

Australian Cancer Research Foundation
(A company limited by guarantee)

ABN 27 076 461 360

Annual report for the year ended 31 December 2020

Australian Cancer Research Foundation

ABN 27 076 461 360

Annual report - 31 December 2020

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Trustees' report

The Trustees present their report together with the financial report of Australian Cancer Research Foundation (the "Foundation" or "ACRF") for the year ended 31 December 2020 and the auditor's report thereon.

Trustees

The following persons were Trustees of Australian Cancer Research Foundation during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name and qualifications	Other positions held and current Directorships	Board Meetings Attended & held #	Appointment and Resignation
Mr Greg Camm MBA, BBus, CPA SF Fin MAICD	Director, Bank Australia Ltd; Chair, AMIST Super; Member, Customer Forum, Ausnet Services Ltd	4/4	Appointed 6 December 2000
Mr Russell Caplan LLB, FAICD, FAIM	Chair, Horizon Roads Pty Ltd; Non-executive Director, Aurizon Holdings Limited Director, St Kilda Football Club	4/4	Appointed 25 March 2011
Mr Tim Crommelin BCom, FSLE, FSIA,	Chair, Morgans Holdings (Australia) Limited; Chair, AP Eagers Limited; Deputy Chair, Morgans Foundation Limited; Director, Brisbane Lions Foundation; Director, Senex Energy Limited; Member, Senate for the University of Queensland	2/4	Appointed 29 March 2000
Mr Tom Dery AO BCom (Econ), MBA	Chair, Q5 Australia; Chair, AIME	4/4	Appointed 1 April 1994
Dr Dashiell Gantner BSc, MBBS, MACID, FCICM, FRACP	Director, Alfred Intensive Care Unit Pty Ltd; Director, Cassandra Gantner Foundation; Reference Group Member, Australian Clinical Trials Alliance; Chair, Jianguo, K-OSSS and K-OSSS II Pty Ltd; Director, Nuco, Boqueria, Adela International Pty Ltd; Director, Black Gantner Asset Management LLC; Intensive Care Consultant, Medical Organ Donation Specialist, Alfred Health; Adjunct Senior Lecturer, Department of Epidemiology and Preventive Medicine, Monash University	3/4	Appointed 10 December 2019
Mr Stephen Gerlach AM LLB, FACID	Chancellor, Flinders University; Convener, University Chancellor Council; Chair, Adelaide Capital Partners Pty Ltd; Chair, Gerlach Asset Development Pty Ltd; Chair, Ebony Energy Ltd; Chair, South Australian Cricket Association Nomination Committee; Chair, AML3D Limited; Trustee, Psychosis Australia Trust; Director, Beston Pacific Asset Management Pty Ltd Group; Director, Beston Global Foods Ltd; Director, The General Sir John Monash Foundation Ltd	2/4	Appointed 15 November 1996
Ms Jennifer Hewett BA, MA	National Affairs Columnist, The Australian Financial Review	4/4	Appointed 20 September 2012

**Australian Cancer Research Foundation
Trustees' report
31 December 2020**

Professor Peter Høj AC MSc, PhD, DUniv mult., FNAI(US), FTSE	Director, Wine Australia (resigned Feb 2021); Member, IP Group Australia Steering Group; Vice-Chancellor and President, The University of Adelaide (Appointed Feb 2021)	3/3	Appointed 13 March 2020
Air Chief Marshal Sir Angus Houston AK AFC (Ret'd)	Chancellor, University of the Sunshine Coast; Chair, Murray Darling Basin Authority Chair, Defence South Australia Advisory Board; Chair, Canberra Symphony Orchestra; Chair, UNSW Canberra Advisory Council; Chair, Victoria Police Corporate Advisory Board; Chair, Supershock Advisory Board; Member, Lowy Institute Board; Member, Victoria Police Executive Command Committee; Member, GreaterGood Canberra; Director, Sunshine Coast Mind and Neuroscience Thompson Institute; Consultant, Ernst and Young; Visiting Fellow, Australian National University – National Security College; Senior Councillor, The Cohen Group; Patron, Sunnyfield Independence; Patron, Stand Tall for PTS; Patron, Australian American Association (Canberra Division); Patron, Bravery Trust; Patron, Bomber Command; Patron, European Alliance Against Depression Australian Chapter (WA); Patron, PainAustralia; Patron, The Centenary of ANZAC Centre; Patron, Tropical Brain and Mind Research Foundation, Townsville; Patron, Kimberley Brain and Mind Foundation; Patron, Literacy Acquisition for Pre-Primary Students (Kimberley, WA); Ambassador, Glycomics Childhood Leukaemia; Ambassador, ShelterBox Australia; Ambassador, Soldier On; Adviser, Team Rubicon Global Board	4/4	Appointed 23 November 2011
Mr Peter Jones BSurv, FGIA, FCG, LLB	Deputy General Counsel, Reserve Bank of Australia	4/4	Appointed 2 June 2005
Mrs Cassandra Michie BEc, BComm, LLB, FCA	Member of PwC's Board of Partners; Member of the Risk and Admissions committees; Director of PwC's Asia Pacific Limited Governance Board; Director of the PwC Foundation Pty Ltd; Director and Chair of the Finance and Property Committee for the Wayside Chapel	4/4	Appointed 29 October 2019
Mr Stephen Rix BEc, CA, FAICD	Chair, Bennelong Funds Management Group Ltd; Director, Allen & Unwin Pty Limited; Director, Nightingale Partners Pty Ltd	3/4	Appointed 1 December 2005

Principal activities

The principal activity of Australian Cancer Research Foundation (the "Foundation") during the year was to act as a charitable institution providing cancer research funds. No significant change in the nature of those activities occurred during the year.

