



AUSTRALIAN
MITOCHONDRIAL
DISEASE FOUNDATION

ABN 84 135 324 391

Annual report for the financial year ended
30 June 2017

Australian Mitochondrial Disease Foundation Limited

Annual report for the financial year ended 30 June 2017

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Australian Mitochondrial Disease Foundation Limited

Directors' Report

The directors of The Australian Mitochondrial Disease Foundation Limited (AMDF) submit herewith the annual financial report of the Foundation for the financial year ended 30 June 2017. The director's report as follows:

Information about the directors and senior management

The names of the directors of the Foundation at the end of the financial year are:

John Christodoulou
David Cleary
Donald Coulthard
Graeme Crampton
Aleksandra Filipovska
Ross Grant
Douglas Lingard
Sean Murray
Carolyn Sue
David Thorburn
Glen Watts
Ross Wall

The above named directors held office during the whole of the financial year or from the date elected.

Objectives of the Foundation

The AMDF's primary objective is to support sufferers of mitochondrial disease (mito) and their families. It provides assistance with identifying medical specialists, navigating the National Disability Insurance Scheme, information about living with mito on a daily basis and advocating for the mito community as a whole and on an individual basis. The mito community can access this support through the Helpline, information days, teleconferences and face-to-face and online support groups.

The secondary objective is to find effective methods of prevention, diagnosis, treatment and cure of mitochondrial disorders.

- It is estimated that only 10% of people with mito are diagnosed; AMDF has committed to supporting ways to increase diagnosis rates.
- AMDF is working towards establishing five sustainable, connected centres of mito excellence within five years to provide more patients with access to specialist care in their state.
- AMDF is collaborating with international mito organisations to form a worldwide registry of patients to build a global picture of the incidence of mito.
- AMDF is undertaking a concerted campaign to change government legislation to legalise mitochondrial donation and provide families affected by specific types of mito with more reproductive options.

The third objective is to increase awareness and education about this devastating disease.

- AMDF is working to double the rate of awareness of mito within the medical community, and have it included in the GP curriculum at five major Australian universities within five years.
- AMDF raises funds through appeals, grants, community organised events, Stay in Bed Day and The Bloody Long Walk national series, and aims to increase the amount raised by 10% each year.

Australian Mitochondrial Disease Foundation Limited

Principal activities

The principal activity of the Foundation is to raise funds through donations. The principal expenditure activities during the year were to support the mitochondrial disease community and fund research projects, directed towards understanding more about mitochondrial medicine in an attempt to find a cure, or at the very least some form of meaningful treatment.

Review of operations

The Foundation's net surplus for the financial year was \$1,162,088 (2016: \$360,714).

A review of the operations of the Foundation during the financial year and the results of those operations found that the Foundation continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

At the year end, the AMDF had approved the payment of research grants totalling \$755,610 (2016: \$641,702).

Changes in state of affairs

There was no significant change in the state of affairs of the Foundation during the financial year.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation in future financial years.

Future developments

The Foundation expects to maintain the present status and level of operations and hence there are no likely developments in the Foundation's operations.

Dividends

The Foundation is limited by guarantee and is prohibited under its constitution from declaring a dividend.

Indemnification of officers and auditors

During the financial year, the Foundation paid a premium in respect of a contract insuring the directors of the Foundation (as named above), the Foundation secretary, and all executive officers of the Foundation and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Australian Charities and Not-for-profits Commission Act 2012. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Foundation has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Foundation or of any related body corporate against a liability incurred as such an officer or auditor.

Australian Mitochondrial Disease Foundation Limited

Directors' Report (continued)

Directors' meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director). During the financial year, 4 meetings were held.

