



National Breast Cancer Foundation
ABN 37 144 841 707

Annual Financial Report
for the year ended 30 June 2022

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Directors' Report

The Board of Directors of the National Breast Cancer Foundation ('NBCF') has pleasure in submitting its report for the year ended 30 June 2022.

Directors

The Directors of NBCF during the financial year and until the date of this report are as follows. Directors were in office for the entire year until otherwise noted.

Adjunct Professor Helen Zorbas AO (Chair)
 Deeta Colvin (McGeoch)
 Doctor Jenny Fagg
 Winsome Hall
 Professor Ross Hannan
 Megan Keleher
 David Krasnostein AM
 Professor Grant McArthur (appointed 25 March 2022)
 Bob Prosser (resigned 23 February 2022)

Details of Directors' qualifications, experience, and special responsibilities can be found at Appendix A.

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

Meetings of Directors

The number of Board and Board Committee meetings held during the year ended 30 June 2022 that each Director was eligible to attend, and the number of meetings attended by each Director are as follows:

	Board		Audit, Risk, & Investment Committee		Research Advisory Committee		Remuneration & Nominations Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Adj. Prof. Helen Zorbas	5	5					4	4
Deeta Colvin (McGeoch)	5	4						
Doctor Jenny Fagg	5	5	5	5				
Winsome Hall	5	5	5	5				
Prof. Ross Hannan	5	4			2	1		
Megan Keleher	5	5					4	4
David Krasnostein	5	5	5	5			4	4
Prof. Grant McArthur	1	1						
Bob Prosser <i>(resigned 23 February 2022)</i>	4	4	4	4				

Principal Activities and Nature of Operations

The principal activity of NBCF during the financial year was to act as a charitable institution providing funding for world class breast cancer research in Australia.

NBCF's long term vision is to prevent and stop deaths from breast cancer. NBCF pursues this vision by identifying, funding, and championing world-class research through NBCF's rigorous research grants process. This research focuses on the prevention, detection, and treatment of breast cancer, the success of which positively impacts the longevity and quality of life for patients with breast cancer, and ultimately saves lives.

NBCF is a community-based organisation and, as such, the organisation's ability to fund breast cancer research relies almost entirely on the generous support of the Australian public.

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

Review of operations

NBCF's operations for the year resulted in a surplus before research grant expenses of \$11.2 million (2021: \$21.6 million). The movement in the surplus before research grant expenses was largely driven by the recognition of unrealised fair value gains and losses on financial assets, with unrealised losses for the year of \$5.4 million (2021: unrealised gains of \$5.1 million), resulting from challenging external market conditions impacted by rising inflation, a tightening monetary policy environment, and ongoing geopolitical tensions. After research grants awarded and the revaluation of the future research grants provision of \$11.3 million (2021: \$7.4 million), the net deficit for the year was \$147k (2021: \$14.2 million surplus).

During the year NBCF announced the awarding of 20 grants through the annual round of the Investigator Initiated Research Scheme (IIRS) with a combined value of approximately \$12.4 million (2021: \$7.7 million). Funding for five Doctoral Scholarships was also approved totalling \$70k (2021: \$36k). As at the end of the 2021/22 financial year, NBCF was directly supporting 79 researchers, and indirectly supporting many others, at varying career stages located in research institutes across Australia.

Notwithstanding the ongoing challenges of COVID-19, NBCF generated \$38.3 million of fundraising revenue during 2021/22, an increase of 11.5% over the previous year. The outcome was underpinned by solid growth in NBCF's Regular Giving program, with 30,750 new donors welcomed to the program during the year. Existing fundraising events such as Step Up, Go Pink, and Pink Ribbon Breakfast not only enabled NBCF to raise much needed funds, but also continue to provide NBCF with opportunities to increase awareness concerning the impact of breast cancer and the importance of research. NBCF is also very fortunate to enjoy enduring and successful relationships with the Mother's Day Classic Foundation and other long standing partners including the state based Circles of Giving.