Review of operations

The operating surplus for the year before grants contracted and expensed was \$8,934,561 (2019: \$10,536,004). Profits after grants contracted during the year was \$1,523,363 (2019 Deficit: \$8,258,150).

The operating surplus is reflective of the procedure where all grants are included as liabilities when the contract is signed and there are no further conditions that must be met for the grant to be paid. In 2019 this included the \$9.9 million anniversary grant to the University of Queensland which are paid tranches in 2019, 2020, 2021 and 2022. During 2020 ACRF's operation were impacted by the COVID-19 pandemic such that there was a reduction in fundraising and investment incomes. However the Board took a prudent approach to preserving cash by controlling expenditures and limiting grant expenditure during the year. ACRF was also able to access the government's JobKeeper subsidy (amounting to \$478,500) due to the pandemic's negative impact on fundraising income.

Objectives of Australian Cancer Research Foundation (ACRF)

ACRF is a private charitable Foundation dedicated solely to the funding of world class research in Australia focused on the prevention, detection and treatment of all forms of cancer. The Foundation's objectives, short and long term are to fulfil this aim with the maximum amount of funds each year. This is fulfilled through fundraising. There are many sources of fundraising, the most notable being bequests, in memoriam donations, in celebration donations, corporate donations, philanthropy, third party fundraisers, workplace giving, and annual appeals made to donors and potential donors.

Key strategies for achieving objectives

Through the Foundation's fundraising activities, funds are sourced for the sole purpose of funding exceptional cancer research in Australia through the provision of infrastructure, technology and major-state-of-the-art equipment. The competitive selection of grant awardees each year is overseen by an eminent scientific committee, known officially as the Medical Research Advisory Committee. This committee reviews all grant applications and makes recommendations to the Board of Trustees on the worthiness of such applications. Approval of research grants is decided by the Board of Trustees.

Explanation of how business activities helped meet key objectives

ACRF is governed by a Board of Trustees and operationally managed by a Chief Executive Officer (CEO). All things to do with money are managed on a day to day basis by the CEO with approval limits and procedures set by the Board of Trustees. Approval above these limits must be obtained from the Chair of the Finance, Investments and Audit Committee or the Chairman. Financial matters are overseen by a combination of the Finance Investments and Audit Committee (annually) and the Board of Trustees (quarterly) who review and approve all financial matters.

Measurement of performance

The success of ACRF is measured through pre-determined objectives for each year which become our Key Performance Indicators (KPIs). Each month, we monitor our fundraising results against a cash-flow budget. Set out below are the KPIs:

- Strict compliance with all regulatory matters and standard acceptable business practices
- Effective overall management of the organisation
- Achieve annual projected fundraising targets for both bequest and for non-bequest income
- Meet pre-agreed and acceptable expense ratios for fundraising
- Meet annual projected dollar costs for fundraising
- Meet annual budgeted operating surplus
- Compliance with agreed guidelines for the awarding of research grants, that are appropriate for the attraction and selection of high-quality research projects
- Growth in overall community awareness of ACRF
- Compliance with the Risk Management Policy and Calendar for the assessment and review of the risks associated with the operation of the Foundation.

Trustees benefits

During the year no Trustee has received or become entitled to receive any benefit by reason of a contract made by the Foundation with the Trustee or with a firm of which he or she is a member or a company in which he or she has a substantial financial interest.

Grants paid and awarded

In 2020 the Foundation paid grants (excluding GST) totalling \$7,014,393 (2019: \$10,746,716) as listed below.

	2020	2019
	\$	\$
UWA Harry Perkins Institute of Medical Research	100,000	1,503,629
QIMR Berghofer Medical Research Institute	-	750,000
South Australian Health & Medical Research Institute	-	2,500,000
Centenary Institute of Cancer Medicine & Cell Biology	-	100,000
Griffith University (Compounds Australia)	-	2,000,000
Children's Medical Research Institute	100,000	100,000
The University of Melbourne (Bio21 Institute)	1,351,966	864,187
The University of Queensland Diamantina Institute (ACEMID)	288,000	2,928,900
Walter & Eliza Hall Institute of Medical Research	3,072,906	-
The University of Sydney (ACEMID)	100,000	-
UNSW Sydney (Children's Cancer Institute)	2,001,521	-
	7,014,393	10,746,716

During the year the Trustees resolved to award grants to the following organisations:

	2020	2019
	\$	\$
UNSW Sydney (Children's Cancer Institute)	-	3,500,000
Walter and Eliza Hall Institute for Medical Research	-	3,500,000
Garvan Institute of Medical Research	3,000,000	-
The University of Melbourne (Peter MacCallum Cancer Centre)	1,800,000	-
The University of Queensland Centre for Advanced Imaging	1,200,000	-
	6,000,000	7,000,000

During the financial period, the timing and instalment amounts of the grants payments are contingent upon satisfactory contractual arrangements being negotiated between the respective parties. The Foundation receives annual progress reports from past grant recipients.

