



Financial Report

For the year ended 30 June 2021

iDareU Limited
ABN 22 605 596 898

Financial declaration for Responsible Person

The Responsible Person declares that in the Responsible Person's opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

A handwritten signature in blue ink, appearing to read "Sue Dymond", written over a horizontal line.

Sue Dymond
Chief Executive Officer

Dated this 1st day of September 2021

A handwritten signature in blue ink, appearing to read "Peter Copp", written over a horizontal line.

Peter Copp
Board Chair

Dated this 1st day of September 2021

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Continuing operations			
Revenue and income from transactions			
Revenue	4	68,248	26,031
Grants	4	3,468	41,196
Other government funding	4	56,500	6,000
Fundraising	4	9,460	8,193
Donations	4	788	1,552
Interest	4	40	71
Other income	4	1,394	2,544
Total revenue and income from transactions		139,898	85,587
Expenses from transactions			
Employee expenses		59,736	25,774
Depreciation		2,270	0
Consultancy fees		29,960	30,800
Fundraising expenses		3,775	4,187
Accountancy fees		1,943	1,305
Program expenses		2,495	7,868
Insurance		1,288	1,171
Office Supplies		4,158	4,422
Rent		2,700	2,700
Marketing expenses		369	4,544
Other expenses		6,634	8,377
Total expenses from transactions		115,328	91,149
Net result from transactions		24,570	(5,562)
Total comprehensive income/(loss) for the period		24,570	(5,562)

This statement should be read in conjunction with the notes to the financial statements.

Statement of financial position

As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	6.1	62,631	3,720
Trade and other receivables	6.2	3,395	4,135
Other non-financial assets	7.4	1,799	0
Total current assets		67,825	7,855
Non-current assets			
Property, plant and equipment	7.1	1,562	0
Right of use asset	7.2	9,854	0
Intangible assets	7.3	6,870	6,870
Total non-current assets		18,286	6,870
Total assets		86,111	14,725
Liabilities			
Current liabilities			
Trade and other payables	6.3	3,193	3,937
Lease liabilities	7.2	3,512	0
Provisions	7.5	3,814	0
Deferred government grants	7.6	32,908	0
Loans payable	7.7	5,040	2,359
Total current liabilities		48,467	6,296
Non-current liabilities			
Lease liabilities	7.2	6,370	0
Provisions	7.5	881	0
Loans payable	7.7	32,986	35,592
Total non-current liabilities		40,237	35,592
Total liabilities		88,704	41,888
Net assets		(2,593)	(27,163)
Equity			
Retained earnings		(2,593)	(27,163)
Total equity		(2,593)	(27,163)

This statement should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2021

	Retained earnings \$	Total equity \$
Balance at 1 July 2019	(21,601)	(21,601)
Profit for the year	(5,562)	(5,562)
Balance at 30 June 2020	(27,163)	(27,163)
Profit for the year	24,570	24,570
Balance at 30 June 2021	(2,593)	(2,593)

This statement should be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the year ended 30 June 2021

	2021	2020
	\$	\$
Cash flows from operating activities		
Receipts from sale of goods and rendering of services	170,038	42,499
Government grants received	3,468	41,196
Interest received	40	71
Payments to suppliers for goods and services	(53,967)	(59,393)
Payments to and on behalf of employees	(55,041)	(25,774)
Interest paid	(1,899)	(2,045)
Net cash generated by operating activities	62,641	(3,446)
Cash flows from investing activities		
Repayment of loans to related parties	75	0
Proceeds of loans from related parties	0	1,046
Payments to acquire property, plant and equipment	(13,686)	0
Net cash (used in)/generated by investing activities	(13,611)	1,046
Cash flows from financing activities		
Principal elements of lease payments	9,882	0
Net cash used in financing activities	9,882	0
Net increase in cash and cash equivalents	58,911	(2,400)
Cash and cash equivalents at the beginning of the year	3,720	6,120
Cash and cash equivalents at the end of the year	62,631	3,720

This statement should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1. General information and statement of compliance

The financial report includes the financial statements and notes of iDareU Limited (iDareU).

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - *Reduced Disclosure Requirements* and the *Australian Charities and Not-for-profits Commission Act 2012*. iDareU is a not-for-profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 30 June 2021 were approved and authorised for issue by the Board on 1 September 2021.

2. Significant transactions and events in the current reporting period

The financial position and performance of iDareU was affected by COVID-19 and the lockdowns imposed by the Victorian Government.

Management was successful in obtaining government funding and implemented measures to ensure that it is able to continue as a going concern.

