



# Financial Report for the year ended 30 June 2023

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Anti-Cancer Foundation of South Australia (ACN: 053 873 822)  
as Trustee for Cancer Council SA (ABN: 31 469 615 538)

## Corporate information

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

# Directors' Report

## for the year ended 30 June 2023

The Directors of Cancer Council SA (the Company) present their report with respect to the results for the year ended 30 June 2023 together with the Financial Statements of the Company and the Auditor's report thereon.

### Cancer Council SA's purpose

Our purpose is to reduce the rate and impact of cancer through best practice prevention, research and support.

Our work is focussed on three critical pillars aligned with our purpose: prevention, research and support.

### **Prevention**

We aim to prevent cancer, where possible, through evidence based primary, secondary, and tertiary prevention programs and services.

In Australia approximately 44,000 cancer cases each year (around 1/3 of all cancers diagnosed) are preventable.

Cancer Council SA is committed to advocating for policy and law changes, at both the state and federal level, where evidence indicates these changes can prevent cancer at both a population and individual level. We will encourage and facilitate access to screening for all South Australians to detect cancers and precancerous conditions, and support people to take action.

Our organisation is dedicated to expanding access to prevention programs and services through placing a greater emphasis on inclusivity and accessibility for all South Australians, including Aboriginal, culturally and linguistically diverse and remote communities.

### **Research**

We value and nurture partnerships that help to maximise South Australia's best and brightest researchers working to minimise the rate and impact of cancer.

Cancer Council SA is committed to expanding research to cover cancer prevention, early detection, treatments, survivorship and the wellbeing of people affected by cancer. We aim to increase our focus on translational research to ensure research findings are implemented into clinical policy and practice. We also focus on ensuring community perspectives inform our research priorities.

Our organisation is committed to supporting early and mid-career researchers. By committing to invest in these emerging researchers we are helping to ensure South Australia plays a critical role in developing the next generation of cancer prevention, detection and treatment breakthroughs.

### **Support**

We offer best practice support and information for all South Australians impacted by cancer. Our support services include our 13 11 20 telephone line, staffed by oncology nurses and 120 rooms of supported accommodation in Adelaide for people from regional and remote areas accessing cancer treatment. We are also proud to provide social worker and counselling supports on site.

The aim of our cancer support work is to decrease distress and improve the quality of life of people affected by cancer, and assist those close to them. Cancer Council SA intends to meet our clients where, when and how they need us. We are committed to expanding the way we deliver our support services to ensure they are easily accessible to everyone, including our Aboriginal, culturally and linguistically diverse and remote communities, as well as people impacted by disabilities. We are committed to continuous improvement of our support services, including evolving how we provide information, counselling and accommodation services to people impacted by cancer to ensure our support meets the community's needs.

## Directors' Report for the year ended 30 June 2023 (continued)

### Principal activities during the year

The principal activities of Cancer Council SA over the past year included empowering South Australians to take steps to reduce their cancer risk through our evidence based prevention programs, and early detection awareness and education; researching new ways to reduce the rate and impact of cancer with support from our research partners; supporting all South Australians impacted by cancer with best practice support and information; and running fundraising events and campaigns to support the delivery of these programs and services. Some highlights of our activities in this reporting period include:

- Cancer Council 13 11 20 Nurses made more than 5,000 connections with South Australians seeking cancer information and support.
- More than 1,000 counselling sessions were delivered to support individuals through their cancer experience.
- Over 130,000 resources were distributed to the community about cancer prevention, information and support.
- We provided over 27,900 nights of accommodation at our Lodge for regional guests travelling to Adelaide for cancer treatment.
- Transport to Treatment drivers travelled approximately 30,000 kilometres transporting people from our Lodge to Adelaide medical centres and hospitals.
- More than 2,600 social worker appointments for our Lodge guests to assist them with emotional and practical support.
- The SunSmart Schools and Early Childhood Program protected over 131,000 South Australian children and their educators from harmful UV radiation.
- The Cancer Council Beat Cancer Project, together with SA Health, invested \$2.5 million into South Australian cancer research.

