



CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

ABN 26 148 815 534

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

ABN 26 148 815 534

Financial Report

for the Year Ended 30 June 2022

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CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Directors' Report

Your directors present their report together with the financial statements, on the company for the financial year ended 30 June 2022.

Directors

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

	Date Appointed	Date of Cessation	A	B
L Dell	23 Dec 2013	-	6	6
H Dudley-Smith	22 Aug 2014	-	6	6
N Hansra	5 May 2012	-	4	6
S Kulmar	22 Aug 2014	5 Nov 2021	3	3
P Krideras	9 Jul 2018	-	6	6
D Player	4 Aug 2019	-	4	6
P Dowding (Chair)	4 Nov 2020	-	6	6
L Goldsworthy	4 Nov 2020	-	6	6
B Smith	4 Nov 2020	-	3	6
L Lambert	4 Nov 2020	-	4	6
J Bishop	4 Nov 2020	-	5	6

A – Number of board meetings attended

B – Number of board meetings held during the time the director held office during the year

Principal Activities

The principal activities of the company during the financial year were to:

- provide support to families affected by Neurofibromatosis (NF); and
- engage in fundraising activities primarily through the Children's Tumour Foundation of Australia.

The company's short-term objectives are to provide information & support to members and their families and to increase public awareness of Neurofibromatosis ("NF").

The company's long-term objectives are to find a cure for NF through funding research.

To achieve these objectives the company has adopted the following strategies:

- Undertake regular fundraising and public awareness activities;
- Provision of support services to individuals and families affected by NF;
- Funding of NF research, and
- Provide advocacy and information service to improve outcomes for NF sufferers.

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Directors' Report Continued

Information on Directors

Peter Dowding Chairman	
Qualifications	BSc (Hons) Civil Engineering; Masters in Business Administration
Experience	<p>Peter is co-founder and Chairman of Propel Investments, established in 2007 when he co-led the management buy-out of the private equity division of Deutsche Bank in Australia. Propel Investments established Propel Funeral Partners (PFP) in 2011 and PFP is now an ASX listed company having completed an IPO in 2017. Peter returned to the board of PFP in May 2022, having stepped down at the time of the IPO.</p> <p>He has over 30 years' experience in the private equity sector, including as Chair of the industry association, the Australian Investment Council and a director and Chair on several investments. Peter was a director of the Clinical Oncology Society of Australia (a not for profit) and was also Chair of its Audit, Risk and Finance Committee for eight years and retired in 2022.</p> <p>Peter has considerable governance, strategic and financial knowledge and therefore brings considerable experience to the CTF board. He was appointed Chair of the CTF in November 2020.</p>
Nirmal Hansra Director	
Qualifications	M Comm, FAICD, FGIA, FCA, FCPA
Experience	<p>Deputy Chair of Link Wentworth Housing Ltd, Non-Executive Director of National Accreditation Authority for Translators and Interpreters Ltd and Have A Voice Pty Ltd. Independent Member of the Audit & Risk Committees for the NSW Greater Cities Commission as well as Property and Place Group at NSW Department of Planning & Environment. Chair of Compliance & Risk Committee of Gleneagles Asset Management Ltd. Recently retired as Chair for Campbell Page Limited. Over 14 years' corporate advisory and board experience and 35 years' senior executive experience as Finance Director/Chief Financial Officer of leading Australian and International listed and public companies.</p> <p>■ Chair of Audit & Risk Committee until February 2022</p>
Laurence Dell Director	
Qualifications	Masters in Management, BA (Management & Political Science)
Experience	<p>Partner at PwC, based in Melbourne and he leads the enterprise performance improvement practice. He specialises in delivering productivity programs that result in significantly improved and sustainable business performance. With over 14 years' experience, Laurence has led complex performance improvement projects across a range of industries. He is an expert in the telecommunications industry.</p> <p>■ Member of Audit & Risk Committee</p>
Hugo Dudley-Smith Director	
Qualifications	B Civil Engineering (First Class Honours)
Experience	<p>A Managing Director of the independent investment firm, Gresham Advisory Partners. Extensive experience in providing advice in relation to corporate strategy, M&A transactions and capital raisings. Previously worked with Goldman Sachs in London and Sydney.</p> <p>■ Member of Audit & Risk Committee</p>

