

Australian Spinal Research Foundation

ABN 74 005 305 117

Financial Statements

For the Year Ended 30 June 2022

Australian Spinal Research Foundation

ABN 74 005 305 117

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For the Year Ended 30 June 2022

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Australian Spinal Research Foundation

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Directors' Report

30 June 2022

The Directors present their report on Australian Spinal Research Foundation for the financial year ended 30 June 2022.

1. General information

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Dr Roelien Van Biljon (B.Sc, B.Sc.Chiro, Dip Paediatric Chiropractic) has 3 years of service - 2 years as Secretary with the Foundation.

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Principal activities

The principal activity of Australian Spinal Research Foundation during the financial year was to facilitate research within the chiropractic paradigm.

Our Vision

A clear understanding of vertebral subluxation.

Our Mission

To fund and facilitate research, and educate chiropractors, communities & peak bodies on the effectiveness of chiropractic care.

Strategic Goals

The Foundation has two strategic goals:

1. The world leader in facilitating quality vertebral subluxation focused research
2. Educating chiropractors, communities and peak bodies on the effectiveness of vertebral subluxation-based chiropractic care.

Performance measures

The following measures are used within the Company to monitor performance:

Australian Spinal Research Foundation measures its performance through a range of mechanisms presented at regular Board meetings for scrutiny. Spinal Research has a comprehensive Strategic Plan and the performance reports reflect progress on expected outcomes. A strategic review is completed annually.

Our performance reporting includes a range of measures regarding the delivery of the research program, fundraising activities, staff performance, investment management and financial performance. Spinal Research is a grass roots organisation, and the voice of chiropractic participants grounds us and ensures that our performance reflects our Vision. Therefore, participation of chiropractors is an essential feature to our governance and how we establish our direction and reflect on our performance.

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Directors' Report

30 June 2022

1. General information (continued)

Members guarantee

Australian Spinal Research Foundation is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each individual member who ceased to be a member in the year prior to the winding up, is limited to \$20. As at 30 June 2022 the number of members was 376 (2021: 411).

At 30 June 2022 the collective liability of members was \$ 7,520 (2021: \$8,220).

Information on Governors

The names of the Governors in office at any one time during or since the end of the financial year are:

Dr Ryan Seaman

Qualification

B.Chiro, BSc. Chiropractic

Portfolio

President (from October 2020)

Years of Service

5

Dr Malcolm Rudd

Qualifications

B.AppSc(Chiro.)

Years of Service

7

Associate Professor Sinan Ali

Qualifications

PhD, BSc

Years of Service

8

Dr Jennifer Luu

Qualifications

B.Sc (Pharmacology), B.Hsc(Chiro), MClChiro

Portfolio

Deputy President

Years of Service

3

Dr Roelien Van Biljon

Qualifications

B.Sc, B.Sc.Chiro, Dip Paediatric Chiropractic

Portfolio

Secretary

Years of Service

3

Dr Bruce Steinberg

Qualifications

DC

Years of Service

1

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Directors' Report

30 June 2022

Information on Governors (continued)

Dr Marcus Chacos

Qualifications

B.Sc, M.Chiro, Sport Science

Years of Service

1

Ms Kora Drage

Qualifications

B.Bus, ADFS (FP)

Portfolio

Treasurer (from 16th October 2021)

Years of Service

8 months – Commenced 16th October 2021

Dr Jeffrey Chow

Qualifications

BSc, BAppSc (Chiro), BClinicalSc

Portfolio

Treasurer

Years of Service

9 – End of term on board; 16th October 2021

Dr David Fletcher

Qualifications

DC

Years of Service

2.5 – Resigned 10th May 2022

Meetings of Governors

During the financial year, meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Governor's Meetings	
	Number eligible to attend	Number attended
Dr Ryan Seaman	5	5
Dr Malcom Rudd	5	5
Associate Professor Sinan Ali	5	5
Dr Jennifer Luu	5	5
Dr Roelien Van Biljon	5	4
Dr Bruce Steinberg	5	4
Dr Marcus Chacos	5	5
Ms Kora Drage	4	3
Dr David Fletcher	4	1
Dr Jeffery Chow	1	1

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Directors' Report

30 June 2022

2. Other items

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which 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.

