



chartered accountants

BioGrid Australia Limited

ABN: 31 136 185 647

Financial Statements
For the Year Ended
30 June 2014

BioGrid Australia Limited

31 136 185 647

For the Year Ended 30 June 2014

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BioGrid Australia Limited

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Directors' Report

30 June 2014

The names and details of the company's directors in office during the 2013-14 financial year and until the date of this report are as follows:

Professor Bryan Williams *PhD, Hon FRSNZ*

Director and Chairman since March 2009

Institute Director and CEO, MIMR-PHI Institute of Medical Research, 2014 – present

Director, Monash Institute of Medical Research (2006 – 2013)

Director, Pacific Edge Pty Ltd (New Zealand) (2013 - present)

Director, Pacific Edge Pty Ltd (Australia) (2008 - present)

Director, Cancer Trials Australia Pty Ltd, (2009 – present)

Director and Chairman, MEI Pharma Inc. (2006 - 2013)

Member of the Victoria Cancer Agency Consultative Council (2009 – 2012)

Director, Centre for Cancer Research, Monash Institute of Medical Research (2006 – 2012)

Professor, Department of Genetics, Case Western Reserve University, Cleveland, USA (1993 – 2005)

Chairman, Department of Cancer Biology, Lerner Research Institute, The Cleveland Clinic Foundation in Cleveland, USA, (1991-2005)

Mr Robert Merriel *BA, Grad Dip Psychology, Grad Dip Accounting, CPA*

Director and Company Secretary since March 2009

Chief Financial Officer and Company Secretary, MIMR-PHI Institute of Medical Research, 2014 – present

Associate Director, Healthcare Management Advisors (2011 – 2014)

Director, BioComm Services Pty Ltd (2007 – 2011)

Director, Australian Technology Fund Pty Ltd (2004 – 2011)

Member, BioGrid Management Committee (2004 – 2011)

Chairman, BioGrid Management Committee (2005 – 2009)

Dr Julian Clark *BSc (Hon), PhD, MAICD, FTSE*

Director since March 2009

Head of Business Development, The Walter and Eliza Hall Institute of Medical Research, 2003 - present

Director, Catalyst Therapeutics Pty Ltd (2012 - present)

Director, Cancer Trials Australia Pty Ltd (2009 – present)

Director, BACE Therapeutics Pty Ltd (2009 – present)

Chairman & Member, Sansom Institute Advisory Committee, University of South Australia (2006 – present)

Director, Julian Clark Consulting Pty Ltd (1999 – present)

Chief Executive Officer, Cancer Therapeutics CRC Pty Ltd (2007-2009)

Director, Alchemia Limited (2006–2008)

Director, Genera Biosystems Pty Ltd (2004–2007)

Director, Meditech Research Limited (2004–2006)

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Directors' Report

30 June 2014

Professor Fernando Martin-Sanchez *BSc, MSc, PhD Informatics, PhD Medicine, FACHI*

Director since April 2013

Chair, Health Informatics, Melbourne Medical School, The University of Melbourne and Head, Institute of Broadband Enabled Society and Biomedical Informatics Research Laboratory, 2011 – present

Director, Health and Biomedical Informatics Centre, The University of Melbourne (2013 – present)

Associate Director, Institute of Broadband Enabled Society (2013 – 2014)

Director, Health Informatics Society of Australia (2011 – 2013)

Founding Director, Medical Bioinformatics Research Unit (1998 – 2011)

Director, Spanish Health Informatics Society (1995 – 2011)

Chief Information Officer, National Institute of Health Carlos III, Spain (1993 – 1998)

Vice-President, International Medical Informatics Association (2007 – 2013)

Mr Christopher Arnold *B Comm, MBA, FCPA, FAIM, MAICD*

Director since March 2014

Executive Director, Skin & Cancer Foundation Inc., 2010 – present

Chairman, Human Variome Project International Ltd (2014 – present)

Director, Human Variome Project International Ltd (2008 – present)

Director, Christ Church Grammar Foundation (2012 – present)

Director, Skin & Cancer Foundation Inc (2009 – present)

Chairman, Telediagnosics Pty Ltd (2010 – present)

Principal, Hodgson Associates (2009 – present)

Director Philanthropy Australia (2003 – 2009)

Director Australian Communities Foundation (1999 – 2007)

Meetings attended

The following outlines meetings held and attended by each of the Directors in 2013-2014.

Director	Board of Directors		Audit & Risk Committee	
	Held	Attended	Held	Attended
Bryan Williams	6	6		
Rob Merriel	6	6	3	3
Julian Clark	6	6	3	3
Fernando Martin-Sanchez	6	5		
Chris Arnold	2	2		

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. As such, no shares are issued or held by directors. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2014 the number of members was 28.

Principal activities

The principal activities of the Company are data sharing that advances health research by linking privacy-protected and ethically approved clinical, imaging, biospecimen and genetic data among a wide network of health collaborators. During the year there was no significant change in the nature of those activities.