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Directors' Report Continued

Stephen Kulmar	
Director - Retired 5 November 2021	
Experience	<p>Stephen is Chair of Edge & Co Pty Ltd and Founder of Retail Oasis, a boutique retail marketing service company. He was previously Chairman and CEO of IdeaWorks, co-founder of Releaseit, has served on public company boards of Accent Group [owners of The Athletes Foot, Platapus, Sketches, etc] and Thorn Group and has more than 40 years' experience in retail and brand strategy, channel to market strategy and business development.</p> <p>Steve's vast marketing and brand strategy experience as well as network of colleagues means he is well placed to chair the CTF's Marketing & Philanthropy Committee.</p>
Peter Krideras	
Director	
Qualifications	Associate Diploma in Business
Experience	<p>Peter is currently the co-founder and Managing Director of Releaseit Pty Ltd and has over 20 years' retail experience including co-founding Global Marketplace which owns Australia's leading online event Click Frenzy and number one online publication Power Retail.</p> <p>■ Member of Marketing & Sponsorship Committee</p>
Donna Player	
Director	
Qualification	BA, GAICD
Experience	<p>Donna Player has over 35 years' experience in retail including senior executive positions in merchandising, planning and marketing with Big W and David Jones.</p> <p>Donna is currently a non- executive director of Accent Limited, Baby Bunting Limited and Merchandise Director of Camilla, Australia.</p> <p>■ Chair of Marketing & Sponsorship Committee</p>
Luke Goldsworthy	
Director	
Experience	<p>Luke is CEO of The Playhouse Group that provides marketing solutions to businesses and director of City West Community Financial Services Limited.</p> <p>With a history of executive, operational and managerial roles across several retailers like Woolworths, David Jones and Target, Luke is a senior leadership figure dedicated to guiding diverse teams to ongoing success through education, learning and collaboration. He has spent over 20 years in the retail, marketing, operations, procurement and e-commerce sectors. He now spends his time educating others on the development and implementation of online business and marketing strategies.</p> <p>Luke is engaged across various digital sectors, but particularly the digital transformation of business and industry. Luke works with clients directing their companies and their Boards in the digital world and its interactions with the current philosophies of retail and trade.</p> <p>Luke has a personal connection with NF as his partner has a 16 year old son that has been diagnosed with NF1.</p> <p>■ Member of Marketing & Sponsorship Committee</p>

