MJD Foundation Limited

(A public company limited by guarantee)

Annual Financial Report

For the year ended 30 June 2023

Contents

Corporate Information

ABN 65 159 208 867

Directors The following Directors were in office at the date of this report	Jennifer Macklin AC Neil Westbury PSM Gayangwa Lalara OAM Janice Oake Tony Wurramarrba AO Jennifer Baird Jennifer Cullen Patrick Keyzer (Resigned May 2023) Elizabeth Collins
Company Secretary	Nadia Lindop OAM (CEO)
Registered Office	5/1 Caryota Court Coconut Grove NT 0810
Postal Address	PO Box 414, Alyangula NT 0885
Phone/Email	1300-584-122 info@mjd.org.au
Bankers	Traditional Credit Union Casuarina NT 0811 National Australia Bank Melbourne VIC 3000
Legal Advisors (Pro bono)	Gilbert + Tobin Level 35, 2/200 Barangaroo Avenue Barangaroo NSW 2000
Investment Advisors	Mutual Trust Level 32, 360 Collins St, Melbourne VIC 3000 Koda Capital Pty Ltd Level 8, 20 Bond St, Sydney NSW 2000
Auditors	Nexia Sydney Audit Pty Ltd Level 22, 2 Market Street, Sydney NSW 2000

Directors' Report for the year ended 30 June 2023

The Directors submit this financial report for the MJD Foundation Limited (MJDF) for the financial year ended 30 June 2023.

Directors

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

Director	Board position	Date Appointed	A	B
Jennifer Louise Macklin AC	Chairperson	25th June 2021	4	4
Gayangwa Lalara OAM	Vice-Chairperson	27th June 2012	4	4
Neil Donald Westbury PSM	Director	27th June 2012	4	4
Tony Wurramarrba AO	Director	27th June 2012	-	4
Jennifer Baird	Director	27th June 2012	4	4
Janice Patricia Oake	Treasurer	1st April 2014	4	4
Jennifer Ann Cullen	Director	11th March 2017	4	4
Patrick Keyzer (to 25th May 2023)	Director	29th November 2019	3	3
Elizabeth Collins	Director	30th October 2021	1	4

A – number of meetings attended

B – Number of meetings held during the time the Director held office during the year

Mission

The MJD Foundation partners with Aboriginal & Torres Strait Islander communities to support families living with Machado-Joseph Disease and SCA7 by providing specialised knowledge and supports. We collaborate to conduct research providing hope for the future, and use our influence for change so people living with MJD and related conditions can live stronger for longer.

Strategic Goals 2022-2027

The five-year Strategic Plan ("MJDF Future Way 2022-2027") for the Company was finalised during the year with four overarching strategic goals identified:

1. Our programs and services are designed and delivered following 'Our Way', being client/family led, with 'Our Way' being embedded throughout all parts of the organisation.
2. Our service provision is equitable across locations, with a focus on overcoming the barriers of remote service delivery so that our clients can choose to stay living in, and cared for, in their remote community.
3. The clinical and community services we deliver to our clients/families are best practice, based on evidence through robust research.
4. Our clients are prepared and eligible to participate in clinical trials.

Principal Activities

The principal activities of the Company during the financial year were to promote the prevention or the control of disease in human beings and particularly to work with Aboriginal & Torres Strait Islanders, their families and communities living with Machado-Joseph Disease and SCA7 by:

i. providing support to persons living with the disease and their families including by the provision of case management supports, community infrastructure and transport, community services and equipment;
ii. relieving disability and distress associated with disease;

iii. engaging in research into the cause, prevention, treatment or cure for the disease including the slowing, stopping, reversal or stopping of the disease;
iv. contributing to research into the development of improved treatments, equipment and technology for persons living with the disease;
v. advancing education and public awareness about the disease and people living with the disease;
vi. advocating on behalf of persons with the disease and their families to all levels of the community and government; and
vii. other purposes which are beneficial to the community.

Significant Changes

There are no significant changes to the activities of the MJD Foundation.

Members' Guarantee

In accordance with the Company's constitution, each member is liable to contribute $10 in the event that the company is wound up.

The total amount that members of the company are liable to contribute if the company is wound up is $90, based on 9 current ordinary members.

Auditor's Independence

The auditor's declaration of independence appears on the following page and forms part of the Directors' report for the year ended 30 June 2023.