Members' contribution in winding up

If the Foundation is wound up, its constitution states that each member is required to contribute a maximum of \$100 towards meeting outstanding obligations of the Foundation. At reporting date, there were 49 members of the Foundation.

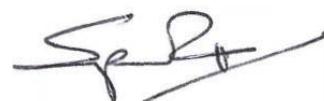
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC)* is set out on page 5 and forms part of the Trustees' report.

This report is made in accordance with a resolution of Trustees.



Mr Tom Dery AO
Trustee



Mr Stephen Rix
Trustee
Sydney, 13 May 2021

Auditor's Independence Declaration

To the Trustees of the Australian Cancer Research Foundation

In accordance with the requirements of section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of the Australian Cancer Research Foundation for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A J Archer
Partner – Audit & Assurance

Sydney, 13 May 2021

Australian Cancer Research Foundation
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2020

	Notes	2020 \$	2019 \$
Income from continuing operations			
- Bequests	2	7,374,720	5,655,272
- Fundraising	19	3,645,609	5,615,971
- Government funding	2	578,500	-
Investment income	2	747,938	1,154,887
Fair value gain on financial assets at fair value through profit or loss		336,727	2,146,392
Net loss on sale of financial assets held at fair value through profit or loss		(148,062)	(155,119)
		12,535,432	14,417,403
Employee benefits expense		(2,104,716)	(2,155,295)
Fundraising expenses		(972,549)	(1,079,833)
Website and domain name development expense		(42,465)	(43,344)
Office and premises expenses		(50,409)	(56,178)
Investment management fees		(69,252)	(60,830)
Professional service fees		(4,450)	(2,698)
Depreciation and amortisation expense	3	(166,776)	(167,566)
Other expenses		(190,254)	(315,655)
Surplus for the year before grants		8,934,561	10,536,004
Grants contracted and expensed during the year	4	(7,411,198)	(18,794,154)
Net surplus/(deficit) for the year after grants awarded		1,523,363	(8,258,150)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		1,523,363	(8,258,150)

These financial statements should be read in conjunction with the accompanying notes.

Australian Cancer Research Foundation
Statement of financial position
As at 31 December 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	3,705,908	1,648,745
Receivables	6	930,909	836,130
Financial assets	7	13,095,771	13,765,083
Other current assets	8	239,365	120,013
Total current assets		17,971,953	16,369,971
Non-current assets			
Receivables	6	418,248	499,190
Financial assets	7	10,016,128	9,355,887
Other assets	8	-	114,924
Property, plant and equipment	9	28,027	31,902
Right-of-use assets	10	96,460	241,150
Total non-current assets		10,558,863	10,243,053
Total assets		28,530,816	26,613,024
LIABILITIES			
Current liabilities			
Lease liabilities	11	106,242	148,321
Payables	12	8,001,880	6,558,045
Employee benefit obligations	13	158,160	164,675
Total current liabilities		8,266,282	6,871,041
Non-current liabilities			
Lease liabilities	11	-	106,242
Payables	12	4,600,728	5,491,090
Employee benefit obligations	13	29,394	33,602
Total non-current liabilities		4,630,122	5,630,934
Total liabilities		12,896,404	12,501,975
Net assets		15,634,412	14,111,049
FUNDS			
Endowed funds for perpetual investment		10,000	10,000
General funds	14	15,624,412	14,101,049
Total funds		15,634,412	14,111,049

These financial statements should be read in conjunction with the accompanying notes.

Australian Cancer Research Foundation
Statement of changes in funds
For the year ended 31 December 2020

	Endowed funds for perpetual investment	General funds	Total funds
	\$	\$	\$
Balance at 1 January 2019	10,000	22,359,199	22,369,199
Deficit for the year	-	(8,258,150)	(8,258,150)
Other comprehensive income	-	-	-
Total comprehensive deficit for the year	-	(8,258,150)	(8,258,150)
Balance at 31 December 2019	10,000	14,101,049	14,111,049
Balance at 1 January 2020	10,000	14,101,049	14,111,049
Surplus for the year	-	1,523,363	1,523,363
Other comprehensive income	-	-	-
Total comprehensive surplus for the year	-	1,523,363	1,523,363
Balance at 31 December 2020	10,000	15,624,412	15,634,412

These financial statements should be read in conjunction with the accompanying notes.

