# One Disease Limited

# ABN 57 162 909 284

**FINANCIAL REPORT**
**For the year ended 30 June 2017**

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# Directors' Report

Your directors submit their financial report for One Disease Limited (the 'Company') for the year ended 30 June 2017.

**DIRECTORS**

The names of the directors in office at any time during or since the end of the year are:

Dr Sam Prince
Stephen Chapman
Katrina Radojkovic

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

**COMPANY SECRETARY**

Stephen Chapman has been the company secretary of One Disease Limited for 2 years.

**CORPORATE INFORMATION**

One Disease Limited is a company limited by guarantee that is incorporated and domiciled in Australia.
The registered office of the company is Level 1, 80 Wentwoth Avenue, Surry Hills, NSW 2010.

**PRINCIPAL ACTIVITIES**

The mission of One Disease Limited is to eliminate Crusted Scabies from remote Indigenous communities.

Principal activities are the development and implementation of a program to detect, treat and manage Crusted Scabies. Program activities include working with remote Indigenous communities, providing Crusted Scabies education and embedding Crusted Scabies elimination strategies within existing health services structures.

There have been no significant changes in the nature of these activities during the year.

**OPERATING AND FINANCIAL REVIEW**

One Disease Limited continued to implement it's Crusted Scabies elimination program in the Northern Territory.
Net deficit for the year ended 30 June 2017 was $302,877 (2016: surplus of $342,731).

**SHORT TERM AND LONG TERM OBJECTIVES**

The short term objective of One Disease Limited is to eliminate Crusted Scabies from remote Indigenous communities in the Northern Territory by the end of 2019. The long term objective of One Disease Limited is to eliminate Crusted Scabies from remote Indigenous communities in Australia by the end of 2022. Strategies to do this include but are not limited to:

- Proactively identify Crusted Scabies clients
- Improve quality of diagnosis and minimise misdiagnosis of Crusted Scabies
- Provide a safe forum for Crusted Scabies clients to explore and destigmatise the disease
- Improve care coordination between hospitals and local health services to successfully control the disease
- Improve engagement of health sector with Crusted Scabies
- Develop and facilitate use of Care Plans for Crusted Scabies management in local health services's clinical information systems
- Educate households of Crusted Scabies clients to understand the disease and how they can support consistent and successful management (living in 'Scabies Free Zones')

# Directors' Report

**AUDITOR INDEPENDENCE**

The directors received an independence declaration from the auditor. A copy has been included on page 5 of the report.

Signed in accordance with a resolution of the directors.

Dr Sam Prince
Director

Sydney, 12 December 2017

Grant Thornton

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# Auditor's Independence Declaration
# To the Directors of One Disease Limited

In accordance with the requirements of Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of One Disease Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Australian Charities and Not-for profits Commission Act 2012 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

**Grant Thornton Audit Pty Ltd**
Chartered Accountants

Angela Spowart

A L Spowart
Partner - Audit & Assurance

Sydney, 12 December 2017

# Statement of Profit or Loss and Other Comprehensive Income

**For the year ended 30 June 2017**

| | *Notes* | *2017* *$* | *2016* *$* |
|---|---|---|---|
| Donations received | | 841,861 | 1,225,612 |
| Finance income | | 1,927 | 1,514 |
| Employee benefits expense | 3(a) | (943,798) | (603,770) |
| Depreciation and amortisation expense | 3(b) | (10,453) | (5,768) |
| Other expenses | 3(c) | (192,414) | (274,350) |
| Finance costs | | - | (506) |
| **(Deficit) Surplus for the period** | | **(302,877)** | **342,731** |
| Other comprehensive income | | - | - |
| **Total comprehensive (loss) income for the period** | | **(302,877)** | **342,731** |

The above statement of profit or loss and other comprehensive income should be read in conjuction with the accompanying notes.