### **Review of operations:**

The operations of Cancer Council SA have been carried out to achieve strategic objectives. The operating surplus before recognising the change in the fair value of equity investments was \$17.13 million (2022 \$26.36 million).

Total revenue of \$31.76 million (2022 \$38.98 million) includes \$20.77million (2022 \$7.49 million) of bequest income. Cancer Council SA was the beneficiary of two high value bequests which contributed a total of \$16.02 million to our total income from bequests.

Although fundraising has been challenging due to a competitive climate post COVID19, total fundraising revenue excluding bequests of \$5.73 million was comparable to the previous year's level (2022 \$5.79 million).

In addition, revenue includes \$2.31 million (2022 \$6.14million) relating to the realisation of the final tranche of a capital grant, received from the South Australian Government department for Health and Wellbeing for the development of a new multi-level mixed purpose building to house our complete operations at 202 Greenhill Road. The building project commenced in February 2021 and the building was completed in October 2022, the total capitalised construction cost including fit out was \$31.77m, which was in line with the original budget. The development of the associated multi story car park is in progress as at 30 June 2023 and is expected to be finished in late September 2023.

Cancer Council SA expended \$11.11 million (2022: \$9.89 million) on the core mission activities of cancer research, prevention and support programs throughout the year. Expenditure on prevention and support programs of \$7.95 million (2022: \$7.98 million) with a further \$3.16 million (2022: \$1.91 million) directed to cancer research.

A cash outflow for the year of \$17.54 million (2022: \$2.75 million inflow) reflected cash outflow for operating activities, expenditure on the ongoing construction for the new building at 202 Greenhill Road and additional investment in financial assets. Following the completion of the new building, Cancer Council SA's investment in cash and term deposits was reviewed and a plan to transfer to higher income generating growth assets was initiated.

## Directors' Report for the year ended 30 June 2023 (continued)

### Likely developments and expected results of operations

Financial assets, being our managed investment portfolio, increased in value by \$21.31 million (2022: \$1.40 million) through the year. This was due to a \$12.00 million injection in cash from our cash and term deposits following the completion of the 202 Greenhill Road construction project and a receipt of bequeathed shares of \$7.41 million. In October 2022 we developed a new investment strategy to invest in increased asset classes with the aim of providing more stable income streams and capital growth to better support future operations. We have engaged an external investment manager to realign and manage our investment portfolio in accordance with our investment strategy.

Cancer Council SA expects fundraising conditions to remain difficult for the coming financial year due to cost-of-living pressures faced by South Australians in the current economic environment. Occupancy levels in our new supportive accommodation facilities in the coming year are expected to be higher than historic levels following the move from our old facilities at 204 Greenhill Road and 27 Dequetteville Terrace.

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.

Cancer Council SA notes the unusually high surpluses earned in 2022 and 2023 which are reflected in our Restricted Fund Reserve and General Reserve. Strategies will be implemented to invest these reserves in future initiatives to fulfil our purpose.

### Use of Reserves

Cancer Council SA has included a Restricted Fund Reserve and a General Reserve in the presentation of the Statement of Financial Position. The Restricted Fund Reserve contains bequests and donations that will be applied to the specific purposes for which they were provided. The General Reserve has been created to identify gains made from the sale of capital assets and income which the Board has designed to be 'extraordinary income' (i.e. outside the normal operating budget) this revenue will be applied over time to invest in projects and to build the capacity of the organisation to benefit South Australians affected by cancer, in accordance with our purpose.

In 2023 the total transfers to these two reserves are \$18.59 million (2022: \$27.45 million).

### 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 2023.

### Events Subsequent to Balance Date

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

### 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 2023 (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 six years as a South Australian State Government Minister and three years as Chair of the National Water Commission.

The Hon Karlene Maywald 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.

She also holds numerous other Board positions, including Chair of WaterAid Australia, the Peter Cullen Trust and the CRC for Solving Antimicrobial Resistance in Agribusiness, Food and Environments. She is also a Director of WaterAid International and a Fellow of the Academy of Technical Sciences & Engineering (ATSE).

