

Australian Bone Marrow Donor Registry

ABN 38 096 625 231

**Financial Report
for the year ended 30 June 2021**

Australian Bone Marrow Donor Registry

Directors Report for the year ended 30 June 2021

The Directors present this report on the Australian Bone Marrow Donor Registry (ABMDR) for the financial year ended 30 June 2021.

Directors

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

	Qualifications	Meetings attended	Eligible to attend
Prof Jeremy Chapman	Medical Specialist, Renal Physician	6	6
Prof Peter Bardy	Medical Specialist, Haematologist	5	6
Mr Brian Farmer	Strategic Analyst and Project Manager (resigned 22/04/2021)	5	5
Prof Jeff Szer	Medical Specialist, Haematologist	5	6
Ms Leonie Walsh	Business Director and Senior Executive (resigned 24/09/2020)	1	1
Ms Sally Gordon	Board Director (resigned 18/11/2020)	3	3
Ms Lisa Smith	Chief Executive Officer	6	6
Mr Gregor (Greg) Wilkie	Business Director and Senior Executive	6	6
Mr John Roach	Business Director and Senior Executive	6	6
Ms Lucinda Smith	Business Director and Lawyer	6	6
Assoc Prof Carmel O'Brien	Principal Research Scientist, Stem Cell Biologist (joined 29/09/2020)	5	5
Dr Jack Jacobson	Medical Doctor, Hospital Generalist (joined 29/09/2020)	5	5
Ms Bronwyn Curtin	Journalist (joined 10/02/2021)	2	2
Mr James (Stuart) Muirhead	Company Director and Senior Executive (joined 12/02/2021)	2	2

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

Secretaries

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

	Qualifications	Meetings attended	Eligible to attend
Ms Lisa Smith	Chief Executive Officer	6	6
Mr Paul Broadbent	Chief Financial Officer	6	6

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

Principal activities

The principal activities of the ABMDR are:

- Maintain Australia's registry of volunteer donors willing to donate haemopoietic progenitor cells (HPC) and available cord blood from Australia's cord blood banks.
- Manage the local and international search for the best unrelated HPC donor options for Australian patients.
- Manage searches for the best Australian HPC donor options for international patients.
- Facilitate HPC donation and transplant, where a donor is able to donate to a patient who has been successful in their search.
- Facilitate financial transactions with international registries on behalf of the Commonwealth, and reimburse Australian health service providers for collecting HPC from Australian donors on behalf of international registries.
- Administer Commonwealth funding for Australia's public cord blood banks and the Australasian Bone Marrow Transplant Recipient Registry.

Short term objectives

ABMDR short term objectives are:

- Respond to the ongoing challenges presented by the impact of the COVID-19 pandemic, through increased global and local collaboration.
- Work with Australian Federal and State governments to improve the sustainability of Australia's donor pool.
- Enhance donor engagement and commitment to donate; and improve donor education about the donation process.

Long term objectives

ABMDR long term objectives are:

- Ensuring efficient, safe and reliable access to suitable, diverse, well-typed donors & cords for all Australian patients.
- Provide acknowledged strategic leadership and maintain credible expertise in unrelated donor transplantation.
- Expand the registry operating model to renew, manage and sustain an optimal donor pool.
- Create and foster collaborations across the sector to facilitate our objectives.
- Advocate for policy changes that better meet the needs of Australian patients and protect Australian donors.

Australian Bone Marrow Donor Registry

Directors Report for the year ended 30 June 2021

Strategies for achieving the objectives

ABMDR strategies are:

- Escalate to Federal and State governments the urgent need to increase appropriate recruitment to the Australian donor pool.
- Engage clinical and patient communities as advocates for expanded recruitment.
- Continue high quality search & transplant facilitation services.
- Review and modernise the registry's donor engagement and education programs in collaboration with the sector.
- Improve reporting and awareness of key sector and business metrics.

How ABMDR measures its performance including key performance indicators

- Monitoring and reporting the number of Australian patients searching the registry, the number of transplants facilitated, and the indicative level of unmet need.
- Monitoring and reporting on Australia's dependence on overseas donors and the relative performance of the Australian donor pool.
- Meeting Commonwealth Department of Health contractual reporting requirements.
- Meeting regulatory requirements according to the Australian Charities and Not-for-profits Commission, Australian Bureau of Statistics and the Australian Taxation Office.
- Meeting the requirements of the World Marrow Donor Association including accreditation.

