

JODI LEE

FOUNDATION

Special Purpose Financial Report

For the Year Ended 30 June 2019

JODI LEE

FOUNDATION

Contents

	Page
Director's report	3
Financial statements and notes	5
Statement by the Directors	16
Independent auditor's report	17

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 2019.

Directors

The directors during the financial year were:

Nicholas Lee
Tania Carey
Daniel Worthley (Appointed 6/3/18)
Ginny Mansberg (Appointed 25/9/18)
Tiffany Young (Appointed 25/9/18)

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 surplus of \$66,391 for the year ended 30 June 2019. For the year ended 30 June 2018, operations resulted in a net deficit of \$73,282. 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 2019 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 \$1,595 (2018: \$1,210) 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 30th October 2019



Auditor's Independence Declaration

As lead auditor for the audit of The Jodi Lee Foundation for the year ended 30 June 2019, 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 read 'Andrew Forman'.

Andrew Forman
Partner
PricewaterhouseCoopers

Adelaide
30 October 2019

JODI LEE FOUNDATION

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2019

	Note	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
REVENUE			
Donations		521,482	610,228
Workplace Prevention Program		16,703	41,490
Government grants		1,413,636	-
Corporate partnerships		201,882	296,981
Other income		101,850	119,722
Interest income		12,672	7,479
Total Revenue		2,268,225	1,075,900
COST OF INITIATIVES & FUNDRAISING			
Community awareness		1,531,096	470,681
Workplace Prevention Program		50,748	105,310
Early detection tools		-	-
Fundraising and events		454,889	368,956
Total Cost of Initiatives & Fundraising		2,036,733	944,947
OPERATING COSTS			
Total operating costs	3	165,101	204,235
SURPLUS/(SHORTFALL) FOR THE PERIOD		66,391	(73,282)
Tax expense		-	-
NET SURPLUS/(SHORTFALL) FOR THE YEAR		66,391	(73,282)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		66,391	(73,282)

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 2019

	Note	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	605,798	660,009
Receivables	6	28,315	25,473
Prepayments		2,200	1,500
Stock on hand		34,118	20,569
Total current assets		670,431	707,551
Non-current assets			
Fixed assets	7	21,731	6,459
Intangible assets	8	16,359	27,771
Total non-current assets		38,090	34,230
Total Assets		708,521	741,781
LIABILITIES			
Current liabilities			
Payables	9	65,911	117,098
Provisions	10	8,743	19,260
Deferred revenue		55,000	100,000
Total current liabilities		129,654	236,358
Non-current liabilities			
Provisions	11	19,726	12,673
Total non-current liabilities		19,726	12,673
Total Liabilities		149,380	249,031
NET ASSETS		559,141	492,750
EQUITY			
Opening accumulated funds		492,750	566,032
Net surplus/(shortfall) for the year		66,391	(73,282)
TOTAL EQUITY		559,141	492,750

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 2019

	Accumulated funds \$	Total Equity \$
Balance at 1 July 2017	566,032	566,032
Total comprehensive income	(73,282)	(73,282)
Balance at 30 June 2018	492,750	492,750
Total comprehensive income	66,391	66,391
Balance at 30 June 2019	559,141	559,141

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 2019

	Note	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Cash flows from operating activities			
Cash receipts from grants, donations and sponsorship		2,219,095	1,173,848
Cash paid to suppliers and employees		(2,266,757)	(1,044,832)
Interest received		12,672	7,479
Net cash inflow/(outflow) from operating activities	12	(34,990)	136,495
Net cash from investing activities			
Purchase of property, plant and equipment		(19,221)	(4,209)
Net cash (outflow) investing activities		(19,221)	(4,209)
Net cash inflow from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(54,211)	132,286
Cash and cash equivalents at beginning of the financial year		660,009	527,723
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	5	605,798	660,009

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 2019

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 are not expected to 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 2018.

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 2019

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.

Statements of cashflows are presented on a gross basis for GST.

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.

JODI LEE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2019

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.

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 2019

p) Comparative Financial Information

Comparative information disclosed in this financial report is for the year ended 30 June 2018.

