



**National
Breast Cancer
Foundation**

National Breast Cancer Foundation

ABN 37 144 841 707

Full financial report

for the year ended 30 June 2019

National Breast Cancer Foundation ABN 37 144 841 707
Annual report – 30 June 2019

Contents

	Page
Directors' Report	1
Auditor's Independence Declaration	8
Financial Statements	9
Directors' Declaration	28
Independent auditor's report to the Members	29

Directors' Report

The directors present their report, together with the financial statements of the National Breast Cancer Foundation (NBCF) for the year ended 30 June 2019.

Directors

The following persons were directors of NBCF during the entire financial year, up to the date of this report, unless otherwise shown:

Elaine Henry OAM (Chair)
Deeta Colvin (McGeogh)
Lady Jane Edwards AM
Winsome Hall
Professor Ross Hannan
Peta Jurd (resigned 21 August 2019)
Megan Keleher
David Krasnostein AM
Bob Prosser
Jenny Rogers

Non-executive Directors receive no fees and provide their services to the Board of NBCF on a *pro-bono* basis.

Principal Activities

During the year, the principal continuing activities of NBCF consisted of:

- (a) raising monies to fund research;
- (b) granting funds for a wide spectrum of research in relation to breast cancer; and
- (c) engaging with the community.

There were no significant changes in the nature of NBCF's activities during the year.

Long Term Objectives

The long term objective of NBCF is the prevention and cure of breast cancer "towards zero deaths from breast cancer by 2030".

Short to Medium Term Objectives

- (a) Continue to drive the best research towards prevention and cure;
- (b) Enhance our science communications to supporters; and
- (c) Increase fundraising for research.

Key strategies for achieving objectives

- (a) Drive research towards prevention and cure
 - Review and refine research strategy and decision making processes
 - Continue to fund research across the spectrum of research types (e.g. basic, applied, clinical etc.)
 - Continue to fund the best research across Australia
 - Evaluate outcomes of NBCF funded research
- (b) Enhance our science communications to supporters
 - Publish on key research issues, including working closely with NBCF funded researchers to offer lay friendly updates, events and tours.
 - Work closely with other cancer research organisations in Australia and elsewhere, to maximise research opportunities and impact for breast cancer.
- (c) To increase fundraising
 - Review all fundraising activities to ensure optimal return on investment
 - Focus resources on the more profitable activities
 - Explore new areas of fundraising

Explanation of how business activities helped meet key objectives

NBCF aims to deliver a diverse and industry-leading portfolio of research initiatives to support Australia's most outstanding scientists and innovations, in order to realise NBCF's overall objective of "towards zero deaths from breast cancer by 2030". NBCF will achieve this by partnering with the community to identify priorities in breast cancer research and generate income from fundraising activities to fund this research. Fundraising activity provides the income required to fund research to meet NBCF's ultimate goal of the prevention and cure of the disease.

NBCF-funded research is helping to better understand how breast cancer originates, grows and spreads, in order to develop new tests, treatments and interventions to improve outcomes for people with the disease. Research grants cover a broad spectrum of breast cancer research, as well as supporting psychosocial research aimed at understanding and improving the quality of life for people after breast cancer treatment, their family and friends. While some research will produce immediate results that can be applied to prevention, treatment and care, other outcomes will have their main impact in future years. Grant applications are awarded based on scientific excellence, researcher track record and alignment with NBCF's goal of zero deaths. The fundraising and grant-making businesses are supported and enabled by Marketing and Corporate Services (IT, HR, Finance).

Measurement of performance

Research

Funding agreements are in place for each research project funded by NBCF. These agreements last the duration of the project (typically cover 2 to 5 years) and which contain milestones and a reporting schedule. Research progress is tracked against these milestones through annual progress reports which are monitored by NBCF. Progress reports also include financial reporting from the host research institution. Grant instalment payments are conditional on the satisfactory performance of the project measured against the pre-determined milestones and related performance measures (such as scientific papers emerging from the project). Research progress and final outcomes are monitored by NBCF's Board, with input from the Research Advisory Committee as required.

An independent evaluation of outcomes from NBCF funded research was undertaken by the Health Economics Research Group (HERG) in 2013 and was updated for the period 2012 -2017. The report found that research funded by NBCF has had significant impact in critical areas such as knowledge production; leveraging further funding and research; health gains; development of new therapies and diagnostics; and informing health policy. In 2017 NBCF adopted and implemented a cloud-based research evaluation tool, ResearchFish, to monitor outcomes in real time and systematically track research impact on a regular basis, to ensure that the research funded by NBCF continues to be of world class quality.

Fundraising

At the start of each financial year, income and expenditure targets are set for fundraising business units in conjunction with other key performance indicators (e.g. percentage of repeat business or new donors acquired). Business units report their progress against these targets on a monthly basis.

Marketing

Marketing is responsible for raising awareness of, and managing the NBCF brand. Additionally, marketing is responsible for effective visual identity and communications to all stakeholders and supporters which are critical in ensuring our purpose, impact and outcomes from our research are clearly articulated and understood. Performance measures for marketing include brand health metrics including brand awareness, consideration and differentiation scoring against other charities. Additionally, marketing measures whether opportunities for the brand have been maximised, with risks minimised.

