

**SPINAL CURE AUSTRALIA
ABN 66 064 327 448**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2021**

SPINAL CURE AUSTRALIA
ABN 66 064 327 448

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SPINAL CURE AUSTRALIA
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DIRECTORS' REPORT

The directors present this report on Spinal Cure Australia ("the entity") for the financial year ended 30 June 2021.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Stewart Yesner	Mr Gary F Allsop
Ms Joanna M. Knott	Mr Gabriel McDowell
Professor Perry F Bartlett	Dr Sachin Shetty
Mr Duncan Adams	Mr Duncan JS Wallace
Dr Lionel King	

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

Principal Activities

The principal activity of the entity during the financial year was to continue working towards ending the permanence of paralysis caused by spinal cord injury ("SCI"), and to achieve this through

- Promoting and funding research
- Fostering co-operation between all disciplines engaged in central nervous system research, regeneration and direct relief
- Monitoring progress of all research projects funded by or through the entity
- Co-operation with international efforts in the field
- Dissemination of information about developments in research.

The entity's short term objective is to fund SCI related research fellowships and other relevant SCI related projects.

The entity's long term objective is to find a cure for the physical consequences of SCI.

To achieve the objectives, the entity has adopted the following strategies:

- Increase our donor base through marketing and dissemination of SCI relevant information
- Raise funds and awareness through fund raising events
- Cultivate partnerships with business and corporations
- Lobby State and Commonwealth government in matters relating to funding and legislation of neurological research and SCI treatment.

The entity's Key Performance Indicators include:

- Net percentage of received money that is actually applied to appropriate projects
- Increase in number of people opting to receive newsletters, electronic mailings and social media feeds
- Amount of funds allocated by governments to neurological medical research.

Meetings of Directors

During the financial year 4 meetings of directors were held. Attendances by each director were as follows:

Directors	Directors' Meetings	
	Meetings Attended	Apologies
Mr Stewart Yesner	0	5
Ms Joanna M. Knott	4	1
Professor Perry F Bartlett	5	0
Mr Gary F Allsop	5	0
Mr Gabriel McDowell	5	0
Mr Duncan Adams	5	0

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DIRECTORS' REPORT

Dr Sachin Shetty	1	4
Mr Duncan Wallace	5	0
Dr Lionel King	5	0

Information on Directors

Name	Qualifications, Experience & Occupation	Director since
Mr Stewart Yesner	AM, BA(Hons) law, Solicitor	24/9/98
Ms Joanna M. Knott	BA, MBA; MPRIA, OAM, Chair, Spinal Cure Australia	10/12/97
Professor Perry F Bartlett	FAA, Director of Queensland Brain Institute, Foundation Chair of Molecular Neuroscience, University of Queensland	8/12/97
Mr Gary F Allsop	Advocate, Lobbyist	9/8/00
Mr Gabriel McDowell	BA, Managing Director Res Publica Public Relations	29/9/08
Mr Duncan Adams	CA, BFA, FFSIA. Chartered Accountant; Secretary, Spinal Cure Australia; Director, Astra Apartments Canberra Pty Ltd, Astra Franchising Pty Ltd	5/12/12
Dr Sachin Shetty	MBBS, MD(PMR), FAFRM(RACP), FFPM(ANZCA) Director, Spinal Injuries Unit, Prince of Wales hospital Conjoint Senior Lecturer, UNSW	27/11/15
Mr Duncan Wallace	BSc (Hons), Executive Director, Spinal Cure Australia	7/03/16
Dr Lionel King	Scientist and Senior Executive, a member of the Board of Culture at Work, Advisory Board of RegDesk and Industry Advisory Group for UTS Science Faculty.	28/02/18


Members' Guarantee


The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$25 each towards meeting any outstanding obligations of the entity. At 30 June 2021, the total amount that members of the entity are liable to contribute if the entity is wound up is \$300 (2020: \$425).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 3.

Signed in accordance with a resolution of the Board of Directors:

DocuSigned by:

Directors 5BD3E635A962460.....
Ms Joanna M. Knott
Director – Chairperson

DocuSigned by:

36E3E0A92B34416.....
Mr Duncan Adams
Director – Company Secretary

Dated this 12/13/2021

Dated this 12/13/2021



**SPINAL CURE AUSTRALIA
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Auditor's Independence Declaration

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I declare that, to the best of my knowledge and belief, for the year ended 30 June 2021, there have been no contraventions of;

- a) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commissions Act 2012* in relation to audit; and
- b) any applicable code of professional conduct in relation to the audit

Name of Firm: Thomas GLC
Chartered Accountants

A handwritten signature in black ink, appearing to be 'Glenn McEwen'.

