



Financial Report

2020/2021



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2020/21 highlights

Here is a snapshot of what our supporters helped achieve in 2020/21:



INCREASING CANCER SURVIVAL

In 2020/21, we invested **\$16.8** million in world-class research, funding:



218
researchers



67
projects



24
institutions

- Our researchers found that more than **107,000 Australian lives have been saved in the past 20 years** thanks to improvements in cancer prevention, early detection, screening and treatment. As part of our commitment to saving lives, we educated **5,000 people** about the importance of cancer screening by holding **79 community engagement activities** across NSW (where possible with COVID-19 restrictions).
- Supported by our research, the World Health Organization launched their **global strategy for the elimination of cervical cancer** in November 2020.
- Our research has shown that offering women the option to collect their own sample for cervical screening would be an effective approach to further reduce cervical cancer incidence by helping to reach more women who are not currently participating in screening. Our evidence directly informed the Medical Services Advisory Board recommendation that **all women eligible for screening should have the option to use self-collection** if they prefer.
- Our Australian-first study found that tobacco smoking significantly increases the risk of **12 types of cancer** and that **1-in-7 current smokers** will get lung cancer in their lifetime, with even 'light' smokers of 1-5 cigarettes per day having an almost **10-fold increased risk of lung cancer**. These findings supported a call to Federal Government to run a hard-hitting anti-smoking mass media campaign for the general public within the next calendar year, to reach Australia's 2.5 million daily smokers.



REDUCING CANCER RISK

198 golf clubs participated in **Improve your long game** in 2020/21, protecting golfers from harmful UV radiation exposure. This is an increase of 8% from the previous year

181,003 people were inspired to create healthy recipes for the whole family by visiting the **Healthy Lunch Box** website

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IMPROVING THE QUALITY OF LIFE OF PEOPLE AFFECTED BY CANCER

Due to COVID-19, people affected by cancer faced additional financial hardship. Our Financial Assistance program had a **13% increase** in referrals, compared to the previous year.

2,907 people who were struggling with the high cost of cancer received **\$1,020,805** worth of financial assistance payments.

Our 13 11 20 Information and Support team received **10,870** calls and emails from people affected by cancer, health professionals and the general public.

552 cancer patients received cleaning and gardening services through our Home Help payment assistance program.

We provided affordable accommodation to **2,082** cancer patients and carers, so they could stay close to their treatment centres.



IMPROVING CANCER OUTCOMES FOR PRIORITY POPULATIONS

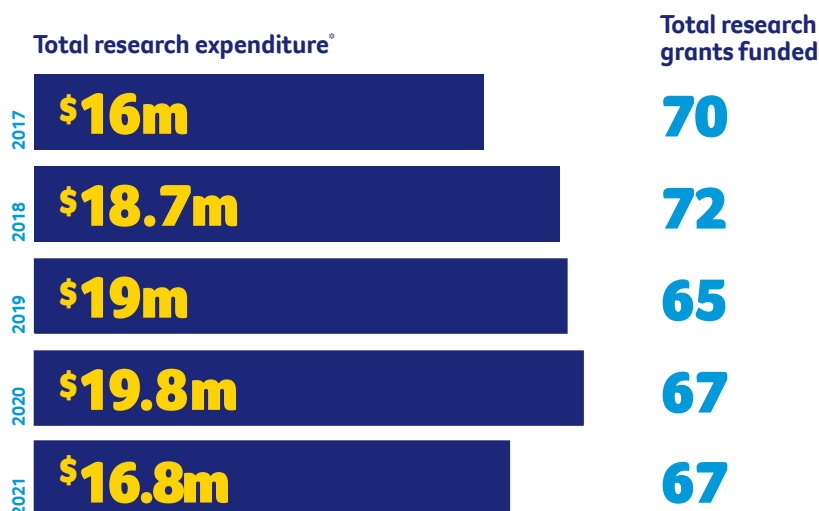
As part of our commitment to improving screening participation in priority populations, we have partnered with and supported **culturally and linguistically diverse communities** in NSW with events and media to improve understanding and access to screening. **62%** of our screening activity in 2020/21 was specifically targeting diverse communities of NSW, including **CALD, Indigenous and LGBTQI+ communities**.

We have focused on implementing Year One of our Innovate Reconciliation Action Plan, including:

- Working with communities and peak bodies across NSW on programs to increase engagement with Aboriginal and Torres Strait Islander communities
- Recognising cultural days of significance, including **National Sorry Day** and **National Reconciliation Week** with a traditional Smoking Ceremony and events across NSW
- Designing a decal for all offices, accommodation facilities and retail to **Acknowledge the Traditional Custodians of the land**, following a cultural safety audit
- Developing new community event collateral such as banners, tablecloths and marquees using Aboriginal art to **increase engagement with communities**
- Continuing to implement Aboriginal and Torres Strait Islander **employment pathways** through our partnership with Career Trackers

Our performance over time

This year we enabled **\$16.8m** of world-class cancer research through the Daffodil Centre – a joint venture between Cancer Council NSW and the University of Sydney – and continued to fund external research projects.



* Includes research we fund and conduct. *The reduction in research expenditure in FY20/21 mostly reflects COVID-related deferrals of grant payments and a tail-off in payments for some older grant types.

We also partnered with government and collaborators, seeking competitive grant and contract funding.



	2017	2018	2019	2020	2021
Number of research grants received	16	13	21	19	31
Total research grants received (\$m)	2.6	1.9	2.3	2.3	4.4

Thanks to our **incredible volunteers and staff members**, we made sure cancer patients could still get to their treatment during COVID-19.

Number of trips by our Transport to Treatment service:



2017	2018	2019	2020	2021
20,296	22,138	28,407	19,070	20,833*

*This year we continued to see a lower number of Transport to Treatment trips due to the COVID-19 pandemic, which forced the temporary closure of some services, reduced our ability to transport patients, and saw some patients delaying their treatment or opting for virtual appointments. From July 2020, we enabled a volunteer-led return of drivers aged 60+ following their temporary stand down and continued to operate Transport to Treatment services across NSW, despite the unfolding COVID-19 situation and floods in the Hunter and Mid North Coast community areas.

Number of accommodation nights:



2017	2018	2019	2020	2021
19,897	21,074	23,144	23,816	17,797*

*We saw a decrease in the number of accommodation nights in 2021 as a result of the termination of our partnership with the Western Sydney Area Health Service for Casuarina Lodge at Westmead Hospital.

COVID-19 meant that people affected by cancer faced additional financial hardship and our **Financial Assistance Program** has continued to support cancer patients and carers with the cost of everyday expenses during this time.

Financial assistance payments (\$):



2017	2018	2019	2020	2021
587,052	943,000	1,013,258	1,021,325	1,020,805

We are **providing reliable information** about specific types of cancer, treatments and emotional and practical issues.

Our podcasts, *The Thing About Cancer* and *The Thing About Advanced Cancer*, provide easy to understand information for patients and their carers. The podcast format avoids many common barriers to information. Cancer-related fatigue, brain fog and feeling unwell can make reading a challenge, but listening to a podcast takes very little effort and can be done at a time and place that suits the listener.

Individual listens:



	2018	2019	2020	2021
	16,451	13,194	23,243	17,939*

*We saw a large spike in listens in the previous year due to a new series launch and associated promotion resulting in an overall drop for 2020/21, but despite this listening figures remain strong with five new episodes released this year.