# Statement of Financial Position

**As at 30 June 2017**

| | Notes | 2017 $ | 2016 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | 4 | 288,411 | 497,054 |
| Trade and other receivables | 5 | 105,069 | 118,032 |
| Other assets | 6 | 31,978 | 29,581 |
| **Total Current Assets** | | **425,458** | **644,667** |
| | | | |
| **Non-current Assets** | | | |
| Property, plant and equipment | 7 | 16,143 | 14,407 |
| **Total Non-current Assets** | | **16,143** | **14,407** |
| **TOTAL ASSETS** | | **441,601** | **659,074** |
| | | | |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | 8 | 208,021 | 135,046 |
| Employee benefits | 9 | 23,963 | 11,032 |
| **Total Current Liabilities** | | **231,984** | **146,078** |
| | | | |
| **Non-current Liabilities** | | | |
| Employee benefits | 9 | 4,429 | 4,931 |
| **Total Non-current Liabilities** | | **4,429** | **4,931** |
| **TOTAL LIABILITIES** | | **236,413** | **151,009** |
| | | | |
| **NET ASSETS** | | **205,188** | **508,065** |
| | | | |
| **EQUITY** | | | |
| Retained surplus | | 205,188 | 508,065 |
| **TOTAL EQUITY** | | **205,188** | **508,065** |

The above statement of financial position should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity

**For the year ended 30 June 2017**

| | *Retained surplus* $ | *TOTAL EQUITY* $ |
|---|---|---|
| **At 1 July 2015** | **165,334** | **165,334** |
| Surplus for the year | 342,731 | 342,731 |
| **Total comprehensive income for the period** | **342,731** | **342,731** |
| **At 30 June 2016** | **508,065** | **508,065** |
| | | |
| **At 1 July 2016** | **508,065** | **508,065** |
| Deficit for the year | (302,877) | (302,877) |
| **Total comprehensive loss for the period** | **(302,877)** | **(302,877)** |
| **At 30 June 2017** | **205,188** | **205,188** |

The above statement of changes in equity should be read in conjuction with the accompanying notes.

# Statement of Cash Flows

**For the year ended 30 June 2017**

| | *Notes* | *2017* *$* | *2016* *$* |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Donations received | | 854,824 | 1,287,513 |
| Payments to suppliers and employees | | (1,126,092) | (887,018) |
| Interest received | | 1,927 | 1,514 |
| Interest paid | | - | (506) |
| **Net cash (outflows) inflows from operating activities** | 4 | **(269,341)** | **401,503** |
| | | | |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | (12,189) | (5,820) |
| **Net cash outflows used in investing activities** | | **(12,189)** | **(5,820)** |
| | | | |
| **Cash flows from financing activities** | | | |
| Proceeds from borrowings – related parties | | 72,887 | 25,000 |
| Repayments of borrowings – related parties | | - | (68,077) |
| **Net cash inflows (outflows) from financing activities** | | **72,887** | **(43,077)** |
| | | | |
| Net decrease in cash and cash equivalents | | (208,643) | 352,606 |
| Cash and cash equivalents at beginning of period | | 497,055 | 144,449 |
| **Cash and cash equivalents at end of period** | | **288,412** | **497,055** |

The above statement of cash flows should be read in conjuction with the accompanying notes.

# Notes to the Financial Statements

**For the year ended 30 June 2017**

## 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The financial report of One Disease Limited for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the directors on 12 December 2017.

One Disease Limited is a company limited by shares, incorporated and domiciled in Australia. The principal activities of the company are described in the directors' report.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-For-Profits Commission Act 2012. One Disease Limited is a not-for-profit entity for the purpose of preparing the financial statements.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial report has been prepared on an accruals basis and are based on historical costs. The financial report is presented in Australian dollars.

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2016. Information on the more significant standards are presented below.

