

One Disease Limited

ABN 57 162 909 284

FINANCIAL REPORT

For the year ended 30 June 2019

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Directors' Report

Your directors submit their financial report for One Disease Limited (the 'Company') for the year ended 30 June 2019.

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 (Resigned: 29 July 2019)
William Delaat (Appointed: 29 July 2019)
Guy Haslehurst (Appointed: 29 July 2019)

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 4 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 Wentworth 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 its Crusted Scabies elimination program in the Northern Territory and expanded to Western Australia and Queensland. Net surplus for the year ended 30 June 2019 was \$1,222,964 (2018: \$428,860).

SHORT TERM AND LONG TERM OBJECTIVES

The objective of One Disease Limited is to eliminate Crusted Scabies from Australia's remote Indigenous communities by the end of 2022. Strategies to do this include but are not limited to:

- Proactively identifying Crusted Scabies clients
- Improving quality of diagnosis and minimising misdiagnosis of Crusted Scabies
- Providing a safe forum for Crusted Scabies clients to explore and destigmatise the disease
- Improving care coordination between hospitals and local health services to successfully control the disease
- Improving engagement of health sector with Crusted Scabies
- Developing and facilitating use of recall/reminders (previously called care plans) for Crusted Scabies management in local health services's clinical information systems
- Developing culturally appropriate resources for community and health workers
- Educating 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.

A handwritten signature in blue ink, consisting of several overlapping, stylized lines.

Dr Sam Prince
Director

Sydney, 31 October 2019

Auditor's Independence Declaration

To the Directors of One Disease Limited

In accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 ("ACNC Act") and Charitable Fundraising Act 1991 ("the Act") and the Charitable Fundraising Regulation 2015 (the "Regulation"), as lead auditor for the audit of One Disease Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013* 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



P J Woodley
Partner – Audit & Assurance

Sydney, 31 October 2019

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2019

	<i>Notes</i>	<i>2019</i> \$	<i>2018</i> \$
Donations received		548,734	903,585
Government grants		2,581,818	1,102,727
Total income		3,130,552	2,006,312
Finance income		7,593	857
Employee benefits expense	3(a)	(1,023,995)	(1,048,068)
Depreciation and amortisation expense	3(b)	(6,699)	(8,462)
Other expenses	3(c)	(884,487)	(521,777)
Finance costs		-	(2)
Surplus / (Deficit) for the period		1,222,964	428,860
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		1,222,964	428,860

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

Statement of Financial Position

As at 30 June 2019

	<i>Notes</i>	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	2,023,001	882,294
Trade and other receivables	5	200	815
Other assets	6	100,019	37,801
Total Current Assets		2,123,220	920,910
Non-current Assets			
Property, plant and equipment	7	7,339	7,681
Total Non-current Assets		7,339	7,681
TOTAL ASSETS		2,130,559	928,591
LIABILITIES			
Current Liabilities			
Trade and other payables	8	207,649	245,838
Employee benefits	9	51,184	39,158
Total Current Liabilities		258,833	284,996
Non-current Liabilities			
Employee benefits	9	14,714	9,547
Total Non-current Liabilities		14,714	9,547
TOTAL LIABILITIES		273,547	294,543
NET ASSETS		1,857,012	634,048
EQUITY			
Retained surplus		1,857,012	634,048
TOTAL EQUITY		1,857,012	634,048

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 2019

	<i>Retained surplus \$</i>	<i>TOTAL EQUITY \$</i>
At 1 July 2017	205,188	205,188
Surplus for the year	428,860	428,860
Total comprehensive income for the period	428,860	428,860
At 30 June 2018	634,048	634,048
At 1 July 2018	634,048	634,048
Surplus for the year	1,222,964	1,222,964
Total comprehensive income for the period	1,222,964	1,222,964
At 30 June 2019	1,857,012	1,857,012

