

Childhood Dementia Initiative Limited

ABN 84 642 096 053

Financial Statements

For the Year Ended 30 June 2022

Childhood Dementia Initiative Limited

ABN 84 642 096 053

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For the Year Ended 30 June 2022

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Childhood Dementia Initiative Limited

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Directors' Report 30 June 2022

The directors present their report on Childhood Dementia Initiative Limited for the financial year ended 30 June 2022.

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 activity 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.

No significant changes in the nature of the Company's principal activity occurred during the financial year.

Objectives of the Company

The Company's short term 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 \$ 10 for members that are corporations and \$ 10 for all other members, subject to the provisions of the company's constitution.

At 30 June 2022 the collective liability of members was \$ 30 (2021: \$ 30).

Childhood Dementia Initiative Limited

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Directors' Report

30 June 2022

2. Other items

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Meetings of directors

During the financial year, 10 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	10	10
Tiffany Boughtwood	10	10
Sean Murray	10	10


Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 60-40 of the Charities and Not-for-profits Commission Act 2012, for the year ended 30 June 2022 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:

Tiffany Boughtwood

Director:

Sean Murray

Dated this twenty second day of November 2022

Childhood Dementia Initiative Limited

ABN: 84 642 096 053

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not for Profits Commission Act 2012 to Members of Childhood Dementia Initiative Limited

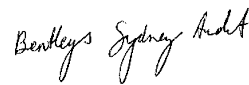
I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- 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 an applicable code of professional conduct in relation to the audit.



MICHAEL PAYNE
Director
Sydney

Dated: 22 November 2022



BENTLEYS SYDNEY AUDIT PTY LTD
Chartered Accountants

Childhood Dementia Initiative Limited

ABN 84 642 096 053

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Income			
Donations	3	104,392	215,865
Grants	3	468,844	212,215
Interest Income	3	53	10
Government Stimulus	3	23,304	-
Events	3	31,300	-
Total Income		627,893	428,090
Marketing Expenses and Distribution Costs			
Fundraising Costs		(9,180)	(40,455)
Fundraising Costs - Payroll		(155,319)	-
Total Marketing Expenses and Distribution Costs		(164,499)	(40,455)
Program Cost			
Systemic Advocacy		(108,633)	(104,561)
Care and Quality of Life		(168,850)	(30,029)
Therapeutic Research		(184,678)	(48,615)
Total Program Costs		(462,161)	(183,205)
Operating Expenses			
Bookkeeping		(10,965)	(5,310)
Insurance		(3,566)	(1,131)
Computer and Software Expenses		(3,147)	(696)
Professional Development		(2,970)	(2,143)
Other Expenses		(33,580)	(2,410)
Total Operating Expenses		(54,228)	(11,690)
Payroll Costs			
Employee Costs - Salaried Staff		(50,471)	(16,459)
Total Payroll Costs		(50,471)	(16,459)
(Deficit) / Surplus before income tax		(103,466)	176,281
Income tax expense		-	-
(Deficit) / Surplus for the year		(103,466)	176,281
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(103,466)	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 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	307,102	219,234
Trade and other receivables	5	7,387	-
TOTAL CURRENT ASSETS		<u>314,489</u>	<u>219,234</u>
TOTAL ASSETS		<u>314,489</u>	<u>219,234</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	81,841	32,813
Short-term provisions	7	19,833	10,140
Deferred income	8	140,000	-
TOTAL CURRENT LIABILITIES		<u>241,674</u>	<u>42,953</u>
TOTAL LIABILITIES		<u>241,674</u>	<u>42,953</u>
NET ASSETS		<u>72,815</u>	<u>176,281</u>
EQUITY			
Accumulated Surplus		<u>72,815</u>	<u>176,281</u>
TOTAL EQUITY		<u>72,815</u>	<u>176,281</u>

The accompanying notes form part of these financial statements.

Childhood Dementia Initiative Limited

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Statement of Changes in Equity For the Year Ended 30 June 2022

2022

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2021	176,281	176,281
Deficit for the year	(103,466)	(103,466)
Balance at 30 June 2022	72,815	72,815

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	-	-
Surplus for the year	176,281	176,281
Balance at 30 June 2021	176,281	176,281

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 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	751,229	428,090
Payments to suppliers and employees	(686,665)	(208,856)
JobSaver receipts	23,304	-
Net cash provided by operating activities	11 <u>87,868</u>	<u>219,234</u>
OTHER ACTIVITIES:		
Net increase in cash and cash equivalents held	87,868	219,234
Cash and cash equivalents at beginning of year	<u>219,234</u>	-
Cash and cash equivalents at end of financial year	4 <u><u>307,102</u></u>	<u>219,234</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 2022

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 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.

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 2022

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 payables 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.

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

Classification

On initial recognition, the Company classifies its financial assets as those measured at amortised cost.

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

Amortised cost

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.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial assets has increased significant 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.

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.

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

Childhood Dementia Initiative Limited

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

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.

(e) 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.

(f) Employee benefits

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

(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 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance.

(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 2022

3 Revenue and Other Income

	2022	2021
	\$	\$
Income		
- Interest Income	53	10
- Donations	104,392	215,865
- Grants	468,844	212,215
- Government Stimulus	23,304	-
- Events	31,300	-
	<u>627,893</u>	<u>428,090</u>

4 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	307,102	219,234
	<u>307,102</u>	<u>219,234</u>

5 Other Assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	2,395	-
GST receivable	4,992	-
	<u>7,387</u>	<u>-</u>

6 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	39,157	396
GST payable	-	3,126
Accrued expense	5,500	2,240
Other payables	37,184	27,051
	<u>81,841</u>	<u>32,813</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.

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Notes to the Financial Statements For the Year Ended 30 June 2022

7 Provisions

	2022	2021
	\$	\$
CURRENT		
Employee provisions	19,833	10,140

8 Deferred Income

	2022	2021
	\$	\$
CURRENT		
Deferred income	140,000	-

Deferred income relates to Grant Income for projects to be completed in the 2023 financial year. This income will be recognised when the relevant performance obligations and milestones connected to the Grants have been met.

9 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstanding obligations of the Company. At 30 June 2022 the number of members was 3 (2021: 3).

10 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021: None).

11 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:

	2022	2021
	\$	\$
(Deficit) / Surplus for the year	(103,466)	176,281
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(7,386)	149,715
- increase in trade and other payables	49,027	32,813
- increase/(decrease) in deferred revenue	140,000	(149,715)
- increase in provisions	9,693	10,140
Cashflows from operations	87,868	219,234

Childhood Dementia Initiative Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2022

12 Events after the end of the Reporting Period

The financial report was authorised for issue on 22 November 2022 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which 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 years.

13 Statutory Information

The registered office and principal place of business of the company is:

Childhood Dementia Initiative Limited
2, 2 Grosvenor Place
Brookvale NSW 2100

Childhood Dementia Initiative Limited

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Directors' 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 to the financial statements.


The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 14, are in accordance with the Australian Charities and Not-for-profits 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 2022 and of the performance for the year ended on that date of the Company.
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 subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

Director

Tiffany Boughtwood

Director

Sean Murray

Dated 22 November 2022

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 2022, 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 2022 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 any other 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 director's 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:

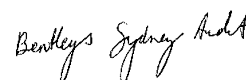
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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: 22 November 2022