*AASB 2014-3 Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations*

The amendments to AASB 11 Joint Arrangements state that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a 'business', as defined in AASB 3 Business Combinations, should apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except principles that conflict with the guidance of AASB 11. This requirement also applies to the acquisition of additional interests in an existing joint operation that results in the acquirer retaining joint control of the joint operation (note that this requirement applies to the additional interest only, i.e. the existing interest is not re-measured) and to the formation of a joint operation when an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. The acquirer should also provide disclosures for business combinations as required by AASB 3 and other Australian Accounting Standards.

AASB 2014-3 is applicable to annual reporting periods beginning on or after 1 January 2016. The adoption of these amendments has not had a material impact on the Company.

*AASB 2014-4 Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*

The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The amendments to AASB 138 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two (2) limited circumstances:

- the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold; or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

AASB 2014-4 is applicable to annual reporting periods beginning on or after 1 January 2016. The adoption of these amendments has not had a material impact on the Company.

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(a) Basis of preparation (continued)**

*AASB 2014-9 Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements*

The amendments introduce the equity method of accounting as one of the options to account for an entity's investments in subsidiaries, joint ventures and associates in the entity's separate financial statements.

AASB 2014-4 is applicable to annual reporting periods beginning on or after 1 January 2016. The adoption of these amendments has not had a material impact on the Company.

*AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*

The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments:

- clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information;
- clarify that AASB 101's specified line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position can be disaggregated;
- add requirements for how an entity should present subtotals in the statement(s) of profit and loss and other comprehensive income and the statement of financial position;
- clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understandability and comparability should be considered by an entity when deciding that order; and
- remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy.

AASB 2015-2 is applicable to annual reporting periods beginning on or after 1 January 2016. The adoption of these amendments has not had a material impact on the Company.

**(b) Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

**(c) Significant accounting judgements, estimates and assumptions**

*(i) Significant accounting estimates and assumptions*

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

*Impairment*

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists the recoverable amount of the asset is determined with the value in use calculations incorporating a number of key estimates.

*Useful lives of depreciable assets*

The Company reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software.

*Provision for long service leave*

Future benefits that employees have earned in return for their service in current and prior periods take into account the probability of reaching entitlement and inflationary increases. These benefits are discounted to determine its present value.

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**(d) Revenue recogntion**

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

*Donations*

Donations are recognised as revenue when control or right to receive the contribution is obtained and can be measured reliably.

*Grant Revenue*

If conditions are attached to a grant which must be satisfied before the Company is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Company obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

*Interest income*

Revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

*Other revenue*

Other revenue is recognised when the right to receive the revenue has been established.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**(f) Trade and other receivables**

Trade receivables, which generally have 7-14 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

**(g) Impairment of financial assets**

The company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

*Loans and receivables*

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(h) Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Statement of Cash Flow 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 are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**(i) Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a diminishing value basis over the estimated useful life of all assets commencing from the time the asset is held ready for use. Leased assets and leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the assets.

The depreciation rates used for each class of depreciable assets are:

Motor Vehicles : 20%
Office Equipment: 30%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in the estimate.

*Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

Impairment losses are recognised in the income statement.

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**(i) Property, plant and equipment (continued)**

*Derecognition and disposal*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

**(j) Financial assets and liabilities**

*Financial assets*

Financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are classified as either financial assets at fair value through profit or loss,held-to-maturity investments, loans and receivables, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transactions costs. The company determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

*Financial assets at fair value through profit or loss*

Financial assets classified as held for trading are included in the category ‘financial assets at fair value through profit or loss’. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

*Held-to-maturity investments*

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the company has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount.

This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**(j) Financial assets and liabilities (continued)**

*Available-for-sale investments*

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models.

*Recoverable amount*

Non-current financial assets measured using the cost basis were not carried at an amount above their recoverable amount, and when a carrying value exceeded this recoverable amount, the financial asset was written down to its recoverable amount.

**(k) Trade and other payables**

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services.