Operating Result

The surplus / (deficit) from ordinary activities after providing for income tax amounted to

	Year ended 30 June 2023	Year ended 30 June 2022
	562,470	($1,917,702)

This Directors' report is signed in accordance with a resolution of the Directors of the Board made in pursuant to the Australian Charities and Not-for-profits Commission Act (2012) on: 17/11/2023

Jennifer Louise Macklin AC (Board Chairperson)

Janice Patricia Oake (Director/Board Treasurer)

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To the Board of Directors of MJD Foundation Limited

Auditor's Independence Declaration

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of MJD Foundation Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia

Nexia Sydney Audit Pty Ltd

B Hanger

Brett Hanger
Director
Date: 17 November 2023

Directors' Qualifications, Experience and Special Responsibilities

Name	Qualifications	Experience	Special Responsibilities
Jennifer Louise Macklin	B.Commerce (Hons)	Minister for Indigenous Affairs (2007-2013) Minister for Disability Reform (2011-2013) NDIS act, NDIS policy Board Directorships	Director (Chairperson) Audit Risk & Investment Committee (member)
Gayangwa Lalara OAM	Cert II Aged & Disability Cert Theology Cert Women's Studies Cert ESL Cert Counselling AICD NFP Director	Groote Eylandt community leader and senior family member for families affected by MJD.	Director (Vice-Chair) Senior cultural advisor to the Board and staff members/volunteers.
Neil Westbury PSM	Cert. Aboriginal Studies Commonwealth Public Service Medal AICD NFP Director	Over 40 years professional experience working in Indigenous Affairs and Public sector management.	Director
Janice Oake	B.Business (Accounting) Assoc Prog Society of CPAs Grad Dip. Bus Computing AICD NFP Director	Finance and business expertise.	Director (Treasurer) Audit Risk & Investment Committee (Chairperson)
Tony Wurramarrba AO	Graduate Alyangula School Graduate Dhupuma College Officer of the Order of Australia AICD NFP Director	Chairperson Anindilyakwa Land Council Groote Eylandt community leader Previously Angurugu Council Town Clerk.	Director
Jennifer Baird	B.Teaching GradCert Accelerated Literacy Masters Education AICD NFP Director	Cared for husband with MJD (20 years). Carer for two children who live with MJD. Past President of Carers NT (17 years).	Director
Jennifer Cullen	B.Arts B.Health Science Masters. Health Service Mgmt Grad Dip Public Health AICD NFP Director	Disability & Health economics, not for profit capability, Aboriginal and Torres Strait Islander issues, professional development and mentoring.	Director Research Advisory Committee (member)
Patrick Keyzer	B.Arts (Hons) B.Laws (Hons) Grad Dip Legal Practice Master of Laws Doctor of Philosophy AICD NFP Director	Professor of Law and Public Policy, Dean of the Thomas More Law School (ACU).	Director Research Advisory Committee (member)
Elizabeth Collins	B.Marketing/Comms	Marketing, Communications, Fundraising	Director
Nadia Lindop OAM	B.Sc (Hons 1) Cert IV Finance Cert IV WHS GAICD Company Director AICD NFP Director	Organisational governance, management and business.	CEO Company Secretary

Financial Statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 June 2023

	Note	2023	2022
		$	$
REVENUE	6	5,670,878	2,954,940
EXPENSES			
Administration Fees		(59,769)	(60,832)
Advertising & Marketing		(28,062)	(35,405)
Bank Charges		(3,861)	(3,006)
Computers & Office Supplies		(59,951)	(52,833)
Clients Care & Support		(824,636)	(746,242)
Depreciation Expenses	7	(306,242)	(247,050)
Employment Expenses		(2,960,369)	(2,863,684)
Freight, Print & Postage		(38,034)	(39,904)
Insurance		(21,818)	(20,349)
Interest		(12,834)	(7,282)
Legal & Accounting		(21,957)	(13,210)
Assets written Off		(1,269)	(2,114)
Medical Research & Resources		(1,074)	(51,470)
Motor Vehicle Expenses		(132,659)	(107,331)
Office Building Expenses		(98,434)	(62,516)
Rent & Storage		(15,691)	(13,067)
Repairs & Maintenance		(3,820)	(4,781)
Travel		(337,435)	(334,844)
Other Expenses		(180,493)	(206,723)
Total Expenses		(5,108,408)	(4,872,642)
Surplus / (Deficit) for the year(before income tax expense)		**562,470**	**(1,917,702)**
Income tax expense		-	-
Surplus / (Deficit) for the year(after income tax expense)		**562,470**	**(1,917,702)**
Other Comprehensive income for the year		-	-
Total comprehensive income / (loss) for the year		**562,470**	**(1,917,702)**
Total comprehensive income / (loss) attributable to the entity		**562,470**	**(1,917,702)**