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Directors' Report Continued

Brooke Smith	Director
Experience	<p>Brooke is the General Manager and co-owner of Insitu Group, a medium sized commercial construction company based in Melbourne. With 20 years' experience in the industry, both client and builder side, Brooke leads the Operations and Commercial business functions.</p> <p>She also manages the implementation of new innovations, together with Insitu Group's industry position via the Marketing and Business Development functions. Prior to this role Brooke held senior roles with Stockland and Haser Group.</p> <p>Brooke and her husband Oliver have personally been heavily involved in fundraising activities like Cupids. More recently, they have become a corporate sponsor for CTF through Insitu and helped fund the Plasma trial and Adult clinic work at Royal Children's Hospital Melbourne and have continued to support CTF more broadly.</p>
Lester Lambert	Director
Qualification	CPA, FGIA, CAE, MAICD
Experience	<p>Wes Lambert is a Director-Australian Foodservice Advisory Body, Director Hospitality Advisory Australia and is the Former CEO of Restaurant & Catering Australia (R&CA), the national industry association representing the interests of more than 55,000 restaurants, cafés and catering businesses across Australia.</p> <p>Wes previously served as Executive Director, Secretary and Financial Controller for Pacific Restaurant Group Ltd (Kingsleys, ChopHouse, & Jamie's Italian), Australia's first public unlisted Full-Service Restaurant Group, from where he was responsible for the restructure and IPO of the Group as well as securing the Master Franchise Agreement for Jamie's Italian in Australia/NZ.</p> <p>Prior to that Wes was an Investment Banker in Restaurant Capital before owning and managing multiple hospitality venues in Asia and the United States.</p> <p>Wes brings over 22 years' experience in change management, lobbying, negotiation, governance, finance & accounting experience.</p> <p>■ Chair of Audit & Risk Committee since February 2022</p>
John Bishop	Director
Experience	<p>John is Head of Employee Experience at Seven Eleven Stores based in Melbourne. He is a commercial HR executive who has significant experience driving change and building capability across large enterprise teams.</p> <p>Specifically, the development and alignment of organisational capability to operational and strategic imperatives and the design and development of global talent and leadership strategies, both to manage succession risk and build the right capabilities for future growth. He previously worked as HR Director for RMIT, Head of Strategy and Service Delivery at Telstra and HR Business Partner at BHP.</p> <p>John has been a keen supporter of CTF and actively contributes in our annual fundraising efforts.</p>
Alexander Maitland	Company Secretary
Qualification	BA, Mbus, GradDipAppCorpGov, FAICD, FGIA, FCG.
Experience	Alex is a chartered secretary and non-executive director with over 20 years experience in the NFP sector. Alex commenced as company secretary on 13 November 2020 and serves in a voluntary capacity.

Review of Operations

The company raised income from fundraising activities of \$495,156 (2021: \$604,399) and made grants for research and support services of \$474,288 (2021: \$540,567). The deficit of the company for the year amounted to \$227,693 (2021: surplus \$492,352) This is primarily due to the recognition of \$500,000 Federal Government grant income in 2021 when it was received in accordance with AASB 1058 Income of Not-for-Profit Entities. The expenses and services funded by this grant were incurred and delivered in the current financial year. A further \$200,000 was received in the current financial year from the Federal Government which has been recognised as revenue in the current financial year with expenses and services funded by the grant expected to be incurred and delivered in the 2023 financial year.

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Directors' Report Continued

The impact of the Coronavirus (COVID-19) pandemic up to 30 June 2022 has been primarily on donations and fundraising usually earned at live events, eg the Cupid Undie Run which we were unable to host as a field event in public. While we were fortunate to raise some funding through events and have had some relief through government stimulus, the effects of the pandemic has led in an overall reduction in gross proceeds from fundraising activities and in turn total revenue and other income. We have managed to mitigate the impact on the overall bottom line not only through a corresponding decrease in fundraising costs as a result of not hosting the live event, but also through careful management of our usual operating costs without impacting the support services provided to NF families.

Post Balance Date Events

The Coronavirus (COVID-19) pandemic continues to impact both communities and businesses throughout the world including Australia and the communities where our the company operates. The pandemic has had an impact on donations during the current financial year, and will likely continue to have a financial impact for the company in the 2023 financial year and potentially financial years beyond this date. The scale, timing and duration of the potential impacts on the company is unknown; however, it is expected that there will continue to be funding available and an ongoing need for the services that the company provides. Please refer also to Note 1 - Coronavirus (COVID-19) and Going Concern.

Other than disclosed above, no other matters or circumstances have arisen since the reporting date which significantly affected or may significantly affect the operations of the company, the results of the operation, or the state of affairs of the company in future financial years.

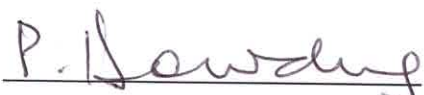
Members Guarantee

The company is incorporated under the Corporations Act 2001 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 \$100 each towards meeting any outstanding obligations of the entity. At 30 June 2022, the total amount that members of the company are liable to contribute if the company is wound up is \$1,100.

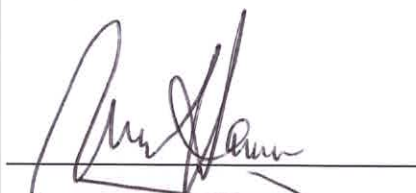
Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on the following page.