	2017	2018	2019	2020	2021
Visits to the Cancer Council Online Community	27,998	53,120	221,004	163,907	122,739*
Understanding Cancer books and fact sheets distributed in print and digital formats	218,219	192,147	179,813	146,878	119,481**

*Cancer Council Online Community visits have fluctuated due to an increase in competing online channels.

** We distributed fewer *Understanding Cancer* resources in hospitals, treatment centres and regional offices due to COVID-19.

Professional organisations generously volunteer their time and expertise to support cancer patients and carers through Cancer Council's Pro Bono program with legal, financial and workplace issues

Number of legal, financial and workplace issues:



	2017	2018	2019	2020	2021
	3,518	3,719	4,003	3,508	2,942*

* We have continued to see a decrease in referrals due to COVID-19 in 2020/21, as clients may not be attending their treatment centres for a referral to a health professional.

Over the past year, our fundraising has been **heavily impacted by COVID-19**. In 2021, further lockdowns forced us to cancel or postpone even more events. These events are vital in helping us recover from the impact of the pandemic in 2020.

We are so grateful to our generous supporters who continue to fundraise and donate to us, **embracing our new ways of fundraising throughout the pandemic**, such as virtual pivots for many much-loved fundraising campaigns.



	2017	2018	2019	2020	2021
Total fundraising income (\$m)	66.9	56.5	63.8	48.1	58.3
Number of people who left us a gift in their will	150	108	147	134	131*

* We are grateful for the generosity of the 131 people who left a gift in their will this year, with several large estates resulting in a 214% increase in Gifts in Wills income since last year. These incredible legacies will make a difference to the future of cancer.

We are working to **prevent** cancer by creating healthier environments and empowering people to reduce their cancer risk.

Improve your long game is our free sun protection program in NSW golf clubs. In NSW, men over the age of 40+ are 1.5 times more likely to be diagnosed with melanoma and 2.5 times more likely to die from melanoma than women of the same age. *Improve your long game* is a way to engage this often difficult to reach group.

Number of golf clubs participating in *Improve your long game*:

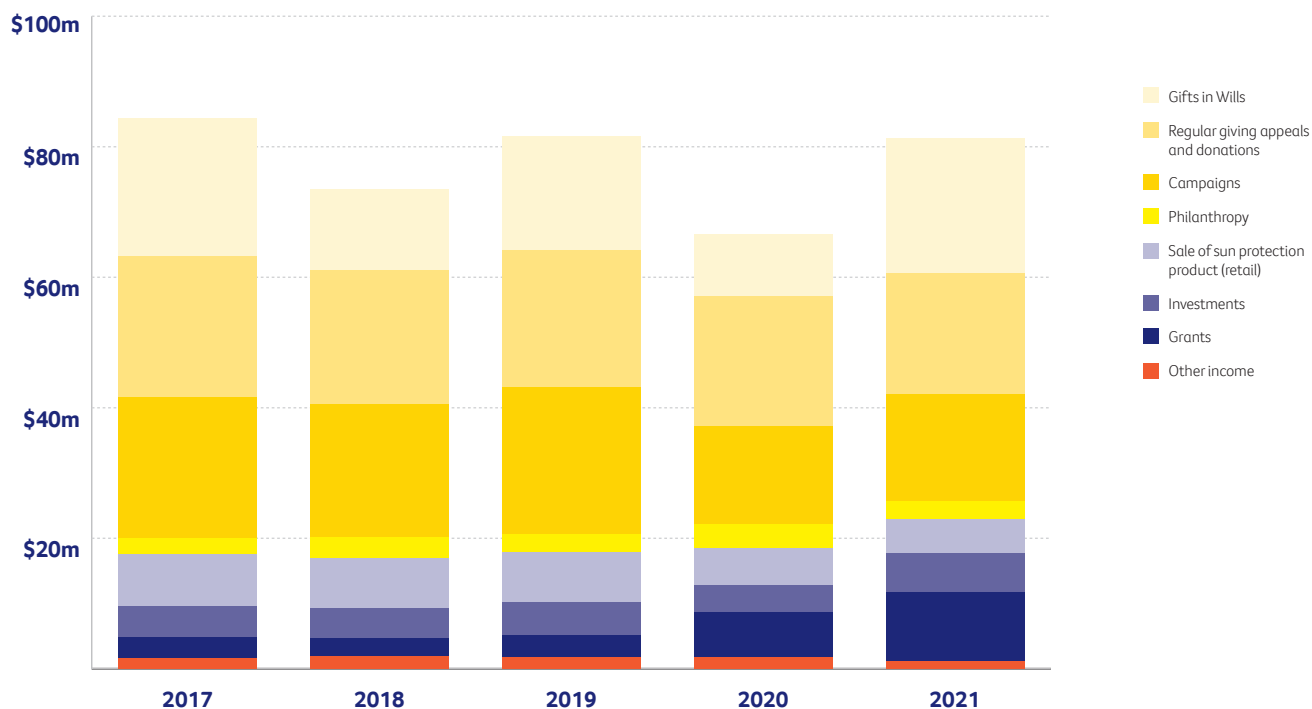


	2017	2018	2019	2020	2021
	82	111	108	183	200

Improve your long game started as a pilot in 2014/15 in just 12 golf clubs in the mid-north coast of NSW. After securing Cancer Institute NSW funding based on the pilot's success, the program reach has increased each year.

Thanks to our community's support, we are here to help everyone affected by cancer when they need it most.

