

Financial Report

for the year ended 30 June 2021

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Corporate information

Directors	K Maywald DUniv Flin FTSE GICD (Chair) R Batt LL.B. Dip Ed Master of Tech & Comm (int), FAICD F Baum AO FASSA, FAAHMS, BA (Hons), PhD J Birch AM, BHA, FACHSM, AAICA N Rantanen Reynolds MComLaw, MBA, FCPA, BCom (Acc), FAICD, CSM J Richter AM GAICD, FACHSM, FACN, MBA, GradDipHAdmin, BA(Comms) (Deputy Chair) J Russo CIMA®, GDipAppFinInv, B Com(Ec.&Fin.) D I Watson, MBBS, MD, PhD, FRACS, FRCSEd (hon), FAHMS
Chief Executive	L Size B.Bus (HRM), MBA, CAHRI, GAICD
Company Secretary	L Ayre BA Bus (Hons), CPA, FCCA
Auditors	KPMG 151 Pirie Street Adelaide SA 5000
Bankers	Bank of South Australia 164 Unley Road Unley SA 5061
Legal	Minter Ellison Lawyers 25 Grenfell St Adelaide SA 5001
Registered Office	202 Greenhill Road Eastwood SA 5063
Postal address	PO Box 929 Unley BC SA 5061

Directors' Report for the year ended 30 June 2021

The Directors of Cancer Council SA (the Company) present their report with respect to the results for the year ended 30 June 2021 together with the Financial Statements of the Company and the Auditor's report thereon.

Short and long term objectives

Our short term objectives are directed to funding and delivering programs that have a tangible impact on:

- the lives of people with cancer, their carers and families
- research and knowledge of cancer
- community understanding and behaviour in relation to cancer
- advancing cancer prevention and control.

In the longer term our strategic priorities are:

- reducing cancer risk, increasing cancer prevention
- improving the rates of survival when cancer does occur
- optimising cancer care
- improving the quality of life of people with cancer, cancer survivors and carers
- addressing inequalities in cancer risk and cancer outcomes between more and less advantaged sectors of the community, by addressing the causes
- building for the future through investment in infrastructure and strong cancer research
- providing and improving information for cancer control.

Strategies for achieving our objectives

Research - fostering and building South Australian cancer research capacity

- monitor the *Beat Cancer Project* to ensure the growth in cancer research capacity and outcomes in SA through our investment
- ensure research funding includes support for clinical research and population health/health services research
- ensure South Australian cancer registrations are maintained, and data available to key stakeholders through a cancer registry
- lead research into cancer survivorship to improve our understanding of the cancer journey after diagnosis and treatment phases are complete.

Prevention - improving wellbeing and preventing cancer

- reduce smoking rates in adults
- increase population participation in colorectal cancer screening
- increase participation in sun protection behaviours
- increase awareness of risk factors of overweight and obesity
- increase early screening to detect breast and cervix cancer.

Support - supporting people with cancer, their families and carers

- measure and monitor support care needs to ensure evidence based support is available
- increase established online services and 131 120 Information and Support supportive care resources
- increase funding to focussed research on supportive care needs of South Australians
- further develop the State-wide Cancer Control plan and Aboriginal and Torres Strait Islander support plan in collaboration with South Australian Cancer Services
- providing supportive accommodation for rural and remote South Australians travelling to Adelaide for treatment

Directors' Report for the year ended 30 June 2021 (continued)

Building Capacity - ensuring we have the capacity to deliver on our vision

- maintain financial sustainability
- raise brand awareness of Cancer Council SA
- increase number of regular donors and maximise donor value
- increase net fundraising revenue
- ensure community engagement
- work towards organisational health and being an employer of choice
- ensure work practices are environmentally sound

Principal Activities during the year:

The principal activities of Cancer Council SA during the year consisted of furthering research into methods of treatment and the causation and prevention of the disease of cancer; education and promotion of the interests of the public in respect of cancer; providing community support services; promoting any anti-cancer purpose and fundraising to support the delivery of these activities.

Review of operations:

The operations of Cancer Council SA have been carried out so as to achieve the set objectives. The operating profit before recognising any change in the fair value of equity investments was \$2.95 million (2020 \$0.10 million). Cancer Council SA expended \$10.21 million (2020: \$12.29 million) on the core mission activities of cancer research, prevention and support programs throughout the year. Expenditure on prevention and support programs of \$7.32 million (2020: \$8.21 million) with a further \$2.89 million (2020: \$4.08 million) directed to cancer research. Funding for prevention programs delivered on a fee for services basis for the South Australian and Commonwealth Government was \$0.63 million less than the previous year. Cancer research expenditure decreased from \$4.08 million to \$2.89 million reflecting a decrease in the commitment to the Beat Cancer Project directly funded by the Commonwealth Government.

COVID-19

The COVID-19 pandemic has had a material effect on the generation of fundraising income and operating conditions in the first half of the financial year. COVID-19 has not affected the measurement or recognition of material income or expenditure items. Financial assets are recorded at the market value. Valuations changed materially through the twelve months to 30 June 2021, those changes are reflected in the financial statements. Cancer Council SA's receivables are not material and we do not believe the recovery of those receivables will be affected by the pandemic.

Cancer Council SA received support from the Commonwealth Government through the one-off support payment provided to all business and JobKeeper totalling \$1.18 million in the year to 30 June 2021. This income is recognised in the period it is claimed.