Future developments

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

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

Apart from Directors and Officers indemnity insurance, no indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Australian Spinal Research Foundation.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with Part 3-2 Division 60 section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth) (ACNC Act)*, for the year ended 30 June 2022 has been received and can be found on page 5 of the financial report.

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

Director:

Loxton - South Australia, 6 September 2022

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Auditor's Independence Declaration to the Governors of Australian Spinal Research Foundation

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Section 60-40 of the Australian Charities and Not-for-profits Act 2012(Cth) (ACNC Act) in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Mazars Assurance Pty Ltd
Authorised Audit Company:338599



Michael Georghiou
Director

Brisbane, 6 September 2022

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

		2022	2021
	Note	\$	\$
Revenue	3	488,886	483,286
Seminar expenses	4	(1,506)	-
Employee benefits expense		(159,139)	(125,547)
Depreciation expenses	4	(883)	(255)
Research and development costs	4	(82,429)	(75,271)
Rental expenses	4	(1,980)	(3,140)
Other expenses	4	(214,974)	(262,325)
Finance costs	4	(433)	(522)
Profit for the year		27,542	16,226
Other comprehensive income		-	-
Profit attributable to members of the foundation		27,542	16,226

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	748,640	673,346
Trade and other receivables	6	14,726	14,308
Other assets		5,365	2,141
TOTAL CURRENT ASSETS		768,731	689,795
NON-CURRENT ASSETS			
Loan to Australia Chiropractic College (Unsecured)		176,000	176,000
Plant and equipment	8	-	883
TOTAL NON-CURRENT ASSETS		176,000	176,883
TOTAL ASSETS		944,731	866,678
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	20,554	13,051
Short-term provisions	10	4,666	4,016
Other liabilities	12	42,182	17,964
TOTAL CURRENT LIABILITIES		67,402	35,031
NON-CURRENT LIABILITIES			
Provisions	10	18,140	-
TOTAL NON-CURRENT LIABILITIES		18,140	-
TOTAL LIABILITIES		85,542	35,031
NET ASSETS		859,189	831,647
EQUITY			
Retained earnings		859,189	831,647
TOTAL EQUITY		859,189	831,647

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2022

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	831,647	831,647
Profit attributable to members of the Foundation	27,542	27,542
Balance at 30 June 2022	859,189	859,189

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	815,421	815,421
Profit attributable to members of the Foundation	16,226	16,226
Balance at 30 June 2021	831,647	831,647

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	508,739	487,307
Payments to suppliers and employees	(447,377)	(491,810)
Interest received	14,365	13,750
Interest paid	(433)	(522)
Net cash provided by (used in) operating activities	18 75,294	8,725
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash used by investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	-	-
Net increase (decrease) in cash and cash equivalents held	75,294	8,725
Cash and cash equivalents at beginning of year	673,346	664,621
Cash and cash equivalents at end of financial year	5 748,640	673,346

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 30 June 2022

The financial statements are for Australian Spinal Research Foundation as a not-for-profit individual entity.

The functional and presentation currency of Australian Spinal Research Foundation is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012 (Cth) (ACNC Act)*.

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 these financial statements are presented below and have been consistently applied unless otherwise stated.

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

2 Summary of Significant Accounting Policies

(a) Revenue and other income

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

Membership fee

Membership fee is recognised as revenue in the year in which services are provided. Membership fee paid for which services are not yet provided are shown as unearned revenue.

AASB 15 *Revenue from Contracts with Customers* introduces a comprehensive revenue recognition model aimed at enhancing comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets.

The core principle of AASB 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

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

Dividend revenue

Dividends are recognised when the entity's right to receive payment is established.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(a) Revenue and other income (continued)

Revenue - net of tax

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

(b) 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 losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the assets 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 time can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

When a cost that is incurred will have been used, consumed or expired in a year or less, it is considered an expense. Additionally, when a cost is incurred less than \$5,000, it is considered an expense. Conversely, if a cost or purchase will last beyond a year, will continue to have economic value in the future and is over \$5,000, then it is capitalised.