Where the money comes from

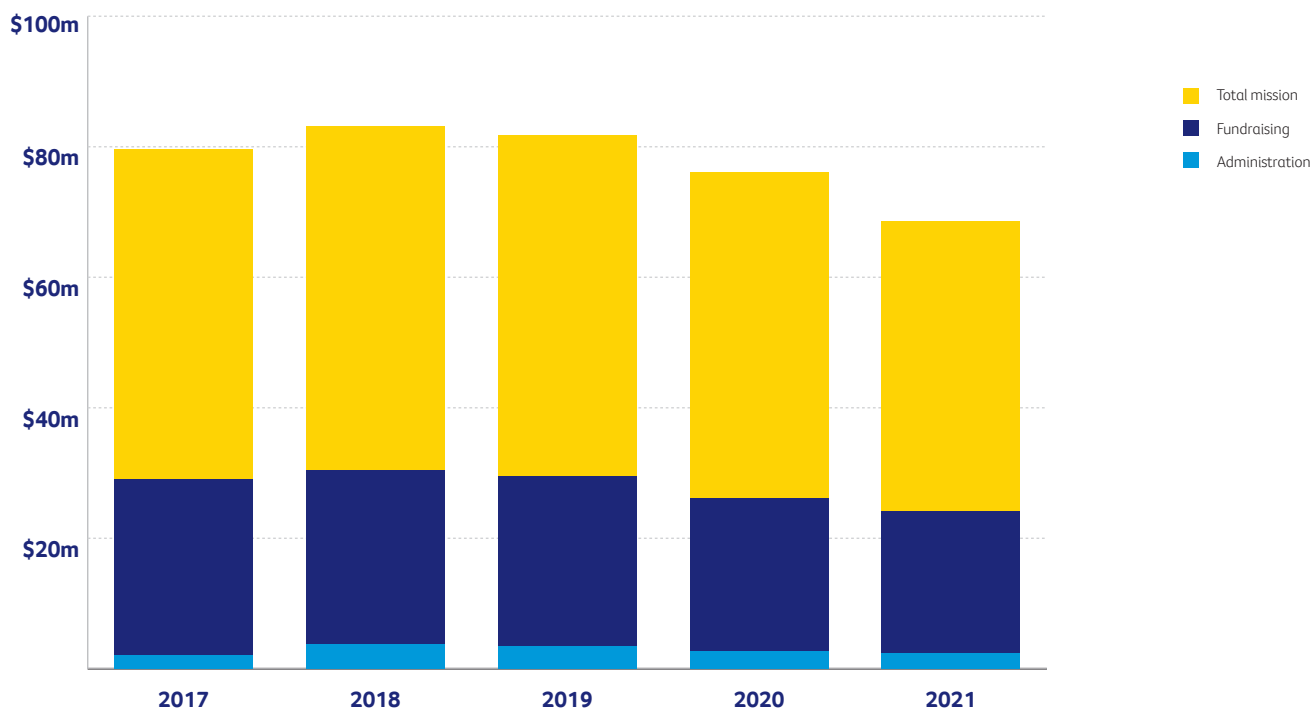


	2017		2018		2019		2020		2021	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Gifts in Wills	21.1		12.3		17.5		9.6		20.7	
Regular giving, appeals and donations	21.7		20.6		20.9		19.8		18.6	
Campaigns	21.6		20.3		22.5		15.1		16.3	
Philanthropy	2.5		3.3		2.9		3.6		2.7	
Total fundraising	66.9	79%	56.5	77%	63.8	78%	48.1	72%	58.3	72%
Sale of sun protection products (retail)	8.0	10%	7.7	10%	7.6	10%	5.8	9%	5.2	6%
Investments	4.6	5%	4.5	6%	5.1	6%	4.0	6%	6.1	8%
Grants*	3.3	4%	2.8	4%	3.4	4%	6.9	10%	10.6	13%
Other income	1.6	2%	1.9	3%	1.7	2%	1.8	3%	1.1	1%
Total income **	84.4		73.4		81.6		66.6		81.2	

* For 2020 and 2021 Grants includes government support via JobKeeper

**Excludes capital gains on investments

How we put the money to work



	2017		2018		2019		2020		2021	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Mission expenditure										
Research	16.0		18.7		19.0		19.8		16.8	
Community engagement	11.3		12.3		10.6		9.1		9.1	
Advocacy and cancer prevention	6.5		4.8		4.4		4.5		4.0	
Cancer information and support	7.4		7.8		10.2		9.0		8.2	
Sale of sun protection products (retail)	7.4		7.2		7.2		5.9		4.9	
Direct mission support	2.1		2.0		0.8		1.8		1.5	
Total mission	50.7	64%	52.8	64%	52.2	64%	50.1	66%	44.5	65%
Mission enabling expenditure										
Fundraising	26.9	33%	26.6	32%	26.0	32%	23.4	31%	21.7	31%
Administration*	2.1	3%	3.8	4%	3.5	4%	2.7	3%	2.4	4%
Total expenditure**	79.7		83.2		81.7		76.2		68.6	

* Items from these categories which are directly related to mission have been reallocated to Direct mission support

** Excludes capital losses on investments

2017 reflects Total mission on a restated basis.

2017 and 2018 reflects administration costs allocated to mission and fundraising on a different basis

Directors' report

For the year ended 30 June 2021

The Directors of Cancer Council NSW (CCNSW) present their report with respect to the results for the financial year ended 30 June 2021 and the state of CCNSW's affairs at that date.

Board of Directors

CCNSW's Constitution provides that the Board directs the affairs of CCNSW. In carrying out its responsibilities and exercising its powers, the Board recognises its overriding responsibility to act honestly, fairly and diligently, and in accordance with the law in serving the interests of CCNSW, including its members, volunteers, supporters, employees and the community.

The following persons were Directors of CCNSW at any time during or since the end of the financial year:

- Mark Phillips (Chair)
- Michael Barton
- Nicholas Adams
- James Butler
- Michael Morgan
- Haryana Dhillon
- Jo Mitchell
- Christine Howard
- John Laker
- Nerida Dean
- Carolyn Heise
- Jane Young

About Cancer Council NSW

CCNSW believes in a cancer free future, and it is the only organisation in Australia that works across every area of every cancer. Together with its volunteers, supporters, stakeholders, and employees, CCNSW is committed to reducing the impact of cancer by reducing cancer risk, increasing cancer survival, improving the quality of life for people affected by cancer, and improving cancer outcomes for priority populations.

CCNSW is a member of a national federation of Cancer Councils that covers every state and territory across Australia. This federated model allows CCNSW to focus on opportunities, needs and initiatives within NSW, while collaborating nationally on issues that impact all Australians.

Principal activities during the year and how they assisted in achieving our objectives

The principal activities of CCNSW during the year were aimed at achieving its short and long-term outcomes in the following focus areas:

- research
- prevention
- information and support
- advocacy
- fundraising
- working with the NSW community
- our people

We provide more detail on our activities and achievements in the financial year on pages 2-5 in this document.

How we measure performance, including key performance indicators

We assess the outcome of our work in relation to:

- the prevalence of adverse cancer risks and healthy behaviours
- the unmet needs of cancer patients
- the support of community and government leaders for our agenda in cancer control
- the quality and impact of results from research, and
- trends in net returns from revenue programs.

The operational effectiveness of our work is measured by

- the coverage of target populations or settings with programs in cancer prevention and support
- mission expenditure ratios to ensure expenditure on mission delivery is maximised
- net income from fundraising and revenue streams
- fundraising cost to income ratios
- the number of NSW people engaged as donors, volunteers, advocates and research participants, and
- the match between the distribution of research funding and the burden of disease and cancer in NSW.

Our key performance indicators and our results for the past five years are outlined in pages 4-5 of this document. Data is captured and reported regularly to provide insight into performance and outcomes. CCNSW conducts regular business reviews and uses its internal auditors to review and advise on the performance of various programs and to identify opportunities for improvements. Annual performance planning is conducted for all staff to ensure alignment with the organisation's direction.

Information on our Directors

Mr Mark Phillips

BCom (Hons), MCom, FAICD

Chair of the Board, Chair of the Remuneration and Nomination Committee

Appointed to the Board in April 2013 and re-appointed in April 2016 and April 2019

Mr Phillips began his professional career in banking. In a 20-year period with the Commonwealth Bank of Australia, he was instrumental in the development of a range of new business divisions. Subsequently, Mr Phillips spent 10 years as the Chief Executive Officer of companies listed on the Australian Securities Exchange, and then became an adviser to, and director of, a number of businesses and not-for-profit organisations. He is currently Chief Executive Officer of CatholicCare Sydney, Co-chair of End Street Sleeping Collaboration Ltd, and non-executive director of Access Programs Australia Ltd.

Mr James Butler

Member of the Remuneration and Nomination Committee, Chair of the Consumer Research Review Panel, Chair of the Relay For Life Steering Committee, Co-Chair of the Aboriginal Advisory Committee

Elected to the Board in December 2014, re-elected in December 2017, and re-elected in December 2020

Mr Butler has been an active volunteer for Cancer Council NSW for 25 years, holding roles including Chair of the Hills Relay For Life Committee, and Chair of the Western Sydney Cancer Advocacy Network. He is a trained Cancer Council NSW advocate. As a two-time cancer survivor, he understands the need to influence decision-makers around key issues that have an impact on people affected by cancer.

Mr Butler is currently Chair of Cancer Council NSW's Consumer Research Review Panel. Mr Butler has also been a business owner for 25 years and is an active consumer representative on cancer services committees in the Western Sydney Local Health District.