Fundraising in a difficult competitive climate was the same as the previous year's level, however this was still 28.7% lower than the twelve months to 30 June 2019 reflecting the impact of COVID-19 on event-based fundraising. There are promising signs of recovery with Australia's Biggest Morning Tea revenue \$0.64 million higher than the previous financial year. Bequest income of \$3.97 million was \$1.47 million higher than the previous year. Cancer Council SA generated an operating surplus for the year of \$2.95 million compared to an operating surplus for the year of \$0.10 million last year. The operating surplus reflects the increase in bequest income, the JobKeeper subsidy and action taken throughout the year to maintain the business to a sustainable position in line with the three-year plan and the planned change in the level of research expenditure. A cash inflow for the year of \$11.00 million (2020: \$1.61 million inflow) reflected cash inflow through the receipt of a \$10 million grant received in June for the development of the 202 Greenhill Road site, operating activities and expenditure on the ongoing construction for the new building at 202 Greenhill Road.

Cancer Council SA is undertaking the construction of a new multi-level mixed purpose building at 202 Greenhill Road to house our complete operations. The project commenced in February 2021 with the demolition of the existing building. Construction of the building is due to be completed in June 2022.

Directors' Report for the year ended 30 June 2021 (continued)

Likely developments and expected results of operations

To meet the cashflow needs of the investment in a new building, investment assets have remained in defensive assets such as cash and term deposits. The switch in the class of investment asset will reduce the level of investment income generated by Cancer Council SA and has been allowed for in the operational and strategic plans.

Financial assets, being direct and indirect investments in exchange tradable securities, increased in value by \$4.16 million through the year which compares to a decrease in value of \$3.27 million the previous year.

Cancer Council SA has a significant pool of financial assets that have allowed time for the organisation to develop a measured response to the changing operating conditions.

Cancer Council SA expects fundraising conditions to remain difficult for the coming financial year. Occupancy levels in our supportive accommodation facilities in the coming year are expected to be approximately 10% below historic levels due to some disruption to accommodation at 204 Greenhill Road by building work at 202 Greenhill Road. Investment income is expected to be lower than the current financial year and more closely reflect long-term earning rates. The high level of bank and term deposits to fund the construction of 202 Greenhill Road will contribute to a decline in the projected investment income, due to low interest rates, but they will provide greater certainty over capital value.

The organisation continues to pursue its Strategic Plan; however, it will implement changes to operating activities that will increase expenditure compared to previous years in an effort to recover from the COVID-19 Pandemic. Cancer Council SA is expected to generate an operating loss for the full year to June 2022.

Cancer Council SA continues to maintain a strong net asset position with a high level of liquid and near liquid financial assets, and its financial position remains strong. Cancer Council SA does not rely on suppliers to support its operating cash flow through the provisions of extended trading terms.

Significant changes in the state of affairs

In the opinion of the Directors, there were no other significant changes in the state of affairs that occurred during the year to 30 June 2021.

Event Subsequent to Balance Date

As a result of the evolving nature of COVID-19 and the on-going government policies of restriction implemented to contain it, as at the date of these financial statements, the Company is not in a position to reasonably estimate the financial effect of COVID-19 on the future financial performance and financial position of Cancer Council SA.

On 16th August 2021, Cancer Council SA sold the wholly owned premises at 27-29 Dequetteville Terrace for a gross sales price of \$12.25 million. It is anticipated that the gain on this sale will be approximately \$7.55 million.

Members' liability

The Anti-Cancer Foundation of South Australia is a Company limited by guarantee. Pursuant to the Constitution, each member undertakes to contribute to the property of the Company in the event of it being wound up. The maximum contribution per member in accordance with the guarantee is \$100.

Directors' Report for the year ended 30 June 2021 (continued)

Information on Directors

The following persons were Directors of Cancer Council SA during the twelve month period and to the date of this report.

The Hon. Karlene Maywald DUnivFlin FTSE GICD

Appointed Director 14 February 2020

Board Chair

Chair, Nomination and Remuneration Committee

Member, Investment Committee

The Hon Karlene Maywald is an experienced Chair and non-executive director across a range of industries in both the private and public sectors including 6 years as a State Government Minister and 3 years as Chair of the National Water Commission.

Karlene was elected as the representative for the seat of Chaffey in the South Australian House of Assembly from October 1997 until March 2010. She was appointed as a Minister from 2004 to 2010 holding at times the portfolios of River Murray, Water Security, Regional Development, Small Business, Consumer Affairs, Science/ Information Economy and Minister assisting with Industry and Trade.

Her recent board experience includes Chairing the International Centre for Excellence in Water Resources Management, the ModMed Institute and WaterAid Australia. She has also held Directorships with SA Water, GPEX Ltd, the Goyder Institute, Stoney Pinch Sands Ltd and Chair of Hydro-Dis International (HK) Ltd.

Karlene is currently Chair of the CSIRO Land and Water Business Unit Advisory Committee and Hillgrove Resources Community Advisory Committee, a Member of the Red Cross Bushfire Fund Advisory Panel and the Flinders University New Venture Institute Advisory Board.

Jennifer Richter AM GAICD, FACHSM, FACN, MBA, GradDipHAdmin, BA(Comms)

Appointed Director 16 October 2019

Deputy Chair, - appointed 13/11/2020

Member, Audit and Risk Committee

Member, Investment Committee

Member, Nomination and Remuneration Committee

Jenny Richter is a Non-Executive Director on several Boards. Jenny's previous executive roles include Deputy Chief Executive for SA Health, a position she held for five years and more recently as CEO of Central Adelaide Local Health Network.

