

Childhood Dementia Initiative Limited

ABN 84 642 096 053

Financial Statements

For the Year Ended 30 June 2021

Childhood Dementia Initiative Limited

ABN 84 642 096 053

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For the Year Ended 30 June 2021

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Childhood Dementia Initiative Limited

ABN 84 642 096 053

Directors' Report 30 June 2021

The directors present their report on Childhood Dementia Initiative Limited for the financial year ended 30 June 2021.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Megan Donnell

Tiffany Boughtwood

Sean Murray

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of Childhood Dementia Initiative Limited during the financial year was to fundraise in order to raise awareness of childhood dementia, accelerate therapeutic development for the childhood dementia disorders, and enable better care and quality of life for children with dementia and their families.

There were no significant changes in the nature of Childhood Dementia Initiative Limited's principal activities during the financial year.

Objectives of the Company

The Company objectives are to:

- Increase awareness of childhood dementia in order to enable solutions for children with dementia and their families.
- Accelerate therapeutic development for the childhood dementia disorders.
- Enable better care and quality of life for children with childhood dementia and their families

Members' guarantee

Childhood Dementia Initiative Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ NIL for members that are corporations and \$ NIL for all other members, subject to the provisions of the company's constitution.

At 30 June 2021 the collective liability of members was \$ NIL (2020: \$ NIL).

Childhood Dementia Initiative Limited

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Directors' Report

30 June 2021

2. Meetings of directors

During the financial year, 8 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

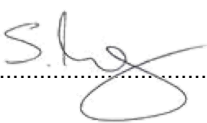
Directors' Meetings		
	Number eligible to attend	Number attended
Megan Donnell	8	8
Tiffany Boughtwood	8	8
Sean Murray	8	8

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2021 has been received and can be found on page 3 of the financial report.

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

Director:


Director:


Dated this 25th day of November 2021

Childhood Dementia Initiative Limited
ABN: 84 642 096 053

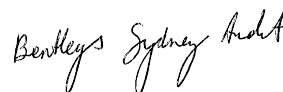
**Auditor's Independence Declaration under the Australian Charities and Not for Profits
Commission Act 2012 to the Members of Childhood Dementia Initiative Limited**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Michael Payne
Director
Sydney



BENTLEYS SYDNEY AUDIT PTY LTD
Chartered Accountants

Dated: 25 November 2021

Childhood Dementia Initiative Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Income			
- Donations	3	215,865	-
- Grants	3	212,215	82,410
- Interest Income	3	10	-
Total Income		428,090	82,410
Marketing Expenses and Distribution Costs			
- Fundraising costs		(40,455)	-
Total Marketing Expenses and Distribution Costs		(40,455)	-
Program Costs			
Systemic Advocacy - Program Delivery		(48,938)	(14,053)
Systemic Advocacy - Payroll		(55,623)	(45,000)
Care and Quality of Life - Program Delivery		(1,186)	-
Care and Quality of Life - Payroll		(28,843)	-
Therapeutic Research - Program Delivery		(2,778)	(91)
Therapeutic Research - Payroll		(45,837)	-
Total Program Costs		(183,205)	(59,144)
Operating Expenses			
- Bookkeeping		(5,310)	-
- Insurance		(1,131)	-
- Computer and software expenses		(696)	(69)
- Professional development		(2,143)	-
- Other expenses		(2,410)	(6,480)
Total Operating Expenses		(11,690)	(6,549)
Payroll Costs			
- Employee costs - salaried staff		(16,459)	(16,717)
Surplus before income tax		176,281	-
Income tax expense		-	-
Surplus for the year		176,281	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		176,281	-

The accompanying notes form part of these financial statements.

Childhood Dementia Initiative Limited

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Statement of Financial Position As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	219,234	-
Receipt from grants	5	-	149,715
TOTAL CURRENT ASSETS		<u>219,234</u>	<u>149,715</u>
TOTAL ASSETS		<u>219,234</u>	<u>149,715</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	32,813	-
Short-term provisions	7	10,140	-
Other financial liabilities	8	-	149,715
TOTAL CURRENT LIABILITIES		<u>42,953</u>	<u>149,715</u>
TOTAL LIABILITIES		<u>42,953</u>	<u>149,715</u>
NET ASSETS		<u>176,281</u>	<u>-</u>
EQUITY			
Accumulated surplus		<u>176,281</u>	<u>-</u>
TOTAL EQUITY		<u>176,281</u>	<u>-</u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2021

2021

	Accumulated Surplus	Total
Note	\$	\$
Balance at 1 July 2020	-	-
Surplus for the year	176,281	176,281
Transactions with owners in their capacity as owners		
Balance at 30 June 2021	<u>176,281</u>	<u>176,281</u>

2020

	Retained Earnings	Total
Note	\$	\$
Balance at 1 July 2019	-	-
Profit attributable to members of the parent entity	-	-
Balance at 30 June 2020	<u>-</u>	<u>-</u>

The accompanying notes form part of these financial statements.

