

CANCER PATIENTS' ASSISTANCE SOCIETY OF NEW SOUTH WALES
A.B.N. 76 000 412 715

Financial Statements
for the year ending

31st July 2012

DIRECTORS' REPORT

Your directors present this report on the Society for the financial year ended 31st July 2012.

Directors

The names of each person who has been a director during the year and to the date of this report, together with particulars of their qualifications and experience are:

Ms K Hull	President since 2012. Appointed Director in 2010. Occupation - Business Woman, Federal Politician (retired).
Mr DJ Robertson	Company Secretary since 1990. Appointed Director in 1985. Occupation - Chartered Accountant.
Mr N McIntosh	Vice President since 2008. Appointed Director in 2006. Occupation – Company Director.
Mr R Evans	Vice President since 2012. Appointed Director in 2011. Occupation - Management Executive and Company Director.
Mr SG Bright	Treasurer since 2008. Appointed Director in 2008. Occupation – Chartered Accountant.
Ms J Beach	Appointed Director in 2007. Occupation – Registered Nurse, Health Management.
Mr JHC Colvin	President since 2008. Appointed Director in 1990. Occupation – Management Executive and Company Director. Retired as a Director in February 2012.
Dr DN Dalley	Appointed Director in 1990. Occupation - Medical Oncologist.
Ms S Gilchrist	Appointed Director in 2009. Occupation – Solicitor.
Dr MA Jackson	Appointed Director in 2007. Occupation – Radiation Oncologist.
Mr J Strong AO	Appointed Director in 2012. Occupation - Company Director.
Mr GW Wright	Appointed Director in 1998. Occupation - Company Director and Management Consultant.

The Directors and the Secretary have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the Society during the course of the year were:

- (a) to assist cancer patients and their families;
- (b) the operation of Jean Colvin Cancer Centre for cancer patients receiving radiotherapy & chemotherapy treatment;
- (c) the operation of Lilier Lodge in Wagga Wagga, in partnership with the Cancer Council of NSW, to provide accommodation for cancer patients and their families in the Riverina District;
- (d) charitable fund raising operations conducted by the Society's committees and country branches to ensure continued assistance for cancer patients, their families and carers.

Operating Result and Review of Operations

The operating result of the Society for the year ended 31st July 2012 was a profit of \$6,474,113 which includes net unrealised gains on available-for-sale investments of \$174,824, a profit on disposal of property (Jean Colvin Cancer Centre) of \$6,556,129 and a trading loss of \$256,840 (2011 - trading loss \$225,800). The Society is a charitable institution and, as such, is exempt from income tax. The attached President's report sets out a review of the year's operation.

Dividends

The Society is a company limited by Guarantee having no share capital and as such, is precluded from the payment of dividends.

Significant Changes in State of Affairs

In the opinion of the Directors, there were no significant changes in the affairs of the entity that occurred during the financial year apart from the entering into a Contract of Sale, on 26th July 2012, to sell the property known as the Jean Colvin Cancer Centre however proceeds on settlement were not due to be received until 5th September 2012.

After Balance Date Events

On the 5th September 2012, the sale of Jean Colvin Cancer Centre was completed and upon settlement, proceeds of \$6,748,953 were received. 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.

Future Developments

The Company expects to maintain the present status and level of operations and hence there are no likely developments in the company's operations.

Environmental Issues

The Directors believe the Company has complied with all significant environmental regulations under a law of the Commonwealth or of a State or Territory.

Equity

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 31st July 2012 the collective liability of members was \$57,480.

Strategy

Can Assist's primary focus is the strategy to have a sustainable business model, particularly around accommodation, one which will secure the organisation's future. A collaborative model is seen as the one to take us forward, both in partnership with other like minded organisations and with our broad base of volunteers.

We will continue to raise awareness of the inequities of country people dealing with cancer and grow the government, corporate, community and philanthropic support for Can Assist.

Our objectives remain :

- a) to provide efficient and cost effective accommodation and transport services in both Sydney and regional areas.
- b) to deliver the benefits of our home based support service, VIVA.
- c) to continue to provide direct and fundamental assistance to country cancer sufferers and their families.
- d) to be a relevant information provider and referral point.

