

Annual Report - 30 June 2022

Australian Bone Marrow Donor Registry

Directors' Report

30 June 2022

The Directors present their report, together with the financial statements, on the Australian Bone Marrow Donor Registry (ABMDR) for the year ended 30 June 2022.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Prof Jeremy Chapman
Prof Peter Bardy
Prof Jeff Szer
Ms Lisa Smith
Mr Gregor (Greg) Wilkie
Mr John Roach
Ms Lucinda Smith
Assoc Prof Carmel O'Brien
Dr Jack Jacobson
Ms Bronwyn Curtin
Mr James (Stuart) Muirhead

Objectives

ABMDR short term objectives are:

- Obtain government approval to increase donor recruitment so the donor pool can better meet the needs of Australian patients.
- Enhance the commitment to donate of registered Australian donors.

ABMDR long term objectives are:

- Ensuring efficient, safe and reliable access to unrelated haemopoietic progenitor cells (HPC) for Australian patients.
- Renew and sustain an optimal donor pool.
- Advocate for policy changes that better meet the needs of Australian patients and protects Australian donors.
- Provide acknowledged strategic leadership to, and maintain credible expertise in, unrelated donor transplantation.
- Create and foster collaborations across the sector to facilitate our objectives.

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 processes, transplant facilitation and donor support services.
- Review and modernise the registry's donor engagement and education programs in collaboration with the sector.
- Improve reporting and awareness of key sector metrics.

Principal activities

The principal activities of ABMDR are:

- Maintain Australia's registry of volunteer donors willing to donate HPC.
- Manage the search for the best unrelated HPC donor and available cord blood 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.

Australian Bone Marrow Donor Registry

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Performance measures

- 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.

Information on directors

Name: Jeremy Chapman
Title: Non-Executive Chairman
Qualifications: Medical specialist, renal physician

Name: Peter Bardy
Title: Non-Executive Director
Qualifications: Medical specialist, haematologist

Name: Jeff Szer
Title: Non-Executive Director
Qualifications: Medical specialist, haematologist

Name: Lisa Smith
Title: Chief Executive Officer, Director and Secretary

Name: Greg Wilkie
Title: Non-Executive Director
Qualifications: Business director and senior executive

Name: John Roach
Title: Non-Executive Director
Qualifications: Business director and senior executive

Name: Lucinda Smith
Title: Non-Executive Director
Qualifications: Business director and lawyer

Name: Carmel O'Brien
Title: Non-Executive Director
Qualifications: Principal research scientist, stem cell biologist

Name: Jack Jacobson
Title: Non-Executive Director
Qualifications: Medical doctor, hospital generalist

Name: Bronwyn Curtin
Title: Non-Executive Director
Qualifications: Journalist

Name: Stuart Muirhead
Title: Non-Executive Director
Qualifications: Company director and senior executive

Company Secretaries

Lisa Smith (Chief Executive Officer and Director) has held the role of Company Secretary since 5 November 2018.

Paul Broadbent (Chief Financial Officer) has held the role of Company Secretary since 28 March 2018.

Australian Bone Marrow Donor Registry

Directors' Report 30 June 2022

Meetings of directors

The number of meetings of ABMDR's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Attended	Held
Jeremy Chapman	7	7
Peter Bardy	6	7
Jeff Szer	6	7
Lisa Smith	7	7
Greg Wilkie	6	7
John Roach	6	7
Lucinda Smith	7	7
Carmel O'Brien	7	7
Jack Jacobson	6	7
Bronwyn Curtin	5	7
Stuart Muirhead	7	7

Held represents the number of meetings held during the time the director held office

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 current members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Prof Jeremy Chapman
Director



Ms Lisa Smith
Director

12 October 2022
Sydney

Australian Bone Marrow Donor Registry

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General information

The financial statements cover ABMDR as an individual entity. The financial statements are presented in Australian dollars, which is ABMDR's functional and presentation currency.

ABMDR is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4
727 George Street
Sydney NSW 2000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 October 2022. The directors have the power to amend and reissue the financial statements.