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Directors' Report

30 June 2014

Company's objectives

The company's objectives are to:

- Facilitate internationally competitive medical research into the causes of ill-health and disease;
- Provide an ethically approved privacy-protected service to connect data sources;
- Invest in technology development to ensure ongoing alignment with leading technology that supports privacy-protected data connection; and
- Be sustainable in order to fulfill the company's vision and mission and to service the needs of its' members.

To achieve these objectives, the company:

- Supported the Victorian Department of Health and Victorian Cancer Agency by providing data linkage and data management services for state funded cancer research projects;
- Worked with key stakeholders in the health sector to facilitate major research projects in Victoria and Australia;
- Provided ongoing training and support for quality specialist staff committed to providing a technology platform that supports medical research through privacy-protected data connection; and
- Retained a business development focus targeting organisations with the resources to support project work with the company

Key performance measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess whether the company's short-term and long-term objectives are being achieved.

	2014		2013	
	Actual	Benchmark	Actual	Benchmark
Total Number of Members	28	28	26	26
Current Institution Ethics Approvals	34	34	33	33
Approved Active Research Projects	96	98	91	86
Journal Publications to Date	111	109	99	81
% Income from Membership Subscriptions	15%	18%	17%	7%

Dividends

The Company Constitution forbids the payment or distribution of any profits, income or assets to the members.

Directors' remuneration

The directors did not receive remuneration from the Company with the exception of reimbursement of expenses relating to their director role.

Indemnification of officers and auditors

During the year the Company paid a premium in respect of a contract insuring the directors of the Company, the Company secretary and all executive officers of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

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Directors' Report

30 June 2014


Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2014 has been received and can be found on page 5 of the director's report.

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Bryan Williams, Director
Melbourne
Dated



3/10/2014

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Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Saward Dawson Chartered Accountants



Tim Flowers
Partner

3.10.14

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	2	1,142,126	1,301,619
Depreciation		(9,504)	(3,153)
Professional fees		(44,441)	(57,012)
Consultant expenses		(1,117,481)	(1,447,799)
Bank charges		(365)	(456)
License fees		(197,762)	(223,140)
Administrative expenses		(123,303)	(162,137)
Other expenses		(9,867)	(9,121)
Surplus/(Deficit) from ordinary activities		(360,597)	(601,199)
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		(360,597)	(601,199)

The accompanying notes form part of these financial statements.

BioGrid Australia Limited

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Statement of Financial Position

30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	35,617	225,003
Trade and other receivables	5	195,932	403,256
Other assets	6	174,642	-
TOTAL CURRENT ASSETS		406,191	628,259
NON-CURRENT ASSETS			
Property, plant and equipment	7	21,545	5,780
TOTAL NON-CURRENT ASSETS		21,545	5,780
TOTAL ASSETS		427,736	634,039
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	350,247	170,953
Income in advance		-	25,000
TOTAL CURRENT LIABILITIES		350,247	195,953
TOTAL LIABILITIES		350,247	195,953
NET ASSETS		77,489	438,086
EQUITY			
Reserves	9	83,000	83,000
Retained surpluses		(5,511)	355,086
TOTAL EQUITY		77,489	438,086

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2014

2014

	Retained Surpluses	General Reserves	Total
	\$	\$	\$
Balance at 1 July 2013	355,086	83,000	438,086
Deficit for the year	(360,597)	-	(360,597)
Balance at 30 June 2014	(5,511)	83,000	77,489

2013

	Retained Surpluses	General Reserves	Total
	\$	\$	\$
Balance at 1 July 2012	956,285	83,000	1,039,285
Deficit for the year	(601,199)	-	(601,199)
Balance at 30 June 2013	355,086	83,000	438,086

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2014

	2014	2013
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from customers	1,484,060	1,209,157
Payments to suppliers and employees	(1,651,253)	(1,941,221)
Interest received	3,075	14,137
Net cash provided by (used in) operating activities	10 <u>(164,118)</u>	<u>(717,927)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment	<u>(25,268)</u>	-
Net cash used by investing activities	<u>(25,268)</u>	-
Net cash increase (decreases) in cash and cash equivalents	(189,386)	(717,927)
Cash and cash equivalents at beginning of year	<u>225,003</u>	942,930
Cash and cash equivalents at end of financial year	4 <u><u>35,617</u></u>	<u><u>225,003</u></u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Accounting policies

(a) General information

The directors have prepared the financial reports on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial reports. These financial reports are therefore special purpose financial reports that have been prepared in order to meet the requirements of the Australian Charities and Not-For-Profit Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

BioGrid Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia. Such accounting policies are consistent with those of previous periods unless stated otherwise.

(b) Basis of preparation

The financial reports have been prepared in accordance with the requirements of the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-For-Profit Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members.

The financial reports, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

(c) Revenue

Revenue from the rendering of services is recognised upon delivery of the service to customers.

Grant revenue is recognised in the statement profit or loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

Donations are recognised as revenue when received.

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

(d) Property, plant and equipment

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Depreciation

The depreciable amount of all plant and equipment is depreciated on a straight-line basis over the asset's useful life to BioGrid Australia Limited commencing from the time the asset is held ready for use.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

1 Accounting policies continued

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(f) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Income taxes

No current or deferred income tax assets or liabilities have been raised by the company as it is exempt from income tax under Division 50 of the Income Tax Assessment Act.