Directors' Benefits

Since the end of the previous year, no director has received or become entitled to receive any benefit by reason of a contract made by the Society or related company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest. Directors do not receive any directors' fees and donate their time.

Indemnifying Officer or Auditor

During the year the Company paid premiums to insure all directors and executive officers of the company. The policy prohibits the disclosure of the nature of the indemnification, the insurance cover and the amount of the premium. No indemnities have been given or insurance paid, during or since the end of the financial year, for any person who is or has been an auditor of the Company.

Auditors' Independence Declaration

The lead auditor's independence declaration for the year ended 31st July 2012 has been received and can be found on page 28 of these Financial Statements.

The number of Directors' meetings (including the meetings of Committees of Directors) and the number of meetings attended by each of the Directors during the year was:

Director	Board of Directors Meetings		Finance and Audit Committee Meetings		Nominations Committee Meetings		Property Investment Sub-Committee		Branch Committee	
	Number Held*	Number Attended	Number Held*	Number Attended	Number Held*	Number Attended	Number Held*	Number Attended	Number Held*	Number Attended
Ms K Hull	8	8			2	1	3	3	1	0
Mr DJ Robertson	8	7	10	9			3	3		
Mr N McIntosh	8	6	10	9			3	3		
Mr R Evans (appointed September 2011)	7	7					3	1		
Mr SG Bright	8	6	10	10			3	3		
Ms J Beach	8	7			2	2			1	1
Mr JHC Colvin (retired February 2012)	4	3			2	2				
Dr DN Dalley	8	6							1	1
Ms S Gilchrist	8	5			2	2				
Dr MA Jackson	8	7								
Mr J Strong AO (appointed February 2012)	5	3					3	2		
Mr GW Wright	8	7								

* Number of meetings held during the time the Director held office or was a member of the Committee during the year.

Signed in accordance with a resolution of the Board of Directors at Sydney, NSW



Kay Hull
Director - President



SG Bright
Director – Treasurer

Date: 6th November 2012

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 27, are in accordance with the Corporations Act 2001:

(a) comply with Accounting Standards and the requirements of the Charitable Fundraising Act 1991 and associated regulations; and

(b) give a true and fair view of the financial position as at 31st July 2012 and of the performance of the company for the year ended on that date.

2. In the directors' opinion 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 Board of Directors.



K Hull
Director - President



SG Bright
Director - Treasurer

Dated 6th November 2012

STATEMENT OF COMPREHENSIVE INCOME

[For the year ended 31st July 2012]

	Note	2012 \$	2011 \$
Revenue and Other income	2,4	10,566,843	3,439,973
Jean Colvin Cancer Centre Running Expenses		(692,844)	(780,109)
Wellness / Viva expenses		(69,636)	(8,592)
Share of Lillier Lodge Running Expenses		(170,337)	(171,020)
Patient Assistance	12	(1,336,859)	(1,066,714)
Fundraising Expenses	22	(202,262)	(266,290)
Administration and Overhead Expenses		(1,795,616)	(1,373,048)
Profit/(Loss) before Income Tax		6,299,289	(225,800)
Income Tax Expense		-	-
Profit/(Loss) for the year		6,299,289	(225,800)
Other Comprehensive Income			
Net unrealised gains/(losses) on available-for-sale investments		174,824	(96,913)
Profit Attributable to the members of the company		6,474,113	(322,713)
Total Comprehensive Income attributable to members of the company		6,474,113	(322,713)

STATEMENT OF CHANGES IN EQUITY

[For the year ended 31st July 2012]

	Retained Earnings \$	Net Unrealised Gains Reserve \$	Total \$
Balance at 1st August 2010	9,666,615	1,171,707	10,838,322
Profit/(Loss) attributable to the company	(225,800)	-	(225,800)
Total Other Comprehensive Income for the year	(96,913)	-	(96,913)
Net unrealised gains/(losses) on available-for-sale investments	96,913	(96,913)	-
Balance at 31st July 2011	9,440,815	1,074,794	10,515,609
Profit/(Loss) attributable to the company	6,299,289	-	6,299,289
Total Other Comprehensive Income for the year	174,824	-	174,824
Transfer from / (to) Reserves	(174,824)	174,824	-
Balance at 31st July 2012	15,740,104	1,249,618	16,989,722