Significant changes in the state of affairs

Travel restrictions in response to the COVID-19 pandemic have significantly altered donor collection and cell delivery processes. Lockdowns occur without notice, that trigger changes to minimise the contact that donors have with health staff; and the collection of fresh cells for transport by individual couriers has been replaced by cryopreservation of cells stored and transported as cargo freight.

ABMDR has responded through changes in procedures and adjustments in coordination resources.

ABMDR updated its governing documents including the company constitution. The changes were primarily to modernise the constitution, adjust maximum membership numbers and clarify member/director relationships. There was no change in ABMDR purpose.

There are no other changes to the organisation from an operating or membership structure perspective.

Events subsequent to balance date

The impact of travel restrictions in response to COVID-19, as outlined in 'Significant changes in the state of affairs', is ongoing.

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of ABMDR, the results of those operations, or the state of affairs of ABMDR in future financial years.

Likely developments and expected results of operations

The Directors consider that ABMDR will continue its principal activities, allowing for COVID-19 impacts, for the next 12 months.

Commonwealth funding has been agreed for the period 1 July 2020 to 30 June 2022. The Directors expect reduced reliance on reserves owing to an increase in funds available for ABMDR operations.

Environmental regulation

ABMDR is subject to normal State and Federal environmental legislation and does not operate within an industry with specific environmental guidelines or limits. To the best of the Directors' knowledge, there have been no breaches of environmental legislation.

Contributions on winding up

In the event of ABMDR being wound up, members are required to contribute a maximum of \$10 each. The total amount that members are liable to contribute if ABMDR is wound up is \$110, based on 11 members.

Australian Bone Marrow Donor Registry

Directors Report for the year ended 30 June 2021

Insurance

ABMDR currently holds the following insurance coverage:

- Business risk
- Public and products liability
- Corporate travel risk
- Professional Indemnity risk
- Directors & officers liability
- Statutory liability
- Cyber risk

Auditor's independence declaration

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

This report is made and signed in accordance with a resolution of the directors:

On behalf of the directors:



Prof Jeremy Chapman

Director

Dated this 13th day of October 2021



Ms Lisa Smith

Director

Australian Bone Marrow Donor Registry

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	2	14,682,332	14,276,028
Other income	2	240,743	495,025
Funding expense	15	(5,392,907)	(7,417,802)
Direct costs	15	(3,317,797)	(3,069,981)
Employee benefits		(3,052,979)	(2,960,498)
Depreciation and amortisation expense		(360,723)	(105,512)
Finance cost	12	(61,148)	-
Other expenses		(1,342,948)	(847,268)
Surplus/(Deficit) before income tax expense	3	1,394,573	369,992
Income tax expense	1	-	-
Surplus/(Deficit) after income tax expense for the year		1,394,573	369,992
Other comprehensive surplus/(deficit) for the year, net of tax		-	-
Total comprehensive surplus/(deficit) for the year, net of tax		1,394,573	369,992

The accompanying notes form part of these financial statements

Australian Bone Marrow Donor Registry

Statement of Financial Position as at 30 June 2021

	Note	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents	4	11,780,392	16,445,893
Trade and other receivables	5	519,408	719,996
Financial assets	6	10,503,598	6,600,000
Other assets	7	448,783	374,746
Total current assets		23,252,181	24,140,635
NON-CURRENT ASSETS			
Security deposit		114,299	-
Property, plant and equipment	8	2,953,756	10,681
Intangible assets	9	444,550	557,979
Total non-current assets		3,512,605	568,660
Total assets		26,764,786	24,709,295
CURRENT LIABILITIES			
Trade and other payables	10	1,154,873	2,209,589
Customer deposits	10	158,969	116,292
Unearned income	16	162,170	1,313,260
Lease liability	12	208,953	-
Employee benefits	11	388,530	311,325
Total current liabilities		2,073,495	3,950,466
NON CURRENT LIABILITIES			
Lease liability	12	2,426,992	-
Make good provision	12	100,000	-
Employee benefits	11	79,138	68,241
Total non-current liabilities		2,606,130	68,241
Total liabilities		4,679,625	4,018,707
Net assets		22,085,161	20,690,588
EQUITY			
Retained Surplus		9,140,679	7,980,453
Reserves		12,944,482	12,710,135
Total equity		22,085,161	20,690,588