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023	2022
		$	$
CURRENT ASSETS			
Cash & Cash Equivalents	15(a)	765,215	1,037,551
Trade and Other Receivables	8	896,151	765,815
Other Assets	9	77,455	67,610
Financial Assets	10,4	19,810,990	19,645,044
TOTAL CURRENT ASSETS		**21,549,811**	**21,516,020**
NON-CURRENT ASSETS			
Property, Plant and Equipment	11(a)	1,806,295	1,431,741
Right of Use Asset	11(b)	248,050	336,076
TOTAL NON-CURRENT ASSETS		**2,054,345**	**1,767,817**
TOTAL ASSETS		**23,604,156**	**23,283,837**
CURRENT LIABILITIES			
Trade & Other Payables	12(a)	175,022	298,019
Contract Liabilities	12(b)	138,934	187,499
Lease Liability		128,947	126,214
Employee Entitlements	13	314,498	282,095
TOTAL CURRENT LIABILITIES		**757,401**	**893,827**
NON-CURRENT LIABILITIES			
Lease Liability		126,831	214,988
Employee Entitlements	13	-	17,568
Provisions	14	10,000	10,000
TOTAL NON-CURRENT LIABILITIES		**136,831**	**242,556**
TOTAL LIABILITIES		**894,232**	**1,136,383**
NET ASSETS		**22,709,924**	**22,147,454**
EQUITY			
Retained Surplus		22,709,924	22,147,454
TOTAL EQUITY		**22,709,924**	**22,147,454**

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Retained Surpluses	Total Equity
	$	$
Balance at 1st July 2021	24,065,156	24,065,156
Deficit attributable to the entity	(1,917,702)	(1,917,702)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(1,917,702)	(1,917,702)
Balance at 30 June 2022	**22,147,454**	**22,147,454**
Balance at 1st July 2022	22,147,454	22,147,454
Surplus attributable to the entity	562,470	562,470
Other comprehensive income for the year	-	-
Total comprehensive income for the year	562,470	562,470
Balance at 30 June 2023	**22,709,924**	**22,709,924**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		$	$
Cash Flows from Operating Activities			
Grants, sponsorships and donations received		1,249,050	1,460,028
Receipts from operations		2,737,810	2,872,051
Payments to suppliers and employees		(4,948,261)	(4,468,732)
Interest received		36,446	2,300
Dividends received		1,162,286	907,032
Interest on leases		(12,834)	(7,281)
Net cash provided by operating activities	15(b)	**224,497**	**765,398**
Cash Flow from Investing Activities			
Payment for property, plant and equipment		(171,740)	(434,470)
Proceeds from sale of investments		(15,645,010)	15,092,026
Payment for purchase of investments		15,826,211	(14,745,090)
Net cash provided by (used in) investing activities		**9,461**	**(87,534)**
Cash Flow from Financing Activities			
Repayment of leases		(506,294)	(263,596)
Net cash (used in) financing activities		**(506,294)**	**(263,596)**
Net (decrease) / increase in cash held		**(272,336)**	**414,268**
Cash at beginning of the year		**1,037,552**	**623,283**
Cash at end of the year	15(a)	**765,215**	**1,037,552**

Notes to and forming part of the Financial Statements

1. Corporate Information

The financial statements of the non-profit company, the MJD Foundation Limited (the company) for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors on 17 November 2023.

2. Summary of Significant Accounting Policies

The financial statements are prepared based on the following key accounting policies, which have been consistently applied to all the years presented, unless specified otherwise.

(a) Basis of Preparation

The company is not a reporting entity since the Directors believe that there are unlikely to exist users of the financial report who are unable to request tailored reports to be prepared to specifically satisfy all of their information needs. Consequently, this special purpose financial report has been prepared to meet the reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures, as appropriate for not-for-profit entities.

(b) New or amended Accounting Standards and Interpretations adopted

The entity 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.

(c) Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Key judgements – Grant Income

In determination of whether the contract includes sufficiently specific performance obligations for many of the grant agreements, the company made a significant judgement involving discussions with a number of parties at the company, review of the proposal documents prepared during the grant application phase, consideration of the terms and conditions and measurement of obligations met.