Dr John Laker AO

BEC (Hons 1) (Syd), MSc (Econ) PhD (London), HonDSc (Syd)

Chair of the Governance Committee, Chair of the Audit and Risk Committee, Cancer Council NSW representative on the Cancer Council Australia Board

Elected to the Board in December 2014, re-elected in December 2017 and re-elected in December 2020

Dr Laker was Chairman of the Australian Prudential Regulation Authority (APRA), the regulator of the Australian financial services industry, from 2003 to 2014. An economist by training, Dr Laker had an extensive career in the Reserve Bank of Australia, both in Australia and London, before his appointment to APRA. He has also worked in the Commonwealth Treasury and the International Monetary Fund (IMF).

Currently, Dr Laker is Chairman of ING Bank Australia and Deputy Chancellor and member of the Council of the University of Technology Sydney. He was also Chairman of The Banking and Finance Oath Limited until August 2021. He is a member of the Consultative Panel of the Australian Securities and Investments Commission (ASIC) and an External Expert for the IMF, participating in a number of reviews of major banking systems. He also lectures at The University of Sydney. Dr Laker was made an Officer of the Order of Australia in 2008 and has won other professional awards for his services to the regulation of the Australian financial system.

Mr Nicholas Adams
BCom (Marketing)

Chair of the Fundraising and Marketing Committee

Elected to the Board in December 2015 and re-elected in December 2018

Mr Adams is a leading Australian marketer and has 23 years' experience in financial services and telecommunications marketing with companies such as Allianz, Telstra, Westpac, and American Express.

As a marketing leader, he has expertise in customer relationship management (CRM), loyalty and digital marketing, and building data-driven marketing programs to drive both revenue and customer engagement with brands.

Dr Jo Mitchell

BSc, Post Grad Dip Nut & Diet, MPH, DrPH, GAICD

Member of the Audit and Risk Committee from May 2020, Member of the Remuneration and Nomination Committee from May 2020, Cancer Council NSW representative on the Cancer Council Australia Board from March 2021

Appointed to the Board in November 2019

Dr Jo Mitchell has worked in preventive health for more than 30 years.

Her career has included senior public sector executive experience, most recently as policy lead for population health in NSW. This portfolio covered a range of complex and contested policy issues including drug and alcohol, HIV and sexually transmitted infections, overweight and obesity, tobacco control and viral hepatitis.

In 2018 she was awarded the Public Service Medal for her contribution to population health policy in NSW.

She is currently an independent consultant and senior advisor to The Australian Prevention Partnership Centre. Jo has degrees in science, nutrition and public health.

Ms Christine Howard
B.Soc.Sc, Dip.App.Sc, Mid

Member of the Fundraising and Marketing Committee

Elected to the Board in December 2017 and retired from the Board in December 2020

Ms Howard has 20 years of health management experience with a specific interest in understanding and responding to the health needs of rural areas. She has a background in nursing, midwifery, and occupational rehabilitation before moving to executive management at the Riverina Division of General Practice in 2010. This organisation evolved into the Murrumbidgee Primary Health Network covering 124,000 square kilometres in southwest NSW. As Executive Manager Planning, Commissioning and Performance, Ms Howard has ensured that primary health services funded through the network have been delivered in direct response to findings from the regional health needs assessments. The health burden of cancer in rural and regional areas continues to present as a significant challenge and one that Ms Howard is passionate about changing.

Dr Haryana Dhillon
BSc MA(Psych) PhD

Member of the Governance Committee from May 2020, Member of the Cancer Research Committee from May 2020

Appointed to the Board in July 2019

Dr Haryana Dhillon (BSc MA PhD) is an Associate Professor in Psycho-Oncology at the University of Sydney. She is a Director of the Centre for Medical Psychology & Evidence-based Decision-making, School of Psychology at the University of Sydney where she co-leads the Cancer Survivorship Research Group.

Haryana has more than 25 years' experience in cancer clinical research originally working with the NHMRC Clinical Trial Centre, the University of Sydney across a range of investigator-initiated cancer clinical trials. Over the past 15 years she has focused more on psycho-oncology and behavioural research.

Haryana was formerly a member of the Clinical Oncology Society of Australia Board and Chair of the Survivorship group of COSA. She is Chair of the Scientific Advisory Committee of the Psycho-Oncology Cooperative Research.

Professor Jane Young
MBBS, MPH, PhD, FAFPHM

Chair of the Cancer Research Committee

Appointed to the Board in June 2016 and re-appointed in June 2019 and retired from the Board in December 2020.

Professor Young trained in medicine in the United Kingdom in 1983, undertook a Master of Public Health in 1998 and completed a PhD in applied epidemiology at The University of Sydney in 2000. She holds joint appointments with The University of Sydney, where she is Professor in Cancer Epidemiology; and Sydney Local Health District, where she is Executive Director of the Surgical Outcomes Research Centre, and Executive Director, Research for the Institute of Academic Surgery at Royal Prince Alfred Hospital.

Professor Young is a health services researcher with a focus on applying epidemiological methods to improve cancer services and patient outcomes. She has undertaken research spanning the cancer journey and has an interest in surgical trials as well as developing and evaluating new models of care, promoting evidence-based practice, and using data to improve cancer service delivery. She has co-authored over 200 peer-reviewed journal articles.

Mr Michael Morgan
BSc (Arch) BArch FRAIA

Chair of the Investment Committee in April 2021, Member of the Fundraising and Marketing Committee

Appointed to the Board in November 2020 and then elected in December 2020

Michael is a registered architect and a director of Nettleton tribe where he has worked since 1979. He served as Managing Director for 26 years until commencing a leadership transition process in 2016.

Michael has been a member of the POSH Committee and an active supporter of Cancer Council NSW since 2003 and is the current Chair of the POSH Committee, a position he took up in late 2018.

He is also the chairman of the Board of St Aloysius' College Ltd, Chairman of the Advisory Board for MacKillop Grange Retirement Village and a Director of The Cardoner Project Limited (a young adult ministry of the Jesuit Province of Australia). Michael also currently serves on the Advisory Board for Jesuit Social Services NSW.

Nerida Dean
BEd Dip Ed (UNE)

Member of the Remuneration and Nomination Committee

Appointed to the Board in October 2018 and then elected December 2018

Ms Dean brings a wealth of experience and a strong community perspective. She has spent the bulk of her working life as a secondary teacher and has served on a number of Boards at a local and regional level, including as the Deputy Chair Queanbeyan Local Health Committee for 14 years.

Ms Dean is currently a member of the Rotary Club of Mullumbimby and is involved with the build of the new Tweed Hospital. She has been involved with Cancer Council NSW for eight years, taking on numerous volunteer roles such as Community Speaker, MP Liaison, Relay for Life Committee member, Eat It To Beat It facilitator, Australia's Biggest morning tea host and Daffodil Day stall holder.

Directors' benefit

No Director of Cancer Council NSW has received, or has become entitled to receive, a benefit in respect of their role as a Director.

Carolyn Heise
BN, RN, PGDip Public Health (Leadership), MBA

Chair of the Remuneration and Nomination Committee

Elected to the Board in December 2020

Carolyn is a dedicated registered nurse and health service leader. She is passionate about the nursing profession and the provision of high-quality health services to her community. Carolyn's dynamic and varied career has included working as a registered nurse, managing district cancer services, public hospitals, and preventative health care services on the Mid North Coast of NSW. She holds additional post-graduate qualifications in Public Health and a Master of Business Administration.

Carolyn has worked alongside Cancer Council in Regional NSW for many years and while in the Position of Nurse Manager for the Mid North Coast Cancer Institute in 2017 she actively participated in fundraising events such as Australia's Biggest Morning Tea and as a contestant in Coffs Coast Dancing with the Stars.