In April this year, NBCF welcomed Associate Professor Cleola Anderiesz as the organisation's new Chief Executive Officer. With over 20 years of experience across research, academic, not-for-profit and public sectors, Cleola brings significant scientific and organisational leadership as well as cross-sectoral partnership skills to the role. Cleola replaced Professor Sarah Hosking who left NBCF after almost 6 years as CEO in November 2021.

With a strong and capable team, a robust balance sheet, and an enviable reputation, NBCF is well placed to continue, and grow, its important work of funding game-changing breast cancer research into the foreseeable future.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

The Mother's Day Classic Foundation acknowledged on 1 September 2022 that a \$1.5 million donation would be made to NBCF in relation to the Mother's Day Classic Event held in May 2022. All donations from the Mother's Day Classic Foundation are used for grant funding and grant making expenses. There are no other significant events occurring after 30 June 2022 that require disclosure.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

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

Going Concern

NBCF has a strong Balance Sheet with significant reserves as well as highly liquid investments, and therefore the Directors are confident that the organisation will continue to operate as a going concern.

Environmental Regulation

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

Indemnification of officers

During the financial year, NBCF paid a premium of \$12.7k (2021: \$11.5k) for insurance to indemnify Directors and Officers against any matter arising from any wrongful act committed by them in their capacity as Directors.

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

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

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

Proceedings on behalf of the company

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

Member's Guarantee

NBCF is a company limited by guarantee. If NBCF is wound up, its constitution states that each member is required to contribute a maximum of \$100 towards meeting outstanding obligations of NBCF. At the date of this report, there were 8 members of the entity. Under NBCF's Constitution, the Directors are the only members of the company.

Directors' Benefits

Since the end of the previous financial year, no Director has received, or become entitled to, receive a benefit.

Indemnification of Auditors

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 6.

Auditor

EY continues in office.

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



Adjunct Professor Helen Zorbas AO
Director/Chair
Sydney
24 November 2022

Appendix A – Directors' Information

Directors as at 30th June 2022

Adjunct Professor Helen Zorbas AO MBBS, FASBP, MAICD

Board member for 2 years

Professor Zorbas AO stepped down from her role as CEO of Cancer Australia in 2019 after nine years, leading initiatives in evidence-based cancer practice, policy, and research. Prior to this, she was CEO of the National Breast Cancer Centre, which then became the National Breast and Ovarian Cancer Centre. In addition to her extensive clinical experience across both the public and private health sector, Professor Zorbas has chaired government Reviews and committees, represented Australia in international cancer initiatives, held NHMRC principle committee appointments and positions in leading cancer and health organisations. In 2013, Professor Zorbas was appointed an Officer of the Order of Australia (AO) in recognition of her distinguished service to public health through leadership in the delivery of improved information and services to cancer patients and their families and contributions to research and clinical trials.

Special responsibilities: Chair, Board; Member, Remuneration & Nominations Committee.

Deeta Colvin (McGeoch) BA

Board member for 9 years

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

Doctor Jenny Fagg B Econ (Honors), PhD, GAICD

Board member for 2 years

Jenny is an experienced CEO and senior executive who has turned around large financial services businesses globally. Currently, she is CEO of 2Be Finance and a Director of the Bank of Queensland Group. Prior to this, Jenny was the Chief Risk Officer of AMP Limited. Previously, she was the EVP of Products and Payments at CIBC (Canada) and the CEO of ANZ National Bank Limited, New Zealand's largest bank. Jenny has also held senior leadership roles at Citibank and KPMG. Her doctoral research was in risk management. A member of Chief Executive Women, Jenny has pioneered financial literacy and diversity in leadership initiatives throughout her career.

Special responsibilities: Chair, Audit, Risk, and Investment Committee.

Winsome Hall BA

Board member for 6 years

Winsome Hall is a non-executive Director with more than 25 years experience. She is Director of Brandon BioCatalyst with past Director roles in financial planning, consumer protection, infrastructure and venture capital and superannuation funds. Winsome chaired the Sydney Mothers' Day Classic Committee for 8 years, a fun run/walk fundraiser which donates all funds to NBCF, held senior roles in the Commonwealth Public Service and was ACT Branch Secretary of the Community and Public Sector Union.