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

**Appointed Director 13 May 2021**

**Deputy Chair, appointed 12 April 2023**

**Member, Audit, Finance and Risk Committee**

Rosey Batt is the CEO of Rosey Batt & Associates, a firm providing legal and business services. She 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 Australian Institute of Company Directors (AICD) Company Directors' flagship course and her many years of experience as a Non-Executive Director.

In addition to her legal qualifications, Ms Batt has a Masters in Science & Technology Commercialisation from the University of Texas in Austin and the University of Adelaide. She is a Fellow of the AICD and currently sits on a number of other Boards, including GPEX Limited and the Windmill Theatre Inc. She also chairs several health focused Committees including Barossa Hills Fleurieu Local Health Network Rural Support Service Governance Committee, the Committee of the six Rural SA Local Health Networks Chairs, and is a member of the Central Adelaide Local Health Network (CALHN)'s Audit Committee. She is also a member of the Law Society of SA Litigation Assistance Fund Advisory Committee and the Law Society of SA Ethics and Practice Committee.

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

**Appointed Director 16 October 2019**

**Chair, Cancer Research Committee**

**Member, Nomination Remuneration and Governance Committee**

Professor Baum is the National Health and Medical Research Council Investigator Fellow and Director, Stretton Health Equity at the University of Adelaide.

Previously she was a Matthew Flinders Distinguished Professor and Director of the Southgate Institute for Health, Society and Equity at Flinders University. She also served as a Commissioner on the World Health Organisation's Commission on the Social Determinants of Health from 2005-08.

## Directors' Report for the year ended 30 June 2023 (continued)

Professor Baum 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.

Professor Baum is also a Member of the Lancet Commission on Gender & Global health; the Lancet Commission on the Political Determinants of Health: Global Governance of Health in Time of Polycrisis; the Stretton Institute/School of Social Science, Faculty of Arts at the University of Adelaide; and the British Medical Journal's Editorial Advisory Board. She is also a Commissioner of the Tsinghau-Lancet Commission on Health and Poverty Alleviation in China and a National Health and Medical Research Council Investigator Fellow.

### **Ms Bronwyn Dodd MBA**

**Appointed Director 31 October 2022**

**Member, Audit, Finance and Risk Committee**

Bronwyn Dodd brings a wealth of experience to the Cancer Council SA Board with over 10 years in leadership roles. Bronwyn identifies as an Aboriginal woman from the Ngarrindjeri nation and strives to make a difference for her people and the wider community.

Ms Dodd currently holds the role of National General Manager of Indigenous Banking at Westpac. Prior to that, she was the Executive Director, Customers and Services for the South Australian Housing Authority.

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

**Appointed Director 14 October 2020**

**Chair, Audit, Finance and Risk Committee**

**Member, Investment Committee**

Nicolle Rantanen Reynolds is an experienced senior executive with over 20 years' experience in both the public and private sectors. She holds a Masters in Commercial Law, Business Administration (MBA) and is a Certified Practising Accountant (Fellow).

Ms Rantanen Reynolds is an experienced Non-Executive Director on a number of boards including the Credit Union SA Board (Audit Committee Chair and Risk Committee member); Central Adelaide Waste and Recycling Authority Audit Committee Chair; Office of Recreation Sport & Racing Risk and Audit Committee Member; Board Member and Chair of the Governance Committee of Clayton Church Homes; City of Marion Audit and Finance Committee Member; Thoroughbred Racing NT Deputy Chair and Chair of the Risk Committee; Director and Member of the Audit, Finance and Risk Committee of the University of South Australia; Member of the Local Government Finance Advisory Committee; Member of the South Australian Health and Medical Research Institute (SAHMRI) Audit and Finance Committee; Director of Racing Australia; Director of Greyhound Racing SA; and President and Finance Committee Chair of the Grange Golf Club.

As the South Australian Public Trustee, Ms Rantanen Reynolds 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. Ms Rantanen Reynolds was previously the Chief Operating Officer of the Department of Treasury and Finance and both Chief Executive and Chief Operating Officer at Statewide Super.