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



PETER DOWDING (CHAIRMAN)



NIRMAL HANSRA (DIRECTOR)

Dated:

18/10/22

Independence declaration to be provided separately

XXXX August 2022
The Board of Directors
Children's Tumour Foundation of Australia

Dear Board Members

Children's Tumour Foundation of Australia

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the Directors of Children's Tumour Foundation of Australia.

As lead audit partner for the audit of the financial report of Children's Tumour Foundation of Australia for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

- (i) the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

CROWE SYDNEY

ALISON SWANSBOROUGH
Associate Partner

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022

	NOTE	2022 \$	2021 \$
Revenue			
Donations		170,694	247,649
Fundraising		324,462	356,750
Gross proceeds from fundraising activities	2	495,156	604,399
Grants and subsidies received	5	287,409	746,605
Interest received - other		5,758	4,120
Total revenue & other income		788,323	1,355,124
Operating Expenses			
Employment expenses		170,420	79,795
Fundraising expenses		139,904	113,260
Advertising & Website cost		41,733	32,264
Accounting fees		27,900	24,000
Occupancy expenses		12,613	11,346
Consulting Fees		24,660	1,875
Computer Systems Expense		53,828	13,523
Other administration costs		41,562	25,282
Bank fees		1,818	922
Depreciation		27,290	19,938
Total operating expenses		541,728	322,205
Operating surplus before grants made	2	246,595	1,032,919
Grants Made			
Research		27,885	205,465
Support Services		446,403	335,102
Total grants made		474,288	540,567
Net surplus/(deficit) for the year		(227,693)	492,352
Other comprehensive income for the year		-	-
Total comprehensive income/(deficit) for the year		(227,693)	492,352

The accompanying notes form part of these financial statements

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Statement of Financial Position as at 30 June 2022

	NOTE	2022 \$	2021 \$
Current Assets			
Cash & cash equivalents	7 (a)	149,135	298,695
Trade and other receivables	8	61,889	127,002
Inventories	9	19,549	21,638
Other financial assets	10	1,251,113	1,350,000
Other assets	11	6,311	8,763
Total current assets		1,487,997	1,806,098
Non Current Assets			
Plant and equipment	12	32,480	29,386
Right of use assets	13	47,254	-
Total non current assets		79,734	29,386
Total assets		1,567,731	1,835,484
Current Liabilities			
Trade and other payables	14	102,666	203,194
Lease liabilities	15	16,334	-
Employee benefits	16	27,026	14,352
Total current liabilities		146,026	217,546
Non Current Liabilities			
Lease liabilities	17	31,460	-
Total non Current Liabilities		31,460	-
Total liabilities		177,486	217,546
Net Assets		1,390,245	1,617,938
Total Funds			
Retained earnings		1,390,245	1,617,938
Total funds		1,390,245	1,617,938

The accompanying notes form part of these financial statements

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Statement of Changes in Equity for the year ended 30 June 2022

	Retained Earnings \$	Total \$
Balance at 1 July 2020	1,125,586	1,125,586
Net surplus / (deficit)	492,352	492,352
Other comprehensive income	-	-
Balance at 30 June 2021	1,617,938	1,617,938
Net surplus / (deficit)	(227,693)	(227,693)
Other comprehensive income	-	-
Balance at 30 June 2022	1,390,245	1,390,245

The accompanying notes form part of these financial statements

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Statement of Cash Flows for the year ended 30 June 2022