Jenny's experience in the health sector commenced as a Registered Nurse. Throughout her careers she has gained significant leadership experience as an administrator and executive in the public and private hospital sectors, within community nursing, in the private financing sector through public private partnership projects and within the SA public health system.

Jenny is a graduate of the Australian Institute of Company Directors, a Fellow of the Australasian College of Health Service Management and a Fellow of the Royal College of Nursing Australia. She has a Master of Business Administration, a Grad Dip in Health Administration and a Bachelor of Arts.

Jenny currently holds directorships with the South Australian Health & Medical Research Institute, the Independent Hospital Pricing Authority and the Southern Adelaide Local Health Network where she also chairs the Clinical Governance Board Sub-Committee. Jenny is also a non-executive director of Cancer Council Australia.

Directors' Report for the year ended 30 June 2021 (continued)

Ms Rosey Batt LL.B. Dip Ed Master of Tech & Comm (int), FAICD

Appointed Director 13/05/2021

Rosey is the CEO of Rosey Batt & Associates, a firm providing legal and business services. Rosey is an experienced Non-Executive Director, with her corporate governance expertise strengthened by 30+ years working as a commercial lawyer both locally and internationally, 15+ years facilitating the AICD Company Directors' flagship course and her many years of experience as a Non-Executive Director.

In addition to her legal qualifications, Rosey has a Masters in Science & Technology Commercialisation from the University of Texas in Austin and the University of Adelaide. Rosey is a Fellow of the AICD and currently sits on a number of Boards including Chairing the Board of Fertility SA Pty Ltd, ModMed Institute, GPEx Limited, Windmill Theatre Inc and Buddy Technologies Ltd. She also chairs several health focused Committees including Barossa Hills Fleurieu Local Health Network Rural Support Service Governance Committee and the Committee of the six Rural SA Local Health Networks Chairs. She is also a member of the Law Society of SA Litigation Assistance Fund Advisory Committee and the Law Society of SA Ethics & Practice Committee.

Professor Fran Baum AO FASSA, FAAHMS, BA (Hons), PhD

Appointed Director 16 October 2019

Member, Research Committee

Member, Nomination and Remuneration Committee

Fran Baum is Matthew Flinders Distinguished Professor of Public Health and Foundation Director of the Southgate Institute for Health, Society and Equity and WHO Collaborating Centre on the Social, Political and Commercial Determinants of Health Equity at Flinders University, Adelaide, Australia. She was named in the Queen's Birthday 2016 Honours List as an Officer of the Order of Australia (AO) for "distinguished service to higher education as an academic and public health researcher, as an advocate for improved access to community health care, and to professional organisations".

She is a Fellow of the Academy of the Social Sciences in Australia, the Australian Academy of Health and Medical Sciences and of the Australian Health Promotion Association. She is a past National President and Life Member of the Public Health Association of Australia. She is a Foundation Director of the Southgate Institute for Health, Society and Equity and Co-Chair of the Global Steering Council of the People's Health Movement. She also served as a Commissioner on the World Health Organisation's Commission on the Social Determinants of Health from 2005-08. She is a member of the Lancet commission on Gender and Global Health.

Mr Jim Birch AM, BHA, FACHSM, AAICA

Appointed Director 30/11/2012

Chairman, Cancer Research Committee

Member, Nomination and Remuneration Committee

Jim is a Non-Executive Director of a number of Boards. He was formerly Ernst & Young's Global Health Leader and Government and Public Sector Leader, Oceania.

Jim has been Chief Executive of the Human Services and Health Department (South Australia), Deputy Chief Executive of Justice, and Chief Executive of major health service delivery organisations, including teaching hospitals.

Jim is currently Chair of the Australian Red Cross Blood Service, Chair of the Woman's and Children's Local Health Network (South Australia) Taskforce, a member of the Board of the Australian Red Cross Society, Chair of Clevertar Pty Ltd and Chair of the Board of the Little Company of Mary Health Care. He is a director of Pacific Knowledge Systems.

Directors' Report for the year ended 30 June 2021 (continued)

Ms Nicolle Rantanen Reynolds MComLaw, MBA, FCPA, BCom (Acc), FAICD, CSM

Appointed Director 14/10/2020

Chair, Audit and Risk Committee

Nicolle is an experienced senior executive with over 20 years' experience in both the public and private sector and a substantial record of success in all aspects of service delivery for commercial and profit-for-purpose enterprises. With a Masters in Commercial Law, an MBA and as a Certified Practising Accountant (Fellow), Nicolle has a strong legal, business, accounting and audit background and an in-depth understanding of risk management and governance.

Nicolle is an experienced Non-Executive Director on a number of boards including; Credit Union SA Board Member (Audit Committee Chair), Divisional Councillor SA/NT Australian Institute of Company Directors, CAWRA Audit and Finance Committee, Office of Recreation Sport & Racing (Audit and Performance Committee), Uniting Communities Board, Clayton Church Homes Board, City of Marion Audit and Finance Committee, Thoroughbred Racing Northern Territory Board and The Grange Golf Club (Vice President and Finance Committee Chair).

As the South Australian Public Trustee, Nicolle is a Statutory Officer appointed under an Act. Her responsibilities include holding 83,000 Wills and Powers of Attorney for clients and managing the finances for over 4,500 vulnerable members of the community. Nicolle was previously the Chief Operating Officer of the Department of Treasury and Finance and both Chief Executive and Chief Operating Officer at Statewide Super.