Trade payables and other payables are carried at costs which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

**(l) Employee leave benefits**

*Wages, salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled wholly within 12 months of the reporting date are recognised in other payables 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. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

*Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on highly liquid corporate bond rates with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

**(m) Comparatives**

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

| | | 2017 $ | 2016 $ |
|---|---|---|---|
| **3** | **EXPENSES** | | |
| **(a)** | **Employee benefits expense** | | |
| | Wages and salaries | 844,350 | 577,396 |
| | Workers' compensation costs | 9,533 | 8,280 |
| | Superannuation | 77,485 | 45,902 |
| | Employees leave provisions | 12,430 | (27,808) |
| | Total employee benefits expense | 943,798 | 603,770 |
| **(b)** | **Depreciation and amortisation expense** | | |
| | Depreciation of non-current assets | | |
| | Motor Vehicles | 2,810 | 2,817 |
| | Office equipment | 7,643 | 2,951 |
| | Total depreciation of non-current assets | 10,453 | 5,768 |
| **(c)** | **Other expenses** | | |
| | Merchant and bank fees | 1,642 | 2,617 |
| | Professional and consulting | 24,204 | 77,714 |
| | Travel and accommodation | 100,523 | 132,264 |
| | Insurance | 9,380 | 8,269 |
| | Motor vehicle expenses | 11,006 | 7,730 |
| | Marketing and events | 6,581 | 20,351 |
| | Office expenses | 9,400 | 10,543 |
| | Net foreign currency losses | 3,507 | 63 |
| | Other expenses | 26,171 | 14,799 |
| | Total other expenses | 192,414 | 274,350 |

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

| | 2017 $ | 2016 $ |
|---|---|---|
| **4 CASH AND CASH EQUIVALENTS** | | |
| Cash at bank | 288,411 | 497,054 |
| | 288,411 | 497,054 |

Cash at bank earns interest at floating rates based on daily bank deposit rates.

**Reconciliation from the net loss to the net cash flows from operations**

| | 2017 $ | 2016 $ |
|---|---|---|
| (Loss) Surplus | (302,877) | 342,731 |
| *Adjustments for:* | | |
| Depreciation | 10,453 | 5,768 |
| *Changes in assets and liabilities* | | |
| Decrease in trade and other receivables | 12,963 | 61,901 |
| Increase in other assets | (2,397) | (22,177) |
| Increase in trade and other creditors | 88 | - |
| Increase in employee benefits | 12,429 | 13,280 |
| Net cash flow (used in)/from operating activities | (269,341) | 401,503 |

| | 2017 $ | 2016 $ |
|---|---|---|
| **5 TRADE AND OTHER RECEIVABLES (CURRENT)** | | |
| Trade receivables | 100,428 | 110,962 |
| Other receivables | 200 | 200 |
| GST | 4,441 | 6,870 |
| | 105,069 | 118,032 |

Trade receivables are non-interest bearing and are generally on 7-14 day terms. An allowance for doubtful debts is made when there is objective evidence that a trade receivable is impaired.

| | 2017 $ | 2016 $ |
|---|---|---|
| **6 OTHER ASSETS** | | |
| Prepayments | 11,978 | 9,581 |
| Deposits | 20,000 | 20,000 |
| | 31,978 | 29,581 |