Australian Bone Marrow Donor Registry

Statement of profit or loss and other comprehensive income For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue and other income	3	13,555,219	14,923,076
Expenses			
Funding expense		(5,519,446)	(5,392,907)
Direct costs		(2,420,967)	(3,317,797)
Employee benefits		(3,230,437)	(3,052,979)
Information and communication technology expense		(625,017)	(707,732)
Depreciation and amortisation expense		(442,512)	(360,723)
Finance cost	16	(508)	(61,148)
Other expenses		(828,478)	(635,216)
Surplus/(Deficit) before income tax expense	4	487,854	1,394,574
Income tax expense	1	-	-
Surplus/(Deficit) after income tax expense for the year attributable to the members of ABMDR		487,854	1,394,574
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of ABMDR		487,854	1,394,574

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Australian Bone Marrow Donor Registry

Statement of financial position As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	5	10,756,319	11,780,392
Trade and other receivables	6	3,974,924	519,408
Financial assets	7	9,400,921	10,503,598
Contract assets	8	-	156,250
Other assets	9	211,764	448,783
Total current assets		<u>24,343,928</u>	<u>23,408,431</u>
Non-current assets			
Security deposit		114,322	114,299
Property, plant and equipment	10	1,219,243	2,953,756
Intangible assets	11	354,099	444,550
Total non-current assets		<u>1,687,664</u>	<u>3,512,605</u>
Total assets		<u>26,031,592</u>	<u>26,921,036</u>
Liabilities			
Current liabilities			
Trade and other payables	12	1,552,007	1,313,841
Contract liabilities	13	337,597	318,420
Lease liability	16	269,651	208,953
Employee benefits	14	434,454	388,530
Total current liabilities		<u>2,593,709</u>	<u>2,229,744</u>
Non-current liabilities			
Lease liability	16	675,274	2,426,992
Make good provision	16	100,000	100,000
Employee benefits	15	89,594	79,139
Total non-current liabilities		<u>864,868</u>	<u>2,606,131</u>
Total liabilities		<u>3,458,577</u>	<u>4,835,875</u>
Net assets		<u>22,573,015</u>	<u>22,085,161</u>
Equity			
Retained Surplus		9,753,509	9,140,679
Reserves		12,819,506	12,944,482
Total equity		<u>22,573,015</u>	<u>22,085,161</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Australian Bone Marrow Donor Registry

Statement of Changes in Equity For the year ended 30 June 2022

	Cord blood export reserve \$	Retained surplus \$	Total equity \$
Balance at 1 July 2020	12,710,135	7,980,453	20,690,588
Total comprehensive income for the year	-	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
Balance at 1 July 2021	12,944,482	9,140,679	22,085,161
Total comprehensive income for the year	-	487,854	487,854
Transfer from reserve to retained surplus	(124,976)	124,976	-
Balance at 30 June 2022	12,819,506	9,753,509	22,573,015

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.

In 2021-22, scientific equipment of \$335,000 was purchased from Cord Blood Export Revenue funds as directed by the Commonwealth (2020-21: nil). ABMDR seeks access to Cord Blood Export Reserve to significantly increase recruitment for the Australian donor pool.

The above statement of changes in equity should be read in conjunction with the accompanying notes

Australian Bone Marrow Donor Registry

Statement of Cash Flows For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts for revenue and other income		10,674,674	15,118,847
Payments to suppliers and employees		<u>(12,537,556)</u>	<u>(15,514,722)</u>
		(1,862,882)	(395,875)
Interest received		65,485	136,213
Donations received		<u>3,624</u>	<u>13,329</u>
Net cash from operating activities		<u>(1,793,773)</u>	<u>(246,333)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(24,691)	(307,737)
Term deposits with maturities greater than 3 months		<u>1,102,677</u>	<u>(3,903,598)</u>
Net cash used in investing activities		<u>1,077,986</u>	<u>(4,211,335)</u>
Cash flows from financing activities			
Repayment of lease liability		<u>(308,286)</u>	<u>(207,833)</u>
Net cash used in financing activities		<u>(308,286)</u>	<u>(207,833)</u>
Net increase/(decrease) in cash and cash equivalents		(1,024,073)	(4,665,501)
Cash and cash equivalents at the beginning of the year		<u>11,780,392</u>	<u>16,445,893</u>
Cash and cash equivalents at the end of the financial year	5	<u>10,756,319</u>	<u>11,780,392</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