## Directors' Report for the year ended 30 June 2023 (continued)

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

**Appointed Director 14 October 2020**  
**Chair, Investment Committee**

Jason Russo 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 has led and advised on investment strategies at a managerial, technical and analytical level.

As a member of the Perks Private Wealth Investment Committee, Mr Russo is responsible for the investment strategy for Perks Private Wealth. Mr Russo is also on the Advisory Board of the University of Adelaide International Centre for Financial Services.

Mr David Swan BHSmgmt, PGDipMExec, GAICD

**Appointed Director 14 June 2023**  
**Member, Cancer Research Committee**

David Swan has more than 25 years' experience as a Chief Executive, leading major public and private sector hospitals, most recently serving as Chief Executive Officer of St. Vincent's Private Hospitals. From 2010-2016, Mr Swan was the Chief Executive of SA Health where he was responsible for South Australia's health system, including covering hospitals, community health, mental health, the ambulance service and research facilities. Mr Swan has been Chair of the Australian Health Ministers' Advisory Council, as well as serving as Chair and Director on numerous private and public boards.

David is currently a Chair of Talent Quarter, Chair of MyLocalDoc Clinical Advisory Board and Director of the Board of Northern Adelaide Local Health Network.

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

**Appointed Director – 14 October 2015**  
**Member, Cancer Research Committee**  
**Member, Nomination Remuneration and Governance Committee**

Since 2002, Professor Watson 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.

Professor Swan's 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 450 research papers and textbook chapters, and he has held many major research grants.

Professor Swan is also a Senior Editor of the *ANZ Journal of Surgery*, and Associate Editor of the *World Journal of Surgery and Diseases of the Oesophagus*, 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*.

Professor Swan is also a member of the Royal Australian College of Surgeons International Committee and 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, honorary Fellowship of the Royal College of Surgeons of Edinburgh, and appointment to a Matthew Flinders Distinguished Professorship at Flinders University.

## Directors' Report for the year ended 30 June 2023 (continued)

### Directors retiring during the period

Jim Birch AM, BHA, FACHSM, AAICA

Appointed Director 30 November 2012; retired 26 October 2022

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

Appointed Director 16 October 2019; retired 29 February 2023

### 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.

### 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	8
R Batt	7	8
F Baum AO	8	8
J Birch AM	2	4
B Dodd	3	4
N Rantanen Reynolds	7	8
J Richter AM	6	6
J Russo	6	8
D Watson	7	8

### 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.

## Directors' Report for the year ended 30 June 2023 (continued)

### 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 26 day of October 2023



# 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 2023 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

Paul Cenko  
*Partner*

Adelaide  
26 October 2023

## Statement of financial position as at 30 June 2023

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents	8	14,958,706	31,299,044
Trade and other receivables	9	2,088,776	2,298,271
<b>Total current assets</b>		<u>17,047,482</u>	<u>33,597,315</u>
<b>Non-current assets</b>			
Other financial assets	10	42,480,837	22,365,678
Property, plant and equipment	11	34,842,305	25,626,643
<b>Total non-current assets</b>		<u>77,323,142</u>	<u>47,992,321</u>
<b>Total assets</b>		<u>94,370,624</u>	<u>81,589,636</u>
<b>Current liabilities</b>			
Trade and other payables	12	1,899,646	5,975,024
Contract liabilities	13	78,952	805,981
Interest free borrowings		4,000	4,000
Employee benefits	14	658,212	621,341
Lease liability	17	-	5,353
<b>Total current liabilities</b>		<u>2,640,810</u>	<u>7,411,699</u>
<b>Non-current liabilities</b>			
Employee benefits	14	80,259	82,407
<b>Total non-current liabilities</b>		<u>80,259</u>	<u>82,407</u>
<b>Total liabilities</b>		<u>2,721,069</u>	<u>7,494,106</u>
<b>Net assets</b>		<u>91,649,555</u>	<u>74,095,531</u>
<b>Equity</b>			
FVOCI reserve	15	6,350,055	6,725,410
Restricted fund reserve	15	4,598,308	3,833,347
General reserve	15	41,436,498	23,612,454
Retained earnings		39,264,694	39,924,320
<b>Total equity attributable to equity holder</b>		<u>91,649,555</u>	<u>74,095,531</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 2023

