

Financial Report

For the year ended 30 June 2022

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 20th day of September 2022

A handwritten signature in black ink, appearing to read "Katrina Hardie", written in a cursive style.

Katrina Hardie
Secretary

Dated this 20th day of September 2022

iDareU Ltd
Statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|---|------|----------------|----------------|
| Continuing operations | | | |
| Revenue and income from transactions | | | |
| Revenue | 4 | 97,509 | 68,248 |
| Grants | 4 | 32,908 | 3,468 |
| Other government funding | 4 | 0 | 56,500 |
| Fundraising | 4 | 9,175 | 9,460 |
| Donations | 4 | 2,476 | 788 |
| Interest | 4 | 34 | 40 |
| Other income | 4 | 132 | 1,394 |
| Total revenue and income from transactions | | 142,233 | 139,898 |
| Expenses from transactions | | | |
| Employee expenses | | 56,890 | 59,736 |
| Depreciation | | 5,079 | 2,270 |
| Consultancy fees | | 30,120 | 29,960 |
| Fundraising expenses | | 2,327 | 3,775 |
| Accountancy fees | | 831 | 1,943 |
| Program expenses | | 2,552 | 2,495 |
| Insurance | | 2,370 | 1,288 |
| Office Supplies | | 1,988 | 4,158 |
| Rent | | 0 | 2,700 |
| Marketing expenses | | 0 | 369 |
| Other expenses ** | | 9,132 | 6,634 |
| Total expenses from transactions | | 111,289 | 115,328 |
| Net result from transactions | | 30,945 | 24,570 |
| Total comprehensive income/(loss) for the period | | 30,945 | 24,570 |

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

iDareU Ltd
Statement of financial position

As at 30 June 2022

| | Note | 2022 \$ | 2021 \$ |
|--------------------------------------|------|---------------|----------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 6.1 | 53,160 | 62,631 |
| Trade and other receivables | 6.2 | 3,307 | 3,395 |
| Other non-financial assets | 7.4 | 1,466 | 1,799 |
| Total current assets | | 57,932 | 67,825 |
| Non-current assets | | | |
| Property, plant and equipment | 7.1 | 1,922 | 1,562 |
| Right of use asset | 7.2 | 6,271 | 9,854 |
| Intangible assets | 7.3 | 6,870 | 6,870 |
| Total non-current assets | | 15,063 | 18,286 |
| Total assets | | 72,996 | 86,111 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 6.3 | 7,425 | 3,193 |
| Lease liabilities | 7.2 | 3,601 | 3,512 |
| Provisions | 7.5 | 2,335 | 3,814 |
| Deferred government grants | 7.6 | 0 | 32,908 |
| Loans payable | 7.7 | 0 | 5,040 |
| Total current liabilities | | 13,361 | 48,467 |
| Non-current liabilities | | | |
| Lease liabilities | 7.2 | 2,769 | 6,370 |
| Provisions | 7.5 | 1,728 | 881 |
| Loans payable | 7.7 | 26,786 | 32,986 |
| Total non-current liabilities | | 31,283 | 40,237 |
| Total liabilities | | 44,644 | 88,704 |
| Net assets | | 28,352 | (2,593) |
| Equity | | | |
| Retained earnings | | 28,352 | (2,593) |
| Total equity | | 28,352 | (2,593) |

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

iDareU Ltd**Statement of changes in equity**

For the year ended 30 June 2022

| | Retained earnings \$ | Total equity \$ |
|--------------------------------|-------------------------|--------------------|
| Balance at 1 July 2020 | (27,163) | (27,163) |
| Profit for the year | 24,570 | 24,570 |
| Balance at 30 June 2021 | (2,593) | (2,593) |
| Profit for the year | 30,945 | 30,945 |
| Balance at 30 June 2022 | 28,352 | 28,352 |

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

iDareU Ltd
Statement of cash flows

For the year ended 30 June 2022

| | 2022 | 2021 |
|---|-----------------|-----------------|
| | \$ | \$ |
| Cash flows from operating activities | | |
| Receipts from sale of goods and rendering of services | 97,597 | 68,988 |
| Government grants received | 0 | 36,376 |
| Other Government Funding | 0 | 56,500 |
| Other Income * | 11,783 | 11,642 |
| Interest received | 34 | 40 |
| Payments to suppliers for goods and services | (43,138) | (53,967) |
| Payments to and on behalf of employees | (57,522) | (55,041) |
| Interest paid | (1,616) | (1,899) |
| Net cash generated by operating activities | 7,137 | 62,641 |
| Cash flows from investing activities | | |
| Repayment of loans to related parties | (11,240) | 75 |
| Proceeds of loans from related parties | 0 | 0 |
| Payments to acquire property, plant and equipment | (1,856) | (13,686) |
| Net cash (used in)/generated by investing activities | (13,096) | (13,611) |
| Cash flows from financing activities | | |
| Principal elements of lease payments | (3,512) | 9,882 |
| Net cash used in financing activities | (3,512) | 9,882 |
| Net increase in cash and cash equivalents | (9,471) | 58,911 |
| Cash and cash equivalents at the beginning of the year | 62,631 | 3,720 |
| Cash and cash equivalents at the end of the year | 53,160 | 62,631 |

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

* Includes Fundraising, Donations & other sundry income.

iDareU Ltd

Notes to the financial statements - Year Ending 30th June 2022

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 2022 were approved and authorised for issue by the Board on 18th August 2022.