Australian Cancer Research Foundation
Statement of cash flows
For the year ended 31 December 2020

	2020	2019
Cash flows from operating activities	\$	\$
Receipts in the course of operations	11,547,656	11,231,730
Payments in the course of operations	(3,206,522)	(3,192,632)
Payments in relation to grants	(7,014,393)	(10,746,716)
Net cash inflow (outflow) from operating activities	1,326,741	(2,707,618)
Cash flow from investing activities		
Payments for property, plant and equipment	(18,211)	(14,372)
Payments for purchase of financial assets	(42,232,791)	(17,848,995)
Proceeds from disposal of financial assets	42,430,527	19,035,820
Dividends and distributions received	573,230	1,157,310
Interest received	144,582	220,201
Net cash inflow from investing activities	897,337	2,549,964
Cash flow from financing activities		
Lease payments (principal and interest)	(166,915)	(158,308)
Net cash outflow from financing activities	(166,915)	(158,308)
Net increase/(decrease) in cash and cash equivalents	2,057,163	(315,962)
Cash and cash equivalents at the beginning of the financial year	1,648,745	1,964,707
Cash and cash equivalents at the end of the year	3,705,908	1,648,745

Note

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These financial statements should be read in conjunction with the accompanying notes.

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1. Summary of significant accounting policies

This financial report covers Australian Cancer Research Foundation (the "Foundation" or "ACRF") as an individual entity. Australian Cancer Research Foundation is a company limited by guarantee, incorporated and domiciled in Australia. The financial report is presented in Australian currency.

A description of the nature of the Foundation's operations and its principal activities is included in the Trustees' report on pages 3-6 which is not part of these financial statements.

The financial statements were authorised for issue by the Trustees on 13 May 2021. The Trustees have the power to amend and reissue the financial statements.

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC). Australian Cancer Research Foundation is a not for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with Australian Accounting Standards - Reduced Disclosure Requirements

The financial statements of the Australian Cancer Research Foundation comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

(ii) Historical cost convention

These financial statements have been prepared on a going concern basis and under the historical cost convention.

(iii) Critical accounting estimates

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Leases:	Note 10 and Note 11
Revenue:	Note 2
Depreciation:	Note 9
Employee entitlements:	Note 13

(iv) New and amended standards adopted by the Foundation

At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Foundation.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Foundation's operations are measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Australian dollars, which is Australian Cancer Research Foundation's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

1. Summary of significant accounting policies (continued)

(c) Income recognition

The Foundation's major income streams are donation from appeals, community engagement fundraising and bequests. The timing of income recognition depends on whether a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset received by an entity. The Foundation recognises its income in accordance with AASB 1058 Income of Not-for-profit Entities.

No amounts are included in the financial report for services donated by volunteers.

(i) Bequests

Revenue from legacies comprising bequests are recognised at fair value, being the market value of the shares or property at the time the Foundation becomes legally entitled to the property. There are no enforceable or sufficiently specific performance obligations linked to bequests.

(ii) Direct giving

Direct giving mainly includes appeal donations and is recognised when the Foundation gains control of the asset. There are no enforceable or sufficiently specific performance obligations linked to this source of income.

(iii) Community fundraising & philanthropy

Community fundraising includes third party fundraising events as well as donations through a work place giving (WPG) program.

The philanthropy program raises significant donations from individuals and corporate companies and the revenue is recognised when ACRF gains control of the asset. The program is launched every year with an Investment Philanthropy document which includes updated research funding options.

There are no enforceable or sufficiently specific performance obligations linked to community fundraising and philanthropy.

(iv) Collaborative funding

Collaborative funding occurs when an institute wants to give additional support to any of the ACRF grant recipients. This funding is recognised when the Foundation gains control of the asset.

(iv) Government funding

Government funding received for the Jobkeeper subsidy and cash flow boost is recognised under AASB 1058 Income of Not-for-Profit Entities. The income is recognised when the Foundation gains control of the asset.

(vii) Investment revenue

ACRF has term deposits and mutual fund investments that give us interest which has a contract between ACRF and invested companies. Investment revenue is recognised for the major activities as follows:

- *Interest revenue*
Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.
- *Dividends and trust distributions*

Revenue from dividends and trust distributions are recognised when the right to receive payment is established. Franking credits from dividends are recognised on an accruals basis.

The Foundation's investments are managed by fund managers who report to the Foundation on a monthly basis. Investment income is brought to account on an accrual basis. Changes in fair value of investments are recorded in accordance with the policies described in Note 1(j).

1. Summary of significant accounting policies (continued)

(d) Goods and Services Tax (GST)

Revenue, 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 (ATO). In these circumstances the GST is recognised as part of the acquisition cost of the assets or an item of expenses.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet. Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO are classified as operating cash flows.

(e) Income tax

The Foundation is exempt from paying income tax. The Foundation holds an endorsement as an income tax exempt charity under subdivision 50-B of the Income Tax Assessment Act 1997.

(f) Acquisition of assets

All assets acquired including property, plant and equipment are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. Where a bequest is received in the form of investments, these are recognised at fair value at the date acquired.