Note 1: Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

New or amended Accounting Standards and Interpretations adopted

ABMDR has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company

The following Accounting Standards and Interpretations are most relevant to the company:

Conceptual Framework for Financial Reporting

ABMDR has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

ABMDR has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

Basis of preparation

Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

Note 1: Significant accounting policies

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Donations

Donations are recognised as revenue when received.

Interest

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.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

ABMDR has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income tax

As ABMDR is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

Note 1: Significant accounting policies

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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 an insignificant risk of changes in value.

Trade and other receivables

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

Contract assets

Contract assets are recognised when ABMDR has transferred goods or services to the customer but where ABMDR is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Plant and equipment	3-10 years
Office equipment	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company 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 30 days of recognition.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

Note 1: Significant accounting policies

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date 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 measured at 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.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

Note 2: Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company 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 the company 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 the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

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 it is unlikely 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 the CPI spike is likely to return below 3.5% in 2023 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 30 June 2022

3 Revenue and other income

	2022	2021
	\$	\$
<i>Revenue from contracts with the Commonwealth government</i>		
ABMDR services	4,529,445	4,349,325
COVID-19	130,318	131,339
Subcontractors	5,209,433	5,352,907
Donor recruitment	-	625,000
International Searches Program	1,247,344	1,773,217
	<u>11,116,540</u>	<u>12,231,788</u>
<i>Other revenue</i>		
Cord export services - restricted income	661,049	806,177
HPC export services	1,597,603	1,644,368
Interest received	67,510	126,926
Other income	108,893	100,488
Donations	3,624	13,329
	<u>2,438,679</u>	<u>2,691,288</u>
Revenue	<u>13,555,219</u>	<u>14,923,076</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.

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2022	2021
	\$	\$
<i>Geographical regions</i>		
Australia	<u>11,116,540</u>	<u>12,231,788</u>

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.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

4 Expenses

	2022 \$	2021 \$
Surplus before income tax expense includes the following specific expenses:		
<i>Superannuation expense</i>		
Defined contribution superannuation expense	273,912	249,276

5 Current assets - cash and cash equivalents

	2022 \$	2021 \$
Cash at bank	537,158	675,321
Cash on deposit	10,219,161	11,105,071
	<u>10,756,319</u>	<u>11,780,392</u>

6 Current assets - trade and other receivables

	2022 \$	2021 \$
Trade receivable	3,950,646	479,591
Other receivable	24,278	39,817
	<u>3,974,924</u>	<u>519,408</u>

7 Current assets - financial assets

	2022 \$	2021 \$
Financial assets at amortised cost		
Short-term bank deposits with maturities greater than 3 months	9,400,921	10,503,598

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.

8 Current assets - contract assets

	2022 \$	2021 \$
Accrued recruitment income	-	156,250

9 Current assets - other

	2022 \$	2021 \$
Prepayments	211,764	297,181
Net BAS receivable	-	151,602
	<u>211,764</u>	<u>448,783</u>

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

10 Non-current assets - property, plant and equipment

	2022 \$	2021 \$
Property - right of use asset - at cost	1,475,489	2,882,631
Less: Accumulated depreciation	(516,421)	(216,197)
	959,068	2,666,434
Plant and equipment - at cost	558,483	533,792
Less: Accumulated depreciation	(298,308)	(246,470)
	260,175	287,322
	1,219,243	2,953,756

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Property right of use \$	Plant and equipment \$	Total \$
Balance at 1 July 2021	2,666,434	287,322	2,953,756
Additions	-	24,690	24,690
Reassessment	(1,407,142)	-	(1,407,142)
Depreciation expense	(300,224)	(51,837)	(352,061)
Balance at 30 June 2022	959,068	260,175	1,219,243

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.

