



CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

ABN 26 148 815 534

AND CONTROLLED ENTITY

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Financial Report

for the Year Ended 30 June 2020

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CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Directors' Report

Your directors present their report on the company and its controlled entity for the financial year ended 30 June 2020.

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
J Hughes (former Chair)	4 Dec 2011	23 Aug 2019	1	1
G Bottom (Special Leave)	4 Dec 2011	16 Oct 2019	1	2
L Dell	23 Dec 2013	-	5	5
H Dudley-Smith	22 Aug 2014	-	5	5
N Hansra (Acting Chair)	5 May 2012	-	4	5
S Kulmar	22 Aug 2014	-	5	5
A Hildebrand	26 Nov 2016	4 Feb 2020	1	2
L Shand	19 Apr 2018	-	3	5
P Krideras	9 Jul 2018	-	5	5
A Tse	10 Aug 2018	1 Apr 2020	1	3
J Slack - Smith	22 Jul 2019	-	4	5
D Player	4 Aug 2019	-	3	5
K Kelly	23 Oct 2019	3 Jul 2020	4	4

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);
- engage in fundraising activities primarily through the Children's Tumour Foundation of Australia, and
- act as trustee for the Lisa Palmer Foundation. The Lisa Palmer Foundation was dissolved during the year - refer also Note 15.

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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Director's Report Continued

Information on Directors

John Hughes	Former Chair - Resigned 23 August 2019
Qualifications	B Comm, FAICD
Experience	<p>Previously Deputy Chair of Fantastic Holdings Ltd., CEO and Managing Director of Thorn Group Ltd. and prior to that Managing Director of Ruralco Holdings Ltd. Over 40 years' director and senior executive experience in a number of leading Australian and International companies including Thorn EMI, Dominos Pizza, Sharp Corporation, Competitive Foods and Grace Bros. Director of Infonet Australia Pty Ltd and Co-Founder of Doves Nest Foundation.</p> <p>■ Member of the Marketing & Sponsorship Committee</p>
Nirmal Hansra	Acting Chair
Qualifications	M Comm, FAICD, FGIA, FCA, FCPA
Experience	<p>Chair of Campbell Page Ltd., Chair of Link Housing Ltd and Non-Executive Director of Have A Voice Pty Ltd. Prior directorships include Eureka Group Holdings Ltd, Kuringai Financial Services Ltd and Council of the Aging (NSW). Over 13 years' corporate advisory and board experience and 35 years' senior executive experience as Finance Director/Chief Financial Officer of leading Australian and International companies including Industree Ltd., Australian Pharmaceutical Industries Ltd., Ruralco Holdings Ltd., Rentworks Ltd., NetComm Australia Pty. Ltd., Fujitsu Australia Ltd. and Texas Instruments Australia Ltd.</p> <p>■ Chair of Audit & Risk Committee</p>
Geoff Bottom	Director - Resigned 16 October 2019
Experience	<p>Over 35 years' retail experience and currently Store Manager of Bernardi's Supa IGA in Bathurst NSW. Geoff is actively involved with the Rotary Club of Australia and has received the Paul Harrison Award and the Blue Sapphire Award for fundraisings.</p> <p>■ Chair of NSW State Committee</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 15 years' experience, Laurence has led complex performance improvement projects across a range of industries. He is an expert in the telecommunications industry.</p> <p>■ Chair of Victorian State Committee</p>