Corporate Services

Corporate Services provide business units with appropriate, timely, effective and efficient services to support their activities. Performance measurement hinges principally on internal client satisfaction and achievements. Organisational culture is an important focus for NBCF. Key priorities focussed on increasing employee engagement and investing in leaders to develop, support and retain NBCF's employees. NBCF has in place a Risk Management Framework which has been deployed across the organisation and is regularly reviewed by the Board. The strategic intent of the framework is to ensure that all risks of the organisation are managed in a proactive manner, which embraces the identification, treatment, management, reporting and review of risks.

Review of operations

NBCF operations for the year resulted in a surplus before grant expense of \$8.9m. After the provision of research grants of \$11m, the net deficit for the year was (\$2.1m).

NBCF introduced the 'International Fellows Program' to create more opportunities for emerging clinicians with an interest in establishing research programs. The Fellowships aim to support a one or two year clinical and research training program at one of six international host institutions. This scheme is a new and unique concept for breast cancer research in Australia, designed to support clinicians maintaining an active research program along with their clinical responsibilities.

NBCF completed the second round of the 'Investigator Initiated Research Scheme' during the year. The scope and extent of the research funded by NBCF remains the same and the focus on supporting outstanding researchers continues. In addition to the research peer review process, NBCF introduced a new community review process to maximise stakeholder input to grant selection.

Significant changes in the state of affairs

There has been no significant change in the state of affairs of NBCF during the year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect:

- (a) NBCF's operations in future financial years, or
- (b) The results of those operations in future financial years, or
- (c) NBCF's state of affairs in future financial years.

Likely developments and expected results of operations

NBCF expects to maintain the present status and level of operations, including continuation of investment in the Regular Giving program, to generate additional funds for research in future years. As part of this investment, NBCF has entered into a collaborative Joint Venture with three other charities: CanTeen, Starlight Children's Foundation (Starlight) and The Australian Committee for UNICEF (UNICEF Australia) to establish an independent not-for-profit social enterprise, Rainbow Fields Limited (Rippling), to deliver an innovative, cost-efficient approach to sustainable donor acquisition.

The four founding charities are represented on the Rippling Board along with independent Directors.

In the opinion of the Directors, there are no other likely changes in the operations of NBCF that will adversely or significantly affect the results of NBCF in subsequent financial years.

Environmental Regulation

NBCF is not subject to any mandatory environmental obligations or reporting requirements, but has in place company policies that promote environmental awareness and sustainability.

Information on Directors

Elaine Henry OAM BSc (Hons 1), DLitt (h.c.) MAICD

Board member for 9 years, Chair since 2012, Trustee since 1995

In her executive career, Elaine was the CEO of the Cancer Council (NSW) and then CEO of The Smith Family for over 25 years. She was awarded the Medal of the Order of Australia in 1994 and a Doctorate of Letters (h.c.) from the University of NSW in 2006 for her service to the community in relation to cancer control, including the control of breast cancer. She played a major role in developing the model for Australia's breast screening program, oversaw the establishment of the National Breast Cancer Centre and Breastscreen NSW and convened the National Steering Committee for Australia's inaugural Breast Cancer Day. In 2009, Elaine received Research Australia's Lifetime Achievement Award.

Special responsibilities: Chair, Board; Chair, Nominations Committee.

Deeta Colvin (McGeogh) BA

Board member for 6 years

Presently and since 2016, Deeta has fulfilled the role of Director Corporate Relations and Corporate Communications for The Michael Cassel Group. She previously worked full time in a Marketing and Special Events role for CPH. Immediately prior to this, Deeta was Director of Corporate Relations and Events for PBL Media from 2002 to 2007. Deeta owned her own marketing and communications agency, Colvin Communications International. She was awarded an "Ordre du Merite" by the French Government in 2001 for her contribution to fostering business between France and Australia.

Special responsibilities: Member, Marketing Committee.

Lady Jane Edwards AM ONM(Fr) BA, FAICD, FAIM

Board member for 9 years, Trustee since 2005

Jane (Brumfield) Edwards is a businesswoman and communications strategist, with a distinguished career spanning more than 35 years. A former Canberra journalist, Jane is a specialist in issues and reputation management. She advises senior executives and community leaders around Australia on personal profiling and business-critical issues in the public arena. She is a Fellow of the Australian Institute of Company Directors. Since 2001, she has been the Honorary French Consul for Queensland. She is a member of the Order of Australia, and holds the Chevalier de L'Ordre National du Merite (Knight of the French National Order of Merit). Jane recently received France's highest honor becoming a Knight Chevalier de la Légion d'Honneur.

Special responsibilities: Member, People and Culture Committee; Member, Marketing Committee.

Winsome Hall BA

Board member for 2 years

Winsome Hall is a non-executive director with more than 20 years' experience in a variety of private and public listed companies in the financial sector. She is Trustee/Director of Commonwealth Superannuation Corporation and director of the Medical Research Commercialisation Fund. Her past directorships include companies responsible for financial planning, consumer protection, infrastructure and venture capital and chair of a retail superannuation fund. She is active in superannuation industry organisations and is Chair of the NSW Committee of the Mothers' Day Classic, a fun run/walk fundraiser which donates all funds to NBCF. Winsome previously held senior roles Commonwealth Public Service and was Secretary of the ACT Branch of the Community and Public Sector Union.