Director Name	15 August 2016	14 November 2016	27 February 2017	22 May 2017	Meetings Attended
John Christodoulou		X	X		2
Dave Cleary	X	X	X	X	4
Don Coulthard	X	X	X	X	4
Graeme Crampton	X	X	X	X	4
Aleksandra Filipovska		X			1
Ross Grant				X	1
Douglas Lingard	X	X	X	X	4
Sean Murray	X	X	X	X	4
Carolyn Sue	X	X	X	X	4
David Thorburn	X	X	X	X	4
Ross Wall	X	X	X	X	4
Glen Watts	X	X	X	X	4

Auditor's independence declaration

The auditor's independence declaration is included on page 5 of the annual report.

This directors' report is signed in accordance with a resolution of directors.

On behalf of the Directors



Sean Murray
Director
Sydney, 21 December 2017

Board of Directors
Australian Mitochondrial Disease Foundation Limited
3/21 Mary Street
Surry Hills NSW 2010

21 December 2017

Dear Board of Directors

Australian Mitochondrial Disease Foundation Limited


In accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*, I am pleased to provide the following declaration of independence to the directors of Australian Mitochondrial Disease Foundation Limited.

As lead audit partner for the audit of the financial statements of Australian Mitochondrial Disease Foundation Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely


DELOITTE TOUCHE TOHMATSU


Alfred Nehama
Partner
Chartered Accountants

Independent Auditor's Report to the Members of The Australian Mitochondrial Disease Foundation Limited

Qualified Opinion

We have audited the financial report of Australian Mitochondrial Disease Foundation Limited (the "Entity"), which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration as set out on pages 9 to 23. In addition, we have audited the Entity's compliance with specific requirements of the *Charitable Fundraising Act 1991*.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph,

- (a) the accompanying financial report of the Entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (the "ACNC Act"), including:
 - (i) giving a true and fair view of the entity's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards to the extent describe in Note x and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.
- (b) the financial report agrees to the underlying financial records of the Entity that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations for the year ended 30 June 2017; and
- (c) monies received by the Entity as a result of fundraising appeals conducted during the year ended 30 June 2017 have been utilised for, and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations.

We have obtained all the necessary information required in connection with our audit in respect of the financial year ended 30 June 2017.

Basis for Qualified Opinion

Voluntary revenue is a significant source of revenue for Australian Mitochondrial Disease Foundation Limited. Australian Mitochondrial Disease Foundation Limited has determined that it is impracticable to establish control over the collection of donations prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to voluntary revenue had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether the voluntary revenue Australian Mitochondrial Disease Foundation Limited has collected is complete.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 and for Compliance with the Charitable Fundraising Act 1991

The directors of the Entity are responsible for compliance with the *Charitable Fundraising Act 1991* and the preparation of the financial report that gives a true and fair view, and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the requirements of the ACNC Act and the *Charitable Fundraising Act 1991* and 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, and to enable compliance with the *Charitable Fundraising Act 1991*.

In preparing the financial report, the directors are responsible for assessing the ability of the Entity 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 Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report and Compliance with Specific Requirements of the Charitable Fundraising Act 1991

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 the Entity complied, in all material respects, with specific requirements of the *Charitable Fundraising Act 1991*, 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:

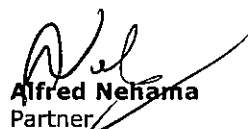
- Identify and assess the risks of non-compliance with the specific requirements of the *Charitable Fundraising Act 1991* and the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence 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 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 director's 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 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 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.

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance with the *Charitable Fundraising Act 1991* may occur and not be detected. An audit is not designed to detect all weaknesses in the Entity's compliance with the *Charitable Fundraising Act 1991* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis. Any projection of the evaluation of the compliance procedures to future periods is subject to the risk that the procedures, may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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.


DELOITTE TOUCHE TOHMATSU


Alfred Nehama
Partner

Chartered Accountants
Sydney, 21 December 2017

Australian Mitochondrial Disease Foundation Limited

Directors' Declaration

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)* and *Charitable Fundraising Act 1991*, including compliance with accounting standards, and giving a true and fair view of the financial position and performance of the Foundation.