Name of Principal: Glenn McEwen

Dated this 26 November 2021

SPINAL CURE AUSTRALIA
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
REVENUE			
Revenue	2	1,091,904	1,039,593
EXPENDITURE			
Employee benefits expense		(304,433)	(305,074)
Research grant expense		(488,410)	(770,107)
Project management expenses		(77,845)	(108,527)
Fundraising expense		(31,628)	(12,438)
Occupancy expense		(8,727)	(11,864)
Depreciation and amortisation expense	3	(5,820)	(3,960)
Other expenses		(52,899)	(33,892)
Total expenses		(969,762)	(1,245,862)
Profit/ (loss) before income tax		122,142	(206,269)
Income tax expense		-	-
Profit/ (loss) for the year		122,142	(206,269)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		-	-
Profit/(loss)/ attributable to members of the entity		122,142	(206,269)
Total comprehensive income attributable to members of the entity		122,142	(206,269)

The accompanying notes form part of these financial statements.

SPINAL CURE AUSTRALIA
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	NOTE	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents	4	1,969,761	1,732,339
Trade and other receivables	5	275	4,620
Other assets	6	2,633	23,546
TOTAL CURRENT ASSETS		1,972,669	1,760,505
NON-CURRENT ASSETS			
Intangible Assets	7	13,331	4,139
Property, plant and equipment	8	8,382	5,558
TOTAL NON-CURRENT ASSETS		21,713	9,697
TOTAL ASSETS		1,994,382	1,770,202
CURRENT LIABILITIES			
Trade and other payables	9	107,061	10,776
Provisions	10	28,710	25,627
TOTAL CURRENT LIABILITIES		135,771	36,403
NON-CURRENT LIABILITIES			
Provisions	10	18,456	15,786
TOTAL NON-CURRENT LIABILITIES		18,456	15,786
TOTAL LIABILITIES		154,227	52,189
NET ASSETS		1,840,155	1,718,013
EQUITY			
Reserves	11	4,375	36,735
Retained earnings		1,835,780	1,681,278
TOTAL EQUITY		1,840,155	1,718,013

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Reserves \$	Retained Earnings \$	Total Equity \$
Balance at 30 June 2019	36,735	1,887,547	1,924,282
<i>Comprehensive income for the year</i>			
Profit attributable to members of the entity	-	(206,269)	(206,269)
Other comprehensive income for the year	-	-	-
Transfer in/(out) of reserves	-	-	-
<i>Total comprehensive income attributable to members of the entity</i>	36,735	1,681,278	1,718,013
Balance at 30 June 2020	36,735	1,681,278	1,718,013
<i>Comprehensive income for the year</i>			
Profit attributable to members of the entity	-	122,142	122,142
Other comprehensive income for the year	-	-	-
Transfer in/(out) of reserves	(32,360)	32,360	-
<i>Total comprehensive income attributable to members of the entity</i>	4,375	1,835,780	1,840,155
Balance as at 30 June 2021	4,375	1,835,780	1,840,155

The accompanying notes form part of these financial statements.

SPINAL CURE AUSTRALIA
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts of donor and supporters		1,108,636	929,600
Payments to suppliers and employees		(372,328)	(491,775)
Payments to research grants		(488,410)	(770,107)
Interest received		7,360	22,095
Net cash provided by (used in) operating activities		<u>255,258</u>	<u>(310,186)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	-
Payments for intangible assets		(12,000)	-
Payments for property, plant & equipment		(5,836)	(2,728)
Net cash provided by (used in) investing activities		<u>(17,836)</u>	<u>(2,728)</u>
 Net increase (decrease) in cash held		 237,422	 (312,914)
Cash at the beginning of the financial year		<u>1,732,339</u>	<u>2,045,253</u>
Cash at the end of the financial year		<u>1,969,761</u>	<u>1,732,339</u>

The accompanying notes form part of these financial statements.

SPINAL CURE AUSTRALIA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1 Summary of Significant Accounting Policies

Basis of Preparation

Spinal Cure Australia applies the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements were authorised for issue on 26th November, 2021 by the directors of the entity.

Accounting Policies

(a) Revenue

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Revenue from rendering of service is recognised upon the delivery of the service to the customers.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective rate method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Office equipment	37.50%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

(d) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial instruments, except for trade receivables, are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit and loss", in which case transaction costs are expensed to profit and loss immediately.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financial components.

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NOTES TO THE FINANCIAL STATEMENTS
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(e) Financial Instruments (cont.)

Classification and subsequent measurement

Financial assets

Financial assets, other than those designated and effective as hedging instruments are subsequently measured at:

- amortised cost,
- fair value through other comprehensive income; or
- fair value through profit or loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial asset.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and,
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and

the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, equity instruments that are not held for trading, are eligible for an irrevocable election to be measured at fair value through other comprehensive income, while the dividend revenue received from these instruments will still be recognised in profit or loss.

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost, using the effective interest method; or
- fair value through the profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination
- held for trading; or
- initially designated as at fair value through profit or loss.