The accompanying notes form part of these financial statements

Australian Bone Marrow Donor Registry

Statement of Changes in Equity for the year ended 30 June 2021

	Cord blood export reserve	Retained surplus	Total equity
	\$	\$	\$
Balance at 1 July 2019	16,586,952	3,733,644	20,320,596
Total comprehensive surplus for the year, net of tax	-	369,992	369,992
Transfer from retained surplus to reserve	318,125	(318,125)	-
Transfer from reserve to retained surplus	(4,194,942)	4,194,942	-
Balance at 30 June 2020	12,710,135	7,980,453	20,690,588
Balance at 1 July 2020	12,710,135	7,980,453	20,690,588
Total comprehensive surplus for the year, net of tax	-	1,394,573	1,394,573
Transfer from retained surplus to reserve	234,347	(234,347)	-
Balance at 30 June 2021	12,944,482	9,140,679	22,085,161

Cord Blood Export Reserve

Under Clause 1.7 of Attachment A of the Agreement between the Commonwealth of Australia and ABMDR, the Cord Blood Export Revenue, being international export revenue received for Cord Blood Units collected by Cord Blood Banks between 1 July 2001 and 30 June 2020 less the costs incurred for tissue typing and the Cord Blood Banks' costs of releasing the Cord Blood Units, are to be held in an account. Cord Blood Export Revenue funds must be used as directed by the Commonwealth with the agreement of the States and Territories.

ABMDR management reviewed the definition of cord export revenue in the Commonwealth funding agreement and reconciled the cord export revenue reserve according to that definition. Other income that did not match the cord export revenue definition was found in prior year reserves. The other income primarily consists of interest earned on bank accounts rather than cord export revenue. At 30 June 2019, the total value of other income recorded in the reserve was \$4,194,942. That value was transferred from the reserve to retained earnings in 2019-20.

The accompanying notes form part of these financial statements

Australian Bone Marrow Donor Registry

Statement of Cash Flows for the year ended 30 June 2021

	Note	2021 \$	2020 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts for revenue and other income		16,786,804	16,210,240
Payments to suppliers and employees		(17,169,349)	(14,597,178)
Interest received		136,213	570,789
Net cash from operating activities	14	(246,332)	2,183,851
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets	8	(307,738)	(42,700)
Term deposits with maturities greater than 3 months		(3,903,598)	5,550,000
Net cash used in investing activities		(4,211,336)	5,507,300
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of lease liability	12	(207,834)	-
Net cash used in financing activities		(207,834)	-
Net increase/(decrease) in cash and cash equivalents		(4,665,501)	7,691,151
Cash and cash equivalents at the beginning of the year		16,445,893	8,754,742
Cash and cash equivalents at the end of the financial year	4	11,780,392	16,445,893

The accompanying notes form part of these financial statements

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

Note 1: Summary of significant accounting policies

The financial statements are for the Australian Bone Marrow Donor Registry (ABMDR) as an individual entity, incorporated in Australia. ABMDR is a not-for-profit company limited by guarantee.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for-profit oriented entities. The financial statements are presented in Australian dollars, which is the functional and presentation currency.

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 to which they apply. 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting policies

a) Foreign currency

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised directly in the statement of profit or loss and other comprehensive income.

b) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

c) Comparative figures

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

Where ABMDR has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

d) Income tax

ABMDR is exempt from income tax.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

Note 1: Summary of significant accounting policies

e) Critical accounting estimates

In the application of accounting policies and the preparation of financial statements 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 various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements. 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 period in which the estimate is revised if the revision affects only the period or in the period of the revision and future periods if the revision affects both the current and future periods.

Judgements made by management in the application of accounting policies that have significant effects on the financial statements and the estimates with a significant risk of material adjustments in the year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfied the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on ABMDR based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which ABMDR operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact ABMDR unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Cord Export Revenue

Judgement has been exercised by ABMDR management with respect to the definition of cord export revenue in the Commonwealth funding agreement. The Commonwealth agreement defines Cord Blood Export Revenue as 'Cord Blood Export Fees received from International Donor Registries, less costs incurred in this activity'. Cord Blood Export Fees are defined as 'fees charged by [ABMDR], and approved by the [Commonwealth], to International Donor Registries for the purpose of searching, making ready and/or exporting Eligible Cord Blood Units'. Management judges that this definition excludes interest earned on associated bank accounts.

