

# **JODI LEE**

## **FOUNDATION**

Special Purpose Financial Report

For the Year Ended 30 June 2018

# JODI LEE FOUNDATION

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# JODI LEE

## FOUNDATION

### **DIRECTOR'S REPORT**

The Directors of Jodi Lee Foundation Pty Limited, the trustee for The Jodi Lee Foundation, are pleased to submit their financial report for the year ended 30 June 2018.

The Directors are also pleased to announce the appointment of Kathryn Quintel as the new CEO, commencing on 20 November 2017.

### **Directors**

The directors during the financial year were:

Nicholas Lee  
Tania Carey  
Daniel Worthley (Appointed 6/3/18)  
Felicity Harley (Ceased 31/07/17)  
Mark Butcher, Chair (Ceased 4/12/17)  
Andrew Luck (Ceased 6/3/18)

### **Principal activities**

The Jodi Lee Foundation (the Foundation) is a charitable institution established to promote the prevention or control of diseases in human beings. The principal activity of the Foundation is to prevent bowel cancer in Australia through education and awareness.

### **Review of operations and results of operations**

Operations resulted in net shortfall of \$73,282 for the year ended 30 June 2018. Results for the year are set out on pages 5 to 16 of this report. No income tax is payable.

### **Significant changes in the state of affairs**

There were no significant changes in the Foundation's state of affairs during the reporting period.

### **Matters subsequent to the end of the financial year**

No matter or circumstances has arisen since 30 June 2018 that has significantly affected, or may significantly affect:

- a) the Foundation's operations in future financial years, or
- b) the results of those operations in future financial years, or
- c) the Foundation's state of affairs in future financial years.

### **Likely developments and expected results of operations**

This report does not include information on likely developments in the Foundation's operations in and the expected results of operations in future financial years.

### **Indemnification of officers**

During the year, the Foundation paid a premium of \$1,210 (2017: \$1,278) for insurance to indemnify directors and the Foundation. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Foundation, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of the position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

# JODI LEE FOUNDATION

This report was authorised for issue in accordance with a resolution of the Directors of Jodi Lee Foundation Pty Limited, the trustee for The Jodi Lee Foundation.



NICHOLAS LEE  
Chair

Dated 29 November 2018

# JODI LEE FOUNDATION

## FINANCIAL STATEMENTS

### STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

	Note	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
<b>REVENUE</b>			
Donations		610,228	432,037
Workplace Prevention Program		41,490	60,754
Government grants		-	-
Corporate partnerships		296,981	149,835
Other income		119,722	75,868
Interest income		7,479	10,420
<b>Total Revenue</b>		<b>1,075,900</b>	<b>728,914</b>
<b>COST OF INITIATIVES &amp; FUNDRAISING</b>			
Community awareness		470,681	421,494
Workplace Prevention Program		105,310	79,148
Early detection tools		0	5,719
Fundraising and events		368,956	264,055
<b>Total Cost of Initiatives &amp; Fundraising</b>		<b>944,947</b>	<b>770,416</b>
<b>OPERATING COSTS</b>			
Total operating costs	3	204,235	163,128
<b>SURPLUS/(SHORTFALL) FOR THE PERIOD</b>			
Tax expense		-	-
<b>NET SURPLUS/(SHORTFALL) FOR THE YEAR</b>		<b>(73,282)</b>	<b>(204,630)</b>
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(73,282)</b>	<b>(204,630)</b>

The statement of comprehensive income should be read in conjunction with the accompanying notes.