Signed in accordance with a resolution of the directors made pursuant to S.60.15 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

On behalf of the Directors



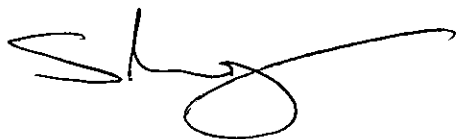
Sean Murray
CEO
Sydney, 21 December 2017

Australian Mitochondrial Disease Foundation Limited

Declaration under the Charitable Fundraising Act

I, Sean Murray, Director of the Australian Mitochondrial Disease Foundation Limited declare that in my opinion:

1. The financial statements give a true and fair view of all income and expenditure of the Foundation with respect to the fundraising appeals;
2. The statement of financial position gives a true and fair view of the status of affairs with respect to fundraising appeals.
3. The internal controls exercised by the Foundation are appropriate and effective in accounting for all income received and applied by the Foundation from any of its fundraising appeals.



Sean Murray
CEO
Sydney, 21 December 2017

Australian Mitochondrial Disease Foundation Limited

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Australian Mitochondrial Disease Foundation Limited

Statement of Profit and Loss and Other Comprehensive Income for the financial year to 30 June 2017

	Note	2017 \$	2016 \$
Income			
Donations			
Corporate grant revenue		3,645	39,117
Donations received		504,362	337,778
Everyday Hero and My Cause donations		1,638,559	1,190,972
Other Income			
Event registration		791,752	583,944
Interest		48,078	7,703
Total income		2,986,396	2,159,514
Expenses			
Fundraising Outgoings			
Fundraising expenses		134,163	126,244
Research Outgoings			
Scholarship payments & research funding		79,393	86,457
Conference fees			-
Support Outgoings		20,242	16,269
Education & Event Outgoings		898,897	1,054,679
Advocacy Outgoings		76,125	6,000
Administration			
Insurance		5,681	4,813
Rent		22,490	22,781
Salaries and wages		545,383	436,952
Contractors		3,958	3,840
Other expenses		37,976	40,765
Total Expenses		1,824,308	1,798,799
Surplus for the year		1,162,088	360,714
Other comprehensive income		-	-
Total comprehensive income for the year		1,162,088	360,714

Notes to the financial statements are included on pages 16 to 23.

Australian Mitochondrial Disease Foundation Limited

Statement of Financial Position as at 30 June 2017

	Note	2017 \$	2016 \$
ASSETS			
Current assets			
Cash and cash equivalents	9(a)	350,849	1,038,198
Trade and other receivables		59,249	-
Other assets	4	2,266,992	728,379
Total current assets		2,677,090	1,766,577
Non-current assets			
Property Plant and Equipment	5	16,134	22,674
Total non-current assets		16,134	22,674
Total assets		2,693,224	1,789,250
LIABILITIES			
Current liabilities			
Trade and other payables		96,202	355,972
Employee provisions		7,814	6,159
Total current liabilities		104,016	362,131
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		104,016	362,131
Net assets		2,589,208	1,427,120
Equity			
Contributed Equity	7	1,200	1,200
Retained earnings		2,588,008	1,425,920
Total equity		2,589,208	1,427,120

Notes to the financial statements are included on pages 16 to 23.

Australian Mitochondrial Disease Foundation Limited

Statement of Changes in Equity for the financial year ended 30 June 2017

	Note	Issued capital \$	Retained earnings \$	Total \$
Balance at 1 July 2015		1,200	1,065,206	1,066,406
Total comprehensive income for the year		-	360,714	360,714
Contributions to equity for the year		-	-	-
Balance as at 30 June 2016	7	1,200	1,425,920	1,427,120
Balance at 1 July 2016		1,200	1,425,920	1,427,120
Total comprehensive income for the year		-	1,162,088	1,162,088
Contributions to equity for the year		-	-	-
Balance at 30 June 2017	7	1,200	2,588,008	2,589,208

Notes to the financial statements are included on pages 16 to 23.