Mr Jason Russo CIMA®, GDipAppFinInv, B Com (Ec. & Fin.)

Appointed Director 14/10/2020

Chair, Investment Committee

Jason heads up the Investment and Research team at Perks Private Wealth. With more than 20 years' experience in multi-asset class portfolio management spanning over Australia and the UK and across private business, public corporations and government organisations, he is highly adept at leading and advising investment strategies at a managerial, technical and analytical level.

As a member of the Perks Private Wealth Investment Committee (IC), Jason drives the IC activity and investment strategy for Perks Private Wealth, while informing client-side decision making. Underpinned by his vast experience, Jason is the lead resource for all investment queries, research, analysis and education. Jason is also responsible for managing several key technical functions in the business, including reporting on market sector and asset class performance and providing analysis of fund manager performance across all asset classes.

Professor David Watson MBBS, MD, PhD, FRACS, FRCSEd (hon), FAHMS

Appointed Director – 14/10/2015

Member, Cancer Research Committee

Since 2002, David has been Head of the Flinders University Discipline of Surgery and is an Oesophageal and Gastric Surgeon at Flinders Medical Centre. Before joining Flinders University, he worked as a Consultant Surgeon at the Royal Adelaide Hospital for nine years.

His clinical and research interests include gastro-oesophageal reflux and oesophageal and gastric cancer, and he has led 15 randomised clinical trials designed to improve clinical practice in these areas. He also leads molecular biology and population health research groups at Flinders University which work to improve early detection and prevention of gastrointestinal cancer. David has published more than 400 research Papers and textbook chapters, and he has held many major research grants, including continuous funding from the National Health and Medical Research Council for more than 20 years. He has led the development of clinical guidelines for the management and prevention of oesophageal cancer for Cancer Council and SA Health.

Directors' Report for the year ended 30 June 2021 (continued)

David is a Senior Editor of the ANZ Journal of Surgery, and Associate Editor of the World Journal of Surgery, and a member of the Editorial Boards for many other leading international journals including the British Journal of Surgery and the Journal of Gastrointestinal Surgery.

In 2006, David led the establishment of the Australia and New Zealand Gastric and Oesophageal Surgery Association, and he served as the foundation President until 2010. He is President for the International Society for Diseases of the Oesophagus and he serves as Clinical Director for the Royal Australasian College of Surgeons Clinical Trials Networks of Australia and New Zealand. He is a member of the Royal Australian College of Surgeons International Committee.

He is a recipient of major research awards including the Royal Australasian College of Surgeons' John Mitchell Crouch Fellowship, a James IV Travelling Fellowship, election to Fellowship of the Australian Academy of Health and Medical Sciences, honorary Fellowship of the Royal College of Surgeons of Edinburgh, and appointment to a Matthew Flinders Distinguished Professorship at Flinders University.

Mr Greg Boulton AM BA (Accountancy) FCA, FCPA, FAICD
Appointed Director 13/2/2015; retired 14 October 2020

Mr Con Michalakos BSc (Ma), MSc
Appointed Director 24/03/2011; retired 14 October 2020

The Hon Catherine Branson AC QC BA LLB (Adel) Hon LLD (Flin) Hon D Litt (Macq)
Appointed Director 25/03/2015; retired 9 April 2021

Directors' benefits

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

Directors' Report for the year ended 30 June 2021 (continued)

Meetings of Directors

The number of Directors' meetings and number of meetings attended by each of the Directors of Cancer Council SA during the twelve month period was:

	Directors' meetings	
	No of Meetings Attended	No of Meetings Eligible to Attend
K Maywald	6	6
R Batt	1	1
F Baum AO	6	6
J Birch AM	5	6
N Rantanen Reynolds	4	4
J Richter AM	6	6
J Russo	2	4
D Watson	5	6
G Boulton AM	2	2
C Branson AC QC	3	5
C Michalakis	2	2

Indemnification and insurance of officers

To the extent permitted by law, Cancer Council SA has entered into an agreement indemnifying all Directors and Officers against all liabilities to another person, other than Cancer Council SA or a related body corporate that may arise from their position as Directors of Cancer Council SA or in the capacity of an outside Director for a non-profit outside organisation, except when the liability arises out of conduct involving a lack of good faith.

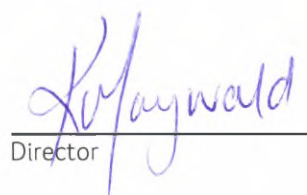
Cancer Council SA has paid insurance premiums in respect of the Association Liability Insurance contract for current and former Directors and Officers.

The contract of insurance prohibits disclosure of the nature of the liability covered and the amount of the premium paid.

Auditor's independence declaration

The auditor's independence declaration is set out on page 10 and forms part of the Directors' report.

This report is made with a resolution of the Directors:



Director



Director

Dated this 13 day of October 2021



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of Anti-Cancer Foundation of South Australia

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

A handwritten signature in blue ink, appearing to read 'Sheenagh Edwards'.