STATEMENT OF FINANCIAL POSITION[For the year ended 31st July 2012)

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash and cash equivalents	5	6,884,006	7,087,100
Trade and other receivables	6	6,972,920	187,135
Other current assets	8	47,750	39,873
Total Current Assets		13,904,676	7,314,108
NON-CURRENT ASSETS			
Financial Assets	7	2,276,457	2,101,603
Property, plant and equipment	9	1,287,575	1,532,724
Intangible assets	10	-	2,084
Total Non-Current Assets		3,564,032	3,636,411
Total Assets		17,468,708	10,950,519
CURRENT LIABILITIES			
Trade and other payables	11	478,986	434,910
Total Current Liabilities		478,986	434,910
Total Liabilities		478,986	434,910
Net Assets		16,989,722	10,515,609
EQUITY			
Retained Earnings		15,740,104	9,440,815
Reserves		1,249,618	1,074,794
Total Equity		16,989,722	10,515,609

STATEMENT OF CASH FLOWS

[For the year ended 31st July 2012)

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt of grants		350,962	126,467
Other receipts		2,530,322	3,001,441
Payments to suppliers and employees		(3,528,209)	(3,557,100)
Interest received		373,838	351,941
Dividends received		113,275	145,152
Net cash generated/(used) in operating activities	14	(159,812)	67,901
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from available-for-sale investments		-	-
Proceeds from sale of property, plant & equipment		-	-
Payments for available-for-sale investments		-	(46,971)
Payments for Property, plant & equipment and intangibles		(43,282)	(9,359)
Net cash provided from / (used) in investing activities		(43,282)	(56,330)
Net increase/(decrease) in cash held		(203,094)	11,571
Cash and cash equivalents at the beginning of the year		7,087,100	7,075,529
Cash and cash equivalents at the end of the year	5	6,884,006	7,087,100

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are for the Cancer Patients' Assistance Society of New South Wales as an individual entity, incorporated and domiciled in Australia. The Cancer Patients' Assistance Society of New South Wales is a company limited by guarantee.

Basis of Preparation

The financial statements are general purpose financial statements that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), the Corporations Act 2001 and the Charitable Fundraising Act 1991 and associated regulations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a 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.

The 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.

Accounting Policies

(a) PROPERTY PLANT AND EQUIPMENT

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, are appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Fixed Asset residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. The Directors undertake a Directors Valuation on at least a triennial basis, to ensure that the carrying amount of Land and Buildings is not above fair value. Refer to Note 9 for further discussion in relation to the fair value of Land and Buildings.

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

(b) DEPRECIATION

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:-

Class of Fixed Asset	Depreciation Rate Per Annum
Buildings	2.5%
Office Equipment	10% & 20%
Plant & Equipment	10% & 20%
Computer Equipment	20% & 25%
Fixtures & Fittings	5% & 10%
Motor Vehicle	17%

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

(c) REPAIRS & MAINTENANCE

Maintenance, repair costs and minor renewals are charged against income in the period in which they are incurred.

(d) INCOME TAX

No provision for income tax has been raised as the Society is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(e) ACCOUNTS PAYABLE

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.

(f) COMPARATIVE AMOUNTS

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(g) GOODS & SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables in the statement of financial position are shown inclusive of GST. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) RECEIVABLES

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

(i) FINANCIAL ASSETS

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 equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i. the amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- iv. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognising

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(j) EMPLOYEE ENTITLEMENTS

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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(k) CONSUMABLES

Food, medical and linen supplies etc. supplied in the operation of Jean Colvin Cancer Centre are charged as expenses in the accounting year that they are acquired.

(l) BRANCH OPERATIONS

As the branches are part of the economic entity/company, the branch financial statements are included in these financial statements.

(m) CASH & 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, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(n) REVENUE

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and 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.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity 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 state of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

(o) RELATED PARTIES

There have been no related party transactions entered into by the Society covering the period of review.

(p) BEQUESTS

Donations revenue as a result of bequests are recognised as income upon receipt or at such time as the Society's entitlement to funds is crystallised, whichever is the earlier.