Special responsibilities: Member, Investment Committee; Member, Audit and Risk Committee.

Professor Ross Hannan BSc PhD FAAHMS

Board member for 2 years

Ross is an internationally recognised laboratory scientist, whose work on ribosome biogenesis has led to new treatment paradigms in cancer, centred on drugs that activate nucleolar stress. He received his PhD from the University of Tasmania in 1994, before undertaking postdoctoral research in the USA. Ross's far-reaching contributions were recognised in his recent appointment as inaugural Centenary Chair in Cancer Research and Head of the ACRF Department of Cancer Biology and Therapeutics at John Curtin School of Medical Research, Australian National University (ANU). In 2017 he was appointed as the Executive Director of Research for ACT Health and was elected as Fellow of the Australian Academy of Health and Medical Sciences.

Special responsibilities: Chair, Research Advisory Committee.

Peta Jurd B.Com, Dip.Law, CPA, FAICD (resigned 21 August 2019)

Board member for 8 years

Peta has extensive experience in health and technology companies and is currently the Chief Commercial Officer and Company Secretary of Simavita Limited, a digital health technology company that has a first to market digital solution for the management of incontinence. Prior to this, Peta was the Head of Hills Health Solutions at Hills Limited where she was responsible for providing health technology to hospitals and aged care facilities in Australia and New Zealand. She has also held senior management positions at Telstra, Veolia Environmental Services and Mayne Nickless Health Care. Peta is a Non Executive Director of Healthdirect Australia Ltd, a national public health information service in Australia, funded by federal, state and territory governments.

Special responsibilities: Chair, People and Culture Committee; Member, Nominations Committee.

Megan Keleher B.Com MBA GAICD

Board member for 1 year

Megan Keleher is a business strategy and marketing specialist with experience across technology, media and telecommunications. She is currently Chief Marketing Officer of CUA, Australia's largest credit union. Prior to this role, she was the Vice President of Strategy and Marketing of Fujitsu Oceania, a global technology company. Megan has also successfully managed her own consulting business, specialising in brand strategy and the effectiveness and efficiency of the marketing function. Megan has held executive positions in Telstra, Foxtel and the Commonwealth Bank of Australia. Whilst at Telstra, she was the Executive Director Brand and Marketing, and during this time served as a Non-Executive Director of the Australian Association of National Advertisers.

Special responsibilities: Chair, Marketing Committee.

David Krasnostein AM B.Juris, LLB, LLM

Board member for 9 years, Trustee since 2009

David Krasnostein was former CEO of MLC Private Equity, Australia's oldest and largest private equity investor. He was former Chief General Counsel of National Australia Bank, Telstra's first General Counsel and Head of Strategic and Corporate Planning, and a Partner of Sidley Austin in Washington DC. David is a Director of the Qualitas Advisory Board, Director of the Melbourne Symphony Orchestra and a Director of The Hellenic Museum of Victoria.

Special responsibilities: Chair, Investment Committee; Member, Nominations Committee; Member, Audit & Risk Committee; Member, People and Culture Committee.

Bob Prosser MA Oxf, FCA, MAICD

Board member for 8 years

Bob is a Chartered Accountant and an experienced Company Director. He has been a non-executive director and Chair of Audit and Risk Committee of listed and unlisted companies. He was a Partner of PricewaterhouseCoopers from 1987 to 2008.

Special responsibilities: Chair, Audit & Risk Committee.

Jenny Rogers

Board member for 5 years

Jenny is Director and shareholder of R M Black Morgan Management Pty Ltd, the company that trades under the licence of Patersons Wealth Management. She is a Director and shareholder of 197 Adelaide Terrace Unit Trust. Jenny manages the finances of many private and corporate clients. She has chaired the NBCF Global Illumination Committee in Perth for 13 years. For the past 12 years she has held the position of Vice Chair Alzheimer's Australia WA and chaired the first Alzheimer's Disease International conference in Australia. Jenny was a Director of Lotterywest for 8 years and was Chair of their Medical Research programme with yearly discretionary funding. In 2017 she was elected to the board of Claremont Football Club affiliated with the West Australian Football League.

Special responsibilities: Member, Investment Committee.

Meetings of directors

The number of Board and Board Committee meetings held during the year ended 30 June 2019 that each Director was eligible to attend, and the numbers of meetings attended by each director were:

Director	Board		Audit & Risk Committee		Investment Committee		People & Culture Committee		Nominations Committee		Research Advisory Committee		Marketing Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Elaine Henry OAM	6	6	-	-	-	-	2	2	-	-	-	-	-	-
Deeta Colvin	6	4	-	-	-	-	-	-	-	-	-	-	-	0
Jane Edwards AM	6	6	-	-	-	-	2	1	-	-	-	-	2	2
Winsome Hall	6	6	7	7	4	3	-	-	-	-	-	-	-	-
Ross Hannan	6	4	-	-	-	-	-	-	-	-	2	2	-	-
Peta Jurd	6	4	-	-	-	-	2	2	-	-	-	-	-	-
David Krasnostein AM	6	4	7	5	4	4	2	2	-	-	-	-	-	-
Bob Prosser	6	5	7	6	-	-	-	-	-	-	-	-	-	-
Jenny Rogers	6	6	-	-	4	4	-	-	-	-	-	-	-	-
Megan Keleher	6	6	-	-	-	-	-	-	-	-	-	-	2	2

Indemnification of officers

During the financial year, NBCF paid a premium of \$8k (2018: \$4.3k) for insurance to indemnify directors and officers against any matter arising from any wrongful act committed by them in their capacity as directors. Effective from March 2019, the total sum insured increased from \$5 million to \$10 million.