KPMG

Sheenagh Edwards
Partner

Adelaide

13 October 2021

Statement of financial position as at 30 June 2021

	Note	2021 \$	2020 \$
Current assets			
Cash and cash equivalents	8	28,550,553	17,546,746
Trade and other receivables	9	1,266,254	2,593,522
Assets held for resale	11, 18	6,167,227	-
Total current assets		<u>35,984,034</u>	<u>20,140,268</u>
Non current assets			
Other financial assets	10	20,965,408	16,801,001
Property, plant and equipment	11	6,167,263	9,578,726
Total non-current assets		<u>27,132,671</u>	<u>26,379,727</u>
Total assets		<u>63,116,703</u>	<u>46,519,995</u>
Current liabilities			
Trade and other payables	12	10,756,093	1,096,780
Contract liability	13	828,903	807,801
Interest free borrowings		4,000	4,000
Lease liability	16	15,438	14,550
Employee benefits	14	766,837	691,841
Total current liabilities		<u>12,371,271</u>	<u>2,614,972</u>
Non current liabilities			
Employee benefits	14	95,734	125,669
Lease liability	16	5,353	20,791
Total non-current liabilities		<u>101,087</u>	<u>146,460</u>
Total liabilities		<u>12,472,358</u>	<u>2,761,432</u>
Net assets		<u>50,644,346</u>	<u>43,758,563</u>
Equity			
Reserves		7,839,816	6,157,870
Retained earnings		42,804,530	37,600,693
Total equity attributable to equity holder		<u>50,644,346</u>	<u>43,758,563</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 15 to 25.

Statement of profit or loss and other comprehensive income for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue from operating activities			
Fundraising	5(i)	8,897,768	7,404,624
Program services			
Supportive accommodation service		2,037,115	2,200,808
Administered program funding	13	2,522,816	2,762,877
Other income	5(ii)	3,834,154	2,688,509
Royalty and licence income	5(iii)	161,127	201,410
		17,452,981	15,258,229
Expenses from operating activities			
Program services			
Research	6(i)	2,890,705	4,076,448
Prevention	6(ii)	3,969,302	3,905,348
Information and support	6(iii)	3,353,814	4,309,135
Fundraising		2,601,906	2,494,954
Communication & administration	6(iv)	1,863,997	2,140,715
Loss on disposal of fixed assets	11	1,221,507	-
		15,901,231	16,926,600
Result before financial income		1,551,750	(1,668,371)
Financial income	7	1,394,408	1,768,852
Operating profit before change in fair value of Equity Investments		2,946,158	100,481
Change in fair value - Equity investments through Profit and Loss		2,257,679	(2,321,629)
Profit / (loss) for the year		5,203,837	(2,221,148)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Change in fair value - Equity investments through Other Comprehensive Income		1,681,946	(949,436)
Total comprehensive income/(loss) for the year		6,885,783	(3,170,584)

The above Statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes set out on pages 15 to 26.

Statement of changes in equity for the year ended 30 June 2021

	Reserves	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 July 2019	7,107,306	39,821,841	46,929,147
Total comprehensive income for the year			
Profit/(Loss) for the year	-	(2,221,148)	(2,221,148)
Change in fair value - Equity Investments	(949,436)	-	(949,436)
Total comprehensive income for the year	(949,436)	(2,221,148)	(3,170,584)
Balance at 30 June 2020	6,157,870	37,600,693	43,758,563
Balance at 1 July 2020	6,157,870	37,600,693	43,758,563
Total comprehensive income for the year			
Profit/(Loss) for the year	-	5,203,837	5,203,837
Change in fair value - Equity Investments	1,681,946	-	1,681,946
Total comprehensive profit for the year	1,681,946	5,203,837	6,885,783
Balance at 30 June 2021	7,839,816	42,804,530	50,644,346

The above Statement of changes in equity should be read in conjunction with the accompanying notes set out on pages 15 to 25.

Statement of cash flows for the year ended 30 June 2021

Cash flows from operating activity	2021	2020
	\$	\$
	Note	
Receipts from Customers	25,610,150	14,688,653
Payments to suppliers and employees	(11,945,989)	(16,477,636)
Interest received	120,525	325,994
Net Cash (used in) / generated from operating activities	13,784,687	(1,462,989)
Cash flows from investing activities		
Payments for property plant and equipment	(4,232,369)	(722,619)
Dividends received	1,431,112	1,687,961
Proceeds from sale of Investments	961,985	3,494,524
Acquisition of investments	(941,608)	(1,388,203)
Net cash provided from investing activities	(2,780,880)	3,071,663
Net change in cash or cash equivalents	11,003,807	1,608,674
Opening cash	17,546,746	15,938,072
Closing cash	8 28,550,553	17,546,746

The above Statement of cash flow should be read in conjunction with the accompanying notes set out on pages 15 to 25.

Notes to the financial statements for the year ended 30 June 2021

Note 1 Reporting entity

Anti-Cancer Foundation of South Australia (the Trustee) is a not for profit company limited by guarantee and domiciled in Australia.

The sole object of the Trustee is to act as trustee of the public charitable Trust known as Anti-Cancer Foundation of South Australia (trading as Cancer Council SA) and for that purpose the consolidated entity comprises both the Trustee and the Trust. The financial information presented in this financial report are those of the consolidated entity.

In all reports, any reference to the Company is a reference to the consolidated entity. The Trustee does not trade and has no assets and liabilities other than in its capacity as trustee.

Note 2 Basis of preparation

a) Statement of compliance

In the opinion of the Directors, the Company is not publicly accountable. These consolidated financial statements are a Tier 2 general purpose consolidated financial report that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (AASB-RDRs) adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not for Profit Commission Act 2012 (ACNC). These consolidated financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements.