(q) INTEREST IN JOINT VENTURE

The Society's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the statements of financial performance and financial position. Details of the Society's interests are shown in Note 19. The Society's interests in joint venture entities are brought to account using the equity method of accounting in the financial statements.

(r) PROVISIONS

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(s) IMPAIRMENT OF ASSETS

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(t) INTANGIBLES

Computer Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years. It is assessed annually for impairment.

(u) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The critical assumptions adopted in determining the valuation included the location of the land and buildings, is based on the demand for land and buildings in the area and recent sales data for similar properties.

At 31 July 2012 the directors reviewed the key assumptions underpinning the valuation. They have concluded that these assumptions remain materially unchanged, and are satisfied that carrying value does not exceed the recoverable amount of land and buildings.

Key Judgments

Available-for-sale investments

The Company maintains a portfolio of securities at the end of the reporting period. These are stated at market value as at 31st July 2012.

	2012	2011
	\$	\$
NOTE 2 - REVENUE AND OTHER INCOME		
Revenue		
Rent, Accommodation & Management Fees	732,341	422,744
Government Subsidy	139,372	126,467
Other Government Grants	41,879	6,421
Other Grants	149,215	-
Lilier Lodge Management Fee	147,171	139,663
Total Revenue	<u>\$ 1,209,978</u>	<u>\$ 695,295</u>
Other Income		
Net gain from disposal of assets	6,556,129	-
Donations & Bequests Received	1,280,749	1,230,578
Fundraising Income	1,023,822	977,208
Interest Received	355,060	353,163
Dividends Received	113,275	145,152
Other Income	27,830	38,577
Total Other Income	<u>\$ 9,356,865</u>	<u>\$ 2,744,678</u>
	<u>\$ 10,566,843</u>	<u>\$ 3,439,973</u>

NOTE 3 - EXPENSES FOR THE YEAR

Salaries and wages	1,108,580	943,382
Superannuation	157,876	121,643
Amortisation of non-current intangible assets	2,084	2,500
Depreciation of non-current assets	103,632	100,891
Auditing the financial report of CPAS Sydney Operations	16,569	21,000
Auditing the financial reports of Country Branches	31,642	30,207
Auditing the financial report of Lilier Lodge - 50% share	1,184	2,500
	<u>\$ 49,395</u>	<u>\$ 53,707</u>

	2012	2011
	\$	\$
NOTE 4 – SIGNIFICANT REVENUE		
Net unrealised gains on Available for Sale Assets	174,824	-
Net gain from disposal of assets	6,556,129	-
	<u>\$ 6,730,953</u>	<u>-</u>

NOTE 5 - CASH AND CASH EQUIVALENTS

Current

Cash on Hand	3,383	2,665
Cash at Bank	1,284,876	989,098
Cash on Deposit	5,595,747	6,095,337
	<u>\$ 6,884,006</u>	<u>\$ 7,087,100</u>

Cash at bank earns interest on floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and twelve months, depending on the company's cash requirements. These deposits earn interest at market rates.

NOTE 6 - TRADE AND OTHER RECEIVABLES

Current

Trade Receivables	148,713	46,171
Other Receivables	6,824,207	140,964
	<u>\$ 6,972,920</u>	<u>\$ 187,135</u>

Provision for Impairment of Receivables

The Company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired. There are no balances within trade receivables that contain assets that are impaired and are past due. It is expected that these balances will be received when due.

NOTE 7 - FINANCIAL ASSETS

	2012	2011
	\$	\$
Available-for-sale financial assets as at 31st July 2012 are at fair value:		
Shares in listed corporations	<u>\$ 2,276,457</u>	<u>\$ 2,101,603</u>

Available-for-sale financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments. The cost of the investments is the effective cost at recognition of a bequest (2001) less the cost of investments that have been sold. Acquisitions made subsequently have been recorded at cost. Unrealised gains in the fair value of the Society's available-for-sale assets financial assets have been brought to account via net unrealised gains reserve. Their market value as at 31st October 2012 was \$2,344,289.