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Director's Report Continued

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>
Stephen Kulmar	Director
Experience	<p>Chair of Edge & Co. Pty Ltd, Non-Executive Director of Thorn Group Limited and RCG Corporation and Founder of Retail Oasis, a boutique retail marketing service company. Previously Chairman and CEO of IdeaWorks. Over 30 years' experience in retail strategy, brand strategy, channel to market strategy and business development.</p> <p>■ Chair of Marketing & Sponsorship Committee</p>
Alissa Hildebrand	Director - Resigned 4 February 2020
Experience	<p>Chief Operating Officer of Beluga Capital and former CEO of Valet Private – Australia's leading Concierge and Travel business catering to High Net Worth Individuals and Families. Over 20 years' experience in a variety of executive roles both in Australia and the United States. Industry experience covering; media, banking, health care, technology, child care and travel.</p> <p>■ Member of Marketing & Sponsorship Committee</p>
Peter Krideras	Director
Qualifications	Associate Diploma in Business
Experience	<p>Over 20 years' retail experience and currently co-founder and director of Global Market Place which owns Australia's leading online events platform Click Frenzy and number one online publication Power Retail.</p> <p>■ Member of Marketing & Sponsorship Committee</p>
Lisa Barclay Shand	Director
Qualification	BA (First Class Honours)
Experience	<p>Over 30 years' experience as institutional account executive in the Australian equity market working for global investment banks such as ABN Amro, RBS Equities Australia Ltd and Nomura Australia Ltd. Currently Director of Sydney, Morgans Financial.</p> <p>■ Member of Audit & Risk Committee</p>

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Directors' Report Continued

Adon Tse	Director - Resigned 1 April 2020
Qualification	Bachelor of Medical & Health Science
Experience	Founder and Managing Director of Royale Group of Companies with over 10 years corporate experience in advisory, funds management & financial and property markets. Active businessman, securities trader and investor in Australia, Hong Kong, Macau and Singapore.
John Slack- Smith	Director - Appointed 22 July 2019
Qualification	MAICD
Experience	Executive Director & Chief Operating Officer of Harvey Norman Holdings Limited. Responsible for the operations of the consolidated entity across Australia, New Zealand, Singapore, Malaysia, Slovenia, Croatia, Ireland and Northern Ireland. Chairman of Harvey Norman Stores Limited New Zealand & Chairman of the Barker College Foundation. ■ Member of Audit & Risk Committee
Donna Player	Director - Appointed 4 Aug 2019
Qualification	BA, GAICD
Experience	Donna Player has over 35 years' experience in retail including senior executive positions in merchandising, planning and marketing with Big W and David Jones. Donna is currently a non- executive director of Accent Limited, Baby Bunting Limited and Merchandise Director of Camilla, Australia. ■ Member of Marketing & Sponsorship Committee
Kerrie Kelly	Director - Appointed 23 October 2019 & Resigned 3 July 2020
Qualification	CLE (Law), MAICD, PCC.
Experience	Kerrie was appointed the CTF's Chair in October 2019. She has extensive experience in leadership and executive roles in financial services (banking, insurance, financial planning), transport, manufacturing, health and law; across law firms, corporates, governments, family businesses and member associations. First working as a commercial lawyer, and then in strategy positions in ANZ Banking Group's Retail Bank, Kerrie subsequently held various leadership positions including: Director, Corporate Secretariat, Roads and Traffic Authority (NSW); CEO, Financial Planning Association of Australia; Executive Director, Insurance Council of Australia; Director General, Association of British Insurers; Interim CEO, Australian Physiotherapy Council.

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Director's Report Continued

Review of Operations

During the year the consolidated group raised income from fundraising activities of \$880,281 (2019: \$1,141,391) and made grants for research and support services of \$414,586 (2019: \$545,249).

The impact of the Coronavirus (COVID-19) pandemic up to 30 June 2020 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 a virtual alternative of the event and have some relief in the way of available 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 consolidated entity in the 2021 financial year and potentially financial years beyond this date. The scale, timing and duration of the potential impacts on the consolidated entity 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 consolidated entity, the results of the operation, or the state of affairs of the company in future financial years.

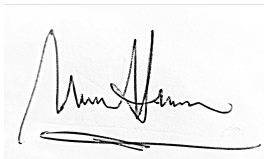
Members Guarantee

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 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$1,100.

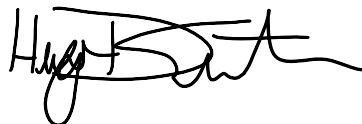
Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on the following page.

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



NIRMAL HANSRA (DIRECTOR)



HUGO DUDLEY-SMITH (DIRECTOR)

Dated this ~~day of August 2020~~

2nd day of September, 2020

4 September 2020

The Board of Directors
Children's Tumour Foundation of Australia
2/451 Lyons Road West
Five Dock NSW 2046

Dear Board Members


Children's Tumour Foundation of Australia and Controlled Entity

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 and Controlled Entity.