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

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(e) Financial Instruments (cont.)

Impairment

The company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised costs or fair value through other comprehensive income. Loss allowance is not recognised for financial assets measured at fair value through profit or loss, or equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Trade and other receivables

The company has applied a simplified approach in accounting for trade and other receivables and recognises a loss allowance for the amount equal to lifetime credit losses. In measuring the expected credit loss, various data including historical experience and external indicators was taken into consideration.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expires or the asset and all substantial risks and rewards are transferred.

Financial liabilities are derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). The difference between the carrying value of the financial liability which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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(f) Employee Benefits

Short-term employee benefits

Provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The entity's obligation for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The entity's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which the obligations are presented as current liabilities.

(g) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, and other short-term highly liquid investments with original maturities of six months or less.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivable or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

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(j) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

(k) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(l) Brand Development Costs

Costs for Brand development are recognised at cost and are subsequently carried at cost less accumulated amortisation and reviewed annually for impairment losses. These costs are amortised to profit or loss using the straightline method over 5 years.

(m) Website Development Costs

Costs for Website development are recognised at cost and are subsequently carried at cost less accumulated amortisation and reviewed annually for impairment losses. These costs are amortised to profit or loss using the straightline method over 5 years.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
2 Revenue			
Donations received			
- General		385,999	213,666
- Bequest		502	90,113
- Neilson Foundation		500,000	500,000
		<u>886,500</u>	<u>803,779</u>
Revenue from fundraising activities		127,294	155,382
Interest received		6,466	22,988
Voting membership		300	425
Other Income		<u>71,343</u>	<u>57,019</u>
Total revenue		<u>1,091,904</u>	<u>1,039,593</u>
3 Expenses			
Depreciation and amortisation			
- Office equipment		3,012	3,100
- Brand recognition		1,000	860
- Website		1,808	-
		<u>5,820</u>	<u>3,960</u>
Rental expenses on operating leases		<u>8,727</u>	<u>11,864</u>
4 Cash and cash equivalents			
Current			
Cash at bank		434,885	189,728
Term deposit		1,534,876	1,542,611
	13	<u>1,969,761</u>	<u>1,732,339</u>
The effective rate on the term bank deposit is 0.167% (2020: 1.57%); it has a maturity of 6 months.			
<i>Reconciliation of cash</i>			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents		<u>1,969,761</u>	<u>1,732,339</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
5 Trade and other receivables			
Current			
Accounts receivables		175	475
Other receivables		100	4,145
	12	<u>275</u>	<u>4,620</u>
6 Other assets			
Current			
Accrued income		-	19,747
Prepayments		2,633	3,799
		<u>2,633</u>	<u>23,546</u>
7 Intangible assets			
Brand recognition			
At cost		5,000	5,000
Accumulated amortisation		(1,861)	(861)
		<u>3,139</u>	<u>4,139</u>
Website			
At cost		12,000	-
Accumulated amortisation		(1,808)	-
		<u>10,192</u>	<u>-</u>
Total Intangible assets		<u>13,331</u>	<u>4,139</u>

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FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
8 Property, plant and equipment			
Office equipment			
At cost		21,329	15,492
Accumulated depreciation		<u>(12,946)</u>	<u>(9,934)</u>
		<u>8,382</u>	<u>5,558</u>
Total property, plant and equipment		<u>8,382</u>	<u>5,558</u>
Movements in carrying amounts			
Movement in carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year			
		Office equipment \$	Total \$
2021			
Balance at the beginning of the year		5,558	5,558
Additions		5,836	5,836
Disposals		-	-
Depreciation		<u>(3,012)</u>	<u>(3,012)</u>
Carrying amount at the end of year		<u>8,382</u>	<u>8,382</u>
9 Trade and other payables			
Current			
Trade Creditors		99,299	5,378
ATO running account		912	192
Accrued expenses		7,000	6,000
GST payable		<u>(150)</u>	<u>(794)</u>
		<u>107,062</u>	<u>10,776</u>
Financial liabilities at amortised cost classified as trade and other payables			
Total current		107,062	10,776
Total non-current		<u>-</u>	<u>-</u>
		<u>107,062</u>	<u>10,776</u>
Less: Unearned Income		<u>-</u>	<u>-</u>
Financial liabilities as trade and other payables	13	<u>107,062</u>	<u>10,776</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
10 Provisions			
Current			
- annual leave entitlements		28,710	25,627
		<u>28,710</u>	<u>25,627</u>
Non-current			
- long service leave entitlements		18,456	15,786
		<u>47,166</u>	<u>41,413</u>
Analysis of total provision			2021 Employee Provisions \$
Opening balance 1 July 2020			41,413
Additional provision raised during the year			8,471
Amount used			(2,718)
Balance at 30 June 2021			<u>47,166</u>

Provision for Long-term employee benefits

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

SPINAL CURE AUSTRALIA
ABN 66 064 327 448

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
11 Reserves			
(a) David Prast Fellowship		4,375	4,375
(b) Marc Ruitenberg		-	32,360
		<u>4,375</u>	<u>36,735</u>

Reserve funds have been set aside for the David Prast Fellowship. The funds have been received and allocated for research and specific purposes.

