

ANZ Breast Cancer Trials Group Limited
(trading as Breast Cancer Trials)

Financial Statements

For the Financial Year Ended 31 March 2020

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Financial Statements for the Financial Year Ended 31 March 2020

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ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

Your directors present their report on ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials) ("BCT") for the financial year ended 31 March 2020.

1. Directors

The names of directors in office at any time during or since the end of the last financial year are:

B Mann, MBBS, PhD, FRACS, MAICD Professor Mann was elected to the Board in July 2015 and appointed Chair in July 2017. He is a member of the BCT Scientific Advisory Committee. Professor Mann is Director of the Breast Tumour Stream of the Victorian Comprehensive Cancer Centre, and works at Royal Melbourne, Royal Women's Hospital and the Peter MacCallum Cancer Centre. He is active in clinical and translational breast cancer research. Professor Mann is a member of the Australian Institute of Company Directors (MAICD) and is also on the board of the Breast Cancer Network of Australia and is on a number of committees for Cancer Australia, BreastScreen Australia and BreastScreen Victoria. (Melbourne, VIC, Australia).

R Isaacs, MNZM, PhD, NZCS (Paramedical), BHB, MBChB, FRACP Dr Richard Isaacs MNZM was elected to the BCT Board of Directors in July 2014. Dr Isaacs is a Medical Oncologist and Head of Medical Oncology at Palmerston North Hospital, New Zealand, where he has been an investigator on multiple clinical trials. Dr Isaacs was Vice President of the Palmerston North Medical Research Foundation from 2008-2013 and Chair of the New Zealand Breast Cancer Specialist Interest Group from 2008-2011. He was Chair of the New Zealand Specialist Advisory Committee for the Royal Australasian College of Physicians from 2010-2013. He now sits on the Cancer Treatments Subspecialty Advisory Group to Pharmacy. In 2009, Dr Isaacs was awarded an MNZM for services to oncology. (Palmerston North, New Zealand).

J Horrigan, BBus, GradDipAppFin, GradDipMgt, MAICD Ms Jennifer Horrigan was appointed to the BCT Board of Directors in October 2015 and is the Chairman of the Finance, Risk and Audit Committee. She has more than 25 years' experience across investment banking, investor relations and strategic communications. She was formerly the Chief Operating Officer of Greenhill Australia, a leading independent investment bank. Ms Horrigan is also a director of APN Funds Management (including ASX-listed APN Industrial REIT and APN Convenience Retail REIT); QV Equities (ASX: QVE); Yarra Funds Management Limited and is Chairman of national cancer charity Redkite. Her qualifications include a Bachelor of Business (QUT), Graduate Diploma in Applied Finance (Finsia), Graduate Diploma in Management (AGSM) and she is a member of the Australian Institute of Company Directors (MAICD). (Sydney, NSW, Australia).

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

1. Directors (cont'd)

C Saunders AO, MBBS,
FRCS, FRCS, FAAHMS,
GAICD

Professor Christobel Saunders was elected to the BCT Board of Directors in July 2016 and is a member of the Communications and Fundraising Committee. Professor Saunders is a Consultant Surgeon at the Royal Perth, Fiona Stanley and St John of God Subiaco Hospitals, and is Professor of Surgical Oncology at The University of Western Australia. Professor Saunders has conducted breast cancer research for over 25 years, evaluating the efficacy and utility of therapy for early breast cancer, contributing to clinical trials and psychosocial, translational and health services research, and is active in several areas of surgical oncology cancer research. Professor Saunders sits on the boards of a number of cancer organisations and is President of the Breast Surgical Society of Australia and New Zealand; is closely involved in strategic planning and management of cancer services in Western Australia as author of the WA Health Cancer Services Framework and as first A/Director, WA Cancer and Palliative Care Network, and past President of the Cancer Council WA; and nationally as past Advisory Council member of organisations such as Cancer Australia. Professor Saunders has published over 150 peer-reviewed journal articles and has been publicly acknowledged through numerous awards including the Uccio Querci della Rovere Award (November 2018), International Women's Day WA Women's Hall of Fame Inductee (2018) and WA Scientist of the Year (2017). Most recently (2018) Professor Saunders was awarded an Officer of the Order of Australia for distinguished service to medical education in the field of surgical oncology, to the diagnosis and management of breast cancer and melanoma, as an academic, researcher and clinician. Professor Saunders is also a Graduate of the Australian Institute of Company Directors. (Perth, WA, Australia).