The liabilities insured are for legal costs incurred in defending civil or criminal proceedings that may be brought against them in their capacity as officers of NBCF, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from:

- conduct involving a wilful breach of duty by the officers;
- the improper use of their position; or
- use of information to gain advantage for themselves or someone else, or to cause detriment to the company.

It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the company

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. No proceedings have been brought or intervened in, on behalf of the Company, with leave of the Court under section 237 of the *Corporations Act 2001*.

Member's Guarantee

NBCF is a company limited by guarantee. If NBCF is wound up, its constitution states that each member is required to contribute a maximum of \$100 towards meeting outstanding obligations of NBCF. At the date of this report, there were 10 members of the entity. Under NBCF's Constitution, the directors are the only members of the company.

Indemnification of Auditors

To the extent permitted by law, NBCF has agreed to indemnify its auditors, Ernst & Young (EY), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). However, the indemnity does not apply to any loss in respect of any matters which are finally determined to have resulted from EY's negligent, wrongful or wilful acts or omissions. No payment has been made to indemnify EY during or since the financial year.

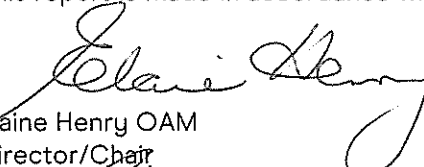
Auditor's independence declaration

A copy of the auditor's independence declaration as required under Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 8.

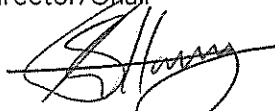
Auditor

EY continues in office.

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



Elaine Henry OAM
Director/Chair



Professor Sarah Hosking
CEO

Melbourne
16 October 2019



**Building a better
working world**

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Auditor's Independence Declaration to the Directors of National Breast Cancer Foundation

In relation to our audit of the financial report of National Breast Cancer Foundation for the financial year ended 30 June 2019, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for profits Commission Act 2012*, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Australian Charities and Not-for profits Commission Act 2012* or any applicable code of professional conduct.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rob Lewis'.

Rob Lewis
Partner
16 October 2019

National Breast Cancer Foundation ABN 37 144 841 707
Annual report – 30 June 2019

Contents

	Page
Financial Statements	
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to the financial statements	15
Directors' declaration	28
Independent auditor's report to the members	29

This is the financial report of the National Breast Cancer Foundation as an individual entity. The financial report is presented in the Australian Currency and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

National Breast Cancer Foundation is a "not-for-profit" company limited by guarantee, domiciled in Australia. Its registered office and principal place of business is:

National Breast Cancer Foundation
Level 9, 10 Barrack Street
SYDNEY
NSW 2000

A description of the nature of NBCF operations and its principal activities is included in the directors' report on pages 1 to 7, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 16 October 2019. The directors have the power to amend and reissue the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2019 \$'000	2018 \$'000
Revenue from fundraising activities	4a	25,285	22,577
Donations in kind		1,860	1,650
Other Income	4b	<u>2,738</u>	<u>4,637</u>
Revenue from continuing operations		<u>29,883</u>	<u>28,864</u>
Donations in kind expense		(1,860)	(1,650)
Direct cost of fundraising	21	(12,036)	(6,696)
Depreciation and amortisation	5a	(101)	(130)
Rent	5b	(529)	(474)
Salaries and allowances	5c	(5,250)	(4,593)
Other operating expenses		<u>(1,239)</u>	<u>(1,451)</u>
Surplus before grant expense and income tax		8,868	13,870
Grant expenses	13b	<u>(10,989)</u>	<u>(10,761)</u>
Surplus/(Deficit) before income tax		(2,121)	3,109
Income tax expense	6	<u>-</u>	<u>-</u>
Surplus/(Deficit) for the year		<u>(2,121)</u>	<u>3,109</u>
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income/(deficit) for the year		<u>(2,121)</u>	<u>3,109</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

	Notes	2019 \$'000	2018 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	7	2,248	4,966
Trade and other receivables	8	4,479	4,385
Financial assets	9	40,291	39,954
Total current assets		<u>47,018</u>	<u>49,305</u>
Non-current assets			
Financial assets – term deposits	9	305	305
Property, plant and equipment	10	238	233
Total non-current assets		<u>543</u>	<u>538</u>
Total assets		<u>47,561</u>	<u>49,843</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	1,021	1,418
Provisions	12	15,583	14,674
Total current liabilities		<u>16,604</u>	<u>16,092</u>
Non-current liabilities			
Provisions	13	13,042	13,715
Total non-current liabilities		<u>13,042</u>	<u>13,715</u>
Total liabilities		<u>29,646</u>	<u>29,807</u>
Net assets		<u>17,915</u>	<u>20,036</u>
EQUITY			
Accumulated funds	14	17,915	20,036
Total equity		<u>17,915</u>	<u>20,036</u>