As lead audit partner for the audit of the financial report of Children's Tumour Foundation of Australia and Controlled Entity for the financial year ended 30 June 2020, 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

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2020

		Consolidated Group	
	NOTE	2020	2019
		\$	\$
Revenue			
Fundraising		327,976	223,910
Donations		552,305	917,481
Gross proceeds from fundraising activities	2	880,281	1,141,391
Grants and subsidies received		141,048	19,182
Interest received - other		21,416	21,510
Other income		1,146	3,454
Total revenue & other income		1,043,891	1,185,537
Operating Expenses			
Employment expenses		291,179	338,591
Fundraising expenses		242,587	314,449
Advertising & Website cost		20,592	9,417
Accounting fees		24,000	44,392
Occupancy expenses		37,215	38,712
Other administration costs		56,931	98,575
Bank fees		2,475	11,850
Depreciation		14,442	6,166
Total operating expenses		689,421	862,152
Operating surplus before grants made	2	354,470	323,385
Grants Made			
Research		94,477	133,420
Support Services		320,109	411,829
Total grants made		414,586	545,249
Net surplus/(deficit) for the year		(60,116)	(221,864)
Other comprehensive income for the year		-	-
Total comprehensive income/(deficit) for the year		(60,116)	(221,864)

The accompanying notes form part of these financial statements

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Consolidated Statement of Financial Position for the year ended 30 June 2020

	NOTE	Consolidated Group	
		2020	2019
		\$	\$
Current Assets			
Cash & cash equivalents	5 (a)	392,591	363,832
Trade and other receivables	6	64,938	8,089
Inventories	7	23,058	26,754
Other financial assets	8	700,000	870,006
Other assets	9	41,622	94,258
Total current assets		1,222,209	1,362,939
Non Current Assets			
Plant and equipment	10	43,952	15,327
Other assets	9	-	6,957
Total non current assets		43,952	22,284
Total assets		1,266,161	1,385,223
Current Liabilities			
Trade and other payables	11	128,722	184,162
Provisions	12	11,853	15,359
Total current liabilities		140,575	199,521
Total liabilities		140,575	199,521
Net Assets		1,125,586	1,185,702
Total Funds			
Retained earnings		1,125,586	1,185,702
Total funds		1,125,586	1,185,702

The accompanying notes form part of these financial statements

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Consolidated Statement of Changes in Equity for the year ended 30 June 2020

	Consolidated Group	
	Retained Earnings	Total
	\$	\$
Balance at 1 July 2018	1,407,566	1,407,566
Net deficit	(221,864)	(221,864)
Other comprehensive income	-	-
Balance at 30 June 2019	1,185,702	1,185,702
Net deficit	(60,116)	(60,116)
Other comprehensive income	-	-
Balance at 30 June 2020	1,125,586	1,125,586

The accompanying notes form part of these financial statements

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Consolidated Statement of Cash Flows for the year ended 30 June 2020

	NOTE	Consolidated Group	
		2020	2019
		\$	\$
Cash Flows From Operating Activities			
Receipts from supporters and funding sources:			
Fundraising income		269,824	222,784
Donations		552,305	917,481
Grants and subsidies		196,074	75,941
Other income		1,146	3,455
Interest income		22,719	24,687
		<hr/> 1,042,068	<hr/> 1,244,348
Operating and fundraising expenses		(618,425)	(695,273)
Grants for research, equipment and support services		(521,823)	(594,916)
Net cash provided/ (used) by operating activities	5 (b)	<hr/> (98,180)	<hr/> (45,841)
Cash Flows from Investing Activities			
Payment for plant and equipment		(43,067)	(16,248)
Net cash used in investing activities		<hr/> (43,067)	<hr/> (16,248)
Net increase/(decrease) in cash and cash equivalents		(141,247)	(62,089)
Cash and cash equivalents at the beginning of the year		363,832	343,783
Reclassification from/(to) financial asset		170,006	82,138
Cash and cash equivalents at the end of the year	5 (a)	<hr/> 392,591	<hr/> 363,832

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 consolidated financial statements are for Children's Tumour Foundation of Australia and controlled entity ("Consolidated Group" or "Group"). Children's Tumour Foundation of Australia is a 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 – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012. 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 were authorised for issue on August 2020 by the directors of the company.