	NOTE	2022 \$	2021 \$
Cash Flows From Operating Activities			
Receipts from supporters and funding sources:			
Fundraising income		236,391	249,824
Donations		324,462	344,575
Grants and subsidies		305,592	714,659
Interest income		5,175	6,707
		<u>871,620</u>	<u>1,315,765</u>
Operating and fundraising expenses		(627,706)	(263,722)
Grants for research, equipment and support services		(461,788)	(490,567)
Interest Paid		(729)	-
Net cash provided/ (used) by operating activities	7 (b)	<u>(218,603)</u>	<u>561,476</u>
Cash Flows from Investing Activities			
Payment for plant and equipment		(26,088)	(5,372)
Net cash used in investing activities		<u>(26,088)</u>	<u>(5,372)</u>
Cash Flows from Financing activities			
Repayment of lease liabilities		(3,756)	-
Net cash used in Financing activities		<u>(3,756)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		(248,447)	556,104
Cash and cash equivalents at the beginning of the year		298,695	392,591
Reclassification from/(to) financial asset		98,887	(650,000)
Cash and cash equivalents at the end of the year	7 (a)	<u><u>149,135</u></u>	<u><u>298,695</u></u>

The accompanying notes form part of these financial statements

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

These financial statements are for Children's Tumour Foundation of Australia ("the Company"). Children's Tumour Foundation of Australia is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements as issued by the Australian Accounting Standards Board, the Australian Charities and Not-for-profits Commission Act 2012 and the Charitable Fundraising Act (NSW) 1991 and associated regulations. Children's Tumour Foundation of Australia is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements are prepared in Australian Dollars, which is company's functional and presentation currency.

The financial statements were authorised for issue by the directors of the company on the date the Directors' Declaration was signed.

New and Amended Accounting Standards and Interpretations

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The adoption of these Accounting Standards or interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel and related parties.

Coronavirus (COVID-19) and Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of the normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

The Coronavirus (COVID-19) pandemic continues to impact both communities and businesses throughout the world including Australia and the communities where the company operates. This pandemic will likely have a continued financial impact for the company in the 2023 financial year and beyond. The scale, timing and duration of the potential impacts on the company is unknown; however, it is expected that there will continue to be funding available and an ongoing need for the services that the company provides. The company has undertaken cost savings through reduced operating costs including the adoption of a fully remote working model, carefully monitoring the extent to which it provides hospital support, and reduced travel costs. It has set out key objectives for its marketing and support services teams, and will continue to strive to secure new contract opportunities for its fundraising and sponsorship.

The Directors and Management have reviewed existing strategic and risk planning documents to ensure that we are best prepared to alleviate any adverse impacts of COVID-19 on our operations. This has included the development of a pandemic management plan and a specific COVID-19 management plan to ensure the wellbeing of our people. We have also reconfirmed our financial management strategy for 2023-24 including a budget that will protect key assets and not undermine our capacity to continue operating.

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(a) Impairment of Assets

At the end of each reporting period, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.

(b) Taxation**Income Tax**

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

(c) Financial Instruments**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(c) Financial Instruments continued*(i) Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. All other receivables are classified as non-current assets. Gains or losses are recognised in the profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss through the amortisation process and when the financial liability is derecognised.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(d) Comparative Figures

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

(e) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(f) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events.

Key estimate*Impairment*

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, staffing and geographic regions in which the Company operates. Other than as disclosed in the Directors' Report and Note 1 *Coronavirus (COVID-19) and Going Concern*, there does not appear to be any further impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the pandemic.

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(f) Critical Accounting Estimates and Judgments continued

Key estimate

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

NOTE 2 STATEMENT SHOWING HOW FUNDS RAISED WERE APPLIED TO CHARITABLE PURPOSES

	2022	2021
	\$	\$
Gross income from fundraising	495,156	604,399
Less:		
Direct fundraising expenses	139,904	113,260
Operating expenses	401,824	208,945
Surplus/(Deficit) from fundraising	(46,572)	282,194
Add:		
Income from other sources	293,167	750,725
Operating surplus	246,595	1,032,919
Less funds applied to:		
Research grants made	27,885	205,465
Support services provided	446,403	335,102
Total funds applied	474,288	540,567
Net operating surplus/(deficit)	(227,693)	492,352

Accounting Policy

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant or sponsorship which must be satisfied before the company is eligible to retain the contribution, the grant or sponsorship will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Fundraising including donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

NOTE 2 STATEMENT SHOWING HOW FUNDS RAISED WERE APPLIED TO CHARITABLE PURPOSES CONTINUED

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Fundraising costs are those incurred in seeking voluntary contributions by donation and do not include costs of disseminating information relating to the activities carried on by the company.