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

STATEMENT OF CHANGES IN EQUITY

	Notes	Accumulated funds \$'000	Total equity \$'000
Balance at 1 July 2017		16,927	16,927
Surplus/ (Deficit) for the year		3,109	3,109
Other comprehensive income		-	-
Total comprehensive surplus for the year		<u>3,109</u>	<u>3,109</u>
Balance at 30 June 2018		<u>20,036</u>	<u>20,036</u>
Balance at 1 July 2018	14	20,036	20,036
Surplus/ (Deficit) for the year		(2,121)	(2,121)
Other comprehensive income		-	-
Total comprehensive surplus/(deficit) for the year		<u>(2,121)</u>	<u>(2,121)</u>
Balance at 30 June 2019	14	<u>17,915</u>	<u>17,915</u>

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

STATEMENT OF CASH FLOWS

	Notes	2019 \$'000	2018 \$'000
Cash flows from operating activities			
Receipts from grants, donations and fundraising activities		24,958	23,151
Payments for research grants, suppliers and employees		(30,329)	(25,371)
Net cash (outflow)/inflow from operating activities		(5,371)	(2,220)
Cash flows from investing activities			
Payments for property, plant and equipment	10	(107)	(50)
Proceeds from short-term deposits and investments		4,857	16,211
Payments for short-term deposits and investments		(4,157)	(26,192)
Interest income received		52	355
Investment income received		2,008	973
Net cash (outflow)/inflow from investing activities		2,653	(8,703)
Net increase/(decrease) in cash		(2,718)	(10,923)
Opening cash		4,966	15,889
Closing cash end of year	7	2,248	4,966

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

Table of Contents - Notes to the financial statements

Note	Item	Page
1	Summary of significant accounting policies	15
2	Critical accounting estimates and judgements	19
3	Changes in accounting policies, disclosures, standards and interpretations	19
4	Revenue	21
5	Expenses	21
6	Income tax expense	21
7	Current assets - Cash and cash equivalents	21
8	Current assets - Trade and other receivables	22
9	Financial assets	22
10	Non-current assets - Property, plant and equipment	23
11	Current liabilities - Trade and other payables	23
12	Current liabilities – Provisions	24
13	Non-current liabilities – Provisions	24
14	Accumulated funds	25
15	Key management personnel disclosures	25
16	Contingencies	25
17	Commitments	26
18	Related party transactions	26
19	Associates and Joint Ventures	26
20	Members' Guarantee	26
21	Charitable fundraising comparisons information - Financial Highlights 2019	26
22	Charitable fundraising comparisons information - Charitable Purposes 2019	27
23	Events occurring after the reporting period	27

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the 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 - Reduced Disclosure Requirements and interpretations issued by the Australian Accounting Standards Board and the *Australian Charities and Not-for-Profits Commission Act 2012*. National Breast Cancer 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 National Breast Cancer Foundation (NBCF) also 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 under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

(iii) *Critical accounting estimates*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying NBCF's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(b) Revenue recognition

Revenue is recognised at the fair value of consideration received, or receivable, when NBCF is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenues are recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office. Revenue not received at the balance sheet date is reflected in the statement of financial position as a receivable. Revenue received in respect of future periods is reflected in the statement of financial position as a liability.

Revenue is recognised for the major business activities as follows:

(i) *Revenue from fundraising*

Generally, community fundraising and donations are recognised when received. Foundations and Partnerships donations are recognised when received or receivable.

Bequests are recognised when NBCF is notified of an impending finalised distribution or the bequest is received, whichever occurs earlier. Bequests comprising shares or other property are recognised at fair value, being the market value of the shares or property at the date NBCF becomes legally entitled to the shares or property.

Revenue from the sale of goods is comprised of revenue earned (net of returns and discounts) from the sale of goods purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.

(ii) *Interest income*

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

(iii) *Donations in kind*

Donations in kind of goods or services are included at the fair value to NBCF when received, where this can be quantified and where a third party is bearing the cost.

No amounts are included in the financial statements for services donated by volunteers or directors.

(iv) *Other income sources*

Revenue from other sources is brought to account on an accrual basis.

(c) *Expenditures*

All expenditures are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the categories. Where costs cannot be directly attributed to a particular category, they have been allocated to activities on a basis consistent with use of the resources.

(d) *Income tax*

NBCF is a charitable institution for the purposes of Australian taxation legislation and is therefore exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*. This exemption has been confirmed by the Australian Taxation Office. NBCF holds deductible gift recipient status and has been endorsed as a health promotion charity.

(e) *Leases*

Leases in which a significant portion of the risks and rewards of ownership are not transferred to NBCF as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

(f) *Impairment of assets*

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(g) *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 less than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Cash includes: cash on hand; deposits held at call with financial institutions, and the cash component of NBCF's managed investments.