New and Amended Accounting Standards and Interpretations

The group 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 and Interpretations did not have any significant impact on the financial performance or position of the group.

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

AASB 15 Revenue from Contracts with Customers

The group has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

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Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

AASB 16 Leases

The group has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

AASB 1058 Income of Not-for-Profit Entities

The group has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives. For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised. Related amounts recognised may relate to contributions by owners, AASB 15 revenue or contract liability recognised, lease liabilities in accordance with AASB 16, financial instruments in accordance with AASB 9, or provisions in accordance with AASB 137.

The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately. Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

Impact of adoption

AASB 15, AASB 16 and AASB 1058 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no material impact on opening retained profits as at 1 July 2019.

Management has assessed the effects of adoption of the new standards on the financial statements and has identified no material impact.

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Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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 2021 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 2021-22 including a budget that will protect key assets and not undermine our capacity to continue operating.

Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by the company at reporting date. A controlled entity is any entity over which the company has the power to govern the financial and operating policies so as to obtain benefits from its activities. A list of controlled entities is contained in Note 15 to the financial statements.

(b) 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 comprehensive income.

(c) 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.

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Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(d) 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 group 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.

(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.

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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AND CONTROLLED ENTITY

Notes to the Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) 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.

(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 group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the group 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.

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

	Consolidated Group	
	2020	2019
	\$	\$
Gross income from fundraising	880,281	1,141,391
Less:		
Direct fundraising expenses	242,587	314,449
Operating expenses	446,834	547,703
Surplus from fundraising	190,860	279,239
Add:		
Income from other sources	163,610	44,146
Operating surplus	354,470	323,385
Less funds applied to:		
Research grants made	94,477	133,420
Support services provided	320,109	411,829
Total funds applied	414,586	545,249
Net operating surplus/(deficit)	(60,116)	(221,864)

Accounting Policy

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: 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.

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Notes to the Financial Statements

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

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 consolidated entity satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant or sponsorship which must be satisfied before the consolidated entity 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.

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 group.

Other administration costs are those incurred in connection with administration of the group 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 an auction, fun runs and community events.

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.

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

NOTE 4 PERFORMANCE RATIOS

Comparisons	Consolidated Group		
	2020 \$	2020 %	2019 %
Total cost of fundraising / gross income from fundraising	242,587 / 880,281	28%	28%
Net surplus from fundraising / gross income from fundraising	637,694 / 880,281	72%	72%
Total cost of services net of fundraising activities / total operating expenditure	453,647 / 689,421	65%	64%
Total costs of services net of fundraising expenses / total income received	453,647 / 1,043,891	43%	46%

	Note	Consolidated Group	
		2020 \$	2019 \$

NOTE 5 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	392,591	363,329
Cash on hand	-	503
	<u>392,591</u>	<u>363,832</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 deficit	(60,116)	(221,864)
Depreciation	14,442	6,166
Decrease/(increase) in receivables	(56,849)	2,051
Decrease/(increase) in inventories	3,696	(19,987)
Decrease/(increase) in other assets	59,594	160,597
(Decrease)/increase in payables	(55,442)	30,537
(Decrease)/increase in provisions	(3,505)	(3,341)
	<u>(98,180)</u>	<u>(45,841)</u>

NOTE 6 RECEIVABLES

Trade receivables	2,182	-
Other receivables	62,756	8,089
16	<u>64,938</u>	<u>8,089</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.

Other receivables include government stimulus support for which an unconditional right to receive payment has been established but which has not yet been paid.

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Notes to the Financial Statements

	Note	Consolidated Group	
		2020	2019
		\$	\$

NOTE 7 INVENTORIES

Goods purchased for resale		23,058	26,754
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Inventories comprise goods for resale as part of the group's charitable activities and are measured at the lower of cost and current replacement cost.