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

Professor Ross Hannan BSc PhD FAAHMS

Board member for 5 years

Ross is the Deputy Dean (Research) of the College of Health and Medicine at ANU and an internationally recognised research scientist, whose work on ribosome biogenesis has led to new treatment paradigms in cancer. He received his PhD from the University of Tasmania in 1994, before undertaking postdoctoral research in the USA. Ross's far-reaching research contributions have been recognised by his appointment as inaugural Centenary Chaired Professor in Cancer Research at the Australian National University and Fellow of the Australian Academy of Health and Medical Sciences.

Special responsibilities: Chair, Research Advisory Committee.

Megan Keleher B.Com MBA GAICD

Board member for 4 years

Megan Keleher has over 25 years of business management and strategic marketing experience across finance, technology, media and telecommunications. Currently Chief Customer Officer of Great Southern Bank, she has held executive positions at Fujitsu, Telstra, Foxtel and the Commonwealth Bank of Australia, and also managed her own successful consulting business, specialising in brand strategy and marketing. Megan has significant experience of leading major business transformation, including the award-winning rebranding of Credit Union Australia to Great Southern Bank, culture and capability programs at Telstra and digital change at Foxtel. Recognised as one of Australia's 50 most innovative Chief Marketing Officers, her strength and passion lies in aligning business strategy and brand to purpose; and building highly engaged teams that drive measurable business impact. Megan has previously served as a Non-Executive Director of the Australian Association of National Advertisers and is currently a member of the Griffith Business School Strategic Advisory Board.

Special responsibilities: Chair, Remuneration and Nominations Committee.

David Krasnostein AM B.Juris, LLB, LLM

Board member for 12 years, Trustee since 2009

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

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

Professor Grant McArthur

Board member for 3 months

Professor Grant McArthur is a Medical Oncologist, Fellow of the Royal Australasian College of Physicians and holds a PhD in Medical Biology. He is the Executive Director of the VCCC Alliance; inaugural Lorenzo Galli Chair of Melanoma and Skin Cancers at the University of Melbourne; Head, Molecular Oncology Laboratory and Senior Consultant Medical Oncologist at the Peter MacCallum Cancer Centre. Grant was the inaugural winner of the Translational Research Award of the Foundation Nelia et Amadeo Barletta; held the Sir Edward Dunlop Clinical Cancer Research Fellowship of the Cancer Council of Victoria; won the inaugural Martin Lackmann medal for translational research; received the Medical Oncology Group of Australia, Novartis Oncology Cancer Achievement Award and has been the recipient of the prestigious Tom Reeve Award from the Clinical Oncology Society of Australia. He is the national and international study co-chair of a number of clinical trials of targeted therapies and has published over 300 papers including senior or first author publications in many leading global medical journals.

The following Directors left the board during 2021/22

Bob Prosser MA Oxf, FCA, MAICD

Board member for 11 years (resigned 23 February 2022)

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

The Directors acknowledge and thank Bob Prosser for his significant contribution to NBCF and to the Board.



**Building a better
working world**

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Auditor's independence declaration to the directors of National Breast Cancer Foundation

In relation to our audit of the financial report of National Breast Cancer Foundation for the financial year ended 30 June 2022, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of any applicable code of professional conduct; and
- b. No non-audit services provided that contravene any applicable code of professional conduct.

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

Ernst & Young

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

Rob Lewis
Partner
24 November 2022

National Breast Cancer Foundation ABN 37 144 841 707
Annual report – 30 June 2022

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

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

National Breast Cancer Foundation
Level 7, 50 Margaret Street
SYDNEY
NSW 2000

A description of the nature of NBCF operations and its principal activities is included in the Directors’ report on pages 1 to 5, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 23 November 2022. The Directors have the power to amend and reissue the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