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

Statement of Cash Flows

For the year ended 30 June 2019

	<i>Notes</i>	<i>2019</i>	<i>2018</i>
		\$	\$
Cash flows from operating activities			
Donations received		806,916	1,118,726
Receipt of Government Grants		2,581,818	1,102,727
Payments to suppliers and employees		(2,249,878)	(1,488,962)
Interest received		7,593	857
Interest paid		-	(2)
Net cash inflows (outflows) from operating activities		1,146,449	733,346
Cash flows from investing activities			
Purchase of property, plant and equipment		(6,357)	-
Net cash outflows used in investing activities		(6,357)	-
Cash flows from financing activities			
Repayments of borrowings – related parties		615	(139,463)
Net cash inflows (outflows) from financing activities		615	(139,463)
Net decrease in cash and cash equivalents		1,140,707	593,883
Cash and cash equivalents at beginning of period		882,294	288,411
Cash and cash equivalents at end of period		2,023,001	882,294

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

Notes to the Financial Statements

For the year ended 30 June 2019

1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The financial report of One Disease Limited for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the directors on 31 October 2019.

One Disease Limited is a company limited by guarantee, 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.

New standards adopted as at 1 July 2018

One Disease Limited has adopted AASB 9 Financial Instruments (AASB 9), which supersedes AASB 139 Financial Instruments: Recognition and Measurement (AASB 139), from 1 July 2018. The new standard has been applied retrospectively without restatement, with the cumulative effect of initial application recognised as an adjustment to the opening balance of retained earnings at 1 July 2018. Financial assets and liabilities recognised in the financial statements as at this date did not require any material adjustment on application of AASB 9.

New or revised standards or interpretations

At the date of authorisation of these financial statements, several new but not yet effective standards, amendments to existing standards, and interpretations have been published. None of these standards, amendments or interpretations have been adopted early by One Disease Limited. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New, but not yet effective, standards, amendments and interpretations neither adopted nor listed below have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities previously in AASB 1004 Contributions.

Management is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the management's preliminary assessment, there is likely to be a material impact on the first time adoption of the standard for the year ending 30 June 2020, particularly in relation to revenue from government grants.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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

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.

(d) Revenue recognition

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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(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) 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.

(h) Property, plant and equipment

Property, plant and equipment are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended. They are subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Property, plant and equipment (continued)

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.

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.

(i) Financial assets and liabilities

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

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

The Company does not have any financial assets categorised as FVTPL or FVOCI in the periods presented.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade and other receivables which is presented within other expenses.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets and liabilities (continued)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The Company's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. Equity investments and derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Financial assets at fair value through other comprehensive income (FVOCI)

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets and liabilities (continued)

Classification and subsequent measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

The Company's financial liabilities include trade and other payables.

Accounting policy applicable to comparative period (30 June 2018)

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition: loans and receivables; financial assets at fair value through profit or loss; held-to-maturity investments; and available-for-sale financial assets.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's trade and most other receivables fall into this category of financial instruments.

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 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets and liabilities (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss (FVTPL) include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity (HTM) investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Company has the intention and ability to hold them until maturity.

Held-to-maturity (HTM) investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

Available-for-sale investments

Available-for-sale (AFS) financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

All available-for-sale (AFS) financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognised in profit or loss within 'revenue'.

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include borrowings and trade and other payable.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss (FVTPL), that are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges are included within finance costs or finance income.

(j) 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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) 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.