Other administration costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Research grants include grants to institutions undertaking research on NF related diseases.

NOTE 3 INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991

Fundraising Events

Fundraising events held during the year include Christmas and June Tax Appeals, NF Hero Challenge and virtual Cupids Undie Run.

During the year the company engaged Fund My Challenge to fundraise on behalf of the company. The gross income received from the fundraising appeals conducted with Fund My Challenge was \$13,960 and the direct expenditure incurred was \$7,580 being commissions

Direct costs

Direct costs in relation to these fundraising activities undertaken during the year are disclosed as fundraising expenses. The company supports families affected by NF through providing information both over the phone, website and in newsletters. It also provides grants to institutions undertaking research on NF related diseases.

NOTE 4 PERFORMANCE RATIOS

Comparisons	2022 \$	2022 %	2021 %
Total cost of fundraising / gross income from fundraising	139,904 / 495,156	28%	19%
Net surplus from fundraising / gross income from fundraising	355,252 / 495,156	72%	81%
Total cost of services net of fundraising activities / total operating expenditure	401,824 / 541,728	74%	65%
Total costs of services net of fundraising expenses / total income received	401,824 / 788,323	51%	15%

Note	2022 \$	2021 \$
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NOTE 5 GRANTS AND SUBSIDIES RECEIVED

Government revenue (including grants)

Commonwealth Government

Australian Government Department of Health	200,000	500,000
Jobkeeper/Job saver	23,753	95,700
	<u>223,753</u>	<u>595,700</u>

State Government

NSW Department of Communities and Justice	26,056	23,944
NSW Ministry of Health	22,600	126,961
Covid-19 Business Grant	15,000	-
	<u>63,656</u>	<u>150,905</u>

Total	<u>287,409</u>	<u>746,605</u>
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CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

		2022	2021
	Note	\$	\$
NOTE 6 EXPENSES			
Surplus/(deficit) includes the following specific expenses:			
<i>Finance Costs</i>			
Interest and finance charges paid/payable on lease liabilities		729	-
<i>Leases</i>			
Short-term and low-value assets lease payments		7,292	5,451
<i>Superannuation expense</i>			
Defined contribution superannuation expense		48,708	23,121
NOTE 7 NOTES TO THE STATEMENT OF CASH FLOWS			
(a) Reconciliation of Cash			
For the purposes of the statement of cash flows, cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:			
Cash at bank		149,135	298,695
		<u>149,135</u>	<u>298,695</u>
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.			
(b) Reconciliation of net cash flow from operating activities to operating surplus			
Operating surplus/(deficit)		(227,693)	492,352
Depreciation		27,290	19,938
Decrease/(increase) in receivables		65,113	(62,064)
Decrease/(increase) in inventories		2,089	1,420
Decrease/(increase) in other assets		2,454	32,860
(Decrease)/increase in payables		(100,530)	74,465
(Decrease)/increase in provisions		12,674	2,499
		<u>(218,603)</u>	<u>561,470</u>
NOTE 8 TRADE AND OTHER RECEIVABLES			
Trade receivables		15,760	110,000
Other receivables		46,129	17,002
	20	<u>61,889</u>	<u>127,002</u>
Trade and other receivables represent amounts receivable at the end of the reporting period. Trade receivables are generally due for settlement within 30 days.			
NOTE 9 INVENTORIES			
Goods purchased for resale		19,549	21,638
Inventories comprise goods for resale as part of the company's charitable activities and are measured at the lower of cost and current replacement cost.			
NOTE 10 OTHER FINANCIAL ASSETS			
Term deposits	20	1,251,113	1,350,000
Term deposits include deposits held at-call with banks with original maturities of more than three months.			