(h) *Trade receivables and other receivables*

Trade and other receivables are recognised at amortised cost, less any expected credit loss (ECL). NBCF applies a simplified approach in calculating ECLs. Therefore, NBCF does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. NBCF has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(i) *Investments and financial assets*

Classification

NBCF has placed funds with an external fund manager to be externally managed as a balanced portfolio. The portfolio consists of listed securities, managed funds, term deposits and cash. NBCF manages its investment portfolio for growth and income and classifies its entire portfolio as financial assets at fair value through profit

and loss. Financial assets at fair value through profit and loss are comprised of marketable equity securities and unlisted managed funds and are included in current assets unless the investment matures or management intends to dispose of the investment more than 12 months from the end of the financial year.

Measurement

At initial recognition, NBCF measures a financial asset at its fair value with subsequent changes in fair value being recognised directly in the Statement of Comprehensive Income.

(j) Property, plant and equipment

Plant and equipment acquired are measured on the cost basis less, where applicable, depreciation and impairment losses.

Depreciation on 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 or, in the case of leasehold improvements, the shorter lease term as follows:

- Office equipment, fixtures and fittings	10% - 40%
- Leasehold improvements	16% - 20%

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 the carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, it is NBCF's policy to transfer any amounts included in other reserves (in respect of those assets) to accumulated funds.

A leasehold improvement's carrying amount is written down immediately when the item is no longer used in the operations of NBCF or when it has no sale value. Any gain or loss arising on derecognition of the leasehold improvement is calculated as the difference between the net disposal proceeds and the carrying amount of the leasehold improvement. These gains or losses are included in the statement of comprehensive income.

(k) Intangible assets

(i) Trademarks

Trademarks have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives.

(ii) IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on a significant project. Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to NBCF prior to the end of 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) Provisions

Provisions are measured at the present value of Directors' best estimate of the expenditure required to settle the present obligation at the end of each reporting period. Liabilities expected to be settled within 12 months after the end of each reporting period are classified as current liabilities. The liabilities not expected to be settled within 12 months after the end of the reporting period are measured as the present value of expected future payments to be made in respect of research grants and are classified as non-current liabilities. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. The movement in the provisions due to the passage of time and the impact of changes in discount rates are included in grant expenses in the statement of comprehensive income. The impact of discounting is disclosed separately in note 13.

(n) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries and annual leave expected to be settled within 12 months after the end of each reporting period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting period in which the employees render the related service is recognised in the provision for employee benefits and 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. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

NBCF has no legal obligation to provide benefits to employees on retirement.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(p) Fair value estimation

The fair value of financial assets traded in active markets (such as publicly traded securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by NBCF is the current bid price. The fair value of managed funds is based on the unit price of each fund as reported by the funds at balance sheet date.

(q) Investment in associates and joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement

have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

In 2018/19 NBCF entered into a collaborative joint venture with three other charities: CanTeen, Starlight Children's Foundation (Starlight) and The Australian Committee for UNICEF (UNICEF Australia) to establish an independent not-for-profit social enterprise, Rainbow Fields Limited ("Rippling"). Rippling will focus on sustainable donor acquisition. NBCF's share in Rippling is 25%. As at June 2019, the Joint Venture had not commenced operations and establishment transactions were minimal. Establishment transactions incurred by NBCF for the financial year are represented as a loan in note 8.

NBCF's investment in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the NBCF's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The financial statements of the joint venture will be prepared for the same reporting period as the NBCF. When necessary, adjustments are made to bring the accounting policies in line with those of the NBCF.

2 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

NBCF makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Net present value of future research grants payable*

NBCF has adopted AASB 137 *Provisions Contingent Liabilities and Assets*, whereby the future grants provisions are discounted to appropriately reflect the time value of money. These grants are discounted based on government bond rates for 2-10 year bonds, which is assessed at the end of each year. The key assumptions used by the directors in determining fair value are as follows:

Discount rate 1.01% - 1.38% [2018 (2-10 year bonds): 2.05% - 2.70%].

3 Changes in accounting policies, disclosures, standards and interpretations

NBCF applied AASB 9 *Financial Instruments* for the first time. The nature and effect of the changes as a result of the adoption of this accounting standard are described below.

AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

NBCF has applied AASB 9 retrospectively, with the initial application date of 1 July 2018.

The classification and measurement requirement of AASB 9 did not have a significant impact to NBCF.

Accounting standards and interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by NBCF for the annual reporting year ended 30 June 2019. The directors are in the process of assessing the impact of the applications of AASB 15 *Revenue from contracts with customers* (effective 1 January 2019 for not-for-profit entities), AASB 1058 *Income for Not-For-Profit Entities* (effective 1 January 2019) and AASB 16 *Leases* (effective 1 January 2019) and its amendments to the extent relevant to the financial statements of NBCF.

