operations of the Company in future financial years are included in the Chief Executive Officer's Report.

Environmental regulations

The Company is not affected by any particular and significant environmental regulations.

Indemnification and insurance of directors and officers

- I. The Company's Constitution permits the grant of an indemnity (to the maximum extent permitted by law) in favour of each Director, the Company Secretary, past Directors and Company Secretaries, and all past and present Executive Officers.
- II. During the financial year the Company has paid, or agreed to pay, a premium in respect of a contract of insurance insuring officers (and any persons who are officers in the future) against certain liabilities incurred in that capacity. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than were such liabilities to arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Company

No person has applied to the Court under Section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Corporations Act 2001.

Directors' Benefits

Information on Directors' benefits is set out in the following notes to the financial statements:

- a) Note 11 : Directors' Remuneration
- b) Note 12 : Related Parties

Other than those referred to in the annual financial report, no Member of the Board has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the Company with the member, a firm of which the member is a member or an entity in which the member has a substantial financial interest.

This report is made in accordance with a resolution of the Board of Directors dated 21 March 2011.

Auditors

The Auditor's Independence Declaration under Section 307c of the Corporations Act, 2001 is set out on page 24 and forms part of the directors' report for the year ended 31 December 2010.



Mr Christopher Thomas
Director



Mr Matthew Maddocks
Director

Sydney, 21 March 2011

Financial Report

Income Statement

For the year ended 31 December 2010

	Notes	Year 2010 \$	Period 2009 \$
Revenue			
Donations		173,486	82,383
Fundraising		40,538	85,713
Government grants		726,415	1,291,202
Interest income		11,948	40,120
Member subscriptions		16,071	14,296
Sponsorships		192,616	585,705
Games income		140,757	2,658,433
Other income		50,152	63,509
Total revenue		<u>1,351,983</u>	<u>4,821,361</u>
Expenses			
Employment costs		395,677	754,124
Games expenses		578,750	3,504,679
Consultancy fees		-	3,636
Fundraising		20,960	34,760
Occupancy		37,664	51,408
Member support		20,614	79,954
Telecommunications		14,555	33,241
Meetings and travel costs		47,725	25,565
Other expenses		45,149	540,593
Total expenses		<u>1,161,094</u>	<u>5,027,960</u>
Profit/(Loss) before income tax expense	3	<u>190,889</u>	<u>(206,599)</u>
Income tax expense	2(c)	-	-
Net profit/(loss)		<u>190,889</u>	<u>(206,599)</u>
Total changes in equity	9,13	<u>190,889</u>	<u>(206,599)</u>

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

Balance Sheet

For the year ended 31 December 2010

	Notes	Year 2010 \$	Period 2009 \$
Current assets			
Cash and cash equivalents	4	628,356	359,298
Trade and other receivables	5	36,385	404,429
Inventories		10,000	20,000
Total current assets		<u>674,741</u>	<u>783,727</u>
Non-current assets			
Equipment	6	<u>32,021</u>	<u>64,844</u>
Total non-current assets		<u>32,021</u>	<u>64,844</u>
Total assets		<u>706,762</u>	<u>848,571</u>
Current liabilities			
Trade and other payables	7	247,448	507,326
Provisions	8	118,813	191,633
Total current liabilities		<u>366,261</u>	<u>698,959</u>
Net assets		<u>340,501</u>	<u>149,612</u>
Equity			
Retained earnings	9	<u>340,501</u>	<u>149,612</u>
Total equity		<u>340,501</u>	<u>149,612</u>

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

Statement of Changes in Equity

For the year ended 31 December 2010

Equity at beginning of financial year		149,612	356,211
Total income / (expense) for the year		<u>190,889</u>	<u>(206,599)</u>
Equity at end of financial year	9	<u>340,501</u>	<u>149,612</u>

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

Cash Flow Statement

For the year ended 31 December 2010

	Notes	Year 2010 \$	Period 2009 \$
Cash flows from operating activities			
Receipts in course of operations		1,543,876	4,865,052
Payments in course of operations		(1,286,766)	(5,710,124)
Interest received		11,948	40,120
Net cash provided by (used in) operating activities	13	<u>269,058</u>	<u>(804,952)</u>
Cash flows from investing activities			
Purchase of equipment	6	-	(7,745)
Net cash provided by (used in) investing activities		<u>-</u>	<u>(7,745)</u>
Net increase / (decrease) in cash and cash equivalents		269,058	(812,697)
Cash and cash equivalents at the beginning of the financial year		359,298	1,171,995
Cash and cash equivalents at the end of the financial year	4	<u>628,356</u>	<u>359,298</u>