NOTE 8 OTHER FINANCIAL ASSETS

Term deposits	16	700,000	870,006
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Term deposits include deposits held at-call with banks with original maturities of more than three months.

NOTE 9 OTHER ASSETS

Current prepaid expenses		39,055	92,008
Deposits		2,567	2,250
		41,622	94,258
Non-Current prepaid expenses		-	6,957

NOTE 10 PLANT AND EQUIPMENT

Office furniture, computer and other equipment at cost		77,708	34,641
Less: Accumulated depreciation		(33,756)	(19,314)
		43,952	15,327

Movements in Carrying Amounts

Balance at the beginning of the year		15,327
Additions		43,067
Depreciation expense		(14,442)
Carrying amount at the end of the year		43,952

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%
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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 comprehensive income.

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Notes to the Financial Statements

	Note	Consolidated Group	
		2020	2019
		\$	\$

NOTE 11 TRADE & OTHER PAYABLES

Trade creditors		8,192	11,166
Other creditors		8,745	116,237
Contract liabilities		111,785	56,759
Financial liabilities as trade and other payables	16	<u>128,722</u>	<u>184,162</u>

Trade and other creditors represent the liability outstanding at the end of the reporting period for goods and services received by the group 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.

NOTE 12 PROVISIONS

Annual leave		<u>11,853</u>	<u>15,359</u>
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Provision is made for the group'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 13 CAPITAL AND LEASING COMMITMENTS

Capital Commitments

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

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable – minimum lease payments:

- not later than 12 months	7,101	2,328
- later than 12 months but not later than five years	-	-
	<u>7,101</u>	<u>2,328</u>

The property lease commitment is a non-cancellable operating lease contracted for but not capitalised in the financial statements. An agreement was entered into for the 12 months ending 31 July 2019 and the option to extend was exercised to 30 September 2020. It is not expected that the lease will be extended beyond this date.

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Notes to the Financial Statements

	Consolidated Group	
	2020	2019
	\$	\$

NOTE 13 CAPITAL AND LEASING COMMITMENTS CONTINUED

Commitments

The Group has the following grant commitments at 30 June 2020:

Organisation	Purpose: Research Grants	Amount
Royal North Shore Hospital, St Leonards NSW 2065	Clinical trial for NF - expected settlement by 30 June 2021.	\$100,000

Commitments contracted for not already accrued:

Research grants

- not later than 12 months	100,000	133,420
- later than 12 months but not later than five years	-	66,710
	<u>100,000</u>	<u>200,130</u>

Organisation	Purpose: Support Services	Amount
Royal North Shore Hospital, St Leonards NSW 2065	Funding for Australian NF Centre for Translational Research (CTR) - to support families and provide services for early adoption therapies and screening modalities for NF1, NF2, and Schwannomatosis - expected settlement by 30 June 2021.	\$75,000

Commitments contracted for not already accrued:

Support services

- not later than 12 months	75,000	100,000
- later than 12 months but not later than five years	-	50,000
	<u>75,000</u>	<u>150,000</u>

Further to the above the company is currently in negotiation with the Australian and New Zealand Children's Haematology and Oncology Group Inc ("ANZCHOG"), with the intention to contribute funds 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. The expected commitment for FY21 is \$100,000 and an additional \$50,000 over the duration of the trial.

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Notes to the Financial Statements

NOTE 14 PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with the accounting standards.

	2020	2019
	\$	\$
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current Assets	1,222,209	1,353,646
TOTAL ASSETS	1,266,161	1,375,930
LIABILITIES		
Current Liabilities	140,575	199,520
TOTAL LIABILITIES	140,575	199,520
EQUITY		
Retained Earnings	1,125,586	1,176,410
TOTAL EQUITY	1,125,586	1,176,410
STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME		
Total Surplus/(Deficit)	(60,116)	(112,319)
Total Comprehensive Income/(Deficit)	(60,116)	(112,319)

NOTE 15 CONTROLLED ENTITIES CONSOLIDATED

Children's Tumour Foundation of Australia ("CTF") controls the Lisa Palmer Foundation ("LPF") by virtue of the control tests outlined in AASB 10 Consolidated Financial Statements. During the current financial year it was determined by way of an Advisory Committee Meeting that the Lisa Palmer Foundation no longer had sufficient funds to continue with research funding, and agreed that CTF would take on the obligations due in respect of payments for research funding. The committee established that all conditions of the Trust Deed had been complied with and recommended that all residual funds, capital and income be transferred to CTF in accordance with the Trust Deed, upon which the bank accounts of the trust be closed. Following the distribution the LPF had no more trust property and has automatically ceased to exist.