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

| | 2017 $ | 2016 $ |
|---|---|---|
| **7 PROPERTY, PLANT AND EQUIPMENT** | | |
| *Motor Vehicles* | | |
| At cost | 14,091 | 14,091 |
| Accumulated depreciation | (9,522) | (6,712) |
| Net carrying amount | 4,569 | 7,379 |
| *Office equipment* | | |
| At cost | 24,691 | 12,502 |
| Accumulated depreciation | (13,117) | (5,474) |
| Net carrying amount | 11,574 | 7,028 |
| Total property, plant and equipment | | |
| At cost | 38,782 | 26,593 |
| Accumulated depreciation | (22,639) | (12,186) |
| Net carrying amount | 16,143 | 14,407 |
| **Movement in property, plant and equipment** | | |
| *Motor Vehicles* | | |
| Balance at the beginning of the year | | |
| At cost | 14,091 | 14,091 |
| Accumulated depreciation | (6,712) | (3,894) |
| Net carrying amount | 7,379 | 10,196 |
| Depreciation charge for the year | (2,810) | (2,818) |
| Balance at the end of the year - Net carrying amount | 4,569 | 7,379 |
| *Office equipment* | | |
| Balance at the beginning of the year | | |
| At cost | 12,502 | 12,502 |
| Accumulated depreciation | (5,474) | (2,523) |
| Net carrying amount | 7,028 | 9,979 |
| Additions | 12,189 | - |
| Depreciation charge for the year | (7,643) | (2,951) |
| Balance at the end of the year - Net carrying amount | 11,574 | 7,028 |
| *Total Property, plant and equipment* | | |
| Balance at the beginning of the year | ` | |
| At cost | 26,593 | 26,593 |
| Accumulated depreciation | (12,186) | (6,418) |
| Net carrying amount | 14,407 | 20,175 |
| Additions | 12,189 | - |
| Depreciation charge for the year | (10,453) | (5,769) |
| Balance at the end of the year - Net carrying amount | 16,143 | 14,407 |

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

| | *2017* $ | *2016* $ |
|---|---|---|
| **8 TRADE AND OTHER PAYABLES (CURRENT)** | | |
| Trade creditors | 17,416 | 34,281 |
| Other creditors | 51,757 | 34,804 |
| | 69,173 | 69,085 |
| Related party payables: | | |
| Directors and director-related entities | | |
| – director-related | 138,848 | 65,961 |
| | 208,021 | 135,046 |

Trade payables are non-interest bearing and are normally settled on 7-30 day terms. Other creditors are non-interest bearing and have an average term of 30 days.

For terms and conditions relating to related party payables refer to note 12.

## 9 EMPLOYEE BENEFITS

| | *2017* $ | *2016* $ |
|---|---|---|
| **Current** | | |
| Employee leave entitlements | 23,963 | 11,032 |
| | 23,963 | 11,032 |
| **Non Current** | | |
| Employee leave entitlements | 4,429 | 4,931 |
| | 4,429 | 4,931 |

The provision for employee entitlements relates to annual and long service leave for employees. Annual leave is usually taken within 12-18 months of the employee accruing the entitlement. In calculating the present value and future cash flows in respect of long service leave, the probability of the long service being taken has been based on historical data. The cash outflow associated with long service leave entitlements is uncertain as it is at the mutual agreement of the employee and the employer after the employee achieves 10 years service.

## 10 MEMBERS' GUARANTEE

The Company is incorporated uner 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 outstandings and obligations of the Company.

At 30 June 2017 the number of members was 1 (2016: 1).

## 11 COMMITMENTS AND CONTINGENCIES

*Operating and finance lease commitments*

One Disease Limited has no operating or finance lease commitments (2016: nil).

*Contingent assets and liabilities*

One Disease Limited has no contingent assets or contingent liabilities (2016: nil).

# Notes to the Financial Statements (continued)

**For the year ended 30 June 2017**

## 12 RELATED PARTY TRANSACTIONS

*Transactions with director related entities*

As disclosed in Note 8, amounts payable to Zambrero Pty Ltd, a director related entity, are unsecured and no interest is charged on these amounts. There is no agreed repayment period for these loans.

| | 2017 | 2016 |
|---|---|---|
| The following transactions occurred with Zambrero Pty Ltd: | $ | $ |
| – Donations received | 60,000 | 52,008 |
| – Administration services expense | (60,566) | (71,881) |

*Transactions with key management personnel*

In 2017, the key management personnel of One Disease Limited were the Chief Executive Officer, Development Director and Program Director (2016: the Chief Executive Officer and Development Director for part of the year).

Total remuneration paid to key management personnel in 2017 was $409,949 (2016: $197,281).

## 13 EVENTS AFTER BALANCE SHEET DATE

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

## 14 ECONOMIC DEPENDENCY

One Disease Limited is dependent on the ongoing receipt of grants and donations for the continuance of its programs. At the date of this report, the Directors have no reason to believe that this financial support will not continue.