N Wilcken, MBBS, PhD,
FRACP

Associate Professor Nicholas Wilcken was elected to the Breast Cancer Trials Board of Directors in July 2016. He was the Chair of the BCT's Scientific Advisory Committee from 2011 to March 2017. Associate Professor Wilcken is the Director of Medical Oncology at the Crown Princess Mary Cancer Centre Westmead, Senior Staff Specialist at Nepean Hospital and Associate Professor of Medicine at the University of Sydney. His clinical interests are mainly in breast cancer and his research interests include translational oncology, systematic reviews and breast cancer clinical trials. He is currently the Co-ordinating Editor of the Cochrane Collaboration's Breast Cancer Group. He has been an invited expert panel member for previous St Gallen Early Breast Cancer Consensus Conferences in Switzerland and is a member of the Steering Committee of the Early Breast Cancer Trialists' Collaborative Group, based in Oxford, UK. (Sydney, NSW. Australia) .

S Lakhani FRCPA, FAHMS

Professor Sunil Lakhani was elected to the BCT Board of Directors in July 2017. He is the Executive Director of Research and Senior Staff Specialist at Pathology Queensland and Head of the Breast Group, Centre for Clinical Research, University of Queensland, Brisbane, Australia. He is a clinical diagnostic pathologist and also heads a research team comprising scientists and clinicians, ensuring a translational focus to the program. His current research interests include lobular carcinoma and its variants, basal-like cancers and mechanisms and therapeutic developments of brain and distant metastases. He was Series Editor of the 4th Edition WHO Tumour Classification Monographs and Volume Editor of the WHO 4th Ed Tumours of the Breast (2012) and is now standing member of the Board for the 5th Edition. He is the recipient of the Distinguished Pathologist Medal, International Academy of Pathology; the BCT's Robert Sutherland Award for Excellence in Translational Research; and The Distinguished Fellow Award, The Royal College of Pathologists of Australasia. In 2017, he was elected Fellow of the Australian Academy of Health and Medical Sciences. (Brisbane, QLD, Australia).

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

1. Directors (cont'd)

R Thompson PhD

Professor Rik Thompson was elected to the BCT Board of Directors in July 2017. He is a Professor in Breast Cancer Research at the Institute of Health and Biomedical Innovation (IHBI), Queensland University of Technology (QUT) and Associate Director of IHBI at the Translational Research Institute (TRI), Brisbane. After postdoctoral training in breast cancer invasion and metastasis at NIH, and the Lombardi Cancer Research Center, Georgetown University Medical Center, USA, he was Group Leader for Invasion and Metastasis at St Vincent's Institute, Melbourne in the Victorian Breast Cancer Research Consortium. He has had research into the roles of epithelial mesenchymal plasticity in breast cancer invasion and metastasis, and more recently has developed a program on the pathobiology of breast cancer risk associated with mammographic density. Professor Thompson was the founding Vice President of The International EMT Association (TEMTIA) in 2003, was President from 2013-2015, and convened the 2015 International TEMTIA meeting in Melbourne, Australia. He was President Elect (2008-2010) and then President (2010-2012) of the International Metastasis Research Society (MRS), and convened their 12th International Congress of MRS in Brisbane, Australia in 2012. He was the founding President of AMATA (now the Australasian Genomic Technologies Association) in 2004, President of the Matrix Biology Society of Australia and New Zealand (2000-2003), and co-created OzMRS – An Australasian Chapter of MRS, which is an Affiliated Group in COSA. (Brisbane, QLD, Australia).

M O'Donnell AO, FAICD

Ms Marg O'Donnell AO was appointed to the BCT Board of Directors in August 2017. She works as a consultant, Mentor and Board Director. Currently Ms O'Donnell is the Chair of the Board of SANE Australia, a not-for profit (NFP) organisation providing advice, advocacy and research into the needs of people and families coping with complex mental illness, is the Chair of the Board of the DAX Centre in Melbourne. She has chaired a range of NFP, University and Government boards, including Breast Cancer Network Australia, Legal Aid QLD and the Griffith Law School Visiting Committee. She is a Mentor with McCarthy Mentoring. She has also provided consultancy services on issues relating to conflict resolution, Aboriginal affairs, women's policy, the arts and local government to local, state and federal governments. Ms O'Donnell served as Director General of three QLD Government Departments. Her original degree is in Social Work from QLD University. She is also a Fellow of the Australian Institute of Company Directors. She was awarded the Order of Australia in 2013. She has been diagnosed twice with breast cancer. (Brisbane, QLD, Australia).

