

Charlie Teo Foundation

ABN 57 622 041 061

Financial Report

For the Year Ended 30 June 2023

Charlie Teo Foundation

ABN 57 622 041 061

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Charlie Teo Foundation

ABN 57 622 041 061

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Income			
Donation and fundraising income	4(a)	2,738,361	3,104,739
Revenue from contracts with customers	4(b)	549,179	396,555
Interest received		243,225	23,649
Investment income		119,495	-
Other income	4(c)	-	54,807
Brain cancer programs			
Brain cancer research funding	5	(2,028,760)	(2,057,270)
Return of unspent brain cancer research funding	4(c)	104,726	-
Fundraising expenses			
Event and fundraising expenses	6	(268,306)	(261,595)
Impairment losses on receivables		(35,864)	-
Administrative expenses			
Employee expenses		(389,024)	(464,717)
Superannuation expense		(41,683)	(45,423)
Rent (in-kind donation)		(100,320)	(95,220)
Intangibles - amortisation		(564)	(865)
Insurance expense		(9,295)	(9,238)
Software and computer expenses		(1,979)	(1,824)
Other expenses		(8,441)	(9,580)
Investments			
Fair value movement in financial assets		27,439	-
Investment expenses		(3,107)	-
Profit before income tax			
Income tax expense		-	-
Profit for the year			
Other comprehensive income, net of income tax			
Other comprehensive income for the year		-	-
Total comprehensive income for the year			

The accompanying notes form part of these financial statements.

Charlie Teo Foundation

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Statement of Financial Position As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	5,196,054	9,217,393
Trade and other receivables	8	251,278	487,685
Other assets	10	5,125	5,704
TOTAL CURRENT ASSETS		5,452,457	9,710,782
NON-CURRENT ASSETS			
Other financial assets	9	5,133,475	-
Intangible assets	11	-	564
TOTAL NON-CURRENT ASSETS		5,133,475	564
TOTAL ASSETS		10,585,932	9,711,346
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	68,720	76,515
Employee benefits	13	12,767	28,677
TOTAL CURRENT LIABILITIES		81,487	105,192
NON-CURRENT LIABILITIES			
Employee benefits		13,329	10,120
TOTAL NON-CURRENT LIABILITIES		13,329	10,120
TOTAL LIABILITIES		94,816	115,312
NET ASSETS		10,491,116	9,596,034
EQUITY			
Retained earnings		10,491,116	9,596,034
TOTAL EQUITY		10,491,116	9,596,034

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2022	9,596,034	9,596,034
Profit for the year	895,082	895,082
Other comprehensive income for the year	-	-
Total comprehensive income for the year	895,082	895,082
Balance at 30 June 2023	10,491,116	10,491,116

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	8,962,016	8,962,016
Profit for the year	634,018	634,018
Other comprehensive income for the year	-	-
Total comprehensive income for the year	634,018	634,018
Balance at 30 June 2022	9,596,034	9,596,034

The accompanying notes form part of these financial statements.

Charlie Teo Foundation

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and donors	3,675,960	3,138,458
Payments to suppliers and employees	(918,488)	(946,721)
Receipt from government grants	-	54,807
Interest received	243,225	20,523
Investment income	17,152	-
Research funding paid	(2,028,760)	(2,415,428)
Net cash provided by/(used in) operating activities	<u>989,089</u>	<u>(148,361)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of financial assets	<u>(5,010,428)</u>	-
Net cash provided by/(used in) investing activities	<u>(5,010,428)</u>	-
Net increase/(decrease) in cash and cash equivalents held	(4,021,339)	(148,361)
Cash and cash equivalents at beginning of year	<u>9,217,393</u>	<u>9,365,754</u>
Cash and cash equivalents at end of financial year	<u>7</u> <u>5,196,054</u>	<u>9,217,393</u>

The accompanying notes form part of these financial statements.