Australian Mitochondrial Disease Foundation Limited

Statement of Cash Flows for the financial year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers		2,910,323	2,156,850
Payments to suppliers		(2,073,366)	(1,507,343)
Interest received		16,824	7,703
GST refunded		(25,634)	(26,982)
Net cash provided by operating activities	9(b)	<u>828,147</u>	<u>630,227</u>
Cash flows from investing activities			
Investment in term deposits		(1,512,979)	(258,842)
Payment for Property Plant & Equipment		(2,517)	(7,215)
Net cash used in investing activities		<u>(1,515,496)</u>	<u>(266,057)</u>
Net (decrease)/increase in cash and cash equivalents		(687,349)	364,170
Cash and cash equivalents at the beginning of the financial year		<u>1,038,198</u>	<u>674,028</u>
Cash and cash equivalents at the end of the financial year	9(a)	<u>350,849</u>	<u>1,038,198</u>

Notes to the financial statements are included on pages 16 to 23.

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

1. General information

The Australian Mitochondrial Disease Foundation Limited (the Foundation) is an entity limited by guarantee, incorporated and operating in Australia.

The Australian Mitochondrial Disease Foundation Limited's registered office and principal place of business is as follows:

Registered office and principal place of business

3/21, Mary St,
Surry Hills,
Sydney NSW 2010

The principal activity of the Foundation is to raise funds through donations. The principal expenditure activities during the year were to support and fund research projects, directed towards understanding more about mitochondrial medicine in an attempt to find a cure, or at the very least some form of meaningful treatment.

2. Significant accounting policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Auditing Standards – Reduced Disclosure Requirements, and complies with other requirements of the law. Accordingly, this 'general purpose financial report' has been prepared to satisfy the directors' reporting requirements under the Charitable Fundraising Acts.

For the purpose of preparing the financial statements the Company is a not-for-profit entity.

Basis of preparation

The financial report has been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Foundation's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Donations

Donations and collections are recognised when control passes which is normally on receipt.

Interest

Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

2. Significant accounting policies (continued).

(b) Income tax

The foundation is income tax exempt pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

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

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

(d) Financial instruments

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

(e) Standards and Interpretations issued not yet effective

At the date of authorisation of the financial report, the Standards and Interpretations listed below were in issue but not yet effective.

Initial application of the following Standards which are expected to be applicable to the Foundation will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the foundation's financial report:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 1058 Income of Not-for-Profit Entities, AASB 1058 Income of Not-for-Profit Entities (Appendix D), AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019	30 June 2020
AASB 2017-2 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2014-2016 Cycle'	1 January 2017	30 June 2018
AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	30 June 2018
AASB 2016-7 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities	1 January 2019	30 June 2020
AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities [AASB 9 & AASB 15]	1 January 2019	30 June 2020
AASB 16 'Leases'	1 January 2019	30 June 2020

3. Members' guarantee

The Foundation is an entity limited by guarantee and the liability of the members is limited. As per the Constitution, every member of the Foundation undertakes to contribute an amount not exceeding \$100 to the property of the Foundation in the event of its being wound up. The number of members at year end was 12 (2016: 12).

4. Other Assets

	2017 \$	2016 \$
<u>Current</u>		
Term deposits	2,208,991	696,013
Security bond	550	550
GST refund due	57,451	31,816
	<u>2,266,992</u>	<u>728,379</u>

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

5. Plant and Equipment

	2017 \$	2016 \$
Office equipment	354	354
Less: Accumulated depreciation	(326)	(310)
Office equipment at written down value	28	44
Computer equipment	5,451	2,935
Less: Accumulated depreciation	(2,530)	(1,412)
Computer equipment at written down value	2,921	1,523
Event equipment	31,532	31,532
Less: Accumulated depreciation	(18,347)	(10,425)
Event equipment at written down value	13,185	21,107
Total property plant and equipment	16,134	22,674

The following depreciation rates have been used in the calculation of depreciation.