Grants received by the company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made by the management.

The revenue recognition pattern would be different from that recognised in these financial statements if this determination was changed.

Provisions for employee benefits

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 not been taken into account.

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.

(d) Revenue recognition

All revenue is stated net of the amount of goods and services tax (GST).

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; 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.

Grant Income

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Revenue is recognised in accordance with AASB 1058 for grants which are either not enforceable or do not have sufficiently specific performance obligations.

Donations received

Donation income is recognised when the company obtains control over the funds, and the donation can be measured reliably.

Bequests received

Bequests are recognised when the company obtains control over the funds, which is generally at the time of receipt.

Investment income

Investment income comprises interest and dividends. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised when the right to receive a dividend has been established.

In-kind donations

In-kind donations by sponsors are included in the donation income.

Volunteer services

The company 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.

(e) Expenditure

All expenditure is accounted for on an accruals basis and has been listed as per the detailed accounts in the company's accounting system.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at bank.

(g) Property, Plant and Equipment (PPE)

The Company expenses assets upon acquisition when assets are gifted to individuals with MJD or to organisations assisting individuals with MJD.

Each class of property, plant and equipment is carried at historical cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the company commencing from the time the asset is held ready for use.

(h) Right-of-Use Assets

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. This is determined by assess 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.

A right-of-use asset for the lease term is recognised at the commencement date of a lease. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

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 company 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.

(i) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) 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.

(l) 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, the company'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 used; residual guarantee; lease term; certainty of a purchase option and 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.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases where the 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.

(m) 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.

Defined contribution superannuation expense

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

(n) Taxation

Income Tax

The company is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax. This exemption has been confirmed by the Australian Taxation Office. The company holds deductible gift recipient status.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables.

(o) 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.

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.

3. Cash and Other Equivalents

Cash at bank earns interest at floating rates based on daily bank deposit rates of the Traditional Credit Union. Short term deposits are made for varying periods of between one and three months, depending on the company's cash requirements. These deposits are held with the National Australia Bank.

4. Financial Assets

Investments and other financial assets are measured at fair value through profit or loss. Such assets are subsequently measure at fair value through their classification. Classification is determined on both the business model within which such assets are held and the contractual cash flow characteristics of the financial assets.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically such assets will be either: (I) held for trading, where they are acquired for the purpose of selling in the short term with an intention of making a profit, or a derivative; or (II) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

The Company's investment advisor transitioned from Mutual Trust to Koda Capital, with some remaining assets held with Mutual Trust at 30th June 2023.

In 2010, the Company received a $6 million grant from the Aboriginals Benefit Account (ABA) which cannot be expended, but instead it is invested, and only the earnings (interest, dividends etc) can be used for operational costs.

In 2017, the Company received a $10 million grant from the Aboriginals Benefit Account (ABA) which cannot be expended, but instead it is invested, and only the earnings (interest, dividends etc) can be used to support clients.

Both ABA grants are invested in perpetuity per the MJD Foundation's Constitution.

5. Financial Risk Management

The company's financial instruments comprise cash, cash equivalents, fixed interest, property funds, domestic equities and international equities. The company's investments are of a moderate risk profile which is considered to be appropriate and necessary to meet the company's long-term objectives while minimising risk that the company fails to meet its near-term liabilities.
The main risks arising from the company's financial instruments are liquidity risk, credit risk, market price risk, interest rate risk, and equity price risk.

The Directors have overall responsibility for risk management, including risks associated with financial instruments. The Board of Directors have established an Audit, Risk & Investment Committee (ARIC) comprising the Board Treasurer (ARIC Chairperson, Director), the MJDF Board Chairperson, the CEO, an independent person with Risk Management expertise, an independent person with Legal expertise, and an independent person with Investment and fund management expertise. Part of ARIC's role is to develop an Investment Policy Statement (IPS) and to make investment decisions within the guidelines of the IPS. Risk management policies are established as part of the IPS to identify and analyse the risks associated with the company's financial instruments, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. The portfolio is positioned in line with the risk profile identified by the IPS. This note presents information about the company's exposure to liquidity, interest rate, foreign exchange and market price risk.