In 2019 while working as the Director of Nursing, Midwifery and In-Patient Services at Coffs Harbour Base Hospital, Carolyn was diagnosed with cancer. As such, she has a unique perspective on the patient journey - both as a senior health service manager and as a survivor of cancer.

Professor Michael Barton OAM
MBBS, MD, FRANZCR

Appointed to the Board in April 2021

Professor Michael Barton OAM is Scientia Professor of Radiation Oncology at UNSW Sydney. He has research interests in Health Services research and is a global leader in the benchmarking of cancer services. He is part of the leadership of the team developing one of the world's first MRI-guided linear accelerators. Prof Barton has worked for International Atomic Energy Agency on radiotherapy projects in Africa, Asia, and Latin America. Prof Barton chaired the National Adult Glioma Guidelines. He has a long track record of working with consumers on the design, execution and publication of research projects including the Ideal Curriculum in Oncology for Medical Students, publications in Lancet Oncology and the Medical Journal of Australia.

In 2007 he was awarded the Medal of the Order of Australia, for service to medicine, particularly radiation oncology, through a range of clinical, research, education, and professional development roles.

Board and committee meeting attendance

	Full meetings of Directors		Audit and Risk Committee		Investment Committee		Governance Committee		Remuneration and Nomination Committee		Fundraising and Marketing Committee		Cancer Research Committee	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
N Adams	6	6	*	*	*	*	*	*	*	*	6	6	*	*
M Barton²	2	2	*	*	*	*	*	*	*	*	*	*	*	*
J Butler	6	6	*	*	*	*	*	*	4	4	*	*	*	*
N Dean	6	6	*	*	*	*	*	*	4	4	3	3	*	*
H Dhillon	6	6	*	*	*	*	2	2	*	*	*	*	4	4
C Heise⁴	4	4	*	*	*	*	*	*	2	2	*	*	*	*
C Howard³	3	3	*	*	*	*	*	*	*	*	2	2	*	*
J Laker	6	6	6	6	*	*	2	2	*	*	*	*	*	*
J Mitchell	6	6	6	6	*	*	*	*	2	2	*	*	*	*
M Morgan¹	4	4	*	*	3	3	*	*	*	*	3	3	*	*
M Phillips	6	6	*	*	3	3	*	*	2	2	*	*	*	*
J Young⁵	3	3	*	*	*	*	*	*	*	*	*	*	2	2

¹ Michael Morgan appointed Nov 2020

² Michael Barton appointed Apr 2021

³ Christine Howard retired 8 Dec 2020

⁴ Carolyn Heise elected Dec 2020

⁵ Jane Young retired 17 Dec 2020

A = Number of meetings attended

B = Number of meetings held during the time the Director held office or was a member of the Committee during the year.

* = Not a member of the relevant Committee

Review of financial operations and results

The result of CCNSW's operations for the year ended 30 June 2021 is a surplus of \$5,830,000 (2020: deficit of \$10,961,000). The COVID-19 pandemic continued to have a significant impact on operations during the year. Fundraising income (excluding Gifts in Wills) of \$37,609,000 was 19% below pre-pandemic levels. This decline in fundraising income was partially offset by higher-than-expected Gifts in Wills income of \$20,653,000, and higher-than-forecast earnings from investment of reserves, both occurring late in the period. During the year ended 30 June 2021 CCNSW received \$5,227,000 in JobKeeper assistance from the Federal Government, for which it is grateful. This temporary support allowed CCNSW to retain employees and maintain services through a time when our normal sources of funding were significantly impacted.

Despite all the pandemic challenges, CCNSW continued to provide much-needed support to the New South Wales community impacted by cancer and continued to invest in world-class cancer research. This culminated in CCNSW and the University of Sydney signing a joint venture agreement to establish the Daffodil Centre as a world-leading research centre on cancer control and policy.

As at 30 June 2021, CCNSW's Statement of financial position and Statement of profit or loss and other comprehensive income include the impact of recording as liabilities the future payments in relation to CCNSW research grant agreements. These agreements were previously included in the Financial Report only as a commitment to researchers. CCNSW believes that this change in treatment will assist the reader in understanding more completely the liabilities and net assets of CCNSW. The Statement of profit or loss and other comprehensive income for the year ended 30 June 2021 records an expense \$17,847,000, which is a one-off adjustment to recognise the liability relating to research grant agreements that were issued prior to 1 July 2020.

In prior years, CCNSW has drawn down on accumulated reserves to cover growth in mission expenditure and a shortfall in fundraising income, particularly with the onset of the COVID-19 pandemic in the final quarter of 2019/20. However, the operating surplus for 2020/21 has allowed CCNSW to rebuild reserves, which stood in excess of \$100 million as at 30 June 2021. These reserves, along with other measures being taken by the management team, continue to give Directors confidence in CCNSW's financial stability and its ability to continue its important work in the community.

Members' liability

CCNSW is incorporated under the Corporations Act 2001 (Cth) and is a public company limited by guarantee. If CCNSW is wound up, the constitution states that each member of CCNSW is required to contribute a maximum of \$2 each towards meeting any liabilities of CCNSW. As at 30 June 2021, the number of members was 101 (2020: 112).



Mr Mark Phillips

Director

Sydney
26 October 2021



Dr John Laker

Director

Sydney
26 October 2021

Auditor's declaration of independence



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Australia

DECLARATION OF INDEPENDENCE BY LEAH RUSSELL TO THE MEMBERS OF CANCER COUNCIL NSW

As lead auditor of Cancer Council NSW for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'Leah Russell'.

Leah Russell
Director

BDO Audit Pty Ltd

Sydney, 26 October 2021

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Revenue			
Fundraising	3	58,262	48,140
Grants and government support	4	10,592	6,844
Interest and investment		6,070	3,959
Sale of sun protection products (retail)		5,173	5,811
Other (contributions from other Cancer Councils, publications and joint ventures)		1,108	1,829
Total income		81,205	66,583
Expenses			
Fundraising	3	21,667	23,445
Research - Grant contracts reissued	3,5	17,847	-
Research	3,5	16,876	19,737
Community engagement	3 (c)	9,112	9,137
Cancer information and support services	3 (c)	8,146	9,019
Sale of sun protection products (retail)	3 (c)	4,860	5,890
Advocacy and cancer prevention	3 (c)	4,023	4,524
Administration	3 (c)	2,450	2,726
Marketing and communications	3 (c)	1,513	1,772
Total expenses		86,494	76,250
Operating deficit		(5,289)	(9,667)
Income tax expense	2 (c)	-	-
Increase/(decrease) in investments at fair value	8 (b)	11,119	(1,105)
Fair value adjustment to investment property		-	(189)
Surplus/(deficit) for the year		5,830	(10,961)
Other comprehensive income			
Items that will not be reclassified subsequently to surplus or deficit:			
Revaluation of land and buildings	10	20,341	2,739
Total other comprehensive income for the year		20,341	2,739
Net result for the year		26,171	(8,222)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Assets			
Current assets			
Trade and other receivables	6	13,318	7,028
Cash and cash equivalents	7	27,110	24,385
Financial assets	8	5,111	110
Held for sale assets	9	1,155	4,100
Inventories		447	652
Total current assets		47,141	36,275
Non-current assets			
Financial assets	8	85,576	67,702
Property, plant and equipment	10	50,679	31,674
Intangible assets	11	5,524	6,152
Right of use assets	12	1,712	1,312
Investment properties		-	420
Total non-current assets		143,491	107,260
TOTAL ASSETS		190,632	143,535
Liabilities			
Current liabilities			
Trade and other payables	13	10,085	6,361
Provision for grants	14	7,531	1,578
Deferred revenue		527	480
Lease liabilities	15	960	850
Provisions - employee benefits	16	3,735	3,048
Total current liabilities		22,838	12,317
Non-current liabilities			
Provision for grants	14	9,998	-
Lease liabilities	15	800	482
Provisions - employee benefits	16	863	752
Total non-current liabilities		11,661	1,234
TOTAL LIABILITIES		34,499	13,551
NET ASSETS		156,133	129,984
Equity			
Accumulated funds		83,488	89,047
Asset revaluation reserve		45,191	24,850
Investments at fair value reserve		20,720	9,601
Restricted funds reserve		4,262	4,018
Grant income reserve		2,472	2,468
TOTAL EQUITY		156,133	129,984