(l) 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 2019

	2019 \$	2018 \$
3 EXPENSES		
(a) Employee benefits expense		
Wages and salaries	845,724	930,944
Workers' compensation costs	22,731	10,244
Superannuation	84,580	81,855
Employees leave provisions	70,960	25,025
Total employee benefits expense	<u>1,023,995</u>	<u>1,048,068</u>
(b) Depreciation and amortisation expense		
Depreciation of non-current assets		
Motor vehicles	769	2,645
Office equipment	5,930	5,817
Total depreciation of non-current assets	<u>6,699</u>	<u>8,462</u>
(c) Other expenses		
Bank fees	811	1,062
Consultants	18,762	31,330
External measurement and evaluation of the program	78,532	52,600
Grant expense	32,608	-
Insurance	8,122	5,980
Motor vehicle expenses	33,578	10,988
Occupancy	22,960	27,189
Subcontracted health services	212,500	187,500
Travel and accommodation	213,287	125,183
Other expenses	263,327	79,945
Total other expenses	<u>884,487</u>	<u>521,777</u>
4 CASH AND CASH EQUIVALENTS		
Cash at bank	<u>2,023,001</u>	<u>882,294</u>
	<u>2,023,001</u>	<u>882,294</u>

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

5 TRADE AND OTHER RECEIVABLES (CURRENT)

Trade receivables	-	-
Other receivables	200	200
GST	-	-
Related party receivables:		
<i>Directors and director-related entities</i>		
– director-related	-	615
	<u>200</u>	<u>815</u>

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.

For terms and conditions relating to related party receivables refer to Note 14.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

	2019 \$	2018 \$
6 OTHER ASSETS		
Prepayments	60,019	17,801
Deposits	40,000	20,000
	<u>100,019</u>	<u>37,801</u>
7 PROPERTY, PLANT AND EQUIPMENT		
<i>Motor vehicles</i>		
At cost	14,091	14,091
Accumulated depreciation	(12,936)	(12,167)
Net carrying amount	<u>1,155</u>	<u>1,924</u>
<i>Office equipment</i>		
At cost	31,048	24,691
Accumulated depreciation	(24,864)	(18,934)
Net carrying amount	<u>6,184</u>	<u>5,757</u>
Total property, plant and equipment		
At cost	45,139	38,782
Accumulated depreciation	(37,800)	(31,101)
Net carrying amount	<u>7,339</u>	<u>7,681</u>
Movement in property, plant and equipment		
<i>Motor vehicles</i>		
Balance at the beginning of the year		
At cost	14,091	14,091
Accumulated depreciation	(12,167)	(9,522)
Net carrying amount	<u>1,924</u>	<u>4,569</u>
Depreciation charge for the year	(769)	(2,645)
Balance at the end of the year - net carrying amount	<u>1,155</u>	<u>1,924</u>
<i>Office equipment</i>		
Balance at the beginning of the year		
At cost	24,691	24,691
Accumulated depreciation	(18,934)	(13,117)
Net carrying amount	<u>5,757</u>	<u>11,574</u>
Additions	6,357	-
Depreciation charge for the year	(5,930)	(5,817)
Balance at the end of the year - net carrying amount	<u>6,184</u>	<u>5,757</u>
<i>Total Property, plant and equipment</i>		
Balance at the beginning of the year		
At cost	38,782	38,782
Accumulated depreciation	(31,101)	(22,639)
Net carrying amount	<u>7,681</u>	<u>16,143</u>
Additions	6,357	-
Depreciation charge for the year	(6,699)	(8,462)
Balance at the end of the year - net carrying amount	<u>7,339</u>	<u>7,681</u>

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

	2019	2018
	\$	\$
8 TRADE AND OTHER PAYABLES (CURRENT)		
Trade creditors	35,332	83,406
Other creditors	120,197	70,545
GST	52,120	91,887
	<u>207,649</u>	<u>245,838</u>

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.

9 EMPLOYEE BENEFITS**Current**

Employee leave entitlements	51,184	39,158
	<u>51,184</u>	<u>39,158</u>

Non Current

Employee leave entitlements	14,714	9,547
	<u>14,714</u>	<u>9,547</u>

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 COMMITMENTS AND CONTINGENCIES***Operating and finance lease commitments***

One Disease Limited has no operating or finance lease commitments (2018: nil).