(g) Impairment of assets

Impairment indicators over property, plant and equipment and right of use assets are considered at each reporting date. If indicators exist, then the recoverable amount of the relevant asset / cash-generating unit is determined. The recoverable amount of property, plant and equipment is the higher of fair value less costs of disposal and value in use. An impairment loss exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. For plant and equipment and right of use assets, impairment losses are recognised in the statement of profit or loss and other comprehensive income.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Receivables

Receivables are recognised initially at fair value and subsequently at amortised cost using the effective interest rate method less any allowance under the Expected Credit Loss (ECL) model. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of receivables is reviewed on an ongoing basis. The Foundation makes use of a simplified approach in accounting for the loss allowance at the amount equal to the ECL losses. In using this practical expedient, the Foundation uses its historical experience, external indicators and forward-looking information to calculate the ECL.

Debts which are known to be uncollectible are written off by reducing the carrying amount directly. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. There has been no impairment loss recognised in the current year.

1. Summary of significant accounting policies (continued)

(j) Financial assets

(i) Classification

In line with AASB 9, the Foundation classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ACRF measures receivables, cash and cash equivalents at amortised cost since these financial assets meet the relevant criteria in AASB 9, being that they are held to collect contractual cash flows which give rise to solely payments of principal and interest on the principal amount outstanding. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets at fair value through profit or loss are the term deposits, investments held in equities and managed portfolios which are acquired with the intention of making a positive return.

For assets measured at fair value, gains and losses will be recorded in profit or loss.

(ii) Recognition and derecognition

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

(iii) Measurement

At initial recognition, the Foundation measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income within revenue from continuing operations in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of comprehensive income as part of income from continuing operations when the Foundation's right to receive payments is established.

(k) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as trading and available for sale securities) is based on quoted market prices at the balance sheet date (Level 1 inputs). The quoted market price used for financial assets held by the Foundation is the current bid price. The fair value of financial instruments that are not traded in an active market is determined using valuation techniques from the investment manager.

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values due to their short-term nature.

1. Summary of significant accounting policies (continued)

(l) Payables

These amounts represent liabilities for goods and services provided to the Foundation prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Employee entitlements

(i) Short-term obligations

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided up to the reporting date, calculated at undiscounted amounts based on current wage and salary rates including related on costs.

(ii) Long service leave

The liabilities for long service leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Superannuation

Contributions are made to employee superannuation funds and are charged against income as they are made.

(n) Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred. Depreciation on non-current assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

- Furniture, fittings and equipment	5 years
- Leasehold improvements	5 years
- Computer equipment	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss and Other Comprehensive Income.

1. Summary of significant accounting policies (continued)

(o) Leased assets

AASB 16 Leases requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases. The Foundation has only one operating lease under this standard which is recognised on the balance sheet. This involves recognising:

- A 'right-of-use' asset; and
- A lease liability.

At inception of a contract, the Foundation assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration. This involves an assessment of whether: the contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.

The Foundation has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use. The Foundation has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Foundation recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Foundation believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The right-of-use asset is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Foundation's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Foundation's assessment of lease term. Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Foundation has elected to apply the exceptions to lease accounting for leases of low-value assets. For these leases, the Foundation recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(p) Grants payable

Grants are recognised as an expense and corresponding liability in the financial statements when the Trustees have approved the provision of a grant to an organisation, the contract has been signed and there are no further conditions that must be met for the grant to be paid in future years.

Where the Trustees have approved the provision of a grant to an organisation but no contract has been signed, a contingent liability is disclosed in the notes to the financial statements.

(q) Website and domain name development expense

Expenditures associated with website and domain name development are recognised as an expense as incurred.

1. Summary of significant accounting policies (continued)

(r) Provisions

Provisions are recognised when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Comparative information

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

Comparative information within the Foundation's financial statements has also been reclassified where necessary to reflect a more accurate recording and classification.

Australian Cancer Research Foundation
Notes to the financial statements
31 December 2020
(continued)

2. Income

	2020	2019
	\$	\$
Income from continuing operations		
Income recognised under AASB 1058 Income for Not-for-profit Entities		
Bequests	7,374,720	5,655,272
Fundraising		
Direct giving	1,243,298	1,350,819
Community fundraising	1,237,375	2,074,515
Philanthropy	619,274	1,560,432
Collaborative funding	411,198	404,954
Other income	134,464	225,251
	3,645,609	5,615,971
Government funding		
JobKeeper subsidy	478,500	-
Cash Flow Boost	100,000	-
	578,500	-
	11,598,829	11,271,243
	2020	2019
	\$	\$
Investment income		
Interest and bank bills discount received	144,582	205,603
Franking credits refunded	45,658	180,229
Dividends and trust distributions	557,698	769,055
	747,938	1,154,887

3. Expenses

Surplus for the year includes the following specific expenses:

	2020	2019
	\$	\$
Depreciation		
Plant and equipment	22,086	22,876
Right-of-use assets	144,690	144,690
Total depreciation	166,776	167,566
	2020	2019
	\$	\$
Auditor remuneration		
Audit of the financial report	25,650	24,750

Australian Cancer Research Foundation
Notes to the financial statements
31 December 2020
(continued)