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the year ended 30 June 2021

	Accumulated funds \$'000	Asset revaluation reserve \$'000	Investments at fair value reserve \$'000	Restricted funds reserve \$'000	Grant income reserve \$'000	Total equity \$'000
Opening balance as at 1 July 2019	98,031	22,111	10,706	4,448	2,864	138,160
Transfer to/(from) reserves	1,931	-	(1,105)	(430)	(396)	-
Casuarina Lodge	46	-	-	-	-	46
Surplus/(deficit) for the year	(10,961)	-	-	-	-	(10,961)
Other comprehensive income for the year	-	2,739	-	-	-	2,739
Net result for the year	(10,961)	2,739	-	-	-	(8,222)
Closing balance as at 30 June 2020	89,047	24,850	9,601	4,018	2,468	129,984
Opening balance as at 1 July 2020	89,047	24,850	9,601	4,018	2,468	129,984
Transfer to/(from) reserves	(11,367)	-	11,119	244	4	-
Casuarina Lodge	(22)	-	-	-	-	(22)
Surplus/(deficit) for the year	5,830	-	-	-	-	5,830
Other comprehensive income for the year	-	20,341	-	-	-	20,341
Net result for the year	5,830	20,341	-	-	-	26,171
Closing balance as at 30 June 2021	83,488	45,191	20,720	4,262	2,472	156,133

Nature and purpose of reserves

Accumulated funds

Accumulation of funds over time as a net result of past surpluses and deficits.

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of CCNSW land and buildings, as described in note 10.

Investments at fair value reserve

The investments at fair value reserve is used to record changes in the fair value of financial assets classified as investments at fair value through profit and loss, as described in note 8 (b).

Restricted funds reserve

The restricted funds reserve relates to bequests (Gifts in wills) and donations received by CCNSW with a purpose specified in the bequest or by the donors. These funds are held in the restricted funds reserve until spent appropriately.

Grant income reserve

The grant income reserve relates to grant monies received but not yet spent. These funds are held in reserve until spent appropriately in line with the conditions of the funding agreement.

The above statement of changes in funds should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Cash flows from operating activities		
Receipts from supporters and funding sources (inclusive of GST)	60,432	56,170
Receipts from grant and government funding	11,337	8,734
Dividends, franking credits and interest received	927	1,331
Receipts from joint operations	1,336	-
Lease interest	(56)	(58)
Payments to suppliers and employees (inclusive of GST)	(61,488)	(71,627)
Net cash inflow/(outflow) from operating activities	12,488	(5,450)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	146	1,591
Proceeds from sale of held for sale assets	4,152	-
Proceeds from sale of/(payment for) financial assets	(10,000)	23,761
Payments for purchase of intangible assets	(1,288)	(795)
Payments for purchase of property, plant and equipment	(294)	(2,486)
Net cash inflow/(outflow) from investing activities	(7,284)	22,071
Cash flows from financing activities		
Payments for principle portion of lease liabilities	(1,120)	(983)
Net cash outflow from financing activities	(1,120)	(983)
Net increase in cash and cash equivalents	4,084	15,638
Cash and cash equivalents at beginning of year	23,026	7,388
Cash and cash equivalents at end of year	27,110	23,026

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 30 June 2021

1. Introduction

This financial report covers Cancer Council NSW (CCNSW) as an individual entity for the year ended 30 June 2021. The financial report is presented in Australian dollars, which is the company's functional and presentational currency.

CCNSW is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

The Cancer Council NSW
153 Dowling Street
Woolloomooloo NSW 2011

A description of the nature of CCNSW's operations and its principal activities is included on page 8.

The financial report was authorised for issue by the Directors on 26 October 2021. The Directors have the power to amend and reissue this financial report.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general-purpose financial statements have been prepared on a going concern basis and in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), NSW legislation (the *Charitable Fundraising Act 1991* (NSW) and associated regulations), and the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), as appropriate for not-for-profit oriented entities.

CCNSW has applied Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards. This application was approved by the Board of CCNSW.

CCNSW is a not-for-profit organisation and as such the term 'profit' is not applicable and the term 'surplus' is used where required.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities, certain classes of property, plant and equipment, and investment property.

(b) Change in accounting policy

CCNSW 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.

(c) Income tax

CCNSW is exempt from income tax within the terms of Subdivision 50-5 of the *Income Tax Assessment Act 1997* (Cth).

(d) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, unless the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from or payable to the ATO is included with other receivables or payables in the statement of financial position.

(e) Public company limited by guarantee

In the event of CCNSW being wound up, the liability of each member is limited to an amount not exceeding \$2.

(f) Rounding off

CCNSW is of a kind referred to in Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with the class order to the nearest thousand dollars.

(g) Critical estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying CCNSW's accounting policies. The areas involving a higher

degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, can be found in the following notes to the financial statements:

	Note
Financial assets	8
Useful life of assets	10
Employee benefits	16

(i) Financial assets at fair value through profit or loss

CCNSW holds an investment in shares classified as financial assets at fair value through profit or loss. As at 1 July 2018, in adopting AASB 9: Financial Instruments CCNSW has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading through profit or loss.

(ii) Estimation of useful lives of assets

CCNSW 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 where technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

iii) Long service leave provision

The liability for long service leave is 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 been taken into account.

iv) Determining whether a grant contains enforceable and sufficiently specific obligations

The interaction between AASB 15 and AASB 1058 requires management to assess whether the government grants and other funding received need to be accounted for under AASB 15 or AASB 1058. Key to this assessment is whether the government funding and other funding agreements contain:

- a contract with a customer that creates 'enforceable' rights and obligations, and
- the contract includes 'sufficiently specific' performance obligations.

Critical judgement was applied by management in assessing whether a promise is 'sufficiently specific', taking into account all facts and circumstances and any conditions specified in the arrangement (whether explicit or implicit) regarding the promised goods or services, including conditions regarding:

- the nature or type of the goods and services
- the cost or value of the goods and services
- the quantity of the goods and services
- the period over which the goods and services must be transferred.

3. Fundraising

(a) Fundraising income

	2021 \$'000	2020 \$'000
Gifts in wills	20,653	9,614
Regular giving, appeals and donations	18,567	19,805
Campaigns	16,257	15,080
Philanthropy	2,785	3,641
	58,262	48,140

Fundraising revenue is recognised under AASB 1058 when received or receivable.

(b) Fundraising activities

The below information is furnished under the *Charitable Fundraising Act 1991* (NSW) and NSW Fair Trading Fundraising Authority Conditions.