Mr L Bugden

Mr Luke Bugden was appointed to the BCT Board of Directors in October 2019. Mr Bugden is a Partner of professional services firm PricewaterhouseCoopers (PwC), with over 21 years of experience providing advice to a wide range of public and private entities in a number of different sectors including, infrastructure, manufacturing, utilities, financial services, services, not-for-profit and pharmaceutical. He also worked in the New York office of PwC where he advised a number of foreign investors investing into Australia. Mr Bugden has extensive experience advising clients on a range of issues including capital management opportunities, financing arrangements and corporate governance. He holds a Bachelor of Commerce (Accounting and Finance) and is a member of the Chartered Accountants of Australia and New Zealand (CA). (Sydney, NSW, Australia).

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

1. Directors (cont'd)

Mrs Fiona McPhee

Mrs Fiona McPhee was appointed to the BCT Board of Directors in October 2019. She is a fundraising and marketing specialist providing coaching, consulting & training to fundraisers and not-for-profit leaders and her speciality areas are fundraising strategy development, donor acquisition and retention, regular giving, bequests and integrated communications programs. Having led Australia & New Zealand's largest fundraising benchmarking program for over a decade, her insight into the fundraising market and performance is unparalleled. Some recent clients include AEON USA, Australia for UNHCR, Canteen, CBM New Zealand & Australia, Fred Hollows Foundation, IHC, Life Flight, Red Cross in Australia, New Zealand & Canada, Save the Children, Smith Family, St John and World Vision New Zealand. Before devoting her time to helping fundraisers and not-for-profit leaders optimize their fundraising, marketing and supporter service, Ms McPhee worked in sales, marketing and customer service. Fiona has written for Fundraising & Philanthropy magazine, FINZ magazine and a variety of fundraising and marketing blogs. She presents regularly on a variety of fundraising topics and has presented most recently at International Fundraising Congress (IFC) Netherlands, IFC Asia, FIA national conference, FINZ national conference, Fundraising & Philanthropy Forum. (Wanaka, New Zealand).

2. Principal activities and significant changes in nature of activities

The principal activities of ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials) during the financial year were the design, conduct, analysis and publication of clinical trials in breast cancer, the development and furtherance of the scientific basis of trials and the collaboration with people, groups and bodies as appropriate to pursue these activities. These activities involve laboratory and clinical research, treatment and prevention research, and fund raising and education.

There were no significant changes in the nature of ANZ Breast Cancer Trials Group Limited's principal activities during the financial year.

3. Operating results

The deficit of the Company for the year ended 31 March 2020 amounted to \$2,605k. The surplus of the Company for the year ended 31 March 2019 was \$1,296k.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

4. Review of operations

BCT National and International Clinical Trials Program

BCT conducts investigator initiated, academic clinical trials for the treatment of all stages of breast cancer and for the prevention of breast cancer. BCT's clinical trials program rigorously and scientifically tests the efficacy of new breast cancer treatments and prevention interventions through the conduct of multi-centre clinical trials. BCT collaborates extensively with institutions and researchers in Australia and New Zealand, and also with other national and international Cancer Cooperative Clinical Trials Groups.

BCT breast cancer trials are conducted in collaboration with a number of international research groups, including:

- The International Breast Cancer Study Group (IBCSG), located in Bern, Switzerland; Amherst and Boston, USA;
- The German Breast Group, located in Neu-Isenburg, Germany;
- The Breast International Group (BIG), located in Brussels, Belgium;
- Translational Research In Oncology (TRIO), located in Paris, France and in Edmonton, Canada;
- Cancer Research UK (CRUK), located in London, UK;
- The Austrian Breast Cancer Study Group, located in Vienna, Austria; and;
- Alliance Foundation Trials (AFT), located in Boston, United States of America.

BCT Education Activities

In July 2019, BCT held its annual scientific meeting for its members in Adelaide, South Australia. The meeting focused on new research opportunities and discussion of scientific data from breast cancer clinical trials for the prevention and treatment of early and advanced breast cancer.

Members of BCT continued their extensive education activities, nationally and internationally, with presentations of scientific papers, guest lecturers, and contributions to workshops. BCT remains Australia's major national source of important up to date research data and new breast cancer clinical trials protocols.

BCT also continues the IMPACT (Improving Participation and Advocacy for Clinical Trials) Program. This initiative acknowledges women who have participated in BCT clinical trials and aims to increase awareness and understanding of breast cancer clinical trials in the wider community.

BCT Publications

Members of BCT have contributed to 27 papers published in scientific journals in the year ending March 2020, bringing the total number of published papers to 1,168.