As a result, these financial statements have been prepared on a going concern basis.

3. Critical estimates and judgements

The areas involving significant estimates or judgements are:

- estimated loss allowance on trade receivables
- estimated useful lives of property, plant and equipment
- recognition and measurement of long service leave
- recognition and measurement of lease liabilities.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

4. Revenue from contracts with customers

4.1 Sessions and support services

Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is recognised based on the actual service provided to the end of the reporting period because the customers receives and uses the benefits simultaneously.

Customers are invoiced on a regular basis and consideration is payable when invoiced.

4.2 Sale of goods

Sales are recognised when control of the products has transferred, being when the products are given to the customer. The risks of obsolescence and loss has been transferred to the customer.

4.3 Government grants

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15 *Revenue from Contracts with*

These grants relate to the provision of programs. Revenue is recognised when iDareU satisfies the performance obligations by conducting the relevant programs to customers. This is recognised based on the consideration specified in the funding agreement to the extent that it is highly probably a significant reversal of revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

4.4 Other government funding

Other government funding relates to income received from the government due to COVID-19. Revenue was recognised as revenue in the statement of profit or loss. The funds were paid to employees in line with the government's objectives of helping businesses to continue paying employees to keep them in their jobs so that businesses can re-start when business conditions improve. There are no unfulfilled conditions or other contingencies attached to these grants.

4.5 Fundraising and donations

Fundraising and donation income are recognised as revenue when iDareU gains control of the funds.

4.6 Interest income

Interest income includes interest received on bank deposits. Interest income is recognised using the effective interest method, which allocated the interest over the relevant period.

4.7 Other income

Other income is recognised when the right to receive payment is established and any performance obligations have been satisfied.

4.8 Voluntary services

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated. As such, no revenue from volunteer services has been recognised.

5. Income tax

iDareU is income tax exempt.

6. Financial assets and financial liabilities

6.1 Cash and cash equivalents

	2021	2020
	\$	\$
Current assets		
Cash at bank	62,631	3,720
Total cash and cash equivalents	62,631	3,720

6.2 Trade receivables and other receivables

	2021	2020
	\$	\$
Current assets		
Trade receivables from contracts with customers	3,395	4,135
Loss allowance	0	0
Total trade receivables and other receivables	3,395	4,135

6.2.1 Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within seven days and are therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional.

iDareU holds the trade receivables with the objective of collecting the contractual cash flows and therefore measure them subsequently at amortised cost using the effective interest method.

6.2.2 Impairment of trade receivables

iDareU applied the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2021 or 30 June 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with iDareU and a failure to make payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within other expenses. Subsequent recoveries of amounts previously written off are credited against the same line item.

6.3 Trade and other payables

	2021	2020
	\$	\$
Current liabilities		
Trade payables	25	0
PAYG payable	1,968	3,690
Other payables	1,200	247
Total trade and other payables	3,193	3,937

Trade payables are unsecured and are usually paid within 30 days of recognition.

7. Non-financial assets and liabilities

7.1 Property, plant and equipment

	Equipment \$	Total \$
Non-current assets		
At 30 June 2020		
Gross carrying amount	0	0
Accumulated depreciation	0	0
Net carrying amount	0	0
At 30 June 2021		
Gross carrying amount	2,936	0
Accumulated depreciation	(1,374)	0
Net carrying amount	1,562	0

7.1.1 Reconciliation of movements in carrying amount of property, plant and equipment

	Equipment		Total	
	2021	2020	2021	2020
	\$	\$	\$	\$
Opening balance	0	0	0	0
Addition	2,936	0	2,936	0
Depreciation	(1,374)	0	(1,374)	0
Closing balance	1,562	0	1,562	0

7.1.2 Depreciation methods and useful lives

All property, plant and equipment is recognised at historical cost less depreciation.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Equipment 2 years

7.2 Leases

This note provides information for leases where iDareU is a lessee.

7.2.1 Amounts recognised in the statement of financial position

	2021 \$	2020 \$
Right-of-use assets		
Buildings	9,854	0
Total right-of-use assets	9,854	0
Lease liabilities		
Current	3,512	0
Non-current	6,370	0
Total lease liabilities	9,882	0
Future lease payments in relation to lease liabilities as at period end are as follows:		
Within one year	3,512	0
Later than one year but not later than five years	6,370	0
Later than five years	0	0
Total lease liabilities	9,882	0

Additions to the right-of-use assets during the 2021 financial year were \$10,750 (2020 - nil).