	2012 \$	2011 \$
NOTE 8 - OTHER ASSETS		
Current		
Prepayments	\$ 47,750	\$ 39,873

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

Freehold Land

At cost	346,029	393,029
Less: Accumulated depreciation	-	-
	<u>346,029</u>	<u>393,029</u>

Freehold Buildings

At cost	1,141,887	1,668,582
Less: Accumulated depreciation	(376,694)	(684,590)
	<u>765,193</u>	<u>983,992</u>

Motor Vehicle

At Cost	48,182	-
Less: Accumulated depreciation	(3,413)	-
	<u>44,769</u>	<u>-</u>

Office Equipment

At cost	81,409	79,090
Less: Accumulated depreciation	(47,736)	(32,471)
	<u>33,673</u>	<u>46,619</u>

Plant & Equipment

At cost	465,268	446,750
Less: Accumulated depreciation	(367,356)	(337,666)
	<u>97,912</u>	<u>109,084</u>

Total Property, Plant & Equipment

	<u>\$ 1,287,575</u>	<u>\$ 1,532,724</u>
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Gross Carrying Amount

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the financial year are as follows:

Freehold Land

Balance at the beginning of the year	393,029	393,029
Disposals	(47,000)	-
Carrying amount at the end of the year	<u>\$ 346,029</u>	<u>\$ 393,029</u>

	2012	2011
	\$	\$
Freehold Buildings		
Balance at the beginning of the year	983,993	1,043,925
Additions	-	-
Disposals	(158,871)	-
Depreciation expense	(59,928)	(59,933)
Carrying amount at the end of the year	\$ 765,193	\$ 983,992
Motor Vehicle		
Balance at the beginning of the year	-	-
Additions	48,182	-
Depreciation expense	(3,413)	-
Carrying amount at the end of the year	\$ 44,769	\$ -
Office Equipment		
Balance at the beginning of the year	46,619	55,639
Additions	2,319	7,267
Depreciation expense	(15,265)	(16,287)
Carrying amount at the end of the year	\$ 33,673	\$ 46,619
Plant and equipment		
Balance at the beginning of the year	109,085	131,664
Additions	18,518	2,091
Disposals	-	-
Depreciation expense	(29,690)	(24,671)
Carrying amount at the end of the year	\$ 97,912	\$ 109,084
Gross Carrying Amount at 31st July	\$ 2,082,774	\$ 2,587,451
Accumulated Depreciation at 31st July	\$ 795,199	\$ 1,054,727
Net Book Value at 31st July	\$ 1,287,575	\$ 1,532,724

Asset Valuations

Not for profit entities are not required to revalue their non-current assets to market value, but allows their recognition at cost less depreciation and any diminution since the previous year. No diminution has occurred and as such the property, plant and equipment noted above continue to be shown at their cost less any depreciation in the financial report. A valuation of Land and Buildings for Lilier Lodge was performed by Opteon (Southern Inland NSW) Pty Ltd as at 30 June 2012. The directors do not believe that any diminution on the value of the Land and Buildings has occurred and provide the following details of this valuation for the information of the members.

(i) Date of Valuation	30 June 2012
(ii) Amount of valuation	\$2,500,000 (50%, \$1,250,000)
(iii) Basis of valuation	Market Value
(iv) Determination of valuations	By Opteon (Southern Inland NSW) Pty Ltd

In arriving at the above value, a formal valuation was made by appropriately qualified persons as to the likely value of the properties, having regard to the use of the property.

	2012	2011
	\$	\$
NOTE 10 - INTANGIBLE ASSETS		
Computer Software		
At cost	43,000	43,000
Less: Accumulated Amortisation	(43,000)	(40,916)
Total Intangible Assets	<u>\$ -</u>	<u>\$ 2,084</u>
Gross Carrying Amount		
Movements in the carrying amounts for each class of property, plant and equipment between the beginning and end of the financial year are as follows:		
Computer Software		
Balance at the beginning of the year	2,084	4,583
Additions	-	-
Amortisation expense	(2,084)	(2,499)
Carrying amount at the end of the year	<u>\$ -</u>	<u>\$ 2,084</u>
Gross Carrying Amount at 31st July	<u>\$ 43,000</u>	<u>\$ 43,000</u>
Accumulated Amortisation at 31st July	<u>\$ 43,000</u>	<u>\$ 40,916</u>
Net Book Value at 31st July	<u>\$ -</u>	<u>\$ 2,084</u>