Contingent assets and liabilities

One Disease Limited has no contingent assets or contingent liabilities (2018: nil).

11 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.

12 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.

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

	2019	2018
	\$	\$
13 MEMBERS' GUARANTEE		
One Disease Limited 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 outstandings and obligations of the Company. At 30 June 2019 the number of members was 1 (2018: 1).		
14 RELATED PARTY TRANSACTIONS		
<i>Transactions with director related entities</i>		
<i>Zambrero Pty Ltd</i>		
Amounts receivable from Zambrero Pty Ltd, a director related entity, are non-interest bearing and are on 14 day terms.		
The following transactions occurred with Zambrero Pty Ltd:		
– Administration, finance, IT and legal services received from Zambrero Pty Ltd	(130,880)	(67,986)
– HR services (received from) / provided to Zambrero Pty Ltd	(14,750)	45,540
– Software development services received from Zambrero Pty Ltd	(22,456)	-
– One Disease's allocation of shared occupancy costs	(24,697)	(28,645)
<i>Zambrero Marketing Fund Pty Ltd</i>		
The following transactions occurred with Zambrero Marketing Fund Pty Ltd, a director related entity:		
– Administration services provided to Zambrero Marketing Fund Pty Ltd	-	5,798
– Administration services received from Zambrero Marketing Fund Pty Ltd	(2,681)	(1,250)
<i>Life ABC Pty Ltd</i>		
The following transactions occurred with Life ABC Pty Ltd, a director related entity:		
– Administration services provided to Life ABC Pty Ltd	-	5,798
– Administration services received from Life ABC Pty Ltd	-	(12,926)
<i>Care Technology Clinics Pty Ltd</i>		
The following transactions occurred with Care Technology Clinics Pty Ltd, a director related entity:		
– Administration services provided to Care Technology Clinics Pty Ltd	-	401
<i>Transactions with key management personnel</i>		
In 2019, the key management personnel of One Disease Limited were the Chief Executive Officer and Development Director. In 2018, the key management personnel were the Chief Executive Officer, Program Director and Development Director.		
Short-term	201,092	327,896
Post employment	19,104	31,150
Other long-term	-	-
Termination benefits	-	-
Share-based payment	-	-
Total key management compensation	220,195	359,046

Notes to the Financial Statements (continued)

For the year ended 30 June 2019

15 INCOME AND EXPENDITURE - FUNDRAISING APPEALS

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

	2019	2018
	\$	\$
Details of aggregate gross income and direct expenses of fundraising appeals		
Gross income from donations and fundraising appeals	548,734	903,585
Less: total direct cost of fundraising appeals	(2,312)	(30,037)
Net surplus obtained from donations and fundraising appeals	<u>546,422</u>	<u>873,548</u>
Statement showing how funds received were applied to charitable purpose		
Funds brought forward from previous year	634,048	205,188
Net surplus obtained from donations and fundraising appeals	546,422	873,548
Government grants	2,581,818	1,102,727
Other income	7,593	857
Funds available for application to charitable purpose	<u>3,769,881</u>	<u>2,182,321</u>
Expenses	<u>(1,912,869)</u>	<u>(1,548,272)</u>
Funds carried forward	<u>1,857,012</u>	<u>634,048</u>

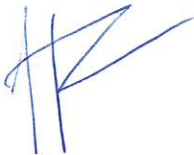
In relation to proceeds unspent at balance date, One Disease Limited carries forward any amounts for expenditure in future years on projects related to One Disease Limited's operations. Accordingly, amounts applied in any particular year to the charitable purpose may be greater or less than the net surplus 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 2019 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, 31 October 2019

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 activities for the financial year ended 30 June 2019;
- (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 2019;
- (c) 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 2018 to 30 June 2019; and
- (d) 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, 31 October 2019

Independent Auditor's Report

To the Members of One Disease Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of One Disease Limited (the "Company"), which comprises the statement of financial position as at 30 June 2019, and the statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and comprising notes to the financial statements, including a summary of significant accounting policies, and the Director's declaration.