Premises Lease

Judgement has been exercised by ABMDR management with respect to elements of the lease liability calculation: lease costs; term; market rent; and incremental borrowing rate. The leased office has been fitted-out for ABMDR operations. The lease contract requires ABMDR to return the premises to its original condition at termination. In estimating the value of the future removal of fit-out, ABMDR management considers the extent of fit-out work performed, the opinion of experienced project managers and the likelihood that the landlord may retain some elements. The lease contains a renewal option in 2025. In determining the lease liability, ABMDR management considers there is a reasonable likelihood the option will be exercised. Annual net rental (rent less abatement) increases are the greater of consumer price index (CPI) or 3.5%. In 2025, net rental is compared to market. ABMDR management assumes CPI is unlikely to exceed 3.5% and that annual increases of 3.5% will produce a reasonable estimate of net rent by 2025. The landlord's borrowing rate for the building is not readily available. ABMDR has no borrowings with which to establish a rate. ABMDR management uses publicly available market information comparing entity size and borrowing term to estimate the incremental borrowing rate.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

Note 1: Summary of significant accounting policies

f) New, revised or amending Accounting Standards and Interpretations adopted

ABMDR has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

g) New Accounting Standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, which ABMDR has decided not to early adopt. ABMDR has not assessed at this stage the impact on its operations.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

	Note	2021 \$	2020 \$
2 REVENUE AND OTHER INCOME			
Commonwealth government funding - ABMDR services	16	4,349,325	3,373,842
Commonwealth government funding - COVID-19	16	131,339	-
Commonwealth government funding - subcontractors	16	5,352,907	7,095,642
Commonwealth government funding - donor recruitment	16	625,000	-
Commonwealth International Searches Program	16	1,773,217	2,134,924
Cord export services - restricted income		806,177	404,371
Haematopoietic progenitor cell export services		1,644,367	1,267,249
Total revenue		<u>14,682,332</u>	<u>14,276,028</u>
Interest received		126,926	367,511
Other income		100,488	124,890
Donations		13,329	2,625
Total other income		<u>240,743</u>	<u>495,025</u>
Total revenue and other income		<u>14,923,075</u>	<u>14,771,053</u>

Revenue recognition

ABMDR recognises revenue as follows:

Revenue from contracts with the Commonwealth government

Commonwealth funding is agreed and documented in a services contract and work orders. Revenue is recognised according to the nature of each element of funding. All funding is subject to satisfactory performance. Where the performance obligation is general in nature and confirmed by Commonwealth acceptance of a performance report, revenue is recognised as a function of contract instalments in line with AASB 1058. Where the performance obligation is specifically linked to measurable output confirmed by the Commonwealth, revenue is recognised as a function of output in line with AASB 15.

Other revenue

Charges made for the searching, testing and collection operations of ABMDR are recognised as revenue when the work has been completed.

Revenue from services are recognised when services are rendered to the customers.

Other income

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Donations are recognised as revenue when received.

3 EXPENSES

Surplus before income tax expense includes the following specific expenses:

Superannuation expense

	2021 \$	2020 \$
Defined contribution superannuation expense	249,276	227,285

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

	2021 \$	2020 \$
4 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents includes deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.		
Cord export account	33,447	14,318
Gift fund	30,067	14,113
General fund	611,806	774,975
Short-term deposits - cord export	2,408,147	10,571,786
Short-term deposits	8,696,925	5,070,701
Cash at bank and in hand	<u>11,780,392</u>	<u>16,445,893</u>

5 TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. No allowance for expected credit losses was required as at 30 June 2021 (2020: \$Nil).