# JODI LEE FOUNDATION

## STATEMENT OF FINANCIAL POSITION As at 30 June 2018

	Note	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	660,009	527,723
Receivables	6	25,473	30,698
Prepayments		1,500	1,500
Stock on hand		20,569	6,205
<b>Total current assets</b>		<b>707,551</b>	<b>566,126</b>
<b>Non-current assets</b>			
Fixed assets	7	6,459	4,773
Intangible assets	8	27,771	39,183
<b>Total non-current assets</b>		<b>34,230</b>	<b>43,956</b>
<b>Total Assets</b>		<b>741,781</b>	<b>610,082</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	9	117,098	24,931
Provisions	10	19,260	9,317
Deferred revenue		100,000	-
<b>Total current liabilities</b>		<b>236,358</b>	<b>34,248</b>
<b>Non-current liabilities</b>			
Provisions	11	12,673	9,802
<b>Total non-current liabilities</b>		<b>12,673</b>	<b>9,802</b>
<b>Total Liabilities</b>		<b>249,031</b>	<b>44,050</b>
<b>NET ASSETS</b>		<b>492,750</b>	<b>566,032</b>
<b>EQUITY</b>			
Opening accumulated funds		566,032	770,662
Net surplus/(shortfall) for the year		(73,282)	(204,630)
<b>TOTAL EQUITY</b>		<b>492,750</b>	<b>566,032</b>

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

# JODI LEE

## FOUNDATION

### STATEMENT OF CHANGES IN EQUITY

As at 30 June 2018

	Accumulated funds \$	Total Equity \$
Balance at 1 July 2016	770,662	770,662
Total comprehensive income	(204,630)	(204,630)
<b>Balance at 30 June 2017</b>	<b>566,032</b>	<b>566,032</b>
Total comprehensive income	(73,282)	(73,282)
<b>Balance at 30 June 2018</b>	<b>492,750</b>	<b>492,750</b>

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

# JODI LEE FOUNDATION

## STATEMENT OF CASH FLOWS As at 30 June 2018

	Note	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
<b>Cash flows from operating activities</b>			
Cash receipts from grants, donations and sponsorship		1,173,848	685,608
Cash paid to suppliers and employees		(1,044,832)	(956,252)
Interest received		7,479	10,420
<b>Net cash inflow/(outflow) from operating activities</b>	12	<b>136,495</b>	<b>(260,223)</b>
<b>Net cash from investing activities</b>			
Purchase of property, plant and equipment		(4,209)	(16,477)
<b>Net cash (outflow) investing activities</b>		<b>(4,209)</b>	<b>(16,477)</b>
<b>Net cash inflow from financing activities</b>		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>132,286</b>	<b>(276,700)</b>
Cash and cash equivalents at beginning of the financial year		527,723	804,423
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINACIAL YEAR</b>	5	<b>660,009</b>	<b>527,723</b>

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



# JODI LEE

## FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

#### Note 1: Summary of significant accounting policies

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied throughout the year presented, unless otherwise stated.

##### a) Capital structure and details

This financial report is prepared for The Jodi Lee Foundation (the Foundation). Jodi Lee Foundation Pty Limited (ABN 22 313 584 765) acts as the trustee for the Foundation and is a company limited by guarantee. The company is registered in South Australia under the Corporations Act 2001 and is domiciled in Australia.

The Foundation is a trust established to promote the prevention or control of diseases in human beings. It is a charitable institution engaged in activities to prevent bowel cancer in Australia.

The Foundation operates as a health promotion charity as defined by Australian Taxation Office (ATO) rules on Deductible Gift Recipients (DGRs).

The principal place of business of the Foundation is 4 Grenfell Street, Kent Town SA 5067.

##### b) Basis of preparation of the financial report

In the Trustee's opinion, The Jodi Lee Foundation is not a reporting entity because there are unlikely to be any users dependent on general purpose financial reports. This financial report is therefore a Special Purpose Financial Report.

The financial report has been prepared for the sole purpose of complying with the Trust Deed (1 July 2011) requirements to prepare and distribute a financial report to the Trustee, the *Australian Charities and Not-for-profits Commission Act (Cth)* (ACNC Act 2012), the *Fund Raising Act 1998 (VIC)*, the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulations 2015 (NSW)*, and may not be suitable for another purpose.

The report has been prepared in accordance with the recognition and measurement principles of all applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. It contains the disclosures that are considered necessary to meet the needs of the Trustee.

New standards and amendments applicable for the first time in this reporting period did not have any impact on the amounts recognised in prior periods and will also not affect the current or future periods.

The Foundation has not elected to apply any pronouncements before their operative date in the financial year beginning 1 July 2017.

The report has been prepared under the historical cost convention unless otherwise stated.

The accounting policies have been consistently applied throughout the period.

##### c) Revenue recognition

Revenue is recognised when the Foundation is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of Goods and Services Tax (GST) payable to the ATO.