Charlie Teo Foundation

ABN 57 622 041 061

Notes to the Financial Statements For the Year Ended 30 June 2023

The financial report covers Charlie Teo Foundation (the Company) as an individual entity. Charlie Teo Foundation is a not-for-profit company limited by guarantee, registered and domiciled in Australia.

The principal activity of the company for the year ended 30 June 2023 was the funding of brain cancer research.

The functional and presentation currency of Charlie Teo Foundation is Australian dollars.

The financial report was authorised for issue by the Directors on 13 December 2023.

Comparatives are consistent with prior years, unless otherwise stated. Balances in the financial report have been rounded to the nearest dollar.

1 Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB).

The Company does not have 'public accountability' as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the Tier 2 reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in Australian Accounting Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Income tax

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

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 *Revenue from Contracts with Customers* is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer.
2. Identify the performance obligations.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations.
5. Recognise revenue as and when control of the performance obligations is transferred.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Sale of event and raffle tickets, auction proceeds and sponsorships

Revenue from the sale of event and raffle tickets, auction proceeds and sponsorships are recognised when the services have been provided to the customer.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Donations

Donations, bequests and other transactions where the contributions to acquire the asset is significantly less than fair value are recognised when the Company obtains control of the contribution or the right to receive the contribution.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

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

(d) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets as those measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment and gain or loss on derecognition are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised as an expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost is determined using the expected credit loss model in AASB 9 *Financial Instruments*. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increases in credit risk, then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs. Subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables.

(e) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(e) Impairment of non-financial assets

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(f) Intangible assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

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

(g) Cash and cash equivalents

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

(h) Leases

At inception of a contract, the Company assesses whether a lease exists.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Leases

The right-of-use asset is measured using the cost model where cost on initial recognition comprises the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whenever there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of the lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

(j) Adoption of new and revised accounting standards

No standards became mandatory during the current year that impacted the financial statements.

(k) New accounting standards and interpretations issued but not yet effective

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

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Notes to the Financial Statements For the Year Ended 30 June 2023

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The directors have not made any significant estimates and judgements that are likely to affect the future operations of the Company.

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Notes to the Financial Statements For the Year Ended 30 June 2023

4 Donation and Fundraising, Revenue and Other Income

(a) Donation and fundraising income

	2023	2022
	\$	\$
- Donations	1,861,862	2,085,140
- Event donations	876,499	769,500
- Bequests	-	250,099
	<u>2,738,361</u>	<u>3,104,739</u>

(b) Revenue from contracts with customers

	2023	2022
	\$	\$
Other event income		
Event raffles and auctions	340,120	169,355
Event registrations	190,759	188,700
Event sponsorships	18,300	38,500
	<u>549,179</u>	<u>396,555</u>

(c) Other income

	2023	2022
	\$	\$
Refund of unspent research funding	104,726	-
JobSaver and NSW business grant	-	54,807
	<u>104,726</u>	<u>54,807</u>

Charlie Teo Foundation

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Notes to the Financial Statements For the Year Ended 30 June 2023