12 Related Party Transactions

	2021 \$	2020 \$
(i) Key management Personnel		
Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.		
Key management personnel compensation	<u>244,439</u>	<u>254,717</u>

(ii) Other related parties

Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

13 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

Financial Assets

Cash and cash equivalents	4	1,969,761	1,732,339
Loans and receivables	5	275	4,620
Total Financial Assets		<u>1,970,036</u>	<u>1,736,959</u>

Financial liabilities

Financial liabilities at amortised cost			
- Trade and other payables	9	107,062	10,776
Total Financial Liabilities		<u>107,062</u>	<u>10,776</u>

SPINAL CURE AUSTRALIA
ABN 66 064 327 448

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
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Net Fair Values

The net fair values of financial assets and liabilities approximates their recognised carrying values. The aggregate carrying amounts of financial assets and liabilities are disclosed in the balance sheet and in the notes to the financial statements. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the entity intends to hold these assets to maturity.

14 Events Subsequent to Reporting date

The were no events subsequent to reporting date.

15 Additional information required under the Charitable Fundraising Act 1991

(a) Details of aggregate gross income and total expenditure of fundraising

	2021 \$	2020 \$
Gross income		
- Donations	65,054	86,666
- Bequests	502	90,113
- Trusts and fellowships (services)	820,945	627,000
- Fundraising events (services)	127,294	155,382
Gross proceeds from fundraising	1,013,795	959,161
Less: Total cost of fundraising (donations)	(31,628)	(12,438)
Net surplus from fundraising	982,167	946,723

(b) Application of funds for charitable purposes

Cost of services		
- Research grants	488,410	770,107
- Marketing and grant expenses	77,845	108,527
- Other expenses	6,794	4,750
Total cost of services	573,049	883,383
Total expenditure	969,762	1,245,861

(c) Comparison of monetary figures and percentages

	2021 \$	%
Total cost of fundraising / gross income from fundraising	31,628 / 1,013,795	3.12%
Net surplus from fundraising / gross income from fundraising	982,166 / 1,013,795	96.88%
Total costs of services / total expenditure	573,049 / 969,762	59.09%
Total costs of services / gross income received	573,049 / 1,091,903	52.48%

**SPINAL CURE AUSTRALIA
ABN 66 064 327 448**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

(d) Fundraising appeals as classified by the Charitable Fundraising Act 1991 conducted during the year

For the purposes of reporting under the requirements of the Charitable Fundraising Act 1991, Spinal Cure Australia's. Fundraising activities conducted during the year ended 30 June 2021 relates predominantly to the collection of unsolicited donations and the conduct of Fundraising Events.

SPINAL CURE AUSTRALIA
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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Spinal Cure Australia, the directors of the entity declare that:

1. The financial statements and notes as set out on pages 8 to 20 are in accordance with the *Australian Charities and Not for Profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the entity;
2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.


Declaration in respect of fundraising appeals


In the opinion of the Board:

- (a) the accounts give a true and fair view of all income and expenditure with respect to fundraising appeals for the financial year ended 30 June 2021;
- (b) the statement of financial position gives a true and fair view of the state of affairs of the company with respect to fundraising appeals as at 30 June 2021;
- (c) the provisions of the Charitable Fundraising Act 1991 (NSW), the Regulations under the Act and the conditions attached to the authority have been complied with for the financial year ended 30 June 2021; and
- (d) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the entity from any of its fundraising appeals.

This statement is signed for and on behalf of the Board by:

Directors

DocuSigned by:

.....5BD3E635A962460.....
Ms Joanna M. Knott
Director – Chairperson

DocuSigned by:

.....36E3E0A92B34416.....
Mr Duncan Adams
Director – Company Secretary

Dated this 12/13/2021

Dated this 12/13/2021



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SPINAL CURE AUSTRALIA ABN 66 064 327 448

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Spinal Cure Australia (the registered entity), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion, the accompanying financial report of Spinal Cure Australia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i). giving a true and fair view of the registered entity's financial position as at 30 June 2021 and of its performance for the year then ended; and
- (ii). complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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 registered entity's annual report for the year ended 30 June 2021, 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 registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and for 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 registered entity'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 registered entity 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Name of Firm: Thomas GLC
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'Glenn McEwen'.

Name of Partner: Glenn McEwen

Address: Suite 3 Level 1, 16-20 Edgeworth David Avenue, HORNSBY NSW 2077

Dated this 26 November 2021