Childhood Dementia Initiative Limited

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Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	428,090	-
Payments to suppliers and employees	(208,856)	(31,410)
Receipt from grants	-	31,410
Net cash provided by/(used in) operating activities	10 <u>219,234</u>	-
OTHER ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	<u>219,234</u>	-
Cash and cash equivalents at end of financial year	4 <u><u>219,234</u></u>	-

The accompanying notes form part of these financial statements.

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2021

The financial report covers Childhood Dementia Initiative Limited as an individual entity. Childhood Dementia Initiative Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the Company for the year ended 30 June 2021 were...

The functional and presentation currency of Childhood Dementia Initiative Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

The financial statements and material accounting policies all comply with the recognition and measurement requirements in Australian Accounting Standards.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Specific revenue streams

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and 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.

(d) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(e) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

(h) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

(i) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(i) New Accounting Standards and Interpretations

3 Revenue and Other Income

	2021	2020
	\$	\$
Income		
- interest	10	-
- donations	215,865	-
- grants	212,215	82,410
	<u>428,090</u>	<u>82,410</u>

4 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and on hand	219,234	-
	<u>219,234</u>	<u>-</u>

5 Other Assets

	2021	2020
	\$	\$
CURRENT		
Receivables	-	149,715
	<u>-</u>	<u>149,715</u>

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2021

6 Trade and Other Payables

	2021	2020
Note	\$	\$
CURRENT		
Trade payables	396	-
GST payable	3,126	-
Accrued expense	2,240	-
Other payables	27,051	-
	<u>32,813</u>	<u>-</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

7 Provisions

	2021	2020
	\$	\$
CURRENT		
Employee provisions	10,140	-
	<u>10,140</u>	<u>-</u>

8 Other Financial Liabilities

	2021	2020
	\$	\$
CURRENT		
Deferred grant revenue	-	149,715
	<u>-</u>	<u>149,715</u>

9 Contingencies

In the opinion of those charged with governance, the Company did not have any contingencies at 30 June 2021 (30 June 2020:\$ NIL).

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2021

10 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2021	2020
	\$	\$
Surplus for the year	176,281	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	149,715	(149,715)
-increase in trade and other payables	32,813	-
- decrease in deferred revenue	(149,715)	149,715
- increase in provisions	10,140	-
Cashflows from operations	<u>219,234</u>	<u>-</u>

11 Statutory Information

The registered office and principal place of business of the is:
Childhood Dementia Initiative Limited
Level 2, 2 Grosvenor Place
Brookvale NSW 2100

Childhood Dementia Initiative Limited

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Responsible Persons' Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the Company declare that:

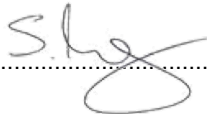
1. The financial statements and notes, as set out on pages 4 to 15, are in accordance with the Australian Charities and Not-forprofits Commission Act 2012 and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of is in accordance with the accounting policy described in Note 2 of the financial statements.
2. 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.

Director



Director



Dated 25 November 2021

Childhood Dementia Initiative Limited

ABN: 84 642 096 053

Independent Audit Report to the members of Childhood Dementia Initiative Limited

Opinion

We have audited the financial report, being a special purpose financial report of Childhood Dementia Initiative Limited (the Company), which comprise the statement of financial position as at 30 June 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- ii. complying with Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Company to meet the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Directors

The directors are responsible for the preparation and fair presentation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the needs of the members. The directors responsibility also includes internal control determined necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

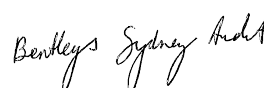
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management committee.
- Conclude on the appropriateness of the management committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, amongst 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



MICHAEL PAYNE Director
Sydney



BENTLEYS SYDNEY AUDIT PTY LTD
Chartered Accountants

Dated: 25 November 2021