5 Brain Cancer Research Funding

	2023	2022
	\$	\$
More Data		
Garvan Institute of Medical Research, Australia Brain Cancer Sequencing - Finding Treatment Targets	269,522	376,574
University of Newcastle, Australia I-DIMENSIONS: New subtyping system for DMG/DIPG	827,334	-
Duke University, U.S. Unshackling the Immune System	-	219,307
The Jackson Laboratory, U.S. The Evolution of Childhood Brain Cancer	115,180	91,748
University of Newcastle, Australia Harnessing the Power from Within to Tackle DIPG/DMG	-	113,989
Brain Tumour Biobank	28,501	29,459
Better Tools		
University of Southern California, U.S. Targeting Brain Cancer's Body Clock	-	136,499
Northwestern University, U.S. Early Diagnosis of Childhood Brain Cancer Using a Simple Blood Test	139,470	-
George Washington University, U.S. The New Wave of GBM Therapy	187,000	187,000
University of Pennsylvania, U.S. Treating GBM in a FLASH	-	145,499
Washington University, U.S. Nasal Drug Delivery to the Brainstem for DIPG/DMG	-	192,390
Northwestern University, U.S. Early Diagnosis of Childhood Brain Cancer Using a Simple Blood Test	161,753	337,545
Telethon Kids Institute, Australia A New Approach to Evaluating Immunotherapy in Paediatric Brain Tumours	-	121,396
Research Rebels		
University of Technology, Sydney Australia Space Biology to Treat Brain Cancer	-	4,545
University of Sydney, Australia The Cancer Clock is (not) Ticking	100,000	-
University of South Australia, Australia Harnessing AI to Halt Brain Cancer	100,000	-
Weizmann Institute of Science, Israel Is the Gut-Brain Axis the Key to Brain Cancer?	100,000	-
University of Lausanne, Switzerland 'Looking Inside' Brain Tumours for a Cure	-	101,319
	2,028,760	2,057,270

Charlie Teo Foundation

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Notes to the Financial Statements For the Year Ended 30 June 2023

6 Fundraising Expenses

	2023	2022
	\$	\$
Event expenses		
Event expenses	219,100	167,875
Other direct event expenses	8,925	7,054
Other fundraising expenses		
Items purchased for sale	1,409	2,773
Fundraising and charity database software	21,970	67,221
Merchant fees	16,902	16,672
	<u>268,306</u>	<u>261,595</u>

7 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	1,126,668	2,542,390
Short-term deposits	4,069,386	6,675,003
	<u>5,196,054</u>	<u>9,217,393</u>

8 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	15,898	456,500
GST receivable	112,413	27,527
Unspent grant funds receivable	104,732	-
Sundry debtors	10,388	-
Accrued interest	7,847	3,658
	<u>251,278</u>	<u>487,685</u>

9 Other Financial Assets

	2023	2022
	\$	\$
NON-CURRENT		
Listed securities and managed investments	4,932,110	-
Cash held for investment	105,757	-
Accrued dividends and distributions	95,608	-
	<u>5,133,475</u>	<u>-</u>

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Notes to the Financial Statements For the Year Ended 30 June 2023

10 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	5,125	5,704

11 Intangible Assets

	2023	2022
	\$	\$
Computer software		
Cost	4,325	4,325
Accumulated amortisation and impairment	(4,325)	(3,761)
Total Intangible assets	-	564

Movements in carrying amounts of intangible assets

	Computer software	Total
	\$	\$
Year ended 30 June 2023		
Balance at the beginning of the year	564	564
Amortisation	(564)	(564)
Closing value at 30 June 2023	-	-

12 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	86	713
Sundry payables and accrued expenses	68,634	75,802
	68,720	76,515

Charlie Teo Foundation

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Notes to the Financial Statements For the Year Ended 30 June 2023

13 Employee Benefits

	2023	2022
	\$	\$
CURRENT		
Annual leave	12,767	28,677
	<u>12,767</u>	<u>28,677</u>
	2023	2022
	\$	\$
NON-CURRENT		
Long service leave	13,329	10,120
	<u>13,329</u>	<u>10,120</u>

14 Financial Instruments

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	2023	2022
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	5,301,811	9,217,393
Trade and other receivables	119,353	460,158
Fair value through profit or loss (FVTPL)		
Listed securities and managed investments	4,932,110	-
Total financial assets	<u>10,353,274</u>	<u>9,677,551</u>
Financial liabilities		
Financial liabilities at amortised cost	59,312	76,515
Total financial liabilities	<u>59,312</u>	<u>76,515</u>

15 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the Company. At 30 June 2023 the number of members was 4 (2022: 5).

16 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 225,552 (2022: \$ 223,339).

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Notes to the Financial Statements For the Year Ended 30 June 2023

17 Auditor's Remuneration

Remuneration of the auditor, Kelly Partners Assurance Services, for:

- auditing or reviewing the financial statements

- -

The audit services are provided on a pro bono basis.