Office equipment	37.50%
Computer equipment	18.75% - 37.50%
Event equipment	37.50%

6. Key management personnel compensation

	2017 \$	2016 \$
<u>Current</u> Employee benefits	543,728	440,286

Aggregate paid or payable to a director of The Australian Mitochondrial Disease Foundation Limited was \$170,130 (2016: \$160,500)

7. Contributed equity

	2017 \$	2016 \$
Membership shares of \$100	1,200	1,200

8. Auditors remuneration

	2017 \$	2016 \$
Audit of the financial report	18,000	18,000

Deloitte Touche Tohmatsu is the auditor of the Foundation.

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

9. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to the related items in the statement of financial position as follows:

	2017 \$	2016 \$
Cash at bank	350,849	1,038,198
	<u>350,849</u>	<u>1,038,198</u>

(b) Reconciliation of surplus for the year to net cash flows from operating activities

	2017 \$	2016 \$
Surplus for the year	1,162,088	360,714
Accrued interest	(33,163)	-
Depreciation charge for the year	9,056	9,745
<i>Changes in net assets and liabilities:</i>		
(Increase)/decrease in assets:		
Trade and other receivables	(26,085)	5,039
Other assets	(25,634)	(26,982)
(Decrease)/increase in liabilities:		
Trade and other payables	(259,770)	285,046
Employee provisions	1,655	(3,335)
Net cash provided by operating activities	<u>828,147</u>	<u>630,227</u>

10. Subsequent events

There has been no matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

11. Contingent Liabilities

In addition to the liabilities listed in the Statement of Financial Position at 30 June 2017, the AMDF management team monitors contingent liabilities – those funds approved by AMDF for payment to successful research funding applicants, but not yet paid.

	2017	2016
	\$	\$
Contingent liability - approved AMDF PhD Scholarships	86,692	73,664
Contingent liability - approved AMDF Incubator Grants	27,745	27,745
Contingent liability - approved AMDF Research Project Grants		
– Mito Biomarkers Project	60,673	90,293
– Australian Genomic Health Alliance	200,000	200,000
– Centre of Research Excellence	250,000	250,000
– Cost Effectiveness of WGS for Mito Diagnosis	150,000	0
Contingent liability - approved AMDF Travel Grants	500	0
Total contingent liabilities	<u>755,610</u>	<u>641,072</u>

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

12. Additional information required under the Charitable Fundraising Act 1991

- (a) Information and declarations to be furnished under the Charitable Fundraising Act 1991. Details of aggregate gross income and total expenses of fundraising.

	2017 \$	2016 \$
Gross proceeds from fundraising		
Special events and donations	2,938,318	2,151,811
Direct costs of fundraising		
Events Outgoings	(134,163)	(126,244)
Net surplus from fundraising	2,804,155	2,025,567

- (b) Application of funds for charitable purposes

	2017 \$	2016 \$
Net surplus from fundraising	2,804,155	2,025,567
This was applied to the charitable purposes in the following manner:		
Expenditure on services	978,290	1,141,135
Expenditure on administration, marketing and indirect costs	711,855	531,420
Total operating expenditure	1,690,145	1,672,555
Surplus between fundraising and expenditure	1,114,010	353,012
The surplus of \$1,114,010 (30 June 2016: surplus of \$353,012) was increased by income from the following sources:		
Interest received	48,078	7,702
Total income from other sources	48,078	7,702
Operating surplus	1,162,088	360,714

Australian Mitochondrial Disease Foundation Limited

Notes to the financial statements for the financial year ended 30 June 2017

12. Additional information required under the Charitable Fundraising Act 1991 (cont)

(c) Comparison of certain monetary figures and percentage

	Fundraising \$	Gross income from fundraising \$	2017 %	2016 %
Fundraising costs as % of gross income	134,163	2,938,318	5	6
	Net Surplus \$	Gross income from fundraising \$	2017 %	2016 %
Net surplus from fundraising as % of gross income from fundraising	2,804,155	2,938,318	95	94
	Total costs of services \$	Total expenditure \$	2017 %	2016 %
Cost of services as % of total expenditure	978,290	1,824,308	54	63
	Total costs of services \$	Total income received \$	2017 %	2016 %
Cost of services as % of income received	978,290	2,988,396	33	53