4. Grants contracted and expensed during the year

	2020	2019
	\$	\$
The University of Queensland Diamantina Institute (ACEMID)	-	9,889,200
Centenary Institute of Cancer Medicine & Cell Biology	-	100,000
South Australian Health & Medical Research Institute	-	2,500,000
Griffith University (Compounds Australia)	-	2,000,000
South West Sydney Local Health District	-	2,000,000
Children's Medical Research Institute	100,000	100,000
UWA Harry Perkins Institute of Medical Research	100,000	100,000
The University of Melbourne (Bio21 Institute)	111,198	2,104,954
UNSW Sydney (Children's Cancer Institute)	3,500,000	-
Walter and Eliza Hall Institute for Medical Research	3,500,000	-
The University of Sydney (ACEMID)	100,000	-
	7,411,198	18,794,154

5. Cash and cash equivalents

	2020	2019
	\$	\$
Cash at bank – Operation Account	119,109	275,854
Cash at bank - Investment Account	3,586,499	1,372,591
Petty cash	300	300
	3,705,908	1,648,745

6. Receivables

	2020			2019		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Dividends and distributions receivable	26,858	-	26,858	37,654	-	37,654
JobKeeper receivable	93,900	-	93,900	-	-	-
Other receivables	12,422	-	12,422	55,149	-	55,149
Franking credits receivable	82,658	-	82,658	37,000	-	37,000
Interest receivable	1,642	-	1,642	6,378	-	6,378
GST receivable	713,429	418,248	1,131,677	699,949	499,190	1,199,139
	930,909	418,248	1,349,157	836,130	499,190	1,335,320

7. Financial assets

	2020			2019		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Funds retained for future research projects (term deposits)	5,250,000	-	5,250,000	5,280,000	-	5,280,000
Managed portfolio investments - at fair value through profit or loss	7,845,771	-	7,845,771	8,485,083	-	8,485,083
Equity securities - at fair value through profit or loss	-	10,016,128	10,016,128	-	9,355,887	9,355,887
	13,095,771	10,016,128	23,111,899	13,765,083	9,355,887	23,120,970

The Foundation's investment portfolio primarily comprises investments in listed equity securities, managed investment funds and fixed interest securities. These investments are measured at fair value based on the unit price / share price as at balance date.

Equity securities are classified as non-current as ACRF have the intention to hold these for the longer term.

8. Other assets

	2020			2019		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Prepayments	124,441	-	124,441	120,013	-	120,013
Security deposit	114,924	-	114,924	-	114,924	114,924
	239,365	-	239,365	120,013	114,924	234,937

Security deposit represents interest bearing, irrevocable cash escrow account in relation to license application for website development and rental guarantee.

9. Property, plant and equipment

	Furniture and fittings	Computer equipment	Total
	\$	\$	\$
At 31 December 2019			
Cost	80,102	228,576	308,678
Accumulated depreciation	(75,913)	(200,863)	(276,776)
Net book amount	4,189	27,713	31,902
At 31 December 2020			
Opening net book amount	4,189	27,713	31,902
Additions	-	18,211	18,211
Depreciation charge	(1,187)	(20,899)	(22,086)
Closing net book amount	3,002	25,025	28,027
At 31 December 2020			
Cost	80,102	246,787	326,889
Accumulated depreciation	(77,100)	(221,762)	(298,862)
Net book amount	3,002	25,025	28,027

10. Right-of-use assets

	Right-of-use assets	Total
	\$	\$
At 31 December 2019		
Cost	385,840	385,840
Accumulated depreciation	(144,690)	(144,690)
Net book amount	241,150	241,150
At 31 December 2020		
Opening net book amount	241,150	241,150
Additions	-	-
Depreciation charge	(144,690)	(144,690)
Closing net book amount	96,460	96,460
At 31 December 2020		
Cost	385,840	385,840
Accumulated depreciation	(289,380)	(289,380)
Net book amount	96,460	96,460

11. Lease liabilities

	2020	2019
	\$	\$
Current	106,242	148,321
Non-current	-	106,242
Lease liabilities in the statement of financial position as at 31 December	106,242	254,563

12. Payables

	2020			2019		
	Current	Non-current	Total	Current	Non-current	Total
Grants payable	\$	\$	\$	\$	\$	\$
Grants payable	6,800,163	4,182,480	10,982,643	5,593,938	4,991,900	10,585,838
GST on grants payable	680,016	418,248	1,098,264	559,394	499,190	1,058,584
Total grants payable (a)	7,480,179	4,600,728	12,080,907	6,153,332	5,491,090	11,644,422
Sundry creditors and accrued expenses	521,701	-	521,701	404,713	-	404,713
	8,001,880	4,600,728	12,602,608	6,558,045	5,491,090	12,049,135

(a) Reconciliation of grants payable

	2020	2019
	\$	\$
Balance at 1 January	11,644,422	2,792,240
Grants contracted and expensed during the year	7,411,198	18,794,154
GST recoverable on grants paid during the year	741,119	1,879,416
Grants paid	(7,014,393)	(10,746,716)
GST recoverable of grants paid	(701,439)	(1,074,672)
Balance at 31 December	12,080,907	11,644,422

13. Employee benefit obligations

	2020			2019		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Leave obligations	158,160	29,394	187,554	164,675	33,602	198,277

The leave obligations cover the Foundation's liability for long service leave and annual leave.