In our opinion, the accompanying financial report of One Disease Limited:

- 1 has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC Act"), including:
 - a giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year then ended;
 - b complying with the Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- 2 is in accordance with the Charitable Fundraising 1991 (the "Act") and the Charitable Fundraising Regulation (the "Regulation"), including show a true and fair view of the Company's financial result of fundraising appeals for the year ended 30 June 2019.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

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

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Directors report for the year ended 30 June 2019, 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 Standard and the ACNC Act. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the 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, 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.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulation 2015

Opinion

We have audited the compliance of One Disease Limited (the “Company”) with the requirements of Section 24(2) of the *Charitable Fundraising Act 1991* (“the Act”) for the year ended 30 June 2019.

In our opinion:

- a One Disease Limited has properly kept the accounts and associated records during the year ended 30 June 2018 in accordance with the Act and the Regulation (section 24(2)(b) of the Act);
- b the One Disease Limited, has, in all material respects, properly accounted for and applied money received as a result of fundraising appeals conducted during the year ended 30 June 2019 in accordance with section 24(2)(c) of the Act; and
- c there are reasonable grounds to believe that the One Disease Limited will be able to pay its debts as and when they fall due over the 12 month period from the date of this report (section 24(2)(d) of the Act).

The Directors’ Responsibility under the Charitable Fundraising Act 1991

The Directors of One Disease Limited are responsible for compliance with the requirements and conditions of the NSW Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulation 2015 and for such internal control as the Directors determine is necessary for compliance with the Act and the Regulation. This responsibility includes establishing and maintaining internal control over the conduct of all fundraising appeals; ensuring all assets obtained during, or as a result of, a fundraising appeal are safeguarded and properly accounted for; and maintaining proper books of account and records.

The Directors are also responsible for ensuring the Company will be able to pay its debts as and when they fall due.

Auditor’s Responsibility

Our responsibility is to form and express an opinion on One Disease Limited’s compliance, in all material respects, with the requirements of the Act and Regulations, as specified in section 24(2)(b), 24(2)(c) and 24(2)(d) of the Charitable Fundraising Act 1991.

Our audit has been conducted in accordance with the applicable Standards on Assurance Engagements (ASAE 3100 *Compliance Engagements*), issued by the Auditing and Assurance Standards Board. Our audit has been conducted to provide reasonable assurance that One Disease Limited has complied with specific requirements of the Charitable Fundraising Act 1991 and Charitable Fundraising Regulation 2015, and whether there are reasonable grounds to believe the Company will be able to pay its debts as and when they fall due over the 12 month period from the date of this independent auditor’s report (future debts).

Audit procedures selected depend on the auditor’s judgement. The auditor designs procedures that are appropriate in the circumstances and incorporate the audit scope requirements set out in *the Act*. The audit procedures have been undertaken to form an opinion on compliance of that One Disease Limited with the Act and Regulations and its ability to pay future debts. Audit procedures include obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting the One Disease Limited’s compliance with specific requirements of the Act and Regulation, and assessing the reasonableness and appropriateness of the One Disease Limited’ assessment regarding the Company’s ability to pay future debts.

Inherent Limitations

Because of the inherent limitations of any compliance procedures, it is possible that fraud, error or noncompliance may occur and not be detected. An audit is not designed to detect all instances of noncompliance with the requirements of the Act and Principles, as the audit procedures are not performed continuously throughout the year and are undertaken on a test basis.

Whilst evidence is available to support the Company's ability to pay future debts, such evidence is future orientated and speculative in nature. As a consequence, actual results are likely to be different from the information on which the opinion is based, since anticipated events frequently do not occur as expected or assumed and the variations between the prospective opinion and the actual outcome may be significant.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants



P J Woodley
Partner – Audit & Assurance

Sydney, 31 October 2019