		2022	2021
	Notes	\$'000	\$'000
Revenue from fundraising activities	4(a)	38,296	34,358
Donations in kind		329	670
Other Income	4(b)	1,741	8,528
Revenue from continuing operations		40,366	43,556
Donations in kind expense		(329)	(670)
Direct cost of fundraising	23	(14,925)	(13,499)
Depreciation and amortisation	5(a)	(619)	(579)
Rent	5(b)	(35)	55
Salaries and allowances	5(c)	(5,602)	(5,675)
Other operating expenses		(2,069)	(1,590)
Loss on disposal of assets		(7)	-
Share of loss of an associate		-	(11)
Net loss on financial assets		(185)	-
Net fair value loss on financial assets		(5,402)	-
Surplus before grant expense and income tax		11,193	21,587
Research grants awarded	15(b)	(12,441)	(7,687)
Research grants relinquished	15(b)	165	131
Revaluation of future research grants provision	15(b)	936	141
Surplus/(Deficit) before income tax		(147)	14,172
Income tax expense	6	-	-
Surplus/(Deficit) for the year		(147)	14,172
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(deficit) for the year		(147)	14,172

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

STATEMENT OF FINANCIAL POSITION

	Notes	2022 \$'000	2021 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	7	8,311	10,072
Trade and other receivables	8	2,011	2,747
Financial assets	9	<u>46,408</u>	<u>42,256</u>
Total current assets		<u>56,730</u>	<u>55,075</u>
Non-current assets			
Financial assets	9	309	-
Investment in associates	10	-	101
Property, plant and equipment	11	534	213
Right of use assets	12(a)	<u>2,046</u>	<u>86</u>
Total non-current assets		<u>2,889</u>	<u>400</u>
Total assets		<u>59,619</u>	<u>55,475</u>
LIABILITIES			
Current liabilities			
Trade and other payables	13	1,356	923
Lease liabilities	12(b)	396	86
Provisions	14	<u>13,507</u>	<u>11,333</u>
Total current liabilities		<u>15,259</u>	<u>12,342</u>
Non-current liabilities			
Lease liabilities	12(b)	1,622	-
Provisions	15	<u>10,643</u>	<u>10,891</u>
Total non-current liabilities		<u>12,265</u>	<u>10,891</u>
Total liabilities		<u>27,524</u>	<u>23,233</u>
Net assets		<u>32,095</u>	<u>32,242</u>
EQUITY			
Accumulated funds	16	<u>32,095</u>	<u>32,242</u>
Total equity		<u>32,095</u>	<u>32,242</u>

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

STATEMENT OF CHANGES IN EQUITY

	Notes	Accumulated funds \$'000	Total equity \$'000
Balance at 1 July 2020	16	18,070	18,070
Surplus/ (Deficit) for the year		14,172	14,172
Other comprehensive income		-	-
Total comprehensive surplus/(deficit) for the year		<u>14,172</u>	<u>14,172</u>
Balance at 30 June 2021	16	<u>32,242</u>	<u>32,242</u>
Balance at 1 July 2021	16	32,242	32,242
Surplus/ (Deficit) for the year		(147)	(147)
Other comprehensive income		-	-
Total comprehensive surplus/(deficit) for the year		<u>(147)</u>	<u>(147)</u>
Balance at 30 June 2022	16	<u>32,095</u>	<u>32,095</u>

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

STATEMENT OF CASH FLOWS

	Notes	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Receipts from grants, donations and fundraising activities		38,530	34,976
Payments for research grants, suppliers and employees		<u>(31,382)</u>	<u>(30,140)</u>
Net cash (outflow)/inflow from operating activities		<u>7,148</u>	<u>4,836</u>
Cash flows from investing activities			
Payments for property, plant and equipment	11	(463)	(69)
Proceeds from short-term deposits and investments		3,252	3,810
Payments for short-term deposits and investments		(13,114)	(4,049)
Interest income received		2	6
Investment income received		<u>1,890</u>	<u>1,488</u>
Net cash (outflow)/inflow from investing activities		<u>(8,433)</u>	<u>1,186</u>
Cash flows from financing activities			
Payment of lease liabilities	12(c)	(476)	(515)
Net cash (outflow)/inflow from financing activities		<u>(476)</u>	<u>(515)</u>
Net increase/(decrease) in cash		(1,761)	5,507
Opening cash		<u>10,072</u>	<u>4,565</u>
Closing cash end of year	7	<u>8,311</u>	<u>10,072</u>

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

Notes to the financial statements

1 Summary of significant accounting policies

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012*, Australian Accounting Standards - Simplified Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. National Breast Cancer Foundation is a not-for-profit entity for the purpose of preparing the financial statements.