The Cash Flow Statement above should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 31 December 2010

	Page
Note 1: Company Information	17
Note 2: Summary of Significant Accounting Policies	17
Note 3: Profit	18
Note 4: Current Assets - Cash and Cash Equivalents	19
Note 5: Current Assets – Trade and other receivables	19
Note 6: Non-Current Assets – Plant and Equipment	19
Note 7: Current Liabilities – Trade and other payables	20
Note 8: Current Liabilities – Provisions	20
Note 9: Equity	20
Note 10: Operating Lease	21
Note 11: Director's Remuneration	21
Note 12: Related Parties	21
Note 13: Reconciliation of Profit to Net Cash Inflow from Ordinary Activities	22
Note 14: Segment Reporting	22

Note 1: Company Information

The Financial Report of the Company for the period ended 31 December 2010 was authorised for issue in accordance with a resolution of the Board of Directors dated 21 March 2011.

Transplant Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia. Its principal place of business and registered office is as follows:

Principal place of business

Transplant Australia Limited
Unit 2, 188 Pacific Highway
NORTH SYDNEY NSW 2060

Registered Office

Unit 2, 188 Pacific Highway
NORTH SYDNEY NSW 2060

The nature of the operations and principal activities of the Company are described in the Directors' Report.

Note 2: Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial report is a special purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards.

The financial report has been prepared using the historical cost basis.

Comparatives are for the eighteen months ended 31 December 2009 following the change of the company's balance date in the previous reporting period.

Unless otherwise stated, the accounting policies adopted are consistent with those of the previous period. Comparative information is re-classified where appropriate to enhance comparability.

(b) Equipment and Motor Vehicle

Cost

All classes of equipment and motor vehicle are measured at cost less accumulated depreciation.

Depreciation

Depreciation is provided on a straight line basis to write-off the net cost or revalued amount of each item of equipment and motor vehicle over its expected useful life to the Company. Estimates of remaining useful lives are made on a regular basis for all assets, with annual re-assessments for major items. The expected useful lives are as follows:

Equipment	3 – 20 years
Motor Vehicle	8 years

Where items of equipment have separately identifiable components which are subject to regular replacement, those components are assigned useful lives distinct from the item of equipment to which they relate.

(c) Income Tax

The Company is exempt from income tax under the Income Tax Assessment Act 1936 as amended.

(d) Revenue Recognition/Deferred Income

Due to the nature of the Company, and in line with similar organisations, revenue from registration and affiliation fees is recognised principally on receipt by the Company.

Program income is recognised on a systematic basis over the periods necessary to match them with the related costs.

Government grants are recognised in the period to which the funding agreement relates. Government grants relating to income are recognised as income over the periods necessary to match them with the related costs. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company, with no future related costs, are recognised as income of the period in which it becomes receivable.

(e) Cash

Cash in the balance sheet comprise cash on deposit, operating and gift fund accounts.

(f) Inventories

Inventories are measured at the lower of cost and current replacement cost and relate to promotional items purchased but unused at 31 December 2010.

(g) Payables

Payables are recognised when the Company becomes obliged to make future payments resulting from the purchases of goods and services.

(h) Provisions

Provisions are recognised when the Company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date.

(i) Employee entitlements

Annual leave and Long Service Leave

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to reporting date. Liabilities for annual leave and long service leave are expected to be settled within 12 months of the reporting date and are recognised in Provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(j) Goods and Services Tax

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

- where the amount of GST is not recoverable from the Australian Taxation Office, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified as operating cash flows.

(k) Disposal of Surplus

Annual Surplus

Article 10.1 of the Company's Constitution prohibits the distribution of any surplus to Members. All income must be applied solely towards the promotion of the objects of the Company.

Surplus on Liquidation

As required by the Charitable Fundraising Act 1991, the Income Tax Assessment Act 1936 as amended, Tax Ruling 2000/12 and Article 10.2 of the Company's Constitution, any assets remaining upon the winding up of the Company must be applied to the objects of the Company or purposes for which they were raised.