The lease term has been reassessed from 10 years to five years. ABMDR has determined that the option for lease renewal will not be exercised.

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

11 Non-current assets - intangible assets

	2022 \$	2021 \$
Computer software purchased and developed - at cost	3,139,922	3,139,922
Less: Accumulated amortisation	(2,785,823)	(2,695,372)
	354,099	444,550

Reconciliation

Reconciliation of the written down value at the beginning and end of the current financial year is set out below:

	\$
Balance at 1 July 2021	444,550
Additions	-
Disposals	-
Amortisation expense	(90,451)
Balance at 30 June 2022	354,099

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.

12 Current liabilities - trade and other payables

	2022 \$	2021 \$
Trade payables	845,975	601,215
Net BAS Payable	267,694	-
Other payables and accrued expenses	177,342	553,657
Customer deposits	260,996	158,969
	1,552,007	1,313,841

13 Current liabilities - contract liabilities

	2022 \$	2021 \$
COVID Resource Centre	35,254	165,573
Technology items	42,316	152,847
Subcontractors	260,027	-
	337,597	318,420

14 Current liabilities - employee benefits

	2022 \$	2021 \$
Employee benefits	434,454	388,530

Australian Bone Marrow Donor Registry

Notes to the Financial Statements 30 June 2022

15 Non-current liabilities - employee benefits

	2022 \$	2021 \$
Employee benefits	89,594	79,139

16 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 (2021: \$100,000) for removal of fittings at the end of the lease.

The lease term has been reassessed from 10 years to five years. ABMDR has determined that the option for lease renewal will not be exercised.

	2022 \$	2021 \$
Expected to be settled within 12 months	269,651	208,953
Expected to be settled after 12 months	675,274	2,426,992
Total lease liabilities	944,925	2,635,945
<i>Movements in carrying amounts</i>		
Balance at the beginning of the year	2,635,945	-
Establishment of liability at the beginning of the lease	-	2,782,631
Reassessment (Note 10)	(1,407,142)	-
Repayments	(284,386)	(207,834)
Interest expense on lease liability	508	61,148
Closing net carrying amount	944,925	2,635,945
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	269,651	208,953
One to five years	675,274	1,304,718
More than five years	-	1,122,274
	944,925	2,635,945

Australian Bone Marrow Donor Registry

Notes to the Financial Statements

30 June 2022

17 Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2022 \$	2021 \$
Aggregate compensation	928,189	898,547

18 Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Crowe, the auditor of ABMDR:

	2022 \$	2021 \$
<i>Audit services - Crowe</i> Audit of the financial statements	39,000	40,000

19 Contingent liabilities

ABMDR provided a bank guarantee of \$113,740 (2021: \$113,740) 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.

20 Commitments

ABMDR had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

21 Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year,

Receivable from and payable to related parties

There were no trade receivable from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

22 Events after the reporting date

A Commonwealth contract extending funding to 30 June 2024 was executed on 20 September 2022. The total fee for the service supports the ongoing operation of ABMDR.

No other matter or circumstance has arisen since 30 June 2022 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.

Australian Bone Marrow Donor Registry

Directors' declaration

30 June 2022

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



J. R. Chapman
Director



L. Smith
Director

12 October 2022
Sydney

12 October 2022

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 financial year ended 30 June 2022, 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

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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.

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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 (ABMDR), which comprises the statement of financial position as at 30 June 2022, 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 ABMDR 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 ABMDR's financial position as at 30 June 2022 and of its financial performance for the year then ended;
- (b) and complying with Australian Accounting Standards – Simplified Disclosures 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 ABMDR 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.

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Other Information

The directors are responsible for the other information. The other information comprises the information contained in ABMDR's Director's Report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and 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 – Simplified Disclosures 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 ABMDR'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 ABMDR or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing ABMDR'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 ABMDR'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 ABMDR'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 ABMDR 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

12 October 2022
Sydney