Fundraising

The need for sustainable, long term funding is imperative to the BCT research program and thus fundraising activities are very important to support current and future research activities.

For more information on fundraising activities, please refer to the fundraising section of the financial statements on page 31.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

5. Dividends

As the company is limited by guarantee it is prohibited from paying dividends.

6. Significant changes

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial year.

7. Matters subsequent to the end of the financial year

Since 31 March 2020, there has been an escalation of the COVID 19 pandemic both in Australia and internationally. This escalation has had no effect on the reported results for the year ended 31 March 2020.

No other matter or circumstance has arisen since 31 March 2020 that has significantly affected or may significantly affect the operations of the Company, the results of those operations, or the Company's state of affairs.

8. Director's benefits

During or since the end of the financial year no Director of the Company has received or become entitled to receive a benefit because of a contract made by the Company with the Director, or with a firm of which the Director is a member, or with an entity in which the Director has a substantial financial interest.

9. Future developments

Since 31 March 2020, there has been an escalation of the COVID 19 pandemic both in Australia and internationally. Due to this escalation there will be an impact on operations during the year ended March 2021, but it is not expected to significantly affect the company's long term viability.

Except for the COVID 19 pandemic the Directors consider that there are no likely developments, which will significantly affect the operations of the Company.

10. Environmental regulations

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory.

11. Meetings of directors

During the financial year, 4 full meetings of directors were held. Attendances by each director during the year were as follows:

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Report

31 March 2020

11. Meetings of directors (cont'd)

	Directors' Meetings	
	Number eligible to attend	Number attended
Prof Bruce Mann	4	4
Dr Richard Isaacs	4	4
Ms Jennifer Horrigan	4	2
Prof Christobel Saunders	4	3
A/Prof Nicholas Wilcken	4	4
Prof Rik Thompson	4	4
Prof Sunil Lakhani	4	3
Ms Margaret O'Donnell	4	3
Mr L Bugden	2	2
Mrs Fiona McPhee	2	2

12. Indemnifying officers or auditor

The Company has paid insurance premiums to insure each of the directors against liabilities for the costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct resulting in a willful breach of duty in relation to the Company. Disclosure of the amount of the premium is prohibited by the insurance contract.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability as such an officer or auditor.

13. Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with Division 60.40 of the *Australian Charities and Not-for-Profit Commission Act 2012*, for the year ended 31 March 2020 has been received and can be found on page 26 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: Professor Gregory Bruce Mann
Professor Bruce Mann

Director: Professor Sunil Lakhani
Professor Sunil Lakhani

Dated 15 May 2020

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Statement of Profit or Loss and Other Comprehensive Income for the Financial Year Ended 31 March 2020

	2020 000's	2019 000's
Note	\$	\$
Revenue from ordinary activities	2 11,923	12,023
Employment expenses	(4,197)	(4,005)
Trial site funding expenses	(2,288)	(3,123)
Trial protocol administration expenses	(482)	(353)
Advertising and promotion expenses	(1,261)	(719)
IT expenses	(953)	(850)
Depreciation expense	3 (255)	(268)
Distribution and postage expenses	(358)	(341)
Grants and discretionary funding expenses	(133)	(263)
Meetings and travel expenses	(569)	(620)
Printing and office supplies	(83)	(90)
Professional fees	(392)	(284)
Property expenses	(192)	(214)
Community activity expenses	(545)	(468)
Other operating expenses	(256)	(295)
Operating (deficit)/surplus	(41)	130
Income tax expense	1(i) -	-
Realised gains on invested funds	164	107
Unrealised (losses)/gains on invested funds	(3,432)	368
Investment expenses	(128)	(94)
Income from invested funds	755	680
Interest received	77	105
(Deficit)/Surplus from investing activities	(2,564)	1,166
(Deficit)/Surplus for the year	(2,605)	1,296

The accompanying notes form part of these financial statements.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Statement of Financial Position As At 31 March 2020

		2020 000's	2019 000's
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	597	1,176
Trade and other receivables	6	3,950	3,324
Other financial assets	7	4,536	6,464
Other assets	8	173	191
TOTAL CURRENT ASSETS		9,256	11,155
NON-CURRENT ASSETS			
Other financial assets	7	21,825	20,215
Property, plant and equipment	9	3,325	3,531
TOTAL NON-CURRENT ASSETS		25,150	23,746
TOTAL ASSETS		34,406	34,901
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	2,041	1,775
Provisions	11	675	620
Other financial liabilities	12	3,186	1,427
TOTAL CURRENT LIABILITIES		5,902	3,822
NON-CURRENT LIABILITIES			
Provisions	11	226	196
TOTAL NON-CURRENT LIABILITIES		226	196
TOTAL LIABILITIES		6,128	4,018
NET ASSETS		28,278	30,883
EQUITY			
Research program reserve		20,014	25,884
Retained earnings		8,264	4,999
TOTAL EQUITY		28,278	30,883