The prior year financial statements were prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards – Simplified Disclosures has not affected the company's reported financial position, financial performance, and cash flows.

(i) *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

(ii) *Critical accounting estimates*

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

(b) Revenue recognition

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

Revenue is recognised for the major business activities as follows:

(i) *Revenue from fundraising*

Donations, community fundraising, and bequests are generally recognised when received.

Bequests comprising shares or other property are recognised at fair value, being the market value of the shares or property at the date NBCF becomes legally entitled to the shares or property.

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

(ii) *Interest income*

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

(iii) *Donations in kind*

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

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

(iv) Other income sources

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

(c) Expenditures

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

(d) Income tax

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

(e) Leases

At inception of a contract, NBCF assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For leases identified, NBCF recognises a right-of-use asset and a lease liability at the lease commencement date.

(i) Right-of-use assets

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 costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the lease term. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(ii) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid as at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, NBCF uses its incremental borrowing rate as the discount rate.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if NBCF changes its assessment of whether it will exercise an extension option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases that have a lease term of 12 months or less and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(f) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's

carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(g) Cash and cash equivalents

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

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

(h) Trade receivables and other receivables

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

(i) Investments and financial assets

Classification

NBCF has placed funds with an external fund manager to be externally managed as a balanced portfolio. The portfolio consists of listed securities, managed funds, term deposits and cash. NBCF manages its investment portfolio for growth and income and classifies its entire portfolio as financial assets at fair value through profit and loss. Financial assets at fair value through profit and loss are comprised of marketable equity securities and unlisted managed funds and are included in current assets unless the investment matures or management intends to dispose of the investment more than 12 months from the end of the financial year.

Measurement

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

(j) Property, plant and equipment

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

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

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

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, it is NBCF's policy to transfer any amounts included in other reserves (in respect of those assets) to accumulated funds.

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

(k) Intangible assets

(i) Trademarks

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

(ii) IT development and software

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

(l) Trade and other payables

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

(m) Provisions

Provisions are measured at the present value of Directors' best estimate of the expenditure required to settle the present obligation at the end of each reporting period. Liabilities expected to be settled within 12 months after the end of each reporting period are classified as current liabilities. The liabilities not expected to be settled within 12 months after the end of the reporting period are measured as the present value of expected future payments to be made in respect of research grants and are classified as non-current liabilities. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. The movement in the provisions due to the passage of time and the impact of changes in discount rates are included in grant expenses in the statement of comprehensive income. The impact of discounting is disclosed separately in note 15.

(n) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

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

(iii) Retirement benefit obligations

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

(o) Goods and Services Tax (GST)

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

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

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

(p) Fair value estimation

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

(q) Investment in associates

An associate is an entity over which NBCF has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. NBCF's investment in its associate is accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in NBCF's share of net assets of the associate since the acquisition date. The statement of profit or loss reflects NBCF's share of the results of operations of the associate.

After application of the equity method, NBCF determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, NBCF determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, NBCF calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit of an associate' in the statement of profit or loss.

2 Critical accounting estimates and judgements

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

(a) Critical accounting estimates and assumptions

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

(i) Net present value of future research grants payable

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

used by the Directors in determining fair value are as follows:

Discount rate (2-10 year bonds): 2.93% - 3.77% [2021: 0.04% - 1.52%].