2. Significant transactions and events in the current reporting period

The financial position and performance of iDareU was partly affected by COVID-19 and the lockdowns imposed by the Victorian Government during the early part of the fiscal year..

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 and clients 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 Customers*.

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

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$ | \$ |
| Current assets | | |
| Cash at bank | 53,160 | 62,631 |
| Total cash and cash equivalents | 53,160 | 62,631 |

6.2 Trade receivables and other receivables

| | 2022 | 2021 |
|--|--------------|--------------|
| | \$ | \$ |
| Current assets | | |
| Trade receivables from contracts with customers | 3,307 | 3,395 |
| Loss allowance | 0 | 0 |
| Total trade receivables and other receivables | 3,307 | 3,395 |

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 2022 or 30 June 2021 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

| | 2022 | 2021 |
|---------------------------------------|--------------|--------------|
| | \$ | \$ |
| Current liabilities | | |
| Trade payables | 0 | 25 |
| PAYG payable | 154 | 1,968 |
| Revenue Received in Advance | 7,096 | 0 |
| Other payables | 175 | 1,200 |
| Total trade and other payables | 7,425 | 3,193 |

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 \$ | Website \$ | Total \$ |
|----------------------------|-----------------|---------------|--------------|
| Non-current assets | | | |
| At 30 June 2021 | | | |
| Gross carrying amount | 2,936 | 0 | 2,936 |
| Accumulated depreciation | (1,374) | 0 | (1,374) |
| Net carrying amount | 1,562 | 0 | 1,562 |
| At 30 June 2022 | | | |
| Gross carrying amount | 2,936 | 1,856 | 4,792 |
| Accumulated depreciation | (2,842) | (27) | (2,870) |
| Net carrying amount | 94 | 1,829 | 1,922 |

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

| | Equipment | | Website | | Total | |
|-----------------|------------|--------------|--------------|------------|--------------|--------------|
| | 2022 \$ | 2021 \$ | 2022 \$ | 2021 \$ | 2022 \$ | 2021 \$ |
| Opening balance | 2,936 | 2,936 | 0 | 0 | 2,936 | 2,936 |
| Addition | | 0 | 1,856 | 0 | 1,856 | 0 |
| Depreciation | (2,842) | (1,374) | (27) | 0 | (2,870) | (1,374) |
| Closing balance | 94 | 1,562 | 1,829 | 0 | 1,922 | 1,562 |

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 |
| Website | 5 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

| | 2022 \$ | 2021 \$ |
|----------------------------------|--------------|--------------|
| Right-of-use assets | | |
| Buildings | 6,271 | 9,854 |
| Total right-of-use assets | 6,271 | 9,854 |
| Lease liabilities | | |
| Current | 3,601 | 3,512 |
| Non-current | 2,769 | 6,370 |
| Total lease liabilities | 6,370 | 9,882 |

Future lease payments in relation to lease liabilities as at period end are as follows:

| | | |
|---|--------------|----------|
| Within one year | 3,601 | 0 |
| Later than one year but not later than five years | 2,769 | 0 |
| Later than five years | 0 | 0 |
| Total lease liabilities | 6,370 | 0 |

Additions to the right-of-use assets during the 2022 financial year were -nil. (Addition in 2021 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:

| | 2022 \$ | 2021 \$ |
|--|----------------|--------------|
| Buildings | (3,583) | (896) |
| Total depreciation of right-of-use assets | (3,583) | (896) |

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 2021 | | |
| Gross carrying amount | 6,870 | 6,870 |
| Accumulated depreciation | 0 | 0 |
| Net carrying amount | 6,870 | 6,870 |
| At 30 June 2022 | | |
| Gross carrying amount | 6,870 | 6,870 |
| Accumulated depreciation | 0 | 0 |
| Net carrying amount | 6,870 | 6,870 |

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

| | 2022 \$ | 2021 \$ |
|---|--------------|--------------|
| Current assets | | |
| Prepayments | 1,466 | 1,799 |
| Total other non-financial assets | 1,466 | 1,799 |

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

| | 2022 \$ | 2021 \$ |
|---|------------|---------------|
| Current liabilities | | |
| Deferred government grants | 0 | 32,908 |
| Total deferred government grants | 0 | 32,908 |

Government grants received includes a number of unfulfilled performance obligations and conditions. Once these are fulfilled, the grants will be recognised as revenue. The grant received in 2021 was recognised as revenue in 2022.

7.7 Loans payable

| | 2022 \$ | 2021 \$ |
|---|---------------|---------------|
| Loan to key management personnel | | |
| Beginning of the year | 5,040 | 2,359 |
| Loan received | | 5,040 |
| Loan repayments made | (5,040) | (2,359) |
| End of the year | 0 | 5,040 |
| Loans to other related parties | | |
| Beginning of the year | 32,986 | 35,592 |
| Interest charged | 1,516 | 1,867 |
| Loan received | 0 | 0 |
| Loan repayments made | (7,716) | (4,473) |
| End of the year | 26,786 | 32,986 |

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 2022 (30 June 2021 - nil).

9. Events occurring after the reporting period.

There are no further events occurring after the reporting period (30 June 2021 - 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 been consistently applied to all the years presented, unless otherwise stated.

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 for General Purpose Financial Statements - Simplified Disclosures for Profit & Not For Profit Tier 2 Entities. This compiled standard applies to entities whose annual period beginning on or after 1st January 2022, but before 1st January 2023, hence 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*.