This financial report has been approved by the Directors on 13 October 2021.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except other financial assets which are measured at fair value (see note 3(a)(ii)).

c) Functional and presentation currency

The financial statements are presented in Australian dollars which is the Company's functional currency.

d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Notes to the financial statements for the year ended 30 June 2021

Note 2 Basis of preparation continued

e) Basis of consolidation

The Trust is controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-Company balances and transactions, and any unrealised income and expenses arising from intra-Company transactions, are eliminated in preparing the consolidated financial statements.

Note 3 Significant accounting policies

Cancer Council SA has consistently applied the following accounting policies to all periods presented in these financial statements.

a) Financial instruments

i. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The Company invests in term deposits with banks regulated by the Australian Prudential Regulation Authority with maturity dates spread throughout the year.

ii. Financial assets

When financial assets are recognised initially, they are measured at fair value. Financial assets other than those subsequently measured at amortised cost are subsequently measured at fair value. Direct investments in equity securities that are not held for trading are measured at fair value through other comprehensive income. Investments in equity securities through an independently managed unit trust that are not held for trading are measured at fair value through Profit and Loss. Fair value is determined based on fair value (being the redemption value) of all investments.

For direct investments in equity securities that are not held for trading, the Council has elected at initial recognition to present gains and losses in other comprehensive income. For instruments measured at fair value through other comprehensive income, gains and losses are not reclassified to profit or loss and no impairments are recognised in profit or loss. Dividends earned are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

For investments measured at fair value through profit or loss, net gains and losses including interest or dividend income, are recognised in profit or loss.

Financial assets are recognised/de-recognised by Cancer Council SA on the date it commits to purchase/sell the investments.

iii. Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (see accounting policy (e)).

Notes to the financial statements for the year ended 30 June 2021

Note 3 Significant accounting policies (continued)

b) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation or impairment write-offs. The carrying amount is reviewed annually to ensure it is not in excess of the remaining service potential of these assets. All classes of property, plant and equipment are depreciated using the straight-line method. The estimated useful lives for the current and comparative periods are as follows:

- buildings 40 years
- motor vehicles 5 years
- plant and equipment 3 - 20 years

c) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Service uses the definition of a lease in AASB 16.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The lease liability is measured at amortised cost using the effective interest method. The present value of future lease payments is discounted using the rate implicit in the lease, or if the rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Under the amortised cost effective interest method, each period a lease payment is made, the lease liability is partially reduced and interest expense on the lease liability is recognised in the statement of profit or loss and other comprehensive income under 'finance costs'. The interest expense recognised on the lease is relatively higher in the earlier years of the lease than at the end of the lease term.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset of the site on which it is located, less any incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease term or the cost of the asset reflects that the Company will exercise a purchase option or ownership transfer to the Company at the end of the lease term, in which case the asset is depreciated over the useful life of the asset. Depreciation expense on the right-of-use asset is recognised in the statement of profit or loss and other comprehensive income. In addition, the asset is periodically reduced by impairment losses, if any, and remeasured for certain remeasurements of the lease liability.

d) Assets held for resale

Non-current assets are classified as held-for-resale if it is highly probable that they will be primarily recovered through sale rather than through continuing use. Such assets are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-resale, property, plant and equipment is no longer depreciated.

e) Impairment

At each reporting date the carrying amounts of Cancer Council SA's tangible and intangible assets are reviewed to determine whether there is any indication of impairment. If any such indication exists the recoverable amount, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Notes to the financial statements for the year ended 30 June 2021

Note 3 Significant accounting policies (continued)

f) Employee benefits

i. Superannuation

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions are recognised when they are due.

ii. Wages, salaries, annual and paid maternity leave

The provisions for employee entitlements to wages, salaries, annual and paid maternity leave represent obligations resulting from employees' services provided up to reporting date, calculated at undiscounted amounts based on wage and salary rates, including related on costs, which Cancer Council SA expects to pay at each reporting date.

iii. Long-term service benefits

Long term service benefits, plus related on costs, are measured at the present value of future cash outflows. Regardless of the expected timing of settlement, provisions made for annual leave and unconditional long service leave are classified as a current liability where the employee has a present entitlement to the benefit. A non-current liability would include long service leave entitlements accrued for employees with less than 7 years of continuous service.

g) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. The carrying amount of accounts payable approximates fair value.

h) Revenue

i. Charitable support

Revenue is received from fundraising events, legacies and bequests and is brought to account on a cash received basis. When assets, such as investments or properties, are received from a bequest or donation, an asset is recognised at fair value, with a corresponding amount of revenue, when Cancer Council SA gains control of such assets.

ii. Interest and dividend revenue

Interest revenue is recognised as it accrues on a daily basis, using the effective interest method. Dividend revenue is recognised in the statement of profit or loss and other comprehensive Income on the date the right to receive payments is established, which in the case of quoted securities is normally the ex-dividend date. Where dividends are franked the dividends are recognised inclusive of imputation credits. Distributions from managed investment funds are recognised as revenue in the period to which they relate.

iii. Sale of goods/services

Revenue from the sale of goods is recognised when control of the goods passes to the customer. Revenue from accommodation facilities is recognised when rooms are occupied and food and beverage is sold.

Notes to the financial statements for the year ended 30 June 2021

Note 3 Significant accounting policies (continued)

i) Administered program funding

Operating Grants

Where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at a point in time that the control of the services pass to the customer.