The accompanying notes form part of these financial statements.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Statement of Changes in Equity for the Financial Year Ended 31 March 2020

2020

	Retained Earnings 000's \$	General Reserves 000's \$	Total 000's \$
Note	\$	\$	\$
Balance at 1 April 2019	4,999	25,884	30,883
Deficit for the year	(2,605)	-	(2,605)
Transfer to/from reserve	5,870	(5,870)	-
Balance at 31 March 2020	8,264	20,014	28,278

2019

	Retained Earnings 000's \$	General Reserves 000's \$	Total 000's \$
Note	\$	\$	\$
Balance at 1 April 2018	14,819	14,768	29,587
Surplus for the year	1,296	-	1,296
Transfer to/from reserve	(11,116)	11,116	-
Balance at 31 March 2019	4,999	25,884	30,883

The accompanying notes form part of these financial statements.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Statement of Cash Flows for the Financial Year Ended 31 March 2020

	2020 000's	2019 000's
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers, donors and external funding bodies	13,846	15,417
Payments to suppliers and employees	(12,129)	(12,664)
Interest received	77	104
Net cash provided by operating activities	13(a) <u>1,794</u>	<u>2,857</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(50)	(60)
Investment in other financial assets	(2,323)	(2,992)
Net cash used in investing activities	<u>(2,373)</u>	<u>(3,052)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	(579)	(195)
Cash and cash equivalents at beginning of year	1,176	1,371
Cash and cash equivalents at end of financial year	5 <u><u>597</u></u>	<u><u>1,176</u></u>

The accompanying notes form part of these financial statements.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

1 Summary of Significant Accounting Policies

(a) General information

The financial report covers ANZ Breast Cancer Trials Group Limited as an individual entity. ANZ Breast Cancer Trials Group Limited is a public Company limited by guarantee, incorporated and domiciled in Australia.

(b) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-Profit Commission Act (ACNC) 2012.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

These financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

These financial statements are presented in Australian dollars, rounded to the nearest thousand, which is the functional currency of the company. This is the currency of the primary economic environment in which the Company operates.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment.

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

Plant and equipment are measured on the costs basis. Cost includes expenditure that is directly attributable to the asset.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

1 Summary of Significant Accounting Policies (cont'd)

(c) Property, Plant and Equipment (cont'd)

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

The depreciation rates used for each class of depreciable asset are shown below:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and Equipment	6.66% - 27%
IT Systems	14%
Computer Equipment	27%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(d) Impairment of assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

1 Summary of Significant Accounting Policies (cont'd)

(e) Financial instruments (cont'd)

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit and loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and subsequent measurement

Financial liabilities at amortised cost

All financial liabilities are measured at subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost when the financial assets are managed solely to collect contractual cash flows and the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Financial assets at fair value

Financial assets that do not meet the criteria to be designated as financial assets at amortised cost are subsequently measured fair value through profit and loss.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss and other comprehensive income.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

1 Summary of Significant Accounting Policies (cont'd)

(h) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Income tax

The company is exempt from Income Tax pursuant to section 50-10 of the ITAA 1997.

(j) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant Revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Specific revenue streams

The revenue recognition policies for the other principal revenue streams of the Company are:

Donations and bequests

This income is recognised at the time that the donation is received in BCT's bank account. On the occasion that a bequest is received in the form of shares, then the income is recognised at the time BCT obtains title to those shares

Diary income

Income from the sale of diaries and other merchandising income is recognised in the financial year in which the sale takes place, and the purchaser therefore receives the benefit.

Grants and services income

BCT receives income from a variety of sources for carrying out its primary function of performing Breast Cancer Clinical Trials. The sources include pharmaceutical companies, international research bodies and the Federal Government.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

1 Summary of Significant Accounting Policies (cont'd)

(j) Revenue and other income (cont'd)

Specific revenue streams (cont'd)

The terms relating to each of these grants/contracts varies depending upon each of the contract/grants, but in general the income is tied to BCT carrying specified services and/or meeting specified milestones. The grant/contract will generally extend over several financial years.