14. General funds

	2020	2019
	\$	\$
Balance at 1 January	14,101,049	22,359,199
Net surplus/(deficit) for the year after grants awarded	1,523,363	(8,258,150)
Balance at 31 December	15,624,412	14,101,049

15. Related party transactions

Key Management Personnel of the Foundation include members of the executive management team and the Trustees. Details of the Trustees are disclosed in the Trustees' report. No emoluments were received or due and receivable by the Trustees of the Foundation during this year. No related party transactions were made during the year. The total Key Management Personnel remuneration is shown below

	2020	2019
	\$	\$
Total key management personnel compensation	1,142,424	1,131,456

16. Contingencies

(a) Contingent liabilities

The Foundation had contingent liabilities in respect of:

<i>(i) Grants</i>	2020	2019
	\$	\$
UNSW Sydney (Children's Cancer Institute)	-	3,500,000
Walter and Eliza Hall Institute for Medical Research	-	3,500,000
Garvan Institute of Medical Research	3,000,000	-
The University of Melbourne (Peter MacCallum Cancer Centre)	1,800,000	-
The University of Queensland Centre for Advanced Imaging	1,200,000	-
	6,000,000	7,000,000

Subsequent to year end 31 December 2020, the Garvan Institute of Medical Research, The University of Melbourne and The University of Queensland Centre of Advanced Imaging grants have been formally contracted and recognised as grants payable.

(ii) Guarantees

The Foundation had contingent liabilities at 31 December 2020 in respect of a security deposit guarantee for the office lease amounting to \$87,000 (2019: \$87,000) held by Commonwealth Bank of Australia.

17. Members' liabilities

The liability of the members is limited to \$4,900 (2019: \$5,200).

18. Events occurring after the reporting period

As disclosed in Note 16, subsequent to year end, the Garvan Institute of Medical Research, The University of Melbourne and The University of Queensland Centre of Advanced Imaging grants have been formally contracted and recognised as grants payable.

There are no other matters or circumstances have occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Foundation, the results of those operations or the state of affairs of the Foundation in subsequent financial years.

19. Information and declaration to be furnished under the Charitable Fundraising Act 1991 (NSW)

The following information is included to comply with the *Charitable Fundraising Act 1991 (NSW)*. As in previous years the Foundation has complied with the Charitable Fundraising Act with respect to expenses recognised as costs of fundraising activities. Those costs that are directly attributable to fundraising activities, and can be reliably identified as such, have been included as a cost of fundraising activities in this note. This provides a comparatively more accurate measure of the Foundation's fundraising performance from year to year.

(a) Statement of income and expenditure of all fundraising activities conducted during the financial year

Gross proceeds from fundraising activities	2020	2019
	\$	\$
Direct Giving	1,243,298	1,350,819
Community Fundraising	1,237,375	2,074,515
Philanthropy	619,274	1,560,432
Collaborative Funding	411,198	404,954
Other Revenue	134,464	225,251
	<u>3,645,609</u>	<u>5,615,971</u>
Less: Total costs of fundraising activities		
Advertising	164,385	132,709
Business development	29,534	45,195
Employee expenses	1,341,077	1,382,563
Events management	26,513	46,114
Printing, postage and stationery	61,911	69,482
Promotion expenses	108,713	69,204
Direct mail - survey and appeals	220,050	268,862
Other fundraising activities	361,443	448,267
	<u>2,313,626</u>	<u>2,462,396</u>
Net income	<u>1,331,783</u>	<u>3,153,315</u>

* Under the Charitable Fundraising Act, bequests are not considered fundraising appeals, however costs of fundraising activities contribute to the generation of the bequests.

As disclosed in Note 2, bequest income amounted to \$7,374,720 for the year ended 31 December 2020 (2019: \$5,655,272).

(b) Information on any material occurrence

The Foundation is not aware of any material matter or occurrence, including those of an adverse nature affecting the conduct of and financial results of fundraising activities during the year.

Statement on the application of funds to charitable purposes

The current policy of the Foundation is to annually award cancer research grants upwards of a minimum of \$1.5 million (2019: \$1.5 million) each for world-class research being conducted in research centres throughout Australia. The selection of awardees is based on recommendations made to the Foundation's Board of Trustees by the Foundation's distinguished Medical Research Advisory Committee. The selection process occurs, in any one year, over a six month period.

Medical research grants expensed during the year totalled \$7,411,198 (2019: \$18,794,154) which are funded from fundraising, bequests and investment income.

List of all forms of fundraising appeals conducted during the financial year

Direct mail
Regular Giving donations
Corporate donations
Bequests
Third party fundraising
Philanthropy

20. Company Information

The registered office and principal place of business is:

Level 3, Suite 2
77 King Street
Sydney NSW 2000

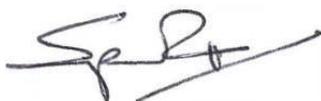
In the Trustees' opinion:

- (a) the financial statements and notes set out on pages 8 to 27 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC)*, including:
 - (i) complying with Accounting Standards - Reduced Disclosure Requirements and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Foundation's financial position as at 31 December 2020 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Trustees.