	Note	2023 \$	2022 \$
<b>Revenue from operating activities</b>			
Fundraising	5(i)	26,491,293	13,281,614
Program services			
Supportive accommodation service		2,016,746	1,575,212
Administered program funding	13	539,235	1,752,126
Other income	5(ii)	2,445,922	6,249,608
Royalty and licence income	5(iii)	267,406	194,788
Profit on disposal of fixed assets	11	2,479	15,921,340
		<u>31,763,081</u>	<u>38,974,688</u>
<b>Expenses from operating activities</b>			
Program services			
Research	6(i)	3,162,397	1,908,806
Prevention	6(ii)	2,356,763	3,545,159
Information and support	6(iii)	5,588,137	4,433,475
Fundraising		3,449,756	3,074,689
Communication & administration	6(iv)	3,084,434	2,435,408
		<u>17,641,487</u>	<u>15,397,537</u>
<b>Result before financial income</b>		<u>14,121,594</u>	<u>23,577,151</u>
Financial income	7	3,006,537	2,783,240
<b>Operating profit before change in fair value of Equity Investments</b>		<u>17,128,131</u>	<u>26,360,391</u>
Change in fair value - Equity investments through Profit and Loss		801,248	(1,794,800)
<b>Profit / (loss) for the year</b>		<u>17,929,379</u>	<u>24,565,591</u>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Change in fair value - Equity investments through Other Comprehensive Income		(375,355)	(1,114,406)
<b>Total comprehensive income/(loss) for the year</b>		<u>17,554,024</u>	<u>23,451,185</u>

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 25.

## Statement of changes in equity for the year ended 30 June 2023

	Reserves	Retained earnings	Total equity
	\$	\$	\$
Balance at 1 July 2021	7,839,816	42,804,530	50,644,346
<b>Total comprehensive income for the year</b>			
Profit/(Loss) for the year	-	24,565,591	24,565,591
Change in fair value - Equity Investments	(1,114,406)	-	(1,114,406)
Transfer to reserves	27,445,801	(27,445,801)	-
Total comprehensive income for the year	26,331,395	(2,880,210)	23,451,185
Balance at 30 June 2022	34,171,211	39,924,320	74,095,531
Balance at 1 July 2022	34,171,211	39,924,320	74,095,531
<b>Total comprehensive income for the year</b>			
Profit/(Loss) for the year	-	17,929,379	17,929,379
Change in fair value - Equity Investments	(375,355)	-	(375,355)
Transfer to reserves	18,589,005	(18,589,005)	-
Total comprehensive income for the year	18,213,650	(659,626)	17,554,024
Balance at 30 June 2023	52,384,861	39,264,694	91,649,555

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 2023

Cash flows from operating activity	2023	2022
	\$	\$
	Note	
Receipts from Customers	21,171,660	14,403,992
Payments to suppliers and employees	(19,301,168)	(16,200,423)
Interest received	134,452	95,976
<b>Net Cash generated from/ (used in) operating activities</b>	<b>2,004,944</b>	<b>(1,716,715)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of assets	9,719	22,057,748
Payments for property, plant, and equipment	(9,221,360)	(17,989,002)
Dividends received	2,984,312	1,934,949
Proceeds from sale of investments	23,271,975	1,578,810
Acquisition of investments	(35,384,575)	(3,117,299)
<b>Net cash (used in) / provided from investing activities</b>	<b>(18,339,929)</b>	<b>4,465,206</b>
<b>Cash flows from financing activities</b>		
Repayment of finance leases	(5,353)	(16,260)
<b>Net cash used from financing activities</b>	<b>(5,353)</b>	<b>(16,260)</b>
Net change in cash or cash equivalents	(16,340,338)	2,748,491
Opening cash	31,299,044	28,550,553
<b>Closing cash</b>	<b>14,958,706</b>	<b>31,299,044</b>
	8	

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 2023

## 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 Tier 2 general purpose consolidated financial report that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures For-Profit and Not-for-Profit Tier 2 Entities adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not for Profit Commission Act 2012 (ACNC).