Donations collected are recognised as revenue when the Foundation gains control, economic benefits are probable and the amount of the donation can be measured reliably. Income is measured at the fair value of the consideration received or receivable.

No amounts are included in the financial report for donations in kind.

# JODI LEE

## FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2018

#### d) Grant revenue

Grants are recognised at their fair value when there is reasonable assurance that the grant will be received and the Foundation will comply with all associated conditions. Grant revenue is deferred and only recognised in the statement of income and expenditure in the period necessary to match the grant revenue to the costs it is intended to compensate.

#### e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

Operating expenses are those incurred in connection with administration of the Foundation and compliance with constitutional and statutory requirements.

#### f) Taxation

Income tax

The Foundation is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the ATO. The Foundation holds deductible gift recipient status.

Goods and services tax

Revenues, expenses and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the ATO, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST.

The net amount of GST recoverable from or payable to the ATO is included as part of receivables or payables.

#### g) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less.

#### h) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 14 days.

Collectability of trade receivables is reviewed on an ongoing basis. Receivables known to be uncollectible are written off by reducing the carrying amount directly.

#### i) Prepayments

Amounts paid for goods or services are capitalised to the statement of financial position when it is probable that future economic benefits associated with the prepayment amount will flow to the Foundation. Amounts are expensed to the statement of income and expenditure as or when the goods or services have been received.

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2018

#### j) Stock on Hand

Stock on hand is stated at the lower of cost and net realisable value and is valued on an actual cost basis, including direct materials and delivery costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

#### k) Fixed assets

Fixed assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the statement of income and expenditure during the reporting period in which they are incurred.

Depreciation on fixed assets is calculated using the straight-line method to allocate their cost over their estimated useful lives as follows:

Office & computer equipment	4 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### l) Intangible assets

Intangible assets represent website development costs incurred in developing products or systems and also costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation or cost reduction are capitalised as intangible assets. Costs capitalised include external direct costs of materials and consulting services on time spent to develop the website. Amortisation is calculated on a straight-line basis over expected useful lives as follows:

Website development costs	4 years
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An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### m) Creditors and accruals

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### n) Deferred Revenue

Grants are recognised as deferred revenue until such time as the costs the grant is intended to compensate are incurred. Accordingly, the recognition of grant revenue in the profit and loss statement is matched to the period the costs are incurred.

#### o) Provisions

The liability for accumulated annual leave is recognised as a current provision. Management expects accumulated annual leave to be settled within 12 months after the end of the financial year. The liability for long service leave is recognised as a non-current provision. Provisions are measured at the amount expected to be paid when the liability is settled.

# JODI LEE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2018

### p) Comparative Financial Information

Comparative information disclosed in this financial report is for the year ended 30 June 2017.

#### Note 2: Critical accounting estimates

The preparation of financial reports requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in applying the Foundation's policies. For the year ended 30 June 2017, the Directors are not aware of any areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates significant to the financial report.

#### Note 3: Operating costs

Net surplus/(shortfall) for the year includes the following operating costs:

	Note	Year Ended 30 June 2018	Year Ended 30 June 2017
		\$	\$
<b>Operating costs</b>			
Communications		5,129	4,507
Consultants		23,068	16,128
Depreciation and amortisation		13,935	9,362
Insurance		5,439	3,501
Other		9,408	7,474
Printing and stationery		2,844	3,489
Rent and on-costs		33,323	31,444
Repairs and maintenance		72	0
Salary	3a	109,755	85,308
Subscriptions		1,262	1,915
<b>Total operating costs</b>		<b>204,235</b>	<b>163,128</b>

#### Note 3(a): Allocation of salaries

Total salaries have been allocated according to function as follows:

	Year Ended 30 June 2018	Year Ended 30 June 2017
	\$	\$
Salary attributable to initiatives and fundraising	386,372	379,880
Salary attributable to operating costs	109,755	85,308
<b>Total salary expenses</b>	<b>496,127</b>	<b>465,188</b>

#### Note 4: Key management personnel disclosure

Key management personnel of the Foundation are:

- Nicholas Lee, Founder & Chairperson
- Kathryn Quintel, CEO
- Tiffany Young, Co-Founder

# JODI LEE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2018

### Note 4(a): Key management personnel compensation

	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
Key management personnel compensation	231,183	234,301

### Note 4(b): Transactions with key management personnel

There were no transactions or outstanding balances relating to key management personnel during the year ended 30 June 2018 (or the year ended 30 June 2017) other than compensation noted in note 4(a) above.