Liquidity risk

Liquidity risk is the risk that the company will not be able to fund its obligations as they fall due.
The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate liquid funds are available to meet normal operating expenses for 120 days.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Funds are deposited only with those banks and financial institutions approved by the Finance Subcommittee. Such approval is only given in respect of banks that hold 'AA' ratings from Standard & Poor's or an equivalent rating from another reputable ratings agency. At the reporting date, the company did not have any material credit risk exposures to any single receivable or group of receivables or any bank or financial institution.

Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The company is exposed to two sources of market price risk – fluctuations in interest rates and fluctuations in the value of its available-for-sale investments.

Interest rate risk

Interest rate risk refers to the risk that the value of financial instruments or cash flow associated with the instrument will fluctuate due to changes in market interest rates.
The company is exposed to interest rate fluctuations on its cash at bank and cash on deposit. The company actively monitors interest rates for cash at bank and on deposit to maximise interest income.

Equity price risk

Equity price risk arises from fluctuations in the market values of available-for-sale securities.
The company has engaged Mutual Trust Pty Ltd (formerly The Myer Family Company Ltd) to advise on the management of its investment portfolio. The Audit, Risk, Investment Committee has approved risk and return parameters for investment in available-for-sale investments and receives reports from Mutual Trust Pty Ltd on a quarterly basis regarding the performance of the investment portfolio. Buy, sell and portfolio re-balancing decisions are based on recommendations from Mutual Trust Pty Ltd and approved by the MJDF Audit, Risk, Investment Committee.

	2023	2022
	$	$
6. REVENUE		
Donations	929,812	875,855
Grants	388,238	815,304
Sponsorship	-	5,796
NDIS	2,686,771	2,393,245
Other Income	24,979	24,895
	4,029,800	4,115,095
Income outside operating activities		
Interest	36,446	2,300
Distributions from trust	811,251	679,579
Imputation credit refund	118,496	28,108
USD account exchange rate gains	-	14,961
Capital (Loss)/Gain from trust	(722,747)	2,197,409
Unrealised Gain/(Loss) in Fair Value of Investments	1,397,473	(4,082,512)
Profit on sale of assets	159	-
	1,641,078	(1,160,155)
Total Revenue	5,670,878	2,954,940
7 . DEPRECIATION EXPENSES		
Plant & Equipment	63,266	59,022
Motor Vehicles	63,174	56,957
Building Improvements	6,982	4,771
Lease Assets	172,820	126,300
	306,242	247,050
8. TRADE AND OTHER RECEIVABLES		
Trade debtors	404,096	439,200
Trust distributions receivables	327,722	242,931
Franking credit entitlements receivables	118,496	28,108
NDIS income accrued	45,837	55,576
	896,151	765,815
9. OTHER ASSETS		
Undeposited funds	5,083	4,783
Prepayments	63,500	22,163
Payroll advances	1,447	4,104
Deposits with Suppliers	7,425	36,560
	77,455	67,610

	2023	2022
	$	$
10. FINANCIAL ASSETS		
Term Deposits and Cash Accounts	1,757,518	879,835
Fixed Interest	5,483,621	5,594,431
Domestic Equity	4,695,694	3,121,402
Property Funds	1,433,461	2,348,572
International Equity	6,701,256	6,372,173
Unsettled Transactions	-	2,986,664
Loss on Fair Value of Investments	(260,560)	(1,658,033)
	19,810,990	19,645,044
11(a). PROPERTY, PLANT AND EQUIPMENT		
Plant & Equipment at cost	621,597	548,215
Less: accumulated depreciation	(336,414)	(275,431)
	285,183	272,784
Motor Vehicles at cost	708,909	668,837
Less: accumulated depreciation	(446,167)	(382,992)
	262,742	285,845
Land & Building at cost	986,080	687,046
Building improvement costs	289,763	196,557
Less: accumulated depreciation	(17,473)	(10,491)
	1,258,370	873,112
Total Property, Plant and Equipment	1,806,295	1,431,741

Reconciliations of Property, Plant and Equipment

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

	Plant & Equipment	Motor Vehicles	Land & Building	Building improvement	Total
	$	$	$	$	$
Balance at 30 June 2022	272,784	285,845	687,046	186,066	1,431,741
Additions	75,665	40,071	299,034	93,206	507,975
Depreciation expenses	(63,266)	(63,174)	-	(6,982)	(133,422)
Balance at 30 June 2023	285,183	262,742	986,080	272,290	1,806,295