This financial report has been approved by the Directors on 26 October 2023.

### 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 2023

## Note 2 Basis of preparation continued

### e) Basis of consolidation

The Trust is controlled by the Trustee. Control exists when the Trustee has the power, directly or indirectly, to govern the financial and operating policies of an entity 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 2023

### 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, unless the lease term ends within 12 months of the acquisition date, or for which the underlying asset is of low value.

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.

#### 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 2023

### 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 parental 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 community fundraising, 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 2023

## 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 2023

### Note 4 New and amended standards adopted by the Company

There is no material impact on the Company's financial statements from amendments to Australian Accounting Standards that were effective from 1 July 2022.

## Notes to the financial statements for the year ended 30 June 2023

	2023 \$	2022 \$
<b>Note 5</b>		
<b>Revenue</b>		
<b>(i) Fundraising</b>		
Bequests & legacies	20,766,081	7,489,994
Community fundraising	5,725,212	5,791,620
	<u>26,491,293</u>	<u>13,281,614</u>
<b>(ii) Other income</b>		
202 Greenhill Road Building Construction Grant	2,308,886	6,144,912
Other income	137,036	104,696
	<u>2,445,922</u>	<u>6,249,608</u>
<b>(iii) Royalty and Licence income</b>		
	<u>267,406</u>	<u>194,788</u>
<b>Note 6</b>		
<b>Program services</b>		
<b>(i) Research</b>		
Research fellowships	30,000	50,000
Beat cancer project	2,000,000	1,000,000
Internal research programs and strategy support	1,132,397	858,806
	<u>3,162,397</u>	<u>1,908,806</u>
<b>(ii) Prevention</b>		
Prevention programs	2,135,351	1,962,254
Tobacco control	221,412	1,582,905
	<u>2,356,763</u>	<u>3,545,159</u>
<b>(iii) Information and Support Services</b>		
Information and Support programs	1,537,521	1,209,893
Supportive accommodation service	4,050,616	3,223,582
	<u>5,588,137</u>	<u>4,433,475</u>
<b>(iv) Communication and Administration</b>		
Marketing and Communication	1,476,658	1,284,674
Administration	1,607,776	1,150,734
	<u>3,084,434</u>	<u>2,435,408</u>

Administration Expenses include fees for the audit of the financial report by KPMG. Audit fees for the year ended 30 June 2023 are \$37,000 (2022: \$34,500). In addition, \$4,180 was paid to KPMG for the audit of a grant funded program and \$5,268 for provision of the FairCall service (2022: \$5,268, FairCall service)

### Note 7

#### Net financial income

Interest income	169,045	111,087
Dividends, distributions, and franking credits	2,837,492	2,672,153
	<u>3,006,537</u>	<u>2,783,240</u>

## Notes to the financial statements for the year ended 30 June 2023

2023  
\$

2022  
\$

### Note 8

#### Cash and cash equivalents at amortised cost

Bank balances	4,620,372	14,267,749
Cash held by investment manager for reinvestment	1,200,801	-
Term deposits maturing within 3 months	8,106,413	16,012,517
Term deposits maturing later than 3 months	1,031,120	1,018,778
	<u>14,958,706</u>	<u>31,299,044</u>

### Note 9

#### Trade and other receivables

Trade receivables at amortised cost	52,937	44,636
Sundry receivables at amortised cost	1,693,481	1,995,707
Prepayments	342,358	257,928
	<u>2,088,776</u>	<u>2,298,271</u>

### Note 10

#### Other financial assets at fair value

Investments in equity securities	17,705,731	9,182,911
Investments in units in trusts	24,775,106	13,182,767
	<u>42,480,837</u>	<u>22,365,678</u>