(h) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(i) 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.

(j) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but do not expect the adoption of these standards to have any impact on the reported position or performance of the company.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
2 Revenue		
Operating revenue		
- Government grants	300,000	500,000
- Commercial-led projects	582,000	485,021
- Investigator-led projects	71,753	36,919
- Member subscriptions	172,373	224,950
- Interest received	3,075	14,137
- Donations	241	40,000
- Other income	12,684	591
	<hr/>	<hr/>
Total Revenue	1,142,126	1,301,619
	<hr/>	<hr/>
3 Surplus from Ordinary Activities		
Expenses		
Remuneration of auditor		
Auditing or reviewing the financial report	5,250	5,250
Other services	1,700	1,700
	<hr/>	<hr/>
	6,950	6,950
	<hr/>	<hr/>
4 Cash and Cash Equivalents		
Cash at bank	35,617	225,003
	<hr/>	<hr/>
	35,617	225,003
	<hr/>	<hr/>
5 Trade and other receivables		
CURRENT		
Trade receivables	146,474	203,256
Receivable from Melbourne Health	-	200,000
GST Receivable	49,458	-
	<hr/>	<hr/>
	195,932	403,256
	<hr/>	<hr/>

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Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
6 Other Assets		
CURRENT		
Prepayments	174,642	-
	<u>174,642</u>	<u>-</u>
7 Property, Plant and Equipment		
Plant and equipment		
At cost	34,727	9,458
Accumulated depreciation	(13,182)	(3,678)
Total plant and equipment	<u>21,545</u>	<u>5,780</u>
8 Trade and other payables		
CURRENT		
Unsecured liabilities		
Trade payables	304,651	75,219
GST payable	-	2,796
Accruals	33,950	92,938
Other payables	11,646	-
	<u>11,646</u>	<u>-</u>
	<u>350,247</u>	<u>170,953</u>

9 General Reserve

The general reserve records funds set aside as a contingency should the company decide to wind up.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
10 Cash Flow Information		
Reconciliation of cash flow from operations with net current year deficit		
	2014	2013
	\$	\$
Net surplus/(deficit) for the year	(360,597)	(601,199)
Cash flows excluded from surplus attributable to operating activities		
- Depreciation	9,503	3,153
Changes in assets and liabilities		
- (Increase)/decrease in trade and term receivables	207,323	(282,721)
- (Increase)/decrease in other assets	(174,642)	-
- Increase/(decrease) in trade payables	179,295	4,950
- Increase/(decrease) in other liabilities	(25,000)	157,890
	<u>(164,118)</u>	<u>(717,927)</u>

11 Company Details

The registered office of the company is:

BioGrid Australia Limited
6 North, Main Building, Royal Melbourne Hospital
300 Grattan St, Parkville 3050
Victoria

12 Members' Guarantee

The company is registered with the Australian Charities and Not-For-Profit Commission and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$ 10 each towards meeting any outstanding obligations of the company. At 30 June 2014 the number of members was 28.

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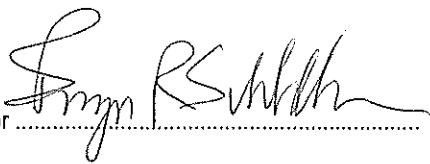
Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial report and notes, as set out on pages 6 to 14, are in accordance with the *Australian Charities and Not-For-Profit Commission Act 2012* and:
 - (a) comply with Accounting Standards applicable to BioGrid Australia Limited; and
 - (b) give a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial report.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director 

Director 

Dated 3/19/2014

BioGrid Australia Limited

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Independent Audit Report to the members of BioGrid Australia Limited

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of BioGrid Australia Limited (the company), which comprises the statement of financial position as at 30 June 2014, and 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, a summary of significant accounting policies, other explanatory information and the directors' declaration.

Director's responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in 1 to the financial report, are appropriate to meet the requirements of the Australian Charities and Not-For-Profit Commission Act 2012 and are appropriate to meet the needs of the members. The directors' responsibility also includes internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

BioGrid Australia Limited

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Independent Audit Report to the members of BioGrid Australia Limited

Basis of Opinion

Qualification

We draw attention that the company sustained a deficit of \$360,597 for the financial year ended 30 June 2014 and, as of that date, the company's net assets amounts to \$77,489. These conditions indicate the existence of a material uncertainty that casts significant doubt about the company's ability to continue as a going concern.

Auditor's Opinion

In our opinion, except for the effect on the financial statements of the matter referred to in the preceding paragraph, the financial report of BioGrid Australia Limited:

- a. giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year then ended in accordance with the accounting policies described in note 1; and
- b. has been prepared in accordance with Division 60 of the Australian Charities and Non-For-Profit Commission Act 2012.

Emphasis of matter

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist BioGrid Australia Limited to meet the requirements of the *Australian Charities and Not-For-Profit Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Saward Dawson Chartered Accountants



Tim Flowers
Partner

Dated: 3.10.14