Depreciation

The depreciable amount of all fixed assets, except for freehold land is depreciated on a reducing balance method from the date that management determine that the asset is available for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Office Equipment	20%-40%
Computer Equipment	33%-40%

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 recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(c) 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 instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(c) Financial instruments (continued)

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- a. the amount at which the financial asset or financial liability is measured at initial recognition;
- b. less principal repayments;
- c. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- d. less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The classification of financial instruments depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and at the end of each reporting period for held-to-maturity assets.

The Company does not designate any interest as being subject to the requirements of accounting standards specifically applicable to financial instruments.

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

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(c) Financial instruments (continued)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment

At the end of each reporting period, the Foundation assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Foundation recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are unrecognised when the related obligations are discharged or cancelled, or have expired. The difference between the carrying amount of the financial liability,

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(c) Financial instruments (continued)

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.

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(e) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting year. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflow's.

(f) Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies (continued)

(g) Income Tax

The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

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

The Foundation is an approved Deductible Gift Recipient under Section 30-15 of the Income Tax Assessment Act 1997. As a result, any franking credits distributed to the Foundation on its investments are entitled to be refunded.

(h) Provisions

Provisions are recognised when the Company 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.

(i) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Comparative Amounts

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year. Reclassification within income categories has been done without changing the profit figure.

(k) Critical accounting estimates and judgments

The Governors 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 Foundation.

Key judgments

Impairment of Financial Assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Loan to The Australian Chiropractic College

The Governors have assessed the recoverability of the loan to The Australian Chiropractic College, and based on the increased interest and enrolment in the College's programs, the loan is fully recoverable.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Key estimates

Provisions

Provisions are recognised when the Company 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.

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Notes to the Financial Statements For the Year Ended 30 June 2022

	2022 \$	2021 \$
3 Revenue and Other Income		
Revenue		
Member subscriptions	181,244	183,761
Donations	171,680	102,064
Grant income	4,787	37,763
Other income	112,162	107,365
Revenue - investment	19,012	14,433
Government assistance (jobkeeper and cashflow boost)	-	37,900
	488,886	483,286
4 Profit for the Year		
Expenses		
Seminar expenses	1,506	-
Finance costs	433	522
Depreciation expense	883	255
Research and development costs	82,429	75,271
Employee benefits expense	159,139	125,547
Rental expenses	1,980	3,140
	246,370	204,735
Other expenses		
Consultants and Contractors	128,945	138,763
Equipment and Merchandise	43,806	8,382
Printing and stationery	622	63,973
Other	41,601	51,206
	214,974	262,324
	461,344	467,059
5 Cash and cash equivalents		
Undeposited funds - PayPal transfer	25,000	-
Cash at bank	723,640	673,346
	748,640	673,346
6 Trade and other receivables		
CURRENT		
Trade receivables	14,726	10,762
Interest receivables	-	3,546
	14,726	14,308

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Notes to the Financial Statements For the Year Ended 30 June 2022

	2022 \$	2021 \$
7 Loans and Advances		
NON-CURRENT		
Loan to Australia Chiropractic College (Unsecured)	<u>176,000</u>	<u>176,000</u>
8 Plant and equipment		
Plant and equipment		
At cost	137,583	137,583
Accumulated depreciation	<u>(137,583)</u>	<u>(136,700)</u>
	<u>-</u>	<u>883</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Total \$
Year ended 30 June 2022		
Balance at the beginning of year	883	883
Depreciation expense	<u>(883)</u>	<u>(883)</u>
Balance at the end of the year	<u>-</u>	<u>-</u>
9 Trade and other payables		
CURRENT		
Trade payables	971	124
Accruals	9,088	10,216
Superannuation liability	1,455	1,240
GST payable	7,915	1,471
Credit card liability	<u>1,125</u>	<u>-</u>
	<u>20,554</u>	<u>13,051</u>

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Notes to the Financial Statements For the Year Ended 30 June 2022

	2022 \$	2021 \$
10 Provisions		
CURRENT		
Provision for annual leave	4,666	4,016
NON-CURRENT		
Provision for long service leave	18,140	-

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

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

11 Capital Commitments

Future Grants Funding

Grants approved by the Governors but not funded at 30 June 2022	59,712	83,530
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12 Other liabilities

CURRENT		
Unearned income	42,182	17,964

13 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2022 (30 June 2021:None).