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

	Note	2022 \$	2021 \$
NOTE 11 OTHER ASSETS			
Current prepaid expenses		5,201	8,563
Deposits		1,110	200
		<u>6,311</u>	<u>8,763</u>
NOTE 12 PLANT AND EQUIPMENT			
Office furniture, computer and other equipment at cost		75,986	65,323
Less: Accumulated depreciation		(43,506)	(35,937)
		<u>32,480</u>	<u>29,386</u>
Movements in Carrying Amounts			
Balance at the beginning of the year		29,386	
Additions		26,088	
Depreciation expense		(22,994)	
Carrying amount at the end of the year		<u>32,480</u>	
Plant and equipment is carried at cost less, where applicable, any accumulated depreciation and any impairment losses.			
The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of replacement cost and subsequent disposal.			
The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.			
The depreciation rates used for each class of depreciable assets are:			
Plant and equipment	33.33%		
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.			
Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.			
NOTE 13 RIGHT OF USE ASSETS			
Right of Use - Premises		51,550	-
Less: Accumulated depreciation		(4,296)	-
		<u>47,254</u>	<u>-</u>
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.			
The Company leases the premises at Adrill House. During the year, the option to extend the lease for 3 years to 31 March 2025 was exercised. Accordingly, the right of use asset is now reflected on the Statement of Financial Position.			
NOTE 14 TRADE & OTHER PAYABLES			
Trade creditors		9,554	22,985
Other creditors		32,953	103,994
Contract liabilities		60,159	76,215
Financial liabilities as trade and other payables	20	<u>102,666</u>	<u>203,194</u>

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

NOTE 14 TRADE & OTHER PAYABLES CONTINUED

Trade and other creditors 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 amount being normally paid within 30 days of recognition of the liability.

Contract liabilities represent the unutilised amounts of grants or donations received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided or the conditions fulfilled within 12 months of receipt of the grant or donation.

	2022	2021
	\$	\$
NOTE 15 LEASE LIABILITIES		
Lease Liabilities - current	16,334	-

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Future Lease payments

Future Lease payments are due as follows

- within one year	18,049
- one to five years	32,634
	<u>50,683</u>

NOTE 16 EMPLOYEE BENEFITS

Annual leave	27,026	14,352
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Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

NOTE 17 LEASE LIABILITIES

Lease Liabilities - non-current	31,460	-
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NOTE 18 CAPITAL COMMITMENTS

At reporting date the company has not entered into contracts for capital expenditure which have not been provided for in the financial statements.

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

	2022	2021
	\$	\$

NOTE 19 CAPITAL AND LEASING COMMITMENTS CONTINUED

Commitments

The Company has the following grant commitments at 30 June 2022:

Commitments contracted for not already accrued:

- not later than 12 months	25,000	99,782
- later than 12 months but not later than five years	-	37,500
	<u>25,000</u>	<u>137,282</u>

Details of the current commitment are as follows:

Organisation: ANZCHOG

Commitments contracted for not already accrued:

Research grants

- not later than 12 months	25,000
- later than 12 months but not later than five years	-
	<u>25,000</u>

Purpose:

In conjunction with the Australian and New Zealand Children's Haematology and Oncology Group Inc ("ANZCHOG"), funds are committed to the Trametinib in Neurofibromatosis-associated tumours ("TINT") clinical trial. The TINT trial is an Australian and New Zealand (NZ) led, investigator-initiated trial to assess the effects of MEK inhibitor trametinib in children and adolescents and young adults with NF1 associated tumours. \$100,000 has been recorded as a contribution in the prior year and \$25,000 recorded as a contribution in current year with an additional \$25,000 committed over the duration of the trial.