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 2019, 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 2019 \$	Year Ended 30 June 2018 \$
Operating costs			
Communications		4,019	5,129
Consultants		21,541	23,068
Depreciation and amortisation		15,361	13,935
Insurance		2,511	5,439
Other		6,792	9,408
Printing and stationery		3,495	2,844
Rent and on-costs		33,973	33,323
Repairs and maintenance		-	72
Salary	3a	76,681	109,755
Subscriptions		728	1,262
Total operating costs		165,101	204,235

Note 3(a): Allocation of salaries

Total salaries have been allocated according to function as follows:

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Salary attributable to initiatives and fundraising	399,605	386,372
Salary attributable to operating costs	76,681	109,755
Total salary expenses	476,286	496,127

Note 4: Key management personnel disclosure

Key management personnel of the Foundation are:

- Nicholas Lee, Founder & Chairperson
- Kathryn Quintel, CEO

JODI LEE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2019

Note 4(a): Key management personnel compensation

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Key management personnel compensation	226,125	231,183

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 2019 (or the year ended 30 June 2018) other than compensation noted in note 4(a) above.

Note 5: Current assets - Cash and cash equivalents

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Cash at bank and in hand	605,798	660,009
Total cash and cash equivalents	605,798	660,009

Note 6: Current assets – Receivables

	Year Ended 30 June 2018 \$	Year Ended 30 June 2018 \$
Trade receivables	4,996	14,641
GST receivable	23,319	10,832
Total receivables	28,315	25,473

Note 7: Non-current assets - Fixed assets

	Office & computer equipment \$	Total \$
At 30 June 2018		
Cost	20,984	20,984
Accumulated depreciation	(14,525)	(14,525)
Net book value	6,459	6,459
At 30 June 2019		
Cost	40,206	40,206
Accumulated depreciation	(18,475)	(18,475)
Net book value	21,731	21,731

JODI LEE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2019

Note 8: Non-current assets - Intangible assets

	Website development costs \$	Total \$
At 30 June 2018		
Cost	105,070	105,070
Accumulated amortisation and impairment	(77,299)	(77,299)
Net book value	27,771	27,771
At 30 June 2019		
Cost	105,070	105,070
Accumulated amortisation and impairment	(88,711)	(88,711)
Net book value	16,359	16,359

Note 9: Current liabilities – Payables

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Creditors	49,723	99,681
Payroll liabilities	16,188	17,417
Total payables	65,911	117,098

Note 10: Current liabilities – Provisions

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Current		
Employee Benefits	8,743	19,260
Total current provisions	8,743	19,260

Note 11: Non-current liabilities –Provisions

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Non Current		
Employee Benefits	19,726	12,673
Total non-current provisions	19,726	12,673

JODI LEE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 30 June 2019

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

	Year Ended 30 June 2019 \$	Year Ended 30 June 2018 \$
Net surplus/(shortfall) for the year	66,391	(73,282)
Depreciation and amortisation of assets	15,361	13,935
Change in operating assets and liabilities		
(Increase)/decrease in receivables	9,645	5,969
(Increase)/decrease in prepayments	(700)	-
(Increase)/decrease in stock on hand	(13,549)	(14,364)
Increase/(decrease) in creditors and accruals	(63,674)	91,423
Increase/(decrease) in provisions	(3,464)	12,814
Increase/(decrease) in deferred revenue	(45,000)	100,000
Net cash inflow/(outflow) from operating activities	(34,990)	(136,495)

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 2019

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 2019 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 30th October 2019



Independent auditor's report

To the members of The Jodi Lee Foundation

Our opinion

In our opinion:

The accompanying financial report of The Jodi Lee Foundation (the Foundation) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Foundation's financial position as at 30 June 2019 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2019
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the declaration of the Directors.

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.

Independence

We are independent of the Foundation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for The Jodi Lee Foundation and its members and should not be used by parties other than The Jodi Lee Foundation and its members. Our opinion is not modified in respect of this matter.



Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual 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 on the other information that we obtained prior to the date of this auditor's report, 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 Foundation are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and is appropriate to meet the needs of the members. 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 ability of the Foundation 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 Foundation 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 the 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.


PricewaterhouseCoopers



Andrew Forman
Partner

Adelaide
30 October 2019