3 Changes in accounting policies, disclosures, standards and interpretations

NBCF has applied all standards and amendments, which are effective for annual periods beginning on or after 1 July 2021. NBCF has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4 Revenue

	2022	2021
	\$'000	\$'000
(a) Revenue from fundraising activities		
Foundations	2,003	2,852
Partnerships and Community Fundraising	12,860	11,175
Individual Giving	23,433	20,331
	38,296	34,358
(b) Other Income		
Interest income	-	3
Investment income	1,730	2,503
Net fair value gains on financial assets	-	5,107
Proceeds on disposal of assets	-	2
Share of profit of an associate	11	-
Government COVID-19 Support	-	913
	1,741	8,528

5 Expenses

	2022	2021
	\$'000	\$'000
Profit before income tax includes the following specific expenses:		
<i>(a) Depreciation</i>		
Intangible assets	1	2
Office equipment, fixtures & fittings	103	98
Leasehold improvements	35	30
Right-of-use asset	480	449
Total depreciation	619	579
Total depreciation and amortisation	619	579
<i>(b) Rental expense relating to operating leases</i>		
Minimum lease payments	35	(55)
<i>(c) Salaries and Allowances</i>		
Salaries & Wages	5,110	5,208
Defined contribution superannuation expense	492	467
Total Salaries and Allowances expense	5,602	5,675
<i>(d) Non – executive Directors fees</i>	-	-

6 Income Tax expense

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

7 Current assets - Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Cash at bank and in hand	8,311	10,072
	<u>8,311</u>	<u>10,072</u>

8 Current assets - Trade and other receivables

	2022	2021
	\$'000	\$'000
Trade receivables	230	403
Provision for impairment of trade receivables	(20)	(12)
Accrued income	1,322	1,963
GST receivables / (payables)	252	150
Prepayments	227	243
	<u>2,011</u>	<u>2,747</u>

9 Financial assets

	2022	2021
	\$'000	\$'000
Current		
<i>Financial assets held at amortised cost</i>		
Short-term deposits	-	305
<i>Financial assets at fair value through profit and loss</i>		
Listed securities	10,840	10,148
Managed investments	35,568	31,803
	<u>46,408</u>	<u>42,256</u>
Non-current		
<i>Financial assets held at amortised cost</i>		
Term deposits	309	-
	<u>309</u>	<u>-</u>

10 Investment in associates

	2022	2021
	\$'000	\$'000
Investment in associates – Rainbow Fields Limited	28	101
Accumulated impairment loss	(28)	-
	<u>-</u>	<u>101</u>

11 Non-current assets - Property, plant and equipment

	Assets under construction	Intangible assets	Office equipment, fixtures and fittings	Leasehold improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
At 30 June 2021					
Cost	23	17	514	226	780
Accumulated depreciation	-	(3)	(338)	(226)	(567)
Net book amount	<u>23</u>	<u>14</u>	<u>176</u>	<u>-</u>	<u>213</u>
Year ended 30 June 2022					
Opening net book amount	23	14	176	-	213
Additions		-	202	261	463
Transfers	(23)	-	23	-	-
Disposals	-	-	(161)	(226)	(387)
Disposals - depreciation write back	-	-	158	226	384
Depreciation charge	-	(2)	(102)	(35)	(139)
Closing net book amount	<u>-</u>	<u>12</u>	<u>296</u>	<u>226</u>	<u>534</u>
At 30 June 2022					
Cost	-	17	578	261	856
Accumulated depreciation	-	(5)	(282)	(35)	(322)
Net book amount	<u>-</u>	<u>12</u>	<u>296</u>	<u>226</u>	<u>534</u>

12 Leases

(a) Right-of-use assets

	Property	Equipment	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2021	86	-	86
Additions	2,413	32	2,445
Disposals	(335)	(13)	(348)
Disposals – depreciation write back	335	8	343
Depreciation charge	(474)	(6)	(480)
Balance at 30 June 2022	<u>2,025</u>	<u>21</u>	<u>2,046</u>

(b) Lease liabilities

	2022	2021
	\$'000	\$'000
Opening balance 1 July	86	336
Additions	2,340	259
Principal repayments	(476)	(515)
Interest	68	6
Closing balance 30 June	<u>2,018</u>	<u>86</u>