Gross proceeds from fundraising activities (including gifts in wills)	58,262	48,140
Total cost of fundraising appeals	(21,667)	(23,445)
Net surplus from fundraising appeals	36,595	24,695
Net margin from fundraising appeals	63%	51%

(c) Mission expenditure

Research	16,876	19,737
Community engagement	9,112	9,137
Cancer information and support services	8,146	9,019
Sale of sun protection products (retail)	4,860	5,890
Advocacy and cancer prevention	4,023	4,524
Direct mission support - Marketing and communications*	1,513	1,772
Total mission expenditure	44,530	50,079
Mission spend as a percentage of total expenses	65%	66%
Mission spend as a percentage of net surplus from fundraising	122%	203%

*Items from these categories which are directly related to mission have been reallocated to Direct mission support.

4. Grants and government support

	Opening balance 1 July 2020 \$'000	Receipts 2021 \$'000	Payments 2021 \$'000	Closing balance 30 June 2021 \$'000
Cancer research grants	1,950	4,428	(4,154)	2,224
Community support grants	408	799	(1,173)	34
Cancer prevention grants	110	138	(34)	214
Total grants	2,468	5,365	(5,361)	2,472
JobKeeper receipts		5,227		
Total grants and government support		10,592		

Grants from the government and other organisations are recognised at their fair value through profit and loss where the sufficiently specific performance obligations of the grant have been met. Where those obligations have not been met for the year revenue is deferred until those obligations are satisfied.

Where a grant is received without sufficiently specific performance obligations the revenue is recognised upon receipt through profit and loss.

5. Research expenditure

	2021 \$'000	2020 \$'000
Research - Grant contracts reissued	17,847	-
Research	16,876	19,737
	34,723	19,737

As at 30 June 2021 Cancer Council has recognised all grant commitments on the Statement of financial position. These liabilities have been split as per accounting guidelines to their current and non-current portions.

Grant agreements were updated via variation letters issued prior to June 30 2021 resulting in the creation of constructive obligations on behalf of Cancer Council and thus the addition of grant liabilities on the statement of financial position.

The full impact of this change has been taken up at June 2021 with no impact on prior year numbers.

6. Trade and other receivables

Trade receivables	12,465	6,257
Provision for impairment of trade receivables	(2)	(2)
Other receivables	855	773
	13,318	7,028

Trade receivables are initially recognised at fair value, and subsequently measured at amortised cost. Trade receivables are generally due for settlement within 30 days.

A provision is made for doubtful debts when there is evidence that those debts may not be collected. Bad debts are written off when identified.

7. Cash and cash equivalents

Cash on hand and at bank	27,110	23,026
Restricted cash	-	1,359
	27,110	24,385

For statement of cash flow presentation purposes, cash and cash equivalents include cash on hand; deposits held at call with financial institutions; and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in values.

Restricted cash represents cash relating to joint operations with Casuarina Lodge (note 21).

8. Financial assets

	2021 \$'000	2020 \$'000
Current assets – Financial assets at amortised cost		
Term deposits	5,000	-
Financial assets at amortised cost	111	110
	5,111	110
Non-current assets – Investments at fair value through profit or loss		
(a) Investments at the end of the financial year were as follows:		
Australian shares (tax exempt)	28,400	22,167
Overseas shares (unhedged)	20,397	14,150
Cash fund	8,478	8,465
Australian sovereign bonds	8,001	8,159
Global credit fund	7,292	7,053
Australian small companies fund	8,266	5,098
Overseas sovereign bonds	2,611	2,610
Emerging markets fund	2,131	-
	85,576	67,702
Changes in the fair value of investments are recorded in equity and disclosed through profit or loss.		
(b) Movement in investments		
Opening balance 1 July	67,702	89,907
Additions	7,772	3,071
Increase/(decrease) in fair value of managed funds	11,119	(1,105)
Disposals	(1,017)	(24,171)
Closing balance 30 June	85,576	67,702

Classification of financial assets

CCNSW classifies its financial assets in the following categories: 'investments at fair value through profit or loss', and 'financial assets at amortised cost'. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of CCNSW's financial assets at initial recognition:

(i) Investments at fair value through profit or loss

At initial recognition, CCNSW may make an irrevocable election (on an instrument-by-instrument basis) to recognise the change in fair value of investments in equity instruments through profit or loss. This election is permitted for equity instruments that are not held for trading purposes.

(ii) Financial assets at amortised cost

Financial assets at amortised cost are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

These instruments are initially recognised at fair value plus transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised through profit or loss and presented within equity in the investments at fair value reserve. When an instrument is derecognised, the cumulative gain or loss is transferred directly to retained earnings and is not recognised in profit or loss.

Dividends or other distributions received from these investments are still recognised in profit or loss as part of interest and investment income.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade date – the date on which CCNSW commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, and CCNSW has transferred substantially all the risks and rewards of ownership.

9. Held for sale assets

	2021 \$'000	2020 \$'000
Building	1,155	4,100
	1,155	4,100

The property located at Lot 1, 43 Hunter Street Parramatta was reclassified as held for sale at 30 June 2020 as set out on AASB 5 and measured at fair value less costs to sell. Settlement took place in August 2020 with no gain on disposal recognised.

Two units were transferred to held-for-sale during the year, one located at George Street North Strathfield which settled in July 2021. The second at Thomas Street Parramatta which settled in August 2021.

10. Property, plant and equipment

	Buildings \$'000	Freehold land \$'000	Motor vehicles \$'000	Office furniture and equipment \$'000	Leasehold improvements \$'000	Total \$'000
Year ended 30 June 2021						
Opening net book amount	20,360	8,440	1,060	1,687	127	31,674
Additions			197	97	-	294
Revaluation increment	8,591	11,750	-	-	-	20,341
Disposals	-	-	(31)	-	-	(31)
Depreciation expense	(623)	-	(339)	(586)	(51)	(1,599)
Closing net book amount	28,328	20,190	887	1,198	76	50,679
At 30 June 2021						
Cost or fair value	29,248	20,190	1,864	7,328	1,977	60,607
Accumulated depreciation	(920)	-	(977)	(6,130)	(1,901)	(9,928)
Net book amount	28,328	20,190	887	1,198	76	50,679

Valuations of freehold land and buildings

All property, plant and equipment categories are valued at cost, with the exception of land and buildings. The valuation basis of land and buildings is fair value. Building valuations were conducted as at 30 June 2021, with revaluations based on independent assessments by members of the Australian Property Institute. The revaluation increment was credited to the asset revaluation reserve in accumulated funds.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- buildings 25 to 40 years
- leasehold improvements 2 to 5 years
- office furniture and equipment 3 to 10 years
- motor vehicles 5 years

The asset residual values and useful lives are reviewed, and adjusted if appropriate, at 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 are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

11. Intangible assets

	Computer software \$'000	Internally generated intangible assets \$'000	Total \$'000
Year ended 30 June 2021			
Opening net book amount	80	6,072	6,152
Additions	-	1,288	1,288
Disposals	-	(180)	(180)
Impairment recognition	-	(362)	(362)
Amortisation	(22)	(1,352)	(1,374)
Closing net book amount	58	5,466	5,524
At 30 June 2021			
Cost or fair value	1,030	10,780	11,810
Accumulated amortisation	(972)	(3,948)	(4,920)
Intangible impairment	-	(1,366)	(1,366)
Net book amount	58	5,466	5,524

Finite intangible assets include acquired or developed software, capitalised on the basis of the costs incurred to acquire and install the software. Subsequent software expenditure is expensed as incurred.

Finite intangible assets are accounted for using the cost model, whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives (between 3 to 10 years). Residual values and useful lives are reviewed at each reporting date.

CCNSW continues to invest in technology to improve how it engages with the community, simplify its working environment and help it work more effectively.