14 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, financial assets at fair value through profit or loss, 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:

	Note		
Financial Assets			
Cash and cash equivalents	5	748,640	673,346
Trade and other receivables	6	14,726	14,308
Total financial assets		763,366	687,654
Financial Liabilities			
Trade and other payables	9	20,554	13,051
Total financial liabilities		20,554	13,051

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Notes to the Financial Statements For the Year Ended 30 June 2022

14 Financial Risk Management (continued)

Fair values

- i) For listed available-for-sale financial assets and financial assets at fair value through profit or loss, the fair values have been based on closing quoted bid prices at the end of the reporting period. In determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).
- ii) Fair values of held-to-maturity investments are based on quoted market prices at the end of the reporting period.

15 Members' Guarantee

The Company was originally incorporated under the *Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Regulation 2013* and is a Company limited by guarantee. It is now governed by the *ACNC Act 2012*. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. At 30 June 2022 the number of members was 376 (2021: 411).

16 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which 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.

17 Related Parties

There have been no transactions with any related parties during the current or prior financial year.

Australian Spinal Research Foundation

ABN 74 005 305 117

Notes to the Financial Statements For the Year Ended 30 June 2022

	2022	2021
	\$	\$
18 Cash Flow Information		
(a) Reconciliation of cash		
	Note	
Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	5	
	748,640	673,346
(b) Reconciliation of result for the year to cashflows from operating activities		
Reconciliation of net income to net cash provided by operating activities:		
Profit for the year	27,542	16,226
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	883	255
Changes in assets and liabilities:		
- increase in trade and other receivables	(5,049)	(8,810)
- increase in income in advance	24,218	3,528
- increase/(decrease) in trade and other payables	8,910	(3,643)
- increase in provisions	-	1,169
- increase in employee benefits	18,790	-
Cashflow from operations	75,294	8,725

19 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Australian Spinal Research Foundation during the year are as follows:

The total remuneration paid to key management personnel of the Company is Nil (2021: \$ Nil)

All governors hold office as unpaid officers.

20 Company Details

The registered office of the foundation is
Australian Spinal Research Foundation
Level 11, 307 Queen street
Brisbane QLD 4000

Australian Spinal Research Foundation

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Directors' Declaration

The Governors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to , are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Regulation 2013* and:

- e. comply with Accounting Standards - Reduced Disclosure Requirements; and
- f. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Governors and subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

And further that in accordance with *NSW Charitable Fundraising Act 1991* Standard Authority Conditions.

- 1. The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals;
- 2. The balance sheet gives a true and fair view of the state of affairs of the Foundation with respect to fundraising appeals;
- 3. The provisions of the Act, the regulations under the Act and the conditions attached to the fundraising authority have been complied with by the Foundation from any of its fundraising appeals and;
- 4. All internal controls exercised by the Foundation are appropriate and effective in accounting for all income received and applied by the organisation from its fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Governors.

Director



Loxton - South Australia, 6 September 2022

Australian Spinal Research Foundation

ABN 74 005 305 117

Independent Audit Report to the members of Australian Spinal Research Foundation

Opinion

We have audited the accompanying financial report of Australian Spinal Research Foundation, which comprises the statement of financial position as at 30 June 2022, 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 financial report of Australian Spinal Research Foundation is in accordance with Division 60 of the *ACNC Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *ACNC 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 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.

Responsibilities of Governors' and Those charged with Governance for the Financial Report

The Governors of the Company 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 (ACNC Act 2012)* and the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation 2013)* and for such internal control as the Governors 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, management is responsible for assessing the 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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Australian Spinal Research Foundation

ABN 74 005 305 117

Independent Audit Report to the members of Australian Spinal Research Foundation

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 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.

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 statements, 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 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 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 statements, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Australian Spinal Research Foundation

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Independent Audit Report to the members of Australian Spinal Research Foundation

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.

Mazars Assurance Pty Ltd
Authorised Audit Company: 338599



Michael Georghiou
Director

Brisbane, 9 September 2022