Of which:	2022	2021
	\$'000	\$'000
Current	396	86
Non-current	1,622	-
	<u>2,018</u>	<u>86</u>

Presented below is a maturity analysis of future lease payments

Not later than 1 year	396	86
Later than 1 year and not later than 5 years	1,622	-
Later than 5 years	-	-
	<u>2,018</u>	<u>86</u>

(c) Amounts recognised in Statement of Cashflows

	2022	2021
	\$'000	\$'000
Total cash outflow of leases	(476)	(515)
	<u>(476)</u>	<u>(515)</u>

13 Current liabilities - Trade and other payables

	2022	2021
	\$'000	\$'000
Trade payables	696	542
Accrued expenses	660	381
	<u>1,356</u>	<u>923</u>

14 Current Liabilities - Provisions

	2022	2021
	\$'000	\$'000
Employee benefits	388	298
Future research grants provision	13,119	11,035
	<u>13,507</u>	<u>11,333</u>

15 Non-Current Liabilities - Provisions

	2022	2021
	\$'000	\$'000
Employee benefits	119	153
Future research grants provision	10,425	10,738
Make good provision	99	-
	<u>10,643</u>	<u>10,891</u>

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

Movement in the future research grants provision during the financial year are set out below:

Grants provision	2022	2021
	\$'000	\$'000
Current and Non-Current		
Carrying amount at start of year	21,773	24,401
Charged/(credited) to profit or loss		
- additional provisions recognised	12,441	7,687
- unused amounts reversed	(54)	(131)
- discount of additional provisions recognised	(377)	(191)
- finance expense incurred as a result of change in discount rate and unwinding of provision	(559)	50
Amounts used during the year	<u>(9,680)</u>	<u>(10,043)</u>
Carrying amount at end of year	<u>23,544</u>	<u>21,773</u>
Of which:		
Current	13,119	11,035
Non-current	<u>10,425</u>	<u>10,738</u>
	<u>23,544</u>	<u>21,773</u>

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

	2022	2021
	\$'000	\$'000
Additional provision recognised	12,441	7,687
Unused amounts reversed and returned	(165)	(131)
Net finance expense incurred as a result of change in discount rate and unwinding of provision	<u>(936)</u>	<u>(141)</u>
Total grant expenses per statement of comprehensive income	<u>11,340</u>	<u>7,415</u>

16 Accumulated funds

	2022	2021
	\$'000	\$'000
Movements in accumulated funds were as follows:		
Opening balance 1 July	32,242	18,070
Net surplus/(deficit) for the year	<u>(147)</u>	<u>14,172</u>
Closing balance 30 June	<u>32,095</u>	<u>32,242</u>

17 Key management personnel disclosures

NBCF has determined that 6 (4.3 Full Time Equivalents (FTEs)) management personnel had authority and responsibility for planning, directing and controlling the activities of NBCF, directly or indirectly, during the financial year (2021: 7 (5.0 FTEs)).

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

	2022	2021
	\$'000	\$'000
Employee benefits	1,055	1,101

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

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

18 Contingencies

NBCF had no contingent liabilities or contingent assets at 30 June 2022 (2021: Contingent liabilities of \$Nil and contingent assets of \$Nil).

19 Related party transactions

(a) Transactions with related parties

No transactions occurred with related parties during 2022 financial year. (2021: Nil).

20 Auditors remuneration

The auditor of National Breast Cancer Foundation is Ernst & Young Australia.

	2022	2021
Fees to Ernst & Young Australia:		
For the audit of the statutory financial report	<u>56,620</u>	<u>56,745</u>
Total auditors remuneration	<u>56,620</u>	<u>56,745</u>

21 Members' Guarantee

NBCF is an entity limited by guarantee. If the entity is wound up, the entity's constitution states that each member is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the entity. At reporting date, there were 8 (2021: 8) members of the entity.