Capital Grants

Where the Company has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by the Company and there is a refund liability if the terms and conditions of the grant are not met then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

Funds attributable to work still to be completed are recorded as a current liability in the statement of financial position. These funds are invested in fixed interest and at-call facilities in accordance with the grant terms and are included as part of cash and cash equivalents under Note 8.

j) Taxation

i. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (the ATO). In these circumstances the GST is recognised as part of the cost of acquisition or as part of the expense. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

ii. Income tax

Cancer Council SA is exempt from income tax under the terms of Section 50(5) of the Income Tax Assessment Act 1997.

k) Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of equity investments.

l) Changes in comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in this financial report.

Notes to the financial statements for the year ended 30 June 2021

Note 4 New standards and interpretations not yet adopted

The Australian Accounting Standards Board has released one new accounting standards that are not yet effective.

- AASB 1060 General Purpose Financial Statements – Simplified Disclosure for For-Profit and Not-For-Profit Entities, effective for financial years ending on or after 1 July 2021;

A review of the accounting treatment required by the standard has commenced. The impact of the new accounting standards will be assessed in future reporting periods when the standards become effective.

Notes to the financial statements for the year ended 30 June 2021

	2021 \$	2020 \$
Note 5		
Revenue		
(i) Fundraising		
Bequests & legacies	3,967,914	2,499,650
Community fundraising	4,929,854	4,904,974
	<u>8,897,768</u>	<u>7,404,624</u>
(ii) Other income		
Medical Research Future Fund	1,000,000	2,000,000
JobKeeper Subsidy	1,085,000	533,000
202 Greenhill Road Building Construction Grant	1,546,202	-
Other income	202,952	155,510
	<u>3,834,154</u>	<u>2,688,510</u>
(iii) Royalty and Licence income	<u>161,127</u>	<u>201,410</u>
Note 6		
Program services		
(i) Research		
Research fellowships	235,337	323,246
Beat cancer project	2,000,000	3,000,000
Internal research programs and strategy support	655,368	753,202
	<u>2,890,705</u>	<u>4,076,448</u>
(ii) Prevention		
Prevention programs	1,722,935	1,398,729
Tobacco control	2,246,367	2,506,619
	<u>3,969,302</u>	<u>3,905,348</u>
(iii) Information and Support Services		
Information and Support programs	1,069,202	1,604,632
Supportive accommodation service	2,284,612	2,704,503
	<u>3,353,814</u>	<u>4,309,135</u>
(iv) Communication and Administration		
Marketing and Communication	924,168	1,046,840
Administration	939,829	1,093,875
	<u>1,863,997</u>	<u>2,140,715</u>
Note 7		
Net financial income		
Interest income	106,269	278,110
Dividends, distributions, and franking credits	1,288,139	1,490,742
Net financial income	<u>1,394,408</u>	<u>1,768,852</u>

Notes to the financial statements for the year ended 30 June 2021

	2021 \$	2020 \$
Note 8		
Cash and cash equivalents		
Bank balances	19,782,371	7,767,408
Term deposits	8,768,182	9,779,338
	28,550,553	17,546,746

Note 9		
Trade and other receivables		
Trade receivables	9,531	84,094
Sundry receivables	1,092,621	2,415,099
Prepayments	164,102	94,329
	1,266,254	2,593,522

Note 10		
Other financial assets		
Investments in equity securities	12,772,387	6,483,467
Investments in units in trusts	8,193,021	10,317,534
	20,965,408	16,801,001

Note 11				
Property, plant, and equipment				
	Land	Buildings	Plant & equipment	Total
	\$	\$	\$	\$
Cost				
Balance at 1 July 2020	5,624,000	6,688,755	3,811,778	16,124,533
Acquisitions	-	-	98,324	98,324
Capitalised value of building development	-	4,134,045	-	4,134,045
Disposals	-	(2,510,018)	(2,170,043)	(4,680,061)
Assets held for resale	(4,374,000)	(3,519,557)	(558,735)	(8,452,292)
Balance at 30 June 2021	1,250,000	4,793,225	1,181,324	7,224,549
Depreciation and impairment losses				
Balance at 1 July 2020	-	3,087,930	3,457,877	6,545,807
Depreciation charge	-	106,777	148,321	255,098
Disposals	-	(1,299,333)	(2,159,221)	(3,458,554)
Assets held for resale	-	(1,895,374)	(389,691)	(2,285,065)
Balance at 30 June 2021	-	-	1,057,286	1,057,286
Carrying Amounts				
Balance at 1 July 2020	5,624,000	3,600,825	353,901	9,578,726
Balance at 30 June 2021	1,250,000	4,793,225	124,038	6,167,263

Notes to the financial statements for the year ended 30 June 2021

Note 11 (continued)

Cancer Council SA is undertaking the construction of a new multi-level mixed purpose building at 202 Greenhill Road to house our complete operations. The project commenced in February 2021 with the demolition of the existing building. Assets associated with this building were written off, which resulted in a loss on disposal being recorded of \$1,221,507. Construction of the building is due to be completed in June 2022. Included in Buildings is an amount of \$4.793m (2020: \$0.659m) representing capital works in progress which is not subject to depreciation. Assets held for Resale as at 30 June 2021 of \$6.167m represented the net book value of the two wholly owned accommodation lodges. On 16th August 2021, Cancer Council SA sold the wholly owned lodge at 27-29 Dequetteville Terrace for a gross sales price of \$12.25 million. It is anticipated that the gain on this sale will be approximately \$7.55m

	2021	2020
Note 12		
Trade and other payables		
	\$	\$
Trade payables	1,552,387	556,354
Other payables	374,560	248,850
Revenue received in advance	8,453,798	-
Non trade payables and accrued expenses	375,348	291,576
	10,756,093	1,096,780

Revenue received in advance of \$8.45m is the unrecognised proportion of the \$10 million grant, which was received in June 2021 for the development of the 202 Greenhill Road site. It is anticipated that the remaining \$8.45m grant will be recognised as income in the year ended 30 June 2022.