(l) Restricted/Unrestricted Funds

Restricted Funds are funds received or reserves held that must be spent on the purpose for which they were received or are held. They comprise:

- (a) Government funding and related interest that must be spent in accordance with the terms of a funding agreement.
- (b) Donations and bequests where the donor indicates a preference for the use to which the funds are to be used.
- (c) Donations received in response to specific purpose appeals.
- (d) Provisions for statutory entitlements due to employees.

All other funds are unrestricted in that Directors have discretion to spend them on purposes for which the charity is established.

(m) Fundraising Activities

Charitable Fundraising Act 1991: this Act and supporting Charitable Fundraising Regulation prescribe the manner in which fundraising appeals are conducted, controlled and reported in NSW. The amounts shown in Note 3 are in accordance with Authority Condition 7, which is issued to the Company under section 19 of the Act.

(n) Donated Services

Various services are donated to the Company. No assessment of the value of those services is included in the accounts.

Note 3: Profit

Profit before income tax has been determined after:

	Notes	Year 2010 \$	Period 2009 \$
Charging as Expense:			
Depreciation of non-current assets:			
- Equipment	(note 6)	32,823	52,728
Total depreciation expense		<u>32,823</u>	<u>52,728</u>

Note 4: Current Assets - Cash and Cash Equivalents

Profit before income tax has been determined after:

Notes	Year 2010 \$	Period 2009 \$
Cash on hand:		
- Petty Cash	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Cash accounts:		
- Deposits at call	628,356	359,298
Total Cash accounts	<hr/> 628,356	<hr/> 359,298
Total Cash	<hr/> 628,356	<hr/> 359,298

Note 5: Current Assets – Trade and other receivables

- Accounts Receivable	36,385	180,250
- Other Receivables	-	215,088
- Deposits Paid	-	9,091
Total trade and other receivables	<hr/> 36,385	<hr/> 404,429

Note 6: Non-Current Assets – Plant and Equipment

Equipment:

- At cost	127,245	131,586
- Less: Accumulated depreciation	(95,224)	(66,742)
Total Equipment	<hr/> 32,021	<hr/> 64,844

Reconciliation of non-current assets

- Plant and equipment

Equipment:

Carrying amount at beginning of financial year	64,844	109,827
Additions	-	7,745
Depreciation (note 13)	(32,823)	(52,728)
Carrying amount at end of financial year	<hr/> 32,021	<hr/> 64,844

Note 7: Current Liabilities – Trade and other payables

Notes	Year 2010 \$	Period 2009 \$
Trade and other payables		
Trade Payables	117,459	179,754
Other Payables	26,003	30,684
Deferred Income	68,728	261,485
GST – December 2010	35,258	35,403
Total trade and other payables	247,448	507,326

Note 8: Current Liabilities – Provisions

Provision for employee entitlements:

Annual Leave	43,080	52,782
Total Employee Entitlements	43,080	52,782
Teamlife Programs:		
Teamlife Kids	–	12,447
Transplant Cricket Club	5,269	4,386
Total Teamlife Programs	5,269	16,833

Ashley Cooper Appeal	7,795	7,795
Pauline Talty	23,984	114,073
Games Registration Fundraising	–	150
Everyday Hero	7,415	–
World Transplant Games	31,270	–
Total Other	70,464	122,018
Total Provisions	118,813	191,633

Note 9: Equity

(a) Equity

Retained earnings at the beginning of the financial year	149,612	356,211
Total changes in equity recognised in the Statement of Changes in Equity	190,889	(206,599)
Retained earnings at the end of the financial year	340,501	149,612

(b) Members' Guarantees

Pursuant to the Constitution of Transplant Australia Limited (a company limited by guarantee), every financial member has undertaken in the event of a deficiency on winding up to contribute an amount not exceeding \$2. At 31 December 2010 the total guarantees were \$3,100.

Note 10: Operating Lease

A non-cancellable operating lease rental is payable as follows:

	Notes	Year 2010	Period 2009
		\$	\$
Less than one year		–	23,850
		–	–
		–	23,850

The Company leased office premises under an operating lease with a term of three years and with an option to renew for a further three years. The lease expired on 25 March 2010 and an extension of six months was negotiated with the landlord. The company is currently on a month to month arrangement while new premises are located.

During the year \$37,664 was recognised as an expense in the Income Statement in respect of the operating rental lease.