At financial year end intangibles were reviewed with the above impairment calculated as the expended cost on software development no longer having future benefit to CCNSW.

12. Right-of-use assets

	2021 \$'000	2020 \$'000
Opening balance 1 July	1,312	2,231
Additions	816	-
Less: accumulated depreciation	(416)	(919)
Closing balance at 30 June	1,712	1,312

Right of use assets are CCNSW's right to use leased assets over the life of their leases and have come into effect from 1 July 2019 due to the application of AASB 16.

Included in surplus/(deficit) for the year are \$1,098,367 (2020: \$944,722) of depreciation of right-of-use assets and \$56,386 (2020: \$58,349) of finance cost on lease liabilities. Expenses relating to short-term leases included in administrative expense in the profit or loss for the period were \$287,848 (2020: \$826,775). The total cash outflow for leases for the year was \$1,119,747 (2020: \$982,824).

13. Trade and other payables

Trade creditors and accruals	8,688	4,432
Cancer Council Australia membership fees	1,060	1,684
Other current payables	337	245
	10,085	6,361

These amounts represent liabilities for goods and services provided to CCNSW prior to the end of the financial year and that were unpaid as at the reporting date. These amounts are unsecured and are paid within the suppliers' terms, usually 30 days.

14. Provision for grants

Current grant provision	7,531	1,578
Non-current grant provision	9,998	-
Total grant liability	17,529	1,578

A provision is recognised when Cancer Council NSW has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably measured.

Liabilities relating to research grants are provided for in order to recognise Cancer Council's obligation to pay grants to external agencies in accordance with funding agreements that commit Cancer Council NSW to pay these funds per agreed milestones.

15. Lease liabilities

Current lease liability	960	850
Non-current lease liability	800	482
Total lease liability	1,760	1,332

CCNSW adopted AASB 16 retrospectively from 1 July 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provisions in the standard with no adjustment to retained earnings. As a result, the above lease liabilities represent the present value of the remaining lease payments, discounted using the appropriate incremental borrowing rate.

16. Employee benefits

	2021 \$'000	2020 \$'000
(a) Employee benefits provisions - Current		
Annual leave	2,721	2,044
Long service leave	1,014	1,004
Current Employee benefits	3,735	3,048
(b) Employee benefits provisions - Non-current		
Long service leave	863	752
Non-current employee benefits	863	752

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, and leave expected to be settled within 12 months of the reporting date, are recognised in current liabilities, and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The leave liabilities not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities. The liability is measured as 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. 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 reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(c) Employee benefits expense

Employee benefits expense	35,557	35,723
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17. Key management personnel

	2021 \$	2020 \$
(a) Executive remuneration		
Executive remuneration expense	1,984,803	1,999,039
(b) Transactions with Directors and key management personnel		

During the financial year Dr John Laker, Mark Phillips and Jo Mitchell were unpaid Board members of both CCNSW and Cancer Council Australia (CCA). CCNSW paid CCA \$1,526,326 during the year ended 30 June 2021 for membership fees and national merchandise purchases. CCNSW also received distributions of \$3,144,476 from CCA for the NSW share of national fundraising campaigns.

18. Commitments

Commitments contracted for at the reporting date, but not recognised as liabilities are as follows:

	2021 \$'000	2020 \$'000
Research grant commitments		
Within one year	-	8,482
One to five years	-	10,525
	-	19,007
Campaign licensing commitments		
Within one year	-	300
One to five years	-	250
	-	550

19. Contingent liabilities

Contingent liabilities consist of \$118,000 in bank guarantees in respect of operating leases (2020: \$118,000).

20. Events after reporting period

CCNSW was not aware of any events that have occurred after reporting date that are of such significance that they need to be disclosed or recognised in the financial statements.

21. Interests in joint ventures

CCNSW has entered a joint venture with Lilier Lodge at Wagga Wagga to provide accommodation for cancer patients and their relatives while receiving radiotherapy treatment in NSW.

CCNSW holds a 50% voting power in Lilier Lodge.

CCNSW holds a 50% ownership interest in the operations of Lilier Lodge and is entitled to a 50% share of their output.

CCNSW's 50% interest in Lilier Lodge's assets, liabilities, revenues and expenses was recognised in the financial statements as part of a joint operation.

CCNSW has previously recognised 50% of a joint cash fund with Casuarina Lodge, a joint venture with NSW Health to provide accommodation services for cancer patients and their relatives at Westmead. As at June 2021 this joint venture has ended and CCNSW's share of this cash fund has been transferred to CCNSW.

22. New Accounting Standards

CCNSW has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of CCNSW.

From 1 July 2021 Tier 2 reporting requirements will change from a Reduced Disclosure reporting framework to a Simplified Disclosures framework. Management are currently reviewing the new requirements to determine if any changes are required to FY22 financial statements.

END OF AUDITED FINANCIAL STATEMENTS

Directors' declaration

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), the Accounting Standards, the *Australian Charities and Not-for-profits Commission Regulations 2013* and other mandatory professional reporting requirements
- the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date
- 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 and is signed for and on behalf of the Directors by:



Mr Mark Phillips
Director

Sydney
26 October 2021



Dr John Laker
Director

Sydney
26 October 2021

Declaration by Chief Executive Officer in respect of fundraising appeals

I, Jeff Mitchell, Chief Executive Officer of The Cancer Council NSW declare that in my opinion:

- a) the income statement gives a true and fair view of all income and expenditure of The Cancer Council NSW with respect to fundraising appeals
- b) the balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeals
- c) the provisions of the *Charitable Fundraising Act 1991* (NSW), the regulations under the Act and the conditions attached to the authority have been complied with
- d) the internal controls exercised by The Cancer Council NSW are appropriate and effective in accounting for all income received and applied by The Cancer Council NSW from any of its fundraising appeals.



Jeff Mitchell

Chief Executive Officer

Sydney

26 October 2021

Independent auditor's report



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Level 11, 1 Margaret St
Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Cancer Council NSW,

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Cancer Council NSW (the Entity), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Cancer Council NSW, 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 registered entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and 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.

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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Independent auditor's report



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the Financial Report

The directors of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, directors are responsible for assessing the registered entity'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 intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015

We have audited the financial report as required by Section 24(2) of the NSW Charitable Fundraising Act 1991. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations.



Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or noncompliance may occur and not be detected. An audit is not designed to detect all instances of noncompliance with the requirements described in the abovementioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.

Opinion

In our opinion:

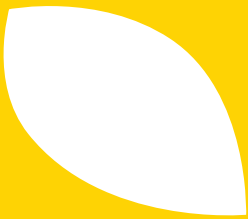
- a) the financial report of Cancer Council NSW has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2021, in all material respects, in accordance with:
 - i. sections 20(1), 22(1-2), 24(1-3) of the NSW Charitable Fundraising Act 1991;
 - ii. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015;
- b) the money received as a result of fundraising appeals conducted by Cancer Council NSW during the financial year ended 30 June 2021 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.

BDO Audit Pty Ltd

BDO
A handwritten signature in black ink, appearing to read 'Leah Russell'.

Leah Russell
Director

Sydney, 2 November 2021



With your help, we are getting closer to a cancer free future.

- Volunteer with us
- Give regularly
- Host or join a fundraising event
- Campaign with us
- Visit one of our retail stores



To find out more, visit
cancercouncil.com.au/get-involved

Call **13 11 20** for information and support

This free and confidential service is staffed by experienced cancer professionals, who provide evidence-based information and support to people affected by cancer.



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for Information
and Support

cancercouncil.com.au

Contact us.

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