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

19 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) of the company are considered key management personnel.

For details of remuneration disclosures relating to key management personnel - refer to Note 16: Key Management Personnel Remuneration.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

There were no transactions with related parties during the year ended 30 June 2023 (2022: None).

20 Events After the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Charlie Teo Foundation

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Notes to the Financial Statements For the Year Ended 30 June 2023

21 Income and expenditure - fundraising appeals

	2023	2022
	\$	\$
Details of aggregate gross income and direct expenses of fundraising appeals		
Gross income from donations and fundraising appeals	3,287,540	3,501,294
Less: Total direct cost of fundraising appeals	<u>(268,306)</u>	<u>(261,595)</u>
Net surplus obtained from donations and fundraising appeals	<u>3,019,234</u>	<u>3,239,699</u>
Statement showing how funds received were applied to charitable purpose		
Funds brought forward from previous year	9,596,034	8,962,016
Net surplus obtained from donations and fundraising appeals	3,019,234	3,239,699
Other income	<u>494,885</u>	<u>78,456</u>
Funds available for application to charitable purpose	<u>13,110,153</u>	12,280,171
Expenses	(590,277)	(626,867)
Distributions paid and other program expenses	<u>(2,028,760)</u>	<u>(2,057,270)</u>
Funds carried forward	<u><u>10,491,116</u></u>	<u><u>9,596,034</u></u>

22 Statutory Information

The registered office and principal place of business of the company is:

Charlie Teo Foundation
442 Botany Road
Beaconsfield NSW 2015

Charlie Teo Foundation

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Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 1 to 18, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and
 - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion
 - (a) the Statement of Profit or Loss and Other Comprehensive Income gives a true and fair view of all income and expenditure of the company with respect to fundraising appeals; and
 - (b) the Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeals conducted by the company; and
 - (c) the provisions of the *Charitable Fundraising Act 1991 (NSW)* (the Act), the *Charitable Fundraising Regulation 2021 (NSW)* (the Regulation) and the conditions attached to the Charitable Fundraising Authority have been complied with by the company; and
 - (d) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.
3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director

Dated this.....day of.....2023

Charlie Teo Foundation

Independent Auditor's Report to the members of Charlie Teo Foundation

Report of the audit of the financial report

Opinion

We have audited the financial report of Charlie Teo Foundation (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year then ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & 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.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Charlie Teo Foundation

Independent Auditor's Report to the members of Charlie Teo Foundation

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 our audit.

Report on the requirements of the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulation 2021 (NSW)*

Opinion

We have audited the financial report as required by Section 24(1) of the *Charitable Fundraising Act 1991 (NSW)*.

In our opinion:

- (a) the financial report of the Charlie Teo Foundation has been properly drawn up, and associated records have been properly kept during the financial year ended 30 June 2023, in all material respects, in accordance with:
 - a. sections 20(1), 22(1-2), and 24(1) of the *Charitable Fundraising Act 1991 (NSW)*; and
 - b. section 17 of the *Charitable Fundraising Regulation 2021 (NSW)*.
- (b) the money received as a result of fundraising appeals conducted by the Company during the financial year ended 30 June 2023 has been properly accounted for and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991 (NSW)* and the *Charitable Fundraising Regulation 2021 (NSW)*.

Charlie Teo Foundation

Independent Auditor's Report to the members of Charlie Teo Foundation

Responsibilities

The directors are responsible for the preparation and presentation of the financial report in accordance with the *Charitable Fundraising Act 1991* (NSW) and the *Charitable Fundraising Regulation 2021* (NSW). Our responsibility is to express an opinion on the financial report based on our audit conducted in accordance with Australian Auditing Standards.

Kelly Partners Assurance Services

Peter Dawkins
Registered Auditor Number 4334
North Sydney

Dated this day of 2023