Note 11: Director's Remuneration

Income received, or due and receivable, by Directors from the Company	173,555	252,427
Number of Directors in above	1	1

The Directors to whom remuneration has been paid each held an office in the Company for part of the year at the time of payment on terms Directors resolve in accordance with the Company's Constitution.

The other directors receive no remuneration, retirement or other benefits in accordance with the Company's Constitution.

Note 12: Related Parties

Directors

The names of the Directors of the Company who have held office at any time during the financial (as at reporting date) year are:

J Wall, C Thomas, M Maddocks, A Amodeo, J Chapman, P Dunn, C Smith, T Kavanagh,

D Wall – Resigned 10 April 2010, C Tew – Resigned 10 April 2010, B Morellini – Resigned 10 April 2010

and A Harding – Resigned 10 April 2010.

There were no transactions by the Company with Directors or entities under their control or significant influence.

Note 13: Reconciliation of Profit from Ordinary Activities to Net Cash Inflow from Ordinary Activities

	Notes	2010 \$	2009 \$
Operating activities			
Net Profit		190,889	(206,599)
Depreciation	(note 6)	32,823	52,728
Change in operating assets and liabilities:			
Increase/ (Decrease) in other operating assets and liabilities		45,346	(651,081)
Net cash inflow/(outflow) from operating activities		269,058	(804,952)

Note 14: Segment Reporting

The Company's primary segment reporting format is operating units and state branches in Australia.

Directors' Declaration

Year ended 31 December 2010

The Directors of the Company declare that:

- a. The financial statements and notes, as set out on pages 13 to 21 are in accordance with the Corporations Act 2001, and:
 - ii. Comply with Accounting Standards and the Corporations Regulations 2001; and
 - iii. Give a true and fair view of the Company's financial position as at 31 December 2010 and of the performance for the year ended on that date of the Company.
- b. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors dated 21 March 2011.



Mr Christopher Thomas
Director



Mr Matthew Maddocks
Director

Sydney, 21 March 2011

Chief Executive Officer's Declaration under the Charitable Fundraising Act

Year ended 31 December 2010

This declaration is made in accordance with Authority Conditions 7(4) and 7(5) issued by the Minister under Section 19 of the Charitable Fundraising Act 1991.

I, Christopher Thomas, Chief Executive Officer of Transplant Australia Limited, declare that in my opinion:

- a) The financial statements give a true and fair view of all income and expenditure of the Company with respect to fundraising appeals; and
- b) The Balance Sheet gives a true and fair view of the state of affairs with respect to fundraising appeals; and
- c) The provisions of the Charitable Fundraising Act 1991, the Regulations under the Act and the conditions attached to the authority have been complied with; and
- d) The internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.



Mr Christopher Thomas
Chief Executive Officer

Sydney, 21 March 2011

Auditors Independence Declaration



Partners:
Graeme J McLean
George D D Raffan
Vivien H Tang
G Douglas Wood

Associates:
Louise J Cottle
Christine M Watson

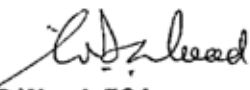
ABN 20 203 719 909
PO Box 629
North Sydney NSW 2059
Australia
Level 6, 8 West St
North Sydney NSW 2060
Tel: (02) 9956 7500
Fax: (02) 9956 7355
email@fosterraffan.com.au
www.fosterraffan.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C of the Corporations Act, 2001 to the directors of Transplant Australia Limited.

As lead auditor for the audit of Transplant Australia Limited for the year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001; and
- (b) no contraventions of any applicable code of professional conduct.


Foster Raffan
Chartered Accountants


G D Wood, FCA
Partner

22 March 2011



FOSTER RAFFAN

CHARTERED ACCOUNTANTS
BUSINESS, FINANCIAL & TAX ADVISORS

Partners:
Graeme J McLean
George D D Raffan
Vivien H Tang
G Douglas Wood

Associates:
Louise J Coffee
Christine M Watson

ABN 20 203 719 909
PO Box 629
North Sydney NSW 2059
Australia
Level 6, 8 West St
North Sydney NSW 2060
Tel: (02) 9956 7500
Fax: (02) 9956 7355
email@fosterraffan.com.au
www.fosterraffan.com.au