ABMDR has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. In order to measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

	Total Amount \$	Past due and not impaired (days overdue)			Within initial trade terms \$
		<30 days \$	31-60 \$	61-180 \$	
2021					
Trade receivable	410,181	3,056	6,215	102,933	297,977
Commonwealth ISP receivable (Note 16)	69,410				69,410
Other receivable and accrued income	39,817	-	-	-	39,817
Trade receivable	<u>519,408</u>	<u>3,056</u>	<u>6,215</u>	<u>102,933</u>	<u>407,204</u>
2020					
Trade receivable	470,014	54,200	50,162	56,946	308,706
Commonwealth ISP receivable (Note 16)	218,118				218,118
Other receivable and accrued income	31,864	-	-	-	31,864
Trade receivable	<u>719,996</u>	<u>54,200</u>	<u>50,162</u>	<u>56,946</u>	<u>558,688</u>

ABMDR does not hold any security. None of the financial assets have terms that have been renegotiated, but which would otherwise be past due or impaired.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

	2021	2020
	\$	\$
6 FINANCIAL ASSETS		
Financial assets at amortised cost		
Short-term bank deposits with maturities greater than 3 mths - cord export	10,503,598	6,600,000
Short-term bank deposits with maturities greater than 3 mths	-	-
Total financial assets	10,503,598	6,600,000

Financial assets at amortised cost have a fixed maturity and fixed determinable payment. It is the intention of ABMDR to hold the assets to maturity.

7 OTHER CURRENT ASSETS		
Prepayments	297,181	278,360
Net GST receivable	151,602	96,386
Total other current assets	448,783	374,746

8 PROPERTY, PLANT AND EQUIPMENT		
Property - right of use asset		
At cost	2,882,631	-
Accumulated depreciation	(216,197)	-
Total property - right of use asset	2,666,434	-

Plant and equipment		
At cost	533,792	226,054
Accumulated depreciation	(246,470)	(215,373)
Total plant and equipment	287,322	10,681

Total property, plant and equipment		
At cost	3,416,423	226,054
Accumulated depreciation	(462,667)	(215,373)
Total property, plant and equipment	2,953,756	10,681

Movements in carrying amounts

Movement in the carrying amounts between the beginning and the end of the current financial year:

Property - right-of-use asset - balance at 1 July	-	-
Additions	2,882,631	-
Disposals	-	-
Depreciation expense	(216,197)	-
Property - right-of-use asset - balance at 30 June	2,666,434	-

Plant and equipment - balance at 1 July	10,681	21,182
Additions	307,738	-
Disposals	-	-
Depreciation expense	(31,097)	(10,501)
Plant and Equipment - balance at 30 June	287,322	10,681

Total property, plant and equipment - balance at 1 July	10,681	21,182
Additions	3,190,369	-
Disposals	-	-
Depreciation expense	(247,294)	(10,501)
Total property, plant and equipment - balance at 30 June	2,953,756	10,681

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

8 PROPERTY, PLANT AND EQUIPMENT CONTINUED

Plant and equipment is being carried at cost, less depreciation and any impairment. The carrying amount is reviewed annually by directors to ensure that the net value is not in excess of the estimated recoverable amount which is replacement cost.

The depreciation rates used are between 10% and 33% for plant and equipment and 10% for right of use asset.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the ABMDR expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

ABMDR has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

9 INTANGIBLE ASSETS

Computer software purchased and developed

At cost

Accumulated amortisation

Total intangible assets

	2021 \$	2020 \$
	3,139,922	3,139,922
	(2,695,372)	(2,581,943)
	<u>444,550</u>	<u>557,979</u>

Movements in carrying amounts

Movement in the carrying amounts between the beginning and the end of the current financial year:

Balance at 1 July	557,979	610,290
Additions	-	42,700
Disposals	-	-
Amortisation expense	(113,429)	(95,011)
Balance at 30 June	<u>444,550</u>	<u>557,979</u>

Software including development cost is initially recognised at cost. Where software is acquired at no cost, or for minimal cost, the cost is its fair value at the date of acquisition. Software has a finite life and is carried at cost less any accumulated amortisation and impairment loss. Impairment is assessed annually. Amortisation commences when development is complete and the asset is available for use. Amortisation is made over a period not exceeding 10 years.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

	2021 \$	2020 \$
10 TRADE AND OTHER PAYABLES		
Trade and other payables represent liabilities for goods and services provided to ABMDR prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.		
Trade payables	601,215	1,376,556
Accrued expenses	553,658	833,033
Customer deposits	158,969	116,292
	1,313,842	2,325,881
(a) Financial liabilities at amortised cost classified as trade and other payables		
Trade and other payables		
- total current	1,313,842	2,325,881
Less: customer deposits	(158,969)	(116,292)
Financial liabilities as trade and other payables	1,154,873	2,209,589
	2021 \$	2020 \$
11 PROVISIONS		
Employee benefits - current	388,530	311,325
Employee benefits - non-current	79,138	68,241
	467,668	379,566

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

12 LEASE LIABILITIES

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, ABMDR's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate; residual guarantee; lease term; certainty of a purchase option; or termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

ABMDR leases office space under an operating lease that commenced 1 October 2020 for a period of five years with an option to renew the lease for a further five years. Lease payments are adjusted annually at the greater of consumer price index or 3.5%. At renewal, lease payments will be renegotiated to reflect market value.