Note 13 Contract liabilities

Opening balance	807,801	442,758
Amounts received	2,543,918	3,127,920
Income taken to revenue	(2,522,816)	(2,762,877)
	828,903	807,801

Note 14 Employee benefits

Current		
Liability for annual leave	400,126	413,392
Liability for long service leave	366,712	278,449
	766,837	691,841
Non-current		
Liability for long service leave	95,734	125,669
	95,734	125,669
Total employee benefits	862,571	817,510

Notes to the financial statements for the year ended 30 June 2021

Note 15

Key management personnel compensation

The key management personnel compensation was \$961,351 for the year ended 30 June 2021 (2020: \$953,445). The number of employees defined as key management personnel was 7 (2020:5) during the financial year.

No Directors of Cancer Council SA have received or become entitled to receive a benefit in respect of their role as Directors.

Note 16

	Up to one year	One to two years	Two to five years	Total
Lease liability	\$	\$	\$	\$
30 June 2021				
Minimum Lease Payments	16,260	5,420	-	
Finance Charge	822	67	-	
Net Present Value	15,438	5,353	-	20,791
30 June 2020				
Minimum Lease Payments	16,260	16,260	5,420	37,940
Finance Charge	1,710	822	67	2,599
Net Present Value	14,550	15,438	5,353	35,341

Cancer Council SA entered into a 4-year lease for office equipment on 10 September 2019 with minimum lease payments of \$65,040.

Cancer Council SA leases premises on a casual basis for short periods to support fundraising activities. These costs are recorded under the Fundraising expenditure.

Note 17

Contractual Commitments

Cancer Council SA has the following long-term contractual commitments to fund cancer research through the Beat Cancer Project and the Peter Nelson Leukaemia Research Fellowship. There are also contractual commitments for the redevelopment of 202 Greenhill Road.

	2021 \$	2020 \$
Non-cancellable funding agreements and contracts are payable as follows:		
Not later than that of one year	25,389,796	1,254,357
Later than one year but not later than two years	40,000	75,000
Later than two years but not later than 5 years	-	-
Later than five years	-	-
	<u>25,429,796</u>	<u>1,329,357</u>

Notes to the financial statements for the year ended 30 June 2021

Note 18

Subsequent Events

Held for Sale Assets – net book value	2021	2020
	\$	\$
27-29 Dequetteville Terrace	4,594,590	-
204 Greenhill Road	1,572,637	-
	<hr/>	<hr/>
	6,167,227	-

Cancer Council SA sold its property located at 27-29 Dequetteville Terrace, Kent Town, SA in August 2021. The sale of the property to a private party was on commercial terms, resulting in gross sales proceeds of \$12.25m. Cancer Council SA has entered into a lease arrangement with the new owners to lease the premises until 30 June 2022 at a total commitment of \$533,630 (\$51,042 per month). There are an additional two 3-month renewal options to 31 December 2022

Cancer Council SA is actively looking to sell its property located at 204 Greenhill Road, Eastwood, SA. At the date of this report the property is under a conditional offer.

As a result of the impact of COVID-19 and ongoing government policies of restriction implemented to contain it, as at the date of these financial statements, the Company is not in a position to reasonably estimate the financial effect of COVID-19 on the future financial performance and financial position of Cancer Council SA.

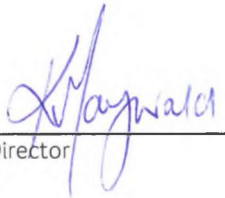
There has been no significant change in the state of affairs of the Company in the period from 30 June to the date of this report that will have a material effect on the Company's financial performance.

Directors' Declaration

In the opinion of the Directors of Cancer Council SA:

- a) The Company is not publicly accountable.
- b) The financial statements and notes, as set out on pages 15 to 25, are in accordance with the Australian Charities and Not-for profits Commission Act 2012, including:
 - i. giving a true and fair view of the financial position of the Cancer Council SA as at 30 June 2021 and of its performance, for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards - Reduced Disclosure Regime and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- c) there are reasonable grounds to believe that the Cancer Council SA will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors



Director

Director

Dated this 13 day of October 2021



Independent Auditor's Report

To the Members of Anti-Cancer Foundation of South Australia

Opinion

We have audited the **Financial Report**, of Anti-Cancer Foundation of South Australia (trading as Cancer Council SA) (the "Council").

In our opinion, the accompanying **Financial Report** of Anti-Cancer Foundation of South Australia is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- giving a true and fair view of the Council's financial position as at 30 June 2021, and of its financial performance and its cash flows for the year ended on that date; and
- complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2021.
- Statement of profit or loss and other comprehensive, Statement of changes in equity, and Statement of cash flows for the year then ended.
- Notes including a summary of significant accounting policies; and
- Director's declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Council in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Other information

Other Information is financial and non-financial information in Council's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.



Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosures Requirements and the ACNC.
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- Assessing the Council's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate Council or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 *Australian Auditing Standards*, we exercise professional judgement and maintain professional skepticism 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 registered Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council'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 Council to cease to continue as a going concern; and
- 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 of the Council 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.

KPMG

Sheenagh Edwards
Partner

Adelaide
13 October 2021