NOTE 20 FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, receivables and payables.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

Financial assets

Cash and cash equivalents	7 (a)	149,135	298,695
Trade and other receivables	8	61,889	127,002
Other financial assets	10	1,251,113	1,350,000
Total financial assets		<u>1,462,137</u>	<u>1,775,697</u>

Financial liabilities

Financial liabilities at amortised cost:

- trade and other payables	14	102,666	203,194
Total financial liabilities		<u>102,666</u>	<u>203,194</u>

NOTE 21 KEY MANAGEMENT PERSONNEL COMPENSATION

No personnel of the company are key management personnel as all decisions are made by the board.

NOTE 22 RELATED PARTY TRANSACTIONS

(a) Directors' Compensation

The directors act in an honorary capacity and receive no compensation for their services.

NOTE 23 REMUNERATION OF AUDITORS

During the financial year no fees were paid or payable for services provided by Crowe Sydney, the auditor of the Company as the services were provided on a pro-bono basis (2021: nil).

NOTE 24 CONTINGENT LIABILITIES

The company had no contingent liabilities as at 30 June 2022 and 30 June 2021.

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

NOTE 25 EVENTS SUBSEQUENT TO REPORTING DATE

The Coronavirus (COVID-19) pandemic continues to impact both communities and businesses throughout the world including Australia and the communities where the company operates. The pandemic has had an impact on donations during the current financial year, and will likely continue to have a financial impact for the company in the 2023 financial year and potentially financial years beyond this date. The scale, timing and duration of the potential impacts on the company is unknown; however, it is expected that there will continue to be funding available and an ongoing need for the services that the company provides. Please refer also to Note 1 - Coronavirus (COVID-19) and Going Concern.

Other than disclosed above, no other matters or circumstances have arisen since the reporting date which significantly affected or may significantly affect the operations of the company, the results of the operation, or the state of affairs of the company in future financial years. There are no material post balance date events or transactions which would affect the financial position and performance of the company.

NOTE 26 COMPANY DETAILS

The principal place of business and registered office of the Company is:
Children's Tumour Foundation of Australia
Ardill House
Level 1, 132 Davidson Avenue
Concord NSW 2137

Declaration by Directors

Requirements per the Australian Charities and Not-for-profits Commission Act 2012

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 20, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards – Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the company.

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.

As per Note 25 - Events subsequent to reporting date and Note 1 - Summary of Significant Accounting Policies, Coronavirus (COVID-19) and Going concern, and Note 1 (f) Critical Accounting Estimates and Judgements - Coronavirus (COVID-19) pandemic, as a consequence of the initiatives of the Company regarding COVID-19, management has prepared the financial report on the basis that the Company is a going concern, i.e. there are reasonable grounds to believe that the Company will be able to pay its debts and meet financial obligations as and when they become due and payable.

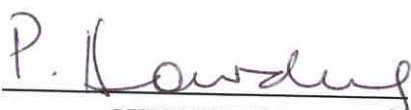
The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals.

Requirements per Charitable Fundraising Act 1991

The directors of the company declare that:

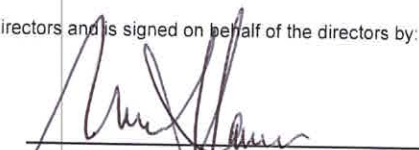
- (a) The financial statements give a true and fair view of all income and expenditure of Children's Tumour Foundation of Australia with respect to fundraising appeals for the financial year ended 30 June 2022.
- (b) The Statement of Financial Position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2022.
- (c) The provisions of the Charitable Fundraising Act 1991 and the Regulations under that Act and the conditions attached to the authority to fundraise have been complied with during the year ended 30 June 2022.
- (d) As is common for organisations of this type, it is not practicable to maintain an effective system of internal controls over donations, subscriptions and other fund raising activities until their initial entry in the accounting records.
- (e) the financial statements are properly drawn up in accordance with Australian Accounting Standards as outlined in Note 1 to the accounts; and
- (f) at the date of this statement there are reasonable grounds to believe that the Children's Tumour Foundation of Australia will be able to pay its debts as and when they fall due

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


PETER DOWDING (CHAIRMAN)

Dated:

18/10/22


NIRMAL HANSRA (DIRECTOR)