ABMDR has carried out leasehold improvements. The lease requires removal of fittings by ABMDR at the end of the lease. ABMDR has established a make-good estimate of \$100,000 (2020: nil) for removal of fittings at the end of the lease.

	2021 \$	2020 \$
Expected to be settled within 12 months	208,953	-
Expected to be settled after 12 months	2,426,992	-
Total lease liabilities	2,635,945	-
<i>Movements in carrying amounts</i>		
Balance at the beginning of the year	-	-
Establishment of liability at the beginning of the lease	2,782,631	-
Repayments	(207,834)	-
Interest expense on lease liability	61,148	-
Closing net carrying amount	2,635,945	-

13 RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

During the year, ABMDR did not enter into transactions with Directors and their related entities, or employees that were not within normal business transactions in terms and conditions no more favourable than those available in similar arm's length dealings. There were no other transactions with Directors and no material transactions with other related parties during the year ended 30 June 2021, other than the compensation made to key management personnel as noted below.

	2021 \$	2020 \$
The aggregate compensation made to key management personnel was:	898,547	859,046

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

14 CASH FLOW INFORMATION	2021	2020
Reconciliation of cash flow from operations with profit after income tax	\$	\$
Surplus/(deficit) after income tax	1,394,573	369,992
Cash flows excluded from profit		
Non-cash flows in profit:		
- Amortisation and depreciation	360,723	105,512
- Interest expense on lease liability	61,148	-
Changes in assets and liabilities		
- (Increase) / decrease in trade and other receivables	200,588	(6,601)
- (Increase) / decrease in other assets	(74,036)	(161,828)
- (Increase) / decrease in security deposit	(114,299)	-
- Increase / (decrease) in grants unearned	(1,151,090)	403,516
- Increase / (decrease) in trade and other payables	(1,012,039)	1,429,525
- Increase / (decrease) in provisions	88,101	43,735
	(246,332)	2,183,851
15 FUNDING EXPENSE AND DIRECT COSTS		
Sydney cord blood bank	1,574,755	1,646,716
Brisbane cord blood bank	1,600,000	2,302,055
Melbourne cord blood bank	1,474,910	2,657,000
Darwin cord collection centre	-	2,776
Australasian Bone Marrow Transplant Recipient Registry	683,242	480,000
Sub-contractor funding expense	<u>5,332,907</u>	<u>7,088,547</u>
Search centre funding	-	266,255
Tissue laboratory funding	60,000	63,000
Total funding expense	<u>5,392,907</u>	<u>7,417,802</u>
Tissue typing costs - foreign donor	1,773,217	2,134,924
Cell collection and tissue typing costs - domestic donor	964,287	772,267
Cell collection and tissue typing costs for self-funded patients	8,463	76,585
Cord blood unit export	571,830	86,205
Total direct costs	<u>3,317,797</u>	<u>3,069,981</u>
Total funding expense and direct costs	<u>8,710,704</u>	<u>10,487,783</u>

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

16 CUSTOMER CONTRACT BALANCES

	Note	2021 \$	2020 \$
Unearned income COVID-19 - balance at 1 July		-	-
Commonwealth funding received		296,911	-
Revenue recognised	2	<u>(131,339)</u>	-
Unearned income COVID-19 - balance at 30 June		<u>165,572</u>	-
Receivable for recruitment - balance at 1 July		-	-
Commonwealth funding received		468,750	-
Revenue recognised	2	<u>(625,000)</u>	-
Receivable for recruitment - balance at 30 June		<u>(156,250)</u>	-
Unearned income services and subcontractors - balance at 1 July		1,313,260	909,744
Commonwealth funding received - (AASB 1058; 2020: nil)		9,702,232	10,873,000
Funding adjustment - prior year underspend		130,335	-
Underspend refunded to the Commonwealth		(1,290,748)	-
Revenue recognised - (AASB 1058; 2020: nil)	2	<u>(9,702,232)</u>	<u>(10,469,484)</u>
Unearned income services and subcontractors - balance at 30 June		<u>152,847</u>	<u>1,313,260</u>
Commonwealth ISP receivable - balance at 1 July		218,118	76,013
Revenue recognised	2	1,773,217	2,134,924
Commonwealth ISP funds received		(1,921,925)	(1,992,818)
Commonwealth ISP receivable - balance at 30 June	5	<u>69,410</u>	<u>218,118</u>