BCT recognises the revenue from each of these grants/contracts at the time when the service is performed and /or milestone achieved which is taken as a proxy for the time when the payer receives the benefit of the service

(k) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST).

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(l) Foreign Currency Transactions and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

(m) Critical accounting estimates and judgments

The directors make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgments are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgments made have been described below.

Estimation of useful lives

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

1 Summary of Significant Accounting Policies (cont'd)

(m) Critical accounting estimates and judgments (cont'd)

Long service leave provision

As discussed in Note 1(h), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Outstanding diary income

The Company assesses outstanding diary income and expenses based on an estimation of amounts to be received and paid as at year end date.

(n) Adoption of new and revised accounting standards

During the current year the Company has adopted the following accounting standards as of 1 April 2019:

AASB 15: Revenue from Contracts with Customers;
AASB 1058 Income for Not-for-Profit Entities; and
AASB 16: Leases

The adoption of these accounting standards has not resulted in any material adjustments to the reported financial position, performance or cash flow of the Company.

(o) Research Program Reserve

During the previous financial year the Company decided to create a reserve to separately reflect the amount of funding forecast for the agreed research programs. Refer to note 14 for details around the effect of the change in accounting policy.

The directors assess the Company's long term requirements to fund cancer research programs at the end of each financial year. An estimate is made of the next 10 year period based on the expected net outflows for required research funded for by the Company.

The net present value of the expected net outflows are determined at the end of each financial year and any changes recognised directly to equity.

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

	2020	2019
	000's	000's
	\$	\$
2 Revenue and Other Income		
Revenue from ordinary operations		
- Fundraising	5,056	5,041
- Trial and pharmaceutical income	4,005	4,492
- Grants and external income	2,517	2,235
- Annual scientific meeting	224	200
- Other Income	121	55
	11,923	12,023
	11,923	12,023
3 Expenses for the Year		
(a) Expenses		
Depreciation and amortisation		
Buildings	50	50
Plant & equipment	123	119
Computers	37	51
IT Systems	45	40
	255	260
	255	260
4 Auditor's Remuneration		
Audit of the financial report	15	15
Assistance with grant acquittals	2	2
	17	17
	17	17
5 Cash and Cash Equivalents		
Cash at bank	597	1,176
	597	1,176
	597	1,176

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

	2020 000's \$	2019 000's \$
6 Trade and Other Receivables		
Trade receivables	3,950	3,294
GST receivable	-	30
	3,950	3,324
7 Other Financial Assets		
CURRENT		
Financial assets - at amortised cost	4,536	6,464
NON-CURRENT		
Financial assets - at fair value through profit or loss	21,825	20,215
	26,361	26,679
(a) Movement in the Carrying Amounts of Total Financial Assets		
Movement in the carrying amount for total other financial assets between the beginning and the end of the current financial year:		
Balance at the beginning of the financial year	26,679	22,625
Unrealised (losses)/gains on invested funds	(3,432)	368
Realised gains on invested funds	164	107
Investment income	755	681
Advisor fees	(128)	(94)
Contributions	2,323	2,992
Carrying amount at the end of the financial year	26,361	26,679
8 Other Assets		
CURRENT		
Prepayments	173	191

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

	2020 000's \$	2019 000's \$
9 Property, Plant and Equipment		
Buildings - at cost	2,007	2,007
Accumulated depreciation	(159)	(109)
Total buildings	1,848	1,898
Plant and equipment - at cost	1,659	1,639
Accumulated depreciation	(379)	(255)
	1,280	1,384
IT Systems - at cost	329	309
Accumulated depreciation	(172)	(127)
	157	182
Computer Equipment - at cost	255	245
Accumulated depreciation	(215)	(178)
	40	67
Total property, plant and equipment	3,325	3,531

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings 000's \$	Plant and Equipment 000's \$	IT Systems 000's \$	Computer Equipment 000's \$	Total 000's \$
2020					
Balance at the beginning of the financial year	1,898	1,384	182	67	3,531
Additions	-	19	20	10	49
Depreciation expense	(50)	(123)	(45)	(37)	(255)
Disposals / impairment	-	-	-	-	-
Carrying amount at the end of the financial year	1,848	1,280	157	40	3,325