### Note 11

#### Property, plant, and equipment

	Land \$	Buildings \$	Plant & equipment \$	Assets under construction \$	Total \$
<b>Cost</b>					
Balance at 1 July 2022	1,250,000	-	1,510,769	23,527,972	26,288,741
Acquisitions	-	-	1,141,586	8,952,434	10,094,030
Transfers	-	25,503,708	4,728,789	(30,232,497)	-
Disposals	-	-	(206,425)	-	(206,425)
Balance at 30 June 2023	<u>1,250,000</u>	<u>25,503,708</u>	<u>7,174,719</u>	<u>2,247,919</u>	<u>36,176,346</u>
<b>Depreciation and impairment losses</b>					
Balance at 1 July 2022	-	-	662,098	-	662,098
Depreciation charge	-	422,809	448,318	-	871,127
Disposals	-	-	(199,184)	-	(199,184)
Balance at 30 June 2023	<u>-</u>	<u>422,809</u>	<u>911,232</u>	<u>-</u>	<u>1,334,041</u>
<b>Carrying Amounts</b>					
Balance at 1 July 2022	1,250,000	-	848,671	23,527,972	25,626,643
Balance at 30 June 2023	<u>1,250,000</u>	<u>25,080,899</u>	<u>6,263,487</u>	<u>2,247,919</u>	<u>34,842,305</u>

## Notes to the financial statements for the year ended 30 June 2023

### Note 11 (continued)

In February 2021, Cancer Council SA commenced the construction of a new multi-level mixed purpose building at 202 Greenhill Road. This building was completed on schedule in October 2022. The costs of the construction of \$25.504 million (2022: \$23.528 million) which included \$0.378 million of related salaries were transferred to the Buildings asset category. Included in the cost of Plant & Equipment of \$7.175 million, is an amount of \$6.266 million relating to fixtures and fittings including IT equipment for the fit out of the new building. These assets have been depreciated from 1 November 2022, the date that business operations commenced from 202 Greenhill Road.

Included in Buildings Under Construction is an amount of \$2.166 million (2022: \$23.528 million) which represents the capital works for the car park adjoining the building at 202 Greenhill Rd. This amount is not subject to depreciation. The car park is scheduled to be completed in late September 2023.

In the year ended 30 June 2023 disposals related to the write off old assets mainly computer equipment, profit on sale was \$0.002million. On 16 August 2021, Cancer Council SA sold the wholly owned lodge at 27-29 Dequetteville Terrace for a gross sales price of \$12.25 million. On 18 November 2021 the property at 204 Greenhill Road, Eastwood, SA was sold for \$10.05 million before costs. After the costs of sale, the combined profit on sale for both properties was \$15.921 million.

	2023	2022
<b>Note 12</b>		
<b>Trade and other payables</b>		
	\$	\$
Trade payables	692,890	703,105
Other payables	1,009,740	2,847,507
Revenue received in advance	-	2,308,886
Non trade payables and accrued expenses	197,016	115,526
	<u>1,899,646</u>	<u>5,975,024</u>

Revenue received in advance of \$2.31 million as at 30 June 2022 was the unrecognised proportion of the \$10 million grant, which was received in June 2021 for the development of the 202 Greenhill Road site. The remaining \$2.31 million grant was recognised as income in the year ended 30 June 2023.

### Note 13

#### Contract liabilities

Opening balance	805,981	828,903
Amounts received	370,500	2,301,000
Amounts returned to funding bodies	(558,294)	(571,796)
Income taken to revenue	(539,235)	(1,752,126)
	<u>78,952</u>	<u>805,981</u>

### Note 14

#### Employee benefits

##### Current

Liability for annual leave	429,139	360,864
Liability for long service leave	229,073	260,477
	<u>658,212</u>	<u>621,341</u>

##### Non-current

Liability for long service leave	80,259	82,407
	<u>738,471</u>	<u>703,748</u>

#### Total employee benefits

## Notes to the financial statements for the year ended 30 June 2023

### Note 15 Reserves

	FVOCI reserve \$	Restricted fund reserve \$	General reserve \$	Total \$
Balance at 1 July 2021	7,839,816	-	-	7,839,816
Other comprehensive income	(1,114,406)	-	-	(1,114,406)
Transfer to/from retained earnings	-	3,833,347	23,612,454	27,445,801
Balance at 30 June 2022	6,725,410	3,833,347	23,612,454	34,171,211
Balance at 1 July 2022	6,725,410	3,833,347	23,612,454	34,171,211
Other comprehensive income	(375,355)	-	-	(375,355)
Transfer to/from retained earnings	-	764,961	17,824,044	18,589,005
Balance at 30 June 2023	6,350,055	4,598,308	41,436,498	52,384,961

#### Financial assets at fair value through other comprehensive income (FVOCI) reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

#### Restricted fund reserve

Donor funds and bequests received for or allocated to specific purposes which have not yet been applied to those purposes.