	2023	2022
	$	$
11(b). RIGHT TO USE ASSET		
Right to use asset	691,314	606,520
Less: accumulated depreciation	(443,264)	(270,444)
	248,050	336,076
12(a). TRADE AND OTHER PAYABLES		
Trade Creditors and Accruals	107,661	190,600
Other Liabilities	67,361	107,419
	175,022	298,019
12(b). CONTRACT LIABILITIES		
GEAT-Yilyakwa Manja - capital improvements	100,000	-
GEAT - Research - Attitudes to Reproductive Tech	20,882	29,066
MCRI - Research project RCT	-	5,257
FRRR - Yilyakwa Manja - accessible bathroom	8,052	-
NTG-CBF - Client Wellbeing and Therapy Hub	-	142,960
Stronger Communities - Wellbeing hub mural	10,000	-
Stronger Communities - vehicle modification	-	10,000
Youncare - Accessible ramp	-	216
	138,934	187,498
13. EMPLOYEE ENTITLEMENTS		
CURRENT		
Provision for Annual Leave	199,411	199,548
Provision for Long Service Leave	115,087	82,547
	314,498	282,095
NON-CURRENT		
Provision for Long Service Leave	-	17,568
	-	17,568
14. PROVISIONS		
Provision for Make Good (Leases)	10,000	10,000
	10,000	10,000

15. RECONCILIATION OF CASH

(a) Cash at the end of the year, as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2023	2022
	$	$
Cash at bank	764,435	1,035,693
Petty Cash	780	1,858
	765,215	1,037,551

(b) Reconciliation of net cash provided by operating activities to surplus/(deficit) for the year

	2023	2022
Surplus / (Deficit) for the year	562,470	(1,917,702)
Non-cash flows in profit		
- Depreciation	306,242	247,050
- (Gain)/loss from disposal of Fixed Assets	(159)	9,970
- Net loss/(gain) on investments	722,747	(2,197,409)
- Net (gain)/loss in fair value of investments	(1,397,473)	4,082,512
Change in assets and liabilities		
- Decrease in trade and other receivables	189,599	401,368
- (Decrease)/Increase in trade and other payables	(173,764)	104,355
- Increase in provisions	14,835	35,254
Net cash provided by operating activities	224,497	765,398

16. Commitment and Contingencies

Capital expenditure commitments

The Company has no capital expenditure commitments (30 June 2023: Nil).

Contingent liabilities

There are no contingent liabilities of the company at balance date known to the directors (30 June 2023: Nil).

17. KEY MANAGEMENT PERSONNEL DISCLOSURES

Remuneration

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

	2023	2022
	$	$
Aggregate remuneration	473,319	431,195

Directors

One director who is also an employee of the company receives remuneration for the staff position they hold, the remaining directors are volunteers receiving no payments other than the reasonable travel and accommodation expenses paid by the company when attending meetings.

18. RELATED PARTY TRANSACTIONS

Key management personnel

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

Transactions with related parties

During the year, a $407,500 donation received Anindilyakwa Royalties Aboriginal Corporation. Tony Wurramarrba, a director of MJDF, is also a director of the Anindilyakwa Land Council which approves this funding. The donation enabled the delivery of supports by the company in the very remote community.

There were no related party transactions other than those already disclosed during the current financial year.

Receivable from and payable to related parties

Other than already disclosed, there were no trade receivables from or trade payables to related parties at the current and previous reporting date.

There were no loans to or from related parties at the current reporting period.

19. EVENTS AFTER THE REPORTING PERIOD

No circumstances have arisen since 30 June 2023 that would significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' Declaration for the year ended 30 June 2023

The Directors declare that in their opinion:

(a) the attached financial statements and notes thereto comply with Australian Accounting Standards

(b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company

(c) attached financial statements and notes thereto are in accordance with the *Australian Charities and Not-for-Profit Commission Act 2012*

(d) there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

This statement is signed in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:

Jennifer Louise Macklin AC
Director/Chairperson

Janice Patricia Oake
Director/Treasurer

17 November 2023

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Independent Auditor's Report to the Members of MJD Foundation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report, of MJD Foundation Limited (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 the Company 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 for the year then ended; and

ii) complying with Australian Accounting Standards to the extent described in Note 2, and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 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 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.

Emphasis of matter regarding basis of accounting

Without modifying our opinion, we draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Directors' responsibility 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 and have determined that the basis of preparation described in Note 2 to the financial statements is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors are also responsible 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 related 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 responsibility 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.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Nexia

Nexia Sydney Audit Pty Ltd

B Hanger

Brett Hanger
Director
Dated: 17 November 2023