4 Revenue

	2019	2018
	\$'000	\$'000
(a) Revenue from fundraising activities		
Foundations	2,861	2,100
Partnerships and Community Fundraising	7,035	7,581
Individual Giving	15,389	12,896
	25,285	22,577
(b) Other Income		
Interest income	29	166
Investment income	1,670	2,458
Net fair value gains on financial assets	1,039	2,013
	2,738	4,637

5 Expenses

	2019	2018
	\$'000	\$'000
Profit before income tax Includes the following specific expenses:		
<i>(a) Depreciation</i>		
Office Equipment, fixtures & fittings	56	85
Leasehold improvements	45	45
Total depreciation	101	130
Total depreciation and amortisation	101	130
<i>(b) Rental expense relating to operating leases</i>		
Minimum lease payments	529	474
<i>(c) Salaries and Allowances</i>		
Salaries & Wages	4,812	4,207
Defined contribution superannuation expense	438	386
Total Salaries and Allowances expense	5,250	4,593
<i>(d) Non – executive Directors fees</i>	-	-

6 Income Tax expense

NBCF is exempt from income tax in accordance with section 50-100 of the *Income Tax Assessment Act (1997)*.

7 Current assets - Cash and cash equivalents

	2019	2018
	\$'000	\$'000
Cash at bank and in hand	2,248	4,966
	2,248	4,966

8 Current assets - Trade and other receivables

	2019	2018
	\$'000	\$'000
Trade receivables	1,244	436
Provision for impairment of trade receivables	(33)	(213)
Accrued income	2,970	3,625
GST receivables / (payables)	(17)	208
Prepayments	283	329
Loan – Rainbow Fields Limited	32	-
	4,479	4,385

9 Financial assets

	2019	2018
	\$'000	\$'000
Current		
<i>Financial assets held at amortised cost</i>		
Short-term deposits	400	1,025
<i>Financial assets at fair value through profit and loss</i>		
Listed securities	9,784	10,074
Managed investments	30,107	28,855
	40,291	39,954
Non - Current		
<i>Financial assets held at amortised cost</i>		
Term deposits	305	305

10 Non-current assets - Property, plant and equipment

	Assets under construction	Intangible assets	Office equipment, fixtures and fittings	Leasehold improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2018					
Cost	-	-	838	226	1,064
Accumulated depreciation	-	-	(726)	(105)	(831)
Net book amount	<u>-</u>	<u>-</u>	<u>112</u>	<u>121</u>	<u>233</u>
Year ended 30 June 2019					
Opening net book amount	-	-	112	121	233
Additions	21	7	79	-	107
Disposals	-	-	(39)	-	(39)
Disposals - depreciation write back			38		38
Depreciation charge	-	-	(55)	(46)	(101)
Closing net book amount	<u>21</u>	<u>7</u>	<u>135</u>	<u>75</u>	<u>238</u>
At 30 June 2019					
Cost	21	7	877	226	1,131
Accumulated depreciation	-	-	(742)	(151)	(893)
Net book amount	<u>21</u>	<u>7</u>	<u>135</u>	<u>75</u>	<u>238</u>

11 Current liabilities - Trade and other payables

	2019	2018
	\$'000	\$'000
Trade payables	767	1,017
Accrued expenses	95	182
Deferred revenue	159	219
	<u>1,021</u>	<u>1,418</u>

12 Current Liabilities - Provisions

	2019	2018
	\$'000	\$'000
Employee benefits	191	164
Future research grants provision	15,324	14,442
Register4 provision	68	68
	15,583	14,674

13 Non-Current Liabilities - Provisions

	2019	2018
	\$'000	\$'000
Employee benefits - long service leave	69	31
Future research grants provision	12,973	13,684
	13,042	13,715

(a) Movements in provisions (current and non-current)

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	2019	2018
	\$'000	\$'000
Grants provision		
Current and Non-Current		
Carrying amount at start of year	28,194	30,460
Charged/(credited) to profit or loss		
- additional provisions recognised after discount	10,407	10,519
- unused amounts reversed	(85)	(625)
- finance expense incurred as a result of change in discount rate and unwinding of provision	667	867
Amounts used during the year	(10,818)	(13,027)
Carrying amount at end of year	28,365	28,194
Of which:		
Short term	15,392	14,510
Long term	12,973	13,684
	28,365	28,194

(b) Reconciliation of movement in provisions to statement of comprehensive income

	2019	2018
	\$'000	\$'000
Additional provision recognised	10,407	11,481
Unused amounts reversed	(85)	(625)
Discount of additional provisions recognised	(394)	(962)
Finance expense incurred as a result of change in discount rate and unwinding of provision	1,061	867
Total grant expenses per statement of comprehensive income	10,989	10,761

14 Accumulated funds

	2019	2018
	\$'000	\$'000
Movements in accumulated funds were as follows:		
Opening balance 1 July	20,036	16,927
Net surplus/(deficit) for the year	(2,121)	3,109
Closing balance 30 June	17,915	20,036

15 Key management personnel disclosures

NBCF has determined that 7 (5.8 Full Time Equivalents (FTEs)) management personnel had authority and responsibility for planning, directing and controlling the activities of NBCF, directly or indirectly, during the financial year (2018: 8 (5.6 FTEs)).

The following amounts were paid to them in respect of such duties:

	2019	2018
	\$'000	\$'000
Employee benefits	1,263	1,153

There were no transactions between key management personnel and the NBCF during the year other than on an employee-employer basis.