#### General reserve

This reserve comprises of extraordinary income as identified by the Board. Extraordinary income identified in the year ended 30 June 2023 includes the final tranche of the capital grant for the construction of the building at 202 Greenhill Road and large bequests not tied to specific purposes. The reserve will be applied over time to build the capacity of the organisation to benefit South Australians affected by cancer and for building maintenance purposes.

### Note 16

#### Key management personnel compensation

The key management personnel compensation was \$1,381,444 for the year ended 30 June 2023 (2022: \$1,308,087). The number of employees defined as key management personnel was 8 (2022:10) 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 17

Lease liability	Up to one year \$	One to two years \$	Two to five years \$	Total \$
<b>30 June 2023</b>				
Minimum Lease Payments	-	-	-	-
Finance Charge	-	-	-	-
Net Present Value	-	-	-	-
<b>30 June 2022</b>				
Minimum Lease Payments	5,420	-	-	5,420
Finance Charge	67	-	-	67
Net Present Value	5,353	-	-	5,353

## Notes to the financial statements for the year ended 30 June 2023

### Note 17 (continued)

Due to the construction project at 202 Greenhill Road and the sale of the properties at 27-29 Dequetteville Terrace and 204 Greenhill Road during the prior year, Cancer Council SA Council SA leased three premises for office and accommodation space up until the new building at 202 Greenhill Road was completed and ready for use. Car park spaces have continued to be leased while Cancer Council SA's own car park is being constructed, this arrangement will cease at the end of September. Rental costs for these three premises and the car park were \$723,375 (2022: \$1,196,560) and have been recognised in Administration costs and Supportive Accommodation costs. In addition, premises are rented on a casual basis for short periods to support fundraising activities. These costs are recorded under Fundraising expenditure

### Note 18

#### Contractual Commitments

As at 30 June 2023, Cancer Council SA has contractual commitments for the redevelopment of the 202 Greenhill Road car park and in conjunction with Flinders University and Flinders Foundation, a commitment for the provision of two Research Fellows (Cancer Support and Cancer Wellness) for a three year period.

Non-cancellable funding agreements and contracts are payable as follows:

	2023	2022
	\$	\$
Not later than that of one year	3,319,808	6,039,479
Later than one year but not later than two years	168,432	-
Later than two years but not later than 5 years	175,397	-
	<u>3,663,637</u>	<u>6,039,479</u>

### Note 19

#### Events after the Reporting Period

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

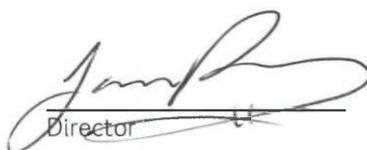
In the opinion of the Directors of Cancer Council SA:

- 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 2023 and of its performance, for the financial year ended on that date; and
  - ii. complying with Australian Accounting Standards – Simplified 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 26 day of October 2023



# Independent Auditor's Report

To the members of Anti-Cancer Foundation of South Australia

## Opinion

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

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

- i. giving a true and fair view of the Council's financial position as at 30 June 2023, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)*.

The **Financial Report** comprises:

- i. Statement of financial position as at 30 June 2023.
- ii. Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- iii. Notes including a summary of significant accounting policies.
- iv. Directors' declaration of the Council.

## 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 these requirements.



## 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.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors 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. 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:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR
- ii. 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.
- iii. Assessing the Council's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the 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:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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:

- i. 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.
- ii. 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv. 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 registered 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 registered Council to cease to continue as a going concern.
- v. 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 registered 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.

Paul Cenko

KPMG

Partner

Adelaide

26 October 2023