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

	2020 000's \$	2019 000's \$
10 Trade and Other Payables		
Trade payables	1,892	1,775
GST payable	149	-
	2,041	1,775
11 Provisions		
Current employee entitlements	675	620
Non-current employee entitlements	226	196
	901	816
12 Other Financial Liabilities		
Unearned income	3,186	1,427
	3,186	1,427
This relates to unspent Trial and Pharmaceutical and other funding income received before year end.		
13 Cash Flow Information		
(a) Reconciliation of Cash Flow from Operations		
Net (deficit)/surplus for the year	(2,605)	1,296
Non-cash flows in (deficit)/surplus:		
- Depreciation	255	268
- Net investment income from other financial assets	2,642	(1,061)
Changes in assets and liabilities		
- Increase in receivables	(626)	1,356
- Increase in other assets	18	(86)
- Increase in payables and other financial liabilities	2,025	1,018
- Increase in employee benefits	85	66
Cashflow from operations	1,794	2,857
(b) Financing Facilities		
Secured banking facility		
Amount unused	50	50
	50	50
(c) Reconciliation of cash		

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

2020	2019
000's	000's
\$	\$

13 Cash Flow Information (cont'd)

(c) Reconciliation of cash (cont'd)

Cash and cash equivalents	597	1,177
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14 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and equity price risk.

(a) Interest Rate Risk

Exposure to interest rate risk arises on financial assets recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments.

The net effective variable interest rate borrowings (i.e. unhedged debt) exposes the Company to interest rate risk which will impact future cash flows and interest charges.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's net surplus would have increased/decreased by \$15,372 (2019: \$58,834). This is mainly attributable to the Company's exposure to interest rates on its variable rate cash reserves.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit risk profile;
- managing credit risk related to financial assets;

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

14 Financial Risk Management (cont'd)

(b) Liquidity risk (cont'd)

- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flow realised from financial assets reflect management's expectations as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

(c) Foreign Currency Risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Company receives revenues holds financial instruments which are other than the AUD functional currency of the Company.

(d) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Company.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the Statement of Financial Position. The Company has no significant concentration of credit risk with any single counterparty or group of counterparties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 6.

(e) Equity Price Risk

Equity price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price. The Company has significant managed funds. If the price of these assets had been 5% higher/lower surplus for the year would have increased/decreased by \$1,318,005 (2019: \$1,544,167).

(f) Net Fair Values

The directors consider that the carrying amounts of financial assets and financial liabilities, recorded at amortised cost in the financial statements, approximates their fair values as presented in the Statement of Financial Position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Notes to the Financial Statements for the Financial Year Ended 31 March 2020

14 Financial Risk Management (cont'd)

(f) Net Fair Values (cont'd)

available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

15 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of the Company during the year are as follows:

	2020	2019
Total remuneration paid (\$000)	1,061	932
Number of senior officers	7	6
Average remuneration/officer (\$000)	<u>152</u>	<u>155</u>

16 Events after the end of the Reporting Period

Since 31 March 2020, there has been an escalation of the COVID 19 pandemic both in Australia and internationally. This escalation has had no effect on the reported results for the year ended 31 March 2020.

No other matters or circumstances have arisen since the end of the financial year which 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.

17 Company Details

The registered office of and principal place of business of the company is:

ANZ Breast Cancer Trials Group Limited
Level 4 175 Scott Street
Newcastle NSW 2300

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 8 to 24, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 31 March 2020 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity 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 Board of Directors.

Director: *Professor Gregory Bruce Mann*
Professor Bruce Mann

Director: *Professor Sunil Lakhani*
Professor Sunil Lakhani

Dated 15 May 2020

ANZ Breast Cancer Trials Group Limited
(trading as Breast Cancer Trials)

Auditor's Independence Declaration under Section 307C of the Corporations Act
2001 to the Directors of ANZ Breast Cancer Trials Group Limited (trading as Breast
Cancer Trials)

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



PKF



MARTIN MATTHEWS
PARTNER

15 MAY 2020
NEWCASTLE, NSW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ANZ BREAST CANCER TRIALS GROUP LIMITED (TRADING AS BREAST CANCER TRIALS)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials) (the Company), which comprises the statement of financial position as at 31 March 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' 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:

- (i) giving a true and fair view of the Company's financial position as at 31 March 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and International Financial Reporting Standards to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2012*.

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 auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of 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 and the *ACNC 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 related 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement 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.
- 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 those charged with governance 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.



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MARTIN MATTHEWS
PARTNER

15 MAY 2020

NEWCASTLE, NSW

**ANZ Breast Cancer Trials Group Limited
(trading as Breast Cancer Trials)**

**Independent Audit Report to the members of
ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)**

Charitable Fundraising Act Declaration

The directors of ANZ Breast Cancer Trials Group Limited declare that:

1. The Financial Statements and notes thereto give a true and fair view of all income and expenditure of ANZ Breast Cancer Trials Group Limited with respect to fundraising appeals and merchandising sales;
2. The provisions of the Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the fundraising registration have been complied with, along with applicable legislation in all other states; and
3. The internal controls of ANZ Breast Cancer Trials Group Limited are appropriate and effective in accounting for all income received.