7.2.2 Depreciation of right-of-use assets

The depreciation disclosed in the statement of profit or loss and other comprehensive income includes the following amounts for right-of-use assets:

	2021	2020
	\$	\$
Buildings	(896)	0
Total depreciation of right-of-use assets	(896)	0

7.2.3 iDareU's leasing activities and how these are accounted for

iDareU leases premises. The rental contract is fixed for a period of three years. Extension and termination options are included in the lease. The options are exercisable by iDareU.

7.3 Intangible assets

	Trademarks	Total
	\$	\$
Non-current assets		
At 30 June 2020		
Gross carrying amount	6,870	6,870
Accumulated depreciation	0	0
Net carrying amount	6,870	6,870
At 30 June 2021		
Gross carrying amount	(3,814)	(3,814)
Accumulated depreciation	0	0
Net carrying amount	(3,814)	(3,814)

7.3.1 Amortisation methods and useful lives

iDareU has assessed that its trademark has an indefinite useful life and is not amortised.

7.4 Other non-financial assets

	2021	2020
	\$	\$
Current assets		
Prepayments	1,799	0
Total other non-financial assets	1,799	0

Other non-financial assets include prepayments, which represents payments in advance of receipt of goods or services or the payment made for services covering a term extending beyond that financial accounting period.

7.5 Provisions

Provisions recognised in the statement of financial position relates to employee benefit obligations.

Accounting policies applied regarding employee benefit leave provisions are disclosed in Note 10.

7.6 Deferred government grants

	2021	2020
	\$	\$
Current liabilities		
Deferred government grants	32,908	0
Total deferred government grants	32,908	0

Government grants received includes a number of unfulfilled performance obligations and conditions. Once these are fulfilled, the grants will be recognised as revenue.

7.7 Loans payable

	2021	2020
	\$	\$
Loan to key management personnel		
Beginning of the year	2,359	2,359
Loan received	5,040	0
Loan repayments made	(2,359)	0
End of the year	5,040	2,359
Loans to other related parties		
Beginning of the year	35,592	34,546
Interest charged	1,867	2,045
Loan received	0	0
Loan repayments made	(4,473)	(1,000)
End of the year	32,986	35,592

The loan to key management personnel is repayable within one year. Repayments are monthly. No interest is applied to this loan.

The loan to other related parties will be repaid in 4 years. Repayments are monthly with an interest rate of 6 per cent per annum.

8. Contingent liabilities and contingent assets

iDareU had no contingent liabilities or contingent assets at 30 June 2021 (30 June 2020 - nil).

9. Events occurring after the reporting period.

There are no further events occurring after the reporting period (30 June 2020 - nil).

10. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have

10.1 Revenue recognition

The accounting policies for revenue from contracts with customers are explained in Note 4.

10.2 Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed lease payments.

Lease payments are discounted using the incremental borrowing rate, being the rate iDareU would have to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

10.3 Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested 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. The recoverable amount is the higher of an asset's fair value less costs of disposal and the value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

10.4 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank or with Stripe. Stripe is a payment platform that transfers funds received to iDareU's bank account within three to five business days. These funds are subject to insignificant risk of changes in value.

10.5 Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

See Note 6.2 for further information about iDareU's accounting for trade receivables and the description of iDareU's impairment policies.

10.6 Property, plant and equipment

iDareU's property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to iDareU and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciation methods and periods used by iDareU are disclosed in note 7.1.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

10.7 Intangible assets

Trademarks are shown at historical cost. Refer to Note 7.3 for details about amortisation methods and useful lives.

10.8 Trade and other payables

These amounts represents liabilities for goods and services provided to iDareU prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

10.9 Provisions

10.9.1 Employee benefits - short term obligations

Liabilities for salaries and wages, including annual leave, that are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

10.9.1 Employee benefits - other long term employee benefit obligations

iDareU has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, 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 end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the statement of financial position if iDareU does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

10.9.1 Employee benefits - post employment obligations

iDareU pays contributions to publicly administered defined contribution superannuation plans on a mandatory basis. iDareU has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

10.10 Loans

Loans are initially recognised at fair value, net of transaction costs incurred. Loans are subsequently measured at amortised cost.

Loans are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

10.11 Loan costs

Loan costs are expensed in the period in which they are incurred.

10.12 Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest dollar.

10.13 Goods and services tax

iDareU is GST exempt.

11. Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period. These accounting standards have not been applied.

- AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (Appendix C)*.
- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*.
- AASB 2020-8 *Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform – Phase 2*.
- AASB 2020-9 *Amendments to Australian Accounting Standards – Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*.