Mr Tom Dery AO
Trustee



Mr Stephen Rix
Trustee

Sydney
Dated 13 May 2021

**Australian Cancer Research Foundation
Declaration by Chairman
with respect to fundraising appeals
31 December 2020**

I, T S Dery, Chairman of the Board of Trusts of the Australian Cancer Research Foundation, declare in my opinion:

(a) the financial report gives a true and fair view of all income and expenditure of Australian Cancer Research Foundation with respect to fundraising appeal activities for the financial year ended 31 December 2020;

(b) the balance sheet gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 31 December 2020;

(c) the provisions of the *Charitable Fundraising Act 1991 (NSW)* and the Regulations and conditions attached to the authority have been complied with for the financial year ended 31 December 2020; and

(d) the internal controls exercised by Australian Cancer Research Foundation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Mr Tom Dery AO
Chairman

Sydney
Dated 13 May 2021

Independent Auditor's Report

To the Trustees of the Australian Cancer Research Foundation

Report on the audit of the financial report

Opinion

We have audited the accompanying financial report of the Australian Cancer Research Foundation (the "Registered Entity" or the "Foundation") which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Trustees' declaration.

In our opinion, the financial report of the Australian Cancer Research Foundation has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* ('ACNC Act'), including:

- a giving a true and fair view of the Registered Entity's financial position as at 31 December 2020 and of its financial performance for the year then ended;
- 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 opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Registered Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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.

Information other than the financial report and auditor's report thereon

The Responsible Entities of the Registered Entity are responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Trustees for the financial report

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

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

Those charged with governance are responsible for overseeing the Registered Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

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

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

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

We have audited the compliance of the Australian Cancer Research Foundation with the requirements of Section 24(2) of the NSW Charitable Fundraising Act 1991 (the 'CF Act') for the year ended 31 December 2020.

Opinion

In our opinion:

- a the Australian Cancer Research Foundation has properly kept the accounts and associated records during the year ended 31 December 2020 in accordance with the NSW Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulations 2015 (section 24(2)(b) of the CF Act);
- b the Australian Cancer Research Foundation, has, in all material respects, properly accounted for and applied money received as a result of fundraising appeals conducted during the year ended 31 December 2020 in accordance with section 24(2)(c) of the CF Act; and
- c there are reasonable grounds to believe that the Australian Cancer Research Foundation will be able to pay its debts as and when they fall due over the 12 month period from the date of this report (section 24(2)(d) of the CF Act).

The Responsible Entities' responsibility under the Charitable Fundraising Act 1991

The Responsible Entities of the Australian Cancer Research Foundation are responsible for compliance with the requirements and conditions of the NSW Charitable Fundraising Act 1991 and NSW Charitable Fundraising Regulation 2015 and for such internal control as the Trustees determine is necessary for compliance with the CF Act and the Regulation. This responsibility includes establishing and maintaining internal control over the conduct of all fundraising appeals; ensuring all assets obtained during, or as a result of, a fundraising appeal are safeguarded and properly accounted for; and maintaining proper books of account and records.

The Trustees are also responsible for ensuring the Foundation will be able to pay its debts as and when they fall due.

Auditor's responsibility

Our responsibility is to form and express an opinion on the Australian Cancer Research Foundation compliance, in all material respects, with the requirements of the Act and Regulations, as specified in section 24(2)(b), 24(2)(c) and 24(2)(d) of the Charitable Fundraising Act 1991.

Our audit has been conducted in accordance with the applicable Standards on Assurance Engagements (ASAE 3100 *Compliance Engagements*), issued by the Auditing and Assurance Standards Board. Our audit has been conducted to provide reasonable assurance that the Australian Cancer Research Foundation has complied with specific requirements of the Charitable Fundraising Act 1991 and Charitable Fundraising Regulation 2015, and whether there are reasonable grounds to believe the Registered Entity will be able to pay its debts as and when they fall due over the 12 month period from the date of this independent auditor's report (future debts).

Audit procedures selected depend on the auditor's judgement. The auditor designs procedures that are appropriate in the circumstances and incorporate the audit scope requirements set out in the CF Act. The audit procedures have been undertaken to form an opinion on compliance of that the Australian Cancer Research Foundation with the CF Act and Regulations and its ability to pay future debts. Audit procedures include obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting the Australian Cancer Research Foundation's compliance with specific requirements of the CF Act and Regulation, and assessing the reasonableness and appropriateness of the Australian Cancer Research Foundation's assessment regarding the Registered Entity's ability to pay future debts.

Inherent limitations

Because of the inherent limitations of any compliance procedures, it is possible that fraud, error or noncompliance may occur and not be detected. An audit is not designed to detect all instances of noncompliance with the requirements of the Act and Principles, as the audit procedures are not performed continuously throughout the year and are undertaken on a test basis.

Whilst evidence is available to support the Registered Entity's ability to pay future debts, such evidence is future orientated and speculative in nature. As a consequence, actual results are likely to be different from the information on which the opinion is based, since anticipated events frequently do not occur as expected or assumed and the variations between the prospective opinion and the actual outcome may be significant.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A J Archer
Partner – Audit & Assurance

Sydney, 13 May 2021