NOTE 16 FINANCIAL RISK MANAGEMENT

The group'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:

		Consolidated Group	
		2020	2019
	Note	\$	\$
Financial assets			
Cash and cash equivalents	5 (a)	392,591	363,832
Receivables	6	64,938	8,089
Other financial assets	8	700,000	870,006
Total financial assets		1,157,529	1,241,927
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	11	128,722	184,162
Total financial liabilities		128,722	184,162

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Notes to the Financial Statements

NOTE 17 KEY MANAGEMENT PERSONNEL COMPENSATION

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

NOTE 18 RELATED PARTY TRANSACTIONS

(a) Directors' Compensation

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

NOTE 19 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 2021 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 21 COMPANY DETAILS

The principal place of business and registered office of the Company is:

Children's Tumour Foundation of Australia

2/451 Lyons Road West

Five Dock NSW 2046

CHILDREN'S TUMOUR FOUNDATION OF AUSTRALIA

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Declaration by Directors

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

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 6 to 22, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the consolidated group.
2. In the directors' opinion there are reasonable grounds to believe that Children's Tumour Foundation of Australia will be able to pay its debts as and when they become due and payable.

As per Note 19 - 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.

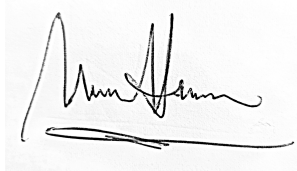
The accounts give a true and fair view of all income and expenditure with respect to fundraising appeals.

Requirements per Charitable Fundraising Act 1991

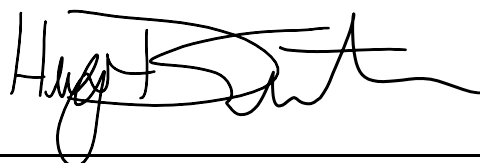
The directors of Children's Tumour Foundation of Australia declare that in our opinion:

- (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 2020.
- (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 2020.
- (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 2020.
- (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:



NIRMAL HANSRA (DIRECTOR)



HUGO DUDLEY-SMITH (DIRECTOR)

Dated this ~~day of August 2020~~

2nd day of September, 2020

Independent Auditor's Report to the Members of Children's Tumour Foundation of Australia

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Children's Tumour Foundation of Australia and Controlled Entity (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration of the consolidated entity comprising the company and the controlled entity.

In our opinion, except for the possible effects on the financial statements of the matter described in the Basis for Qualification Opinion section of our report, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance and cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

As is common for organisations of this type, it is not practicable for the Group to maintain an effective system of internal control over cash donations and other fundraising activities until their initial entry in the accounting records. Accordingly, our audit of fundraising activities was limited to amounts recorded. We are therefore unable to express an opinion on whether the recorded cash donations and other fundraising activities are complete.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Sydney, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

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 Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* 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.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Report on Other Legal and Regulatory Requirements

In addition, and with reference to the *Charitable Fundraising Act 1991*, we also report that:

- a. the financial report gives a true and fair view of the financial results of fundraising appeal activities for the financial year the ended 30 June 2020;
- b. the financial report has been properly drawn up and the associated records have been properly kept for the year ended 30 June 2020, in accordance with the *Charitable Fundraising Act 1991 and Regulations*;
- c. money received by the Group as a result of fundraising appeal activities conducted during the year ended 30 June 2020 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991 and Regulations*;
- d. money received by the Group for a specific purpose has been applied for the purpose that it has been raised;
- e. money received and sent overseas have been properly accounted for and those funds were used in meeting the society's charitable objective; and
- f. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

Crowe Sydney

Crowe Sydney



Alison Swansborough
Associate Partner

2 September 2020
Sydney