Non-executive Directors receive no fees and provide their services to the Board of NBCF on a *pro-bono* basis.

16 Contingencies

NBCF had no contingent liabilities or contingent assets at 30 June 2019 (2018: Contingent liabilities of \$Nil and contingent assets of \$Nil).

17 Commitments

(a) Lease Commitments

Future non-cancellable operating lease rentals not provided for in the financial statements and payable:

	2019	2018
	\$'000	\$'000
Within one year	472	450
Later than one year but not later than five years	325	797
	797	1,247

18 Related party transactions

(a) Transactions with related parties

No transactions occurred with related parties during 2019 financial year. (2018: nil).

19 Associates and Joint Ventures

NBCF has a 25% interest in Rippling, a new Joint Venture established during the financial year. As at June 2019, the Joint Venture had not commenced operations and establishment transactions were minimal. Establishment transactions incurred by NBCF for the financial year are represented as a loan in Note 8.

20 Members' Guarantee

NBCF is an entity limited by guarantee. If the entity is wound up, the entity's constitution states that each member is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the entity. At reporting date, there were 10 (2018: 10) members of the entity.

21 Charitable fundraising comparisons information - Financial Highlights 2019

NBCF has three categories of fundraising income:

- Foundations
- Partnerships and Community Fundraising
- Individual Giving

	Income	Fundraising Income	Fundraising Expense	Expense % of Income
	\$'000	%	\$'000	%
Foundations	2,861	11%	31	1%
Partnerships and Community Fundraising	7,035	28%	1,067	15%
Individual Giving	15,389	61%	10,938	71%
Total fundraising	25,285	100%	12,036	48%

Fundraising expenses include specific direct costs other than salaries and allowances, and other expenses not directly related to fundraising. NBCF has continued to invest in Regular Giving (commitments from supporters to make monthly donations). The cost of acquiring new supporters is expensed in the year they become a supporter, resulting in a high ratio of expense to Individual Giving income, whereas income from these new supporters is received over a number of years with relatively little additional costs.

22 Charitable fundraising comparisons information

	2019	2018
	\$'000	\$'000
Summary of operating expenses:		
Direct costs of fundraising (note 22)	12,036	6,697
Costs of fundraising staff	2,381	1,826
Research Administration costs	470	588
Marketing/Speakers/Volunteers	1,057	1,292
Administration including Finance/IT/HR/all office costs	3,212	2,941
Operating expenses	19,156	13,344
Donations in kind	1,860	1,650
Operating expenses (including Donation in kind)	21,016	14,994
Research grant funding	10,989	10,761
Total expenses	32,005	25,755

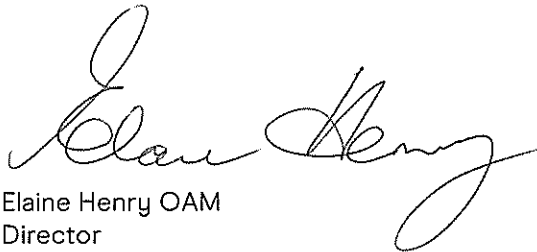
23 Events occurring after the reporting period

There were no significant events occurring after 30 June 2019 that require disclosure in this financial report.

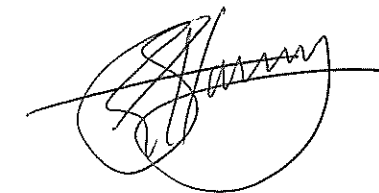
In the directors' opinion:

- (a) the financial statements and notes set out on pages 10 to 27 are in accordance with *the Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) complying with Accounting Standards – Reduced Disclosure Requirements, *the Australian Charities and Not-for-profits Commission Regulation 2013* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Elaine Henry OAM
Director



Professor Sarah Hosking
CEO

Melbourne
16 October 2019



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Independent Auditor's Report to the Members of National Breast Cancer Foundation

Opinion

We have audited the financial report of National Breast Cancer Foundation (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and 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 Company 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 directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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 Directors for the Financial Report

The directors of the Company 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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 judgment 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



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- 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 Company'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 Company 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 the directors 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 our audit.

Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015 and the requirements of the WA Charitable Collections Act (1946) and the WA Charitable Collections Regulations (1947)

We have audited the financial report as required by Section 24(2) of the NSW Charitable Fundraising Act 1991 and the WA Charitable Collections Act (1946). Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015 and the WA Charitable Collections Act (1946) and the WA Charitable Collections Regulations (1947).

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



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Opinion

In our opinion:

- a) the financial report of National Breast Cancer Foundation has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2019, in all material respects, in accordance with:
 - i. sections 20(1), 22(1-2), 24(1-3) of the NSW Charitable Fundraising Act 1991;
 - ii. sections 10(6) and 11 of the NSW Charitable Fundraising Regulations 2015;
 - iii. the WA Charitable Collections Act (1946); and
 - iv. the WA Charitable Collections Regulations (1947).
- b) the money received as a result of fundraising appeals conducted by the company during the financial year ended 30 June 2019 has been properly accounted for and applied, in all material respects, in accordance with the above-mentioned Act(s) and Regulations

Ernst & Young

Rob Lewis
Partner
Sydney
16 October 2019