## 15 INCOME AND EXPENDITURE - FUNDRAISING APPEALS

*This disclosure is made under the NSW Charitable Fundraising Act 1991.*

| | 2017 | 2016 |
|---|---|---|
| **Details of aggregate gross income and direct expenses of fundraising appeals** | **$** | **$** |
| Gross income from donations and fundraising appeals | 841,861 | 1,225,612 |
| Less: total direct cost of fundraising appeals | (3,230) | (24,969) |
| ***Net surplus obtained from donations and fundraising appeals*** | 838,631 | 1,200,643 |
| **Statement showing how funds received were applied to charitable purpose** | | |
| Funds brought forward from previous year | 508,065 | 165,334 |
| Net surplus obtained from donations and fundraising appeals | 838,631 | 1,200,643 |
| Other income | 1,927 | 1,514 |
| ***Funds available for application to charitable purpose*** | 1,348,623 | 1,367,491 |
| Expenses | (1,143,435) | (859,426) |
| ***Funds carried forward*** | 205,188 | 508,065 |

In relation to proceeds unspent at balance date, One Disease Limited carries forward any amounts for expenditure in future years on projects related to One Disease Limited's operations. Accordingly, amounts applied in any particular year to the charitable purpose may be greater or less than the net surplus obtained from fundraising appeals in that year.

# Directors' Declaration

In accordance with a resolution of the directors of One Disease Limited, I state that:

(a) the financial statements and notes of the Company are in accordance with the Australian Charities and Not-For-Profits Commission Act 2012, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not for Profits Commission Regulation 2013; and

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Dr Sam Prince
Director

Sydney, 12 December 2017

# Directors' Declaration In Respect Of Fundraising Appeals

In accordance with a resolution of the directors of One Disease Limited, I state that:

(a) The financial statements give a true and fair view of all income and expenditure of the Company with respect to fundraising appeal activates for the financial year ended 30 June 2017;

(b) The statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2017;

(a) The provision of the Charitable Fundraising (NSW) Act 1991 and the Regulations under the Act and the conditions attached to the authority have been complied with for the period from 1 July 2016 to 30 June 2017; and

(a) The internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

On behalf of the Board

Dr Sam Prince
Director

Sydney, 12 December 2017

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# Independent Auditor's Report
# To the Members of One Disease Limited

## Report on the audit of the financial report

### Auditor's opinion

We have audited the accompanying financial report of One Disease Limited (the Company), which comprises the statement of financial position as at 30 June 2017 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 financial report of One Disease Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

b complying with Australian Accounting Standards - Reduced Disclosure Regime and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for auditor's 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 auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 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 audit opinion.

## Other information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

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

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

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

## Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012 and the NSW Charitable Fundraising Act 1991 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is 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, as applicable, 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.

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

## Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the 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 Directors.
- Conclude on the appropriateness of the Directors' 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 audit 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2008

We have audited the financial report as required by Section 24(2) of the NSW Charitable Fundraising Act 1991. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2008.

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non-compliance may occur and not be detected. An audit is not designed to detect all instances of non-compliance with the requirements described in the above-mentioned Act and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

### Our opinion

In our opinion:

a the financial report of One Disease Limited has been properly drawn up and associated records have been properly kept during the financial year ended 30 September 2016 in all material respects, in accordance with:

  i sections 20( 1), 22( 1-2), 24(1-3) of the NSW Charitable Fund raising Act 1991;

  ii sections 9(6) and 10 of the NSW Charitable Fundraising Regulations 2008;

b the money received as a result of fundraising appeals conducted by the company during the financial year ended 30 September 2016 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Act and Regulations.

Grant Thornton

**Grant Thornton Audit Pty Ltd**
Chartered Accountant

Angela Spowart

A L Spowart
Partner - Audit & Assurance

Sydney, 12 December 2017