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

- (a) I am a committee member of the association; and
- (b) I am duly authorised by the committee to make this statement; and
- (c) The attached financial statement was submitted to the members at the annual general meeting.

Director *Professor Gregory Bruce Mann*

Professor Bruce Mann

Director *Professor Sunil Lakhani*

Professor Sunil Lakhani

Dated: 15 May 2020

ANZ Breast Cancer Trials Group Limited (trading as Breast Cancer Trials)

Fundraising Activities

In 1994, the ANZBCTG established the Breast Cancer Institute of Australia (BCIA) as the fundraising department dedicated to securing ongoing funding for the ANZBCTG research program and to raise awareness in the community about the importance of this research.

In September 2017, the ANZBCTG and BCIA rebranded to one new trading name 'Breast Cancer Trials'.

Income raised via fundraising is entirely directed to the Breast Cancer Trials research program.

The fundraising financial sub-statements are presented to clearly summarise the income and associated costs of fundraising activities.

2019/2020 Fundraising Activities

This financial year the fundraising department has continued to develop and strengthen its long-term relationship with supporters. Thanks to their generosity, the Supporter Appeals conducted throughout the year generated over \$2.2million with new supporter acquisition an important area of development.

Corporate and Trust and Foundation revenue decreased this year and work continues to build new partnerships and seek appropriate grants. We were successful in receiving one grant from the Commonwealth Bank Can4Cancer2019 activities via Tour de Cure.

Special events and projects such as The Australian Women's Health Diary and Tee Off for Breast Cancer Trials were held during the reporting period. Income from the 2020 Australian Women's Health Diary brings the total net profit raised from the diary since its inception to \$16.1 million. Tee Off raised a record \$235,000 and involved 182 golf clubs nationally.

Bequest income increased from the previous year, however the nature of this income means that fluctuations are expected. The continued development of the Bequest Program remains a high priority.

Charitable Fundraising Comparison information

Breast Cancer Trials has four areas of income generated by the Fundraising Department. These are Corporate Partnerships/Trust and Foundations, Individual Giving, Community Activities and Bequests. Under the NSW Charitable Fundraising Act 1991 and Charitable Fundraising Regulation 2015 (the Act), Bequest Income is not considered 'fundraising' and as required by the Act is reported separately in the below.

Year Ended March 2020

	Gross Income	Direct Expense	Margin	Direct Expense/ Income	Return per \$ Invested
	\$000	\$000	\$000	(%)	
Corporate Partnerships/ Trust & Foundations	351	4	347	1%	
Individual Giving	2,201	594	1607	27%	
Community Activities	1,690	458	1232	27%	
Sub Total	4,242	1,056	3,186	25%	\$4.02
Bequests	824	10	814	1%	
Total Fundraising	5,066	1,066	4,000	21%	\$4.75

Year ended March 2019

	Gross Income	Direct Expense	Margin	Direct Expense/ Income	Return per \$ Invested
	\$000	\$000	\$000	(%)	
Corporate Partnerships/ Trust & Foundations	603	7	596	1%	
Individual Giving	2,260	576	1684	25%	
Community Activities	1,629	391	1238	24%	
Sub Total	4,492	974	3,518	22%	\$4.61
Bequests	550	32	518	6%	
Total Fundraising	5,042	1,006	4,036	20%	\$5.01

Direct Expenses (shown above) comprise all direct costs associated with fundraising activities. Total Expenses (shown below) includes Direct Expenses plus administrative costs such as salaries, promotions, property, equipment/IT, insurance and office costs that are attributed to fundraising activities.

Fundraising Department Summary

	2020	2019
	\$000	\$000
Total Income	5,066	5,042
Total Expenses	2,172	2,101
Net Income	2,894	2,941
Total Income/Total Expenses (%)	43%	42%
Total Income per \$ investment	\$ 2.33	\$ 2.40

Any net fundraising income raised for a specific purpose is used exclusively for the specific purpose for which it was raised. Most income raised is not identified for a specific purpose and these are used to fund the clinical trials research program and infrastructure requirements of Breast Cancer Trials. Where Breast Cancer Trials generates a surplus in any given year, this surplus is added to the Research Program Reserve or held within Retained Earnings to fund future research activities.