17 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

ABMDR provided a bank guarantee of \$113,740 (2020: nil) in favour of Marathon Holdings Pty Ltd as a security deposit required by an office premises lease. Collateral for this guarantee is held as a Commonwealth Bank term deposit recorded in non current assets.

The directors are not aware of any contingent assets in regard to ABMDR as at the end of the financial year and the previous financial year.

18 COMMITMENTS

ABMDR had no commitments for expenditure as at 30 June 2021 and 30 June 2020.

19 ECONOMIC DEPENDENCE

ABMDR is dependent on the Commonwealth Department of Health for the majority of its revenue used to operate the business. At the date of this report, Commonwealth funding has been agreed for the period 1 July 2020 to 30 June 2022. The Board of Directors has no reason to believe the Department will not continue to support ABMDR.

20 EVENTS AFTER THE REPORTING YEAR END

Travel restrictions in response to the COVID-19 pandemic affect donor collection and cell delivery processes. Lockdowns occur without notice, that trigger changes to minimise the contact that donors have with health staff; and the collection of fresh cells for transport by individual couriers has been replaced by cryopreservation of cells stored and transported as cargo freight. ABMDR processes and workload have adjusted accordingly. This impact is ongoing and within ABMDR funding parameters.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the operations of ABMDR, the results of those operations, or ABMDR's state of affairs in future financial years.

21 MEMBERS GUARANTEE

If ABMDR is wound up, the Constitution of ABMDR states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of ABMDR. Members at year end were 11 (2020: 10).

Australian Bone Marrow Donor Registry

Notes to the Financial Statements for the year ended 30 June 2021

22 COMPANY DETAILS

The registered office of ABMDR is:
Australian Bone Marrow Donor Registry
Level 4 727 George Street
SYDNEY NSW 2000

Australian Bone Marrow Donor Registry

Statement by the Directors for the year ended 30 June 2021

The Directors of ABMDR declare that:

- a) the financial statements and notes set out on pages 4 to 19 are in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 *and*:
 - i) comply with Australian Accounting Standards - Reduced Disclosure Requirements and other mandatory professional requirements; and
 - ii) comply with the Charitable Fundraising Act 1991 and the associated Regulations; and
 - iii) give a true and fair view of the financial position as at 30 June 2021 and its performances for the financial year ended on that date; and
- b) there are reasonable grounds to believe that ABMDR 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 Directors and in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulations 2013.

On behalf of the Committee



J. R. Chapman

Director

Sydney

Dated this 13th day of October 2021.



L. Smith

Director

13 October 2021

The Board of Directors
Australian Bone Marrow Donor Registry
Level 4, 727 George Street
Haymarket NSW 2000

Dear Board Members

Australian Bone Marrow Donor Registry

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the Directors of Australian Bone Marrow Donor Registry.

As lead audit partner for the audit of the financial report of Australian Bone Marrow Donor Registry for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

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

Yours sincerely



Crowe Sydney



Suwarti Asmono
Partner

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

© 2021 Findex (Aust) Pty Ltd

Independent Auditor's Report to the Members of Australian Bone Marrow Donor Registry

Opinion

We have audited the financial report of Australian Bone Marrow Donor Registry (the Company), which comprises the statement of financial position as at 30 June 2021, 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 statement by the directors.

In our opinion, the accompanying financial report of the Company is in accordance with the Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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

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

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

© 2021 Findex (Aust) Pty Ltd

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Company's Financial Report for the year ended 30 June 2021, but does not include the financial statements 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 Management and the Directors for the Financial Report

Management is 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 for such internal control as management determines 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 Company'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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

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 Company'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 Company'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 Company 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 the audit.

Crowe Sydney

Crowe Sydney



Suwarti Asmono

Partner

13 October 2021

Sydney