22 Charitable fundraising comparisons information - Financial Highlights 2022

	Income \$'000	Fundraising Income %	Fundraising Expense \$'000	Expense % of Income %
Foundations	2,003	5%	7	0%
Partnerships and Community Fundraising	12,860	34%	1,410	11%
Individual Giving	23,433	61%	13,508	58%
Total fundraising	38,296	100%	14,925	39%

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

23 Charitable fundraising comparisons information - Charitable Purposes 2022

	2022 \$'000	2021 \$'000
Summary of operating expenses:		
Direct costs of fundraising (note 22)	14,925	13,499
Costs of fundraising staff	2,502	2,556
Research Administration costs	621	583
Marketing/Speakers/Volunteers	845	1,026
Administration including Finance/IT/HR/all office costs	4,357	3,624
Operating expenses	23,250	21,288
Donations in kind	329	670
Loss on disposal of assets	7	-
Share of loss of an associate	-	11
Net realised loss on investments	185	-
Net unrealised loss on investments	5,402	-
Operating expenses (including Donation in kind)	29,173	21,969
Research grants awarded	12,441	7,687
Research grants relinquished	(165)	(131)
Revaluation of future research grants provision	(936)	(141)
Total expenses	40,513	29,384

24 Events occurring after the reporting period

The Mother's Day Classic Foundation acknowledged on 1 September 2022 that a \$1.5 million donation would be made to NBCF in relation to the Mother's Day Classic Event held in May 2022. All donations from the Mother's Day Classic Foundation are used for grant funding and grant making expenses. There are no other significant events occurring after 30 June 2022 that require disclosure in this financial report.

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 23 are in accordance with *the Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) complying with Accounting Standards – Simplified Disclosure Requirements, *the Australian Charities and Not-for-profits Commission Regulation 2013* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

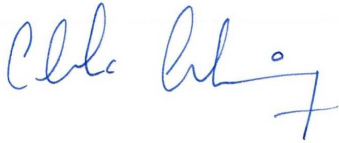


Adjunct Professor Helen Zorbas AO
Director/Chair
National Breast Cancer Foundation
Sydney
24 November 2022

Chief Executive Officer's Declaration in respect of Fundraising Appeals

I, Associate Professor Cleola Anderiesz, Chief Executive Officer, of National Breast Cancer Foundation, declare in my opinion:

- (a) the statement of comprehensive income gives a true and fair view of all income and expenditure of National Breast Cancer Foundation with respect to fundraising appeal activities for the twelve months ended 30 June 2022;
- (b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2022;
- (c) the provisions and regulations of the NSW Charitable Fundraising Act 1991, the NSW Charitable Fundraising Regulation 2021, the requirements of the WA Charitable Collections Act (1946), the WA Charitable Collections Regulations (1947) and the conditions attached to the authority to fundraise have been complied with during the period from 1 July 2021 to 30 June 2022;
- (d) the internal controls exercised by National Breast Cancer Foundation are appropriate and effective in accounting for all income received, and applied, from any of its fundraising appeals; and
- (e) this statement is founded on a sound system of risk management and internal control which implements the policies adopted by the Board in relation to financial reporting risks, and that the system is operating effectively in all material respects.



Associate Professor Cleola Anderiesz
Chief Executive Officer
National Breast Cancer Foundation
Sydney
24 November 2022



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

Report on the financial report

Opinion

We have audited the accompanying financial report of National Breast Cancer Foundation (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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



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Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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



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

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

Report on the requirements of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2021* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2021* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

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



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Opinion

In our opinion:

- a) the financial report of National Breast Cancer Foundation has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2022, in all material respects, in accordance with:
 - i. sections 20(1), 22(1-2), 24(1) of the NSW Charitable Fundraising Act 1991;
 - ii. sections 14(2) and 17 of the NSW Charitable Fundraising Regulations 2021;
 - iii. the WA Charitable Collections Act (1946); and
 - iv. the WA Charitable Collections Regulations (1947).

- b) the money received as a result of fundraising appeals conducted by the company during the financial year ended 30 June 2022 has been properly accounted for and applied, in all material respects, in accordance with the above-mentioned Acts and Regulations

Ernst & Young

Rob Lewis
Partner
Sydney
24 November 2022