### Note 5: Current assets - Cash and cash equivalents

	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
Cash at bank and in hand	660,009	527,723
<b>Total cash and cash equivalents</b>	<b>660,009</b>	<b>527,723</b>

### Note 6: Current assets – Receivables

	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
Trade receivables	14,641	20,610
GST receivable	10,832	10,088
<b>Total receivables</b>	<b>25,473</b>	<b>30,698</b>

### Note 7: Non-current assets - Fixed assets

	Office & computer equipment \$	Total \$
<b>At 30 June 2017</b>		
Cost	16,776	16,776
Accumulated depreciation	(12,003)	(12,003)
<b>Net book value</b>	<b>4,773</b>	<b>4,773</b>
<b>At 30 June 2018</b>		
Cost	20,984	20,984
Accumulated depreciation	(14,525)	(14,525)
<b>Net book value</b>	<b>6,459</b>	<b>6,459</b>

# JODI LEE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2018

### Note 8: Non-current assets - Intangible assets

	Website development costs \$	Total \$
<b>At 30 June 2017</b>		
Cost	105,070	105,070
Accumulated amortisation and impairment	(65,887)	(65,887)
<b>Net book value</b>	<b>39,183</b>	<b>39,183</b>
<b>At 30 June 2018</b>		
Cost	105,070	105,070
Accumulated amortisation and impairment	(77,299)	(77,299)
<b>Net book value</b>	<b>27,771</b>	<b>27,771</b>

### Note 9: Current liabilities – Payables

	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
Creditors	99,681	12,105
Payroll liabilities	17,417	12,826
<b>Total payables</b>	<b>117,098</b>	<b>24,931</b>

### Note 10: Current liabilities – Provisions

	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
<b>Current</b>		
Employee Benefits	19,260	9,317
<b>Total current provisions</b>	<b>19,260</b>	<b>9,317</b>

### Note 11: Non-current liabilities –Provisions

	Year Ended 30 June 2018 \$	Year Ended 30 June 2017 \$
<b>Non Current</b>		
Employee Benefits	12,673	9,802
<b>Total non-current provisions</b>	<b>12,673</b>	<b>9,802</b>

# JODI LEE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2018

### Note 12: Reconciliation of net surplus/(shortfall) for the year to net cash flows from operating activities

	Year Ended 30 June 2017 \$	Year Ended 30 June 2017 \$
<b>Net surplus/(shortfall) for the year</b>	<b>(73,282)</b>	<b>(204,630)</b>
Depreciation and amortisation of assets	13,935	9,362
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in receivables	5,969	(110)
(Increase)/decrease in prepayments	0	3,013
(Increase)/decrease in stock on hand	(14,364)	(2,593)
Increase/(decrease) in creditors and accruals	91,423	(24,051)
Increase/(decrease) in provisions	12,814	(8,591)
Increase/(decrease) in deferred revenue	100,000	(32,624)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(136,495)</b>	<b>(260,223)</b>

### Note 13: Subsequent events

The Directors have determined that no material events have occurred after balance date that requires adjustment or disclosure within this financial report.

# JODI LEE FOUNDATION

## STATEMENT BY THE DIRECTORS

For the year ended 30 June 2018

As stated in Note 1(a) to the financial report, the Director of the Trustee have determined that the Foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with applicable Australian Accounting Standards.

In the opinion of the Directors:

- a) The financial report and the notes are in accordance with accounting policies described in Note 1,
- b) The financial report presents fairly the Foundation's financial position as at 30 June 2018 and of its performance the year ending on that date, and
- c) There are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with a resolution of the Directors of the Trustee.



NICHOLAS LEE  
Chair

Dated 29th November 2018





## *Auditor's Independence Declaration*

As lead auditor for the audit of The Jodi Lee Foundation for the year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to be 'M. T. Lojszczyk', written in a cursive style.

M. T. Lojszczyk  
Partner  
PricewaterhouseCoopers

Adelaide  
29 November 2018