INDEPENDENT AUDIT REPORT TO MEMBERS OF TRANSPLANT AUSTRALIA LIMITED

Scope

The financial report and directors' responsibility

The financial report is a special purpose financial report and comprises the balance sheet, income statement, statement of changes in shareholders' equity, statement of cash flows, accompanying notes to the financial statements and the directors' declaration for Transplant Australia Limited (the company), for the year ended 31 December 2010 set out on pages 13 to 22.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company, and that complies with Accounting Standards in Australia to the extent described in Note 2 to the financial statements, in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report. The directors have determined that the accounting policies used and described in Note 2 to the financial statements are appropriate to meet the needs of the members. These policies do not require the application of all Accounting Standards and other mandatory financial reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to the members for the purpose of fulfilling the directors' financial reporting requirements under the Corporations Act 2001. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Audit Approach

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards in Australia to the extent described in Note 2 to the financial statements, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the disclosures used and the reasonableness of significant accounting estimates made by the directors.



INDEPENDENT AUDIT REPORT TO MEMBERS OF TRANSPLANT AUSTRALIA LIMITED

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the directors and management of the company.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included on page 24.

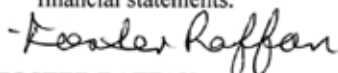
Qualification

Cash from donations and other fundraising activities is a main source of revenue for Transplant Australia Limited. Although Transplant Australia Limited has implemented systems of control to ensure the monies received at its offices are properly recorded in the accounting records, it is difficult to establish controls over the collection of revenue by its branch offices. Accordingly, our audit procedures with respect to revenue from these sources has to be restricted to the amounts recorded in the financial records. As a result, we are unable to express an opinion as to whether revenue from donations and other fundraising activities is complete.

Audit opinion

In our opinion, subject to the effect, if any, of the abovenoted qualification, the financial report of Transplant Australia Limited is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of Transplant Australia Limited at 31 December 2010 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements; and
 - (ii) complying with Accounting Standards in Australia to the extent described in Note 2 to the financial statements and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia to the extent described in Note 2 to the financial statements.



FOSTER RAFFAN
Chartered Accountants



G.D. WOOD, FCA
Partner

North Sydney, 22 March, 2011.

Message from the Australian Sports Commission

The power of a successful sports system like Australia's lies within the many cooperative partnerships and relationships between its system partners.

As our sports system has diversified and increased in complexity over the years, so too has the nature of these relationships. Now, as ever, a critical ingredient for our system's continued success and sustainability is to ensure that we all remain on the same page—that our links between each other, our leading programs, our roles and relationships are clearly defined and understood by all.

Sport operates in a dynamic, demanding and rapidly changing environment. The sources of change include advancing technologies, new structures and systems, products and services, people concerns and rising international competition and benchmarks.

The Australian Government has flagged the need to address this change by reforming our sports system and has outlined its approach in the paper *Australian Sport: Emerging Challenges, New Directions*.

The Government is also preparing to respond to recommendations by an independent expert panel, headed by lawyer David Crawford, to ensure both high performance and community level sport is prepared for those challenges.

The Australian Sports Commission has already taken steps to review and evaluate our strategic position and intent in active consultation with national sporting organisations and other stakeholders. These system improvements will provide a foundation for any changes emerging from the Government process.

Already we have identified a number of priorities. These include: the need to better align our high performance sport efforts with our partners; to work more collaboratively with state departments of sport and recreation in strategic approaches to growing participation in sport; to re-communicate the value of sport to the Australian community; and to retain and develop our best coaches.

Our efforts to act on these priorities are inherently intertwined with our partners. These partnerships represent a powerful tool in our ability to adapt to a changing environment, to share responsibilities, effectively communicate and continue to expand and strengthen sport.

Our work together will ensure that the Australian sports system is progressive, robust and sustainable for decades to come.



Matt Miller
Chief Executive Officer
Australian Sports Commission



Australian Government

Australian Sports Commission

transplant australia

make the most of life.



Australian Government
Organ and Tissue Authority



Australian Government
Australian Sports Commission

Transplant Australia Ltd

Office Address:

Suite 2, 188 Pacific Hwy
North Sydney NSW 2060

Postal Address:

PO Box 592

North Sydney NSW 2059

Telephone: +612 99225400

Facsimile : +612 99546412

Web: www.transplant.org.au

Email contactus@transplant.org.au

ACN: 107 428 615