	2012	2011
	\$	\$
NOTE 11 - TRADE AND OTHER PAYABLES		
Current		
Trade Creditors	38,154	7,088
Other Creditors & Accruals	351,838	327,376
Employee Entitlements	88,994	100,446
	\$ 478,986	\$ 434,910
Employee Entitlements		
Opening Balance at the beginning of the year	100,446	69,193
Additional / (reduction in) liability during the year	(11,452)	31,253
Closing Balance at the end of the year	\$ 88,994	\$ 100,446
Number of Full Time Equivalent employees at end of financial year.	16	14.6

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

NOTE 12 - SUMMARY OF CONTRIBUTION TO NET RESULT

	Net Profit Before Assistance \$	Assistance \$	Net Profit/(Loss) 2012 \$	Net Profit/(Loss) 2011 \$
Ardlethan	4,605	9,755	(5,150)	4,371
Armidale	29,987	28,332	1,655	10,118
Balranald	10,963	16,318	(5,356)	7,306
Bathurst	60,583	27,884	32,699	8,043
Bega Valley	63,662	39,466	24,196	9,730
Blayney	16,401	17,871	(1,470)	13,024
Blue Mountains	7,788	12,475	(4,687)	2,673
Coleambally	8,484	9,900	(1,417)	17,948
Condobolin	19,606	18,154	1,452	1,685
Cootamundra	79,246	95,224	(15,978)	(13,242)
Dubbo	80,749	22,356	58,393	(11,365)
Dunedoo	5,729	5,797	(68)	15,899
Eurobodalla	16,548	8,267	8,280	837
Forbes	56,212	50,784	5,428	52,330
Goulburn	21,132	18,578	2,554	13,962
Grenfell	5,201	4,737	464	354
Griffith	170,731	110,661	60,070	18,858
Gundagai	32,657	15,940	16,717	150,418
Gunnedah	8,723	17,359	(8,635)	11,392
Guyra	9,456	3,532	5,924	10,290
Harden/Murrumburrah	27,244	30,389	(3,146)	3,828
Hay	43,039	48,283	(5,244)	16,855
Hillston	29,111	14,073	15,037	(672)
Junee	41,558	45,199	(3,641)	(7,234)
Leeton	19,178	16,162	3,016	13,428
Lockhart	9,533	4,343	5,190	1,971
Mid North Coast	18,335	6,434	11,900	13,675
Moree	34,877	18,629	16,249	8,394
Mudgee	37,314	18,085	19,229	(4,385)
Narrabri	11,296	1,743	9,553	408
Narrandera	78,253	91,204	(12,951)	8,218
Oberon	32,381	19,382	12,999	(3,945)
Orange	32,354	26,032	6,322	(43,779)
Parkes	129,247	86,437	42,810	24,704
Peak Hill	14,099	10,425	3,674	714
Shoalhaven	5,042	3,767	1,275	2,542
Southern Highlands	70,679	52,668	18,011	(19,712)
Tamworth	18,821	19,875	(1,054)	17,808
Temora	59,632	50,871	8,761	841
Tumbarumba	26,799	12,646	14,153	22,151
Tumut	64,452	29,551	34,901	9,383
Ungarie	26,067	11,329	14,738	932
Uralla	14,747	7,321	7,426	5,401
Wagga Wagga	35,891	32,249	3,642	24,303
Werris Creek	22,538	12,282	10,256	7,346
West Wyalong	52,805	50,439	2,366	17,630
Yass	32,148	44,185	(12,037)	(4,125)
Young/Boorowa	37,688	20,658	17,030	32,336
	1,733,591	1,318,055	415,536	473,647
Jean Colvin Cancer Centre	(247,681)	-	(247,681)	(338,999)
CPAS Sydney	(385,166)	18,804	(403,971)	(296,586)
Wellness-Viva	9,572	-	9,572	(8,592)
Lilier Lodge - 50% Share of Joint Venture	(30,296)	-	(30,296)	(55,270)
Profit on sale of Fixed Assets	6,556,129	-	6,556,129	-
Net unrealised gains/(losses) on available-for-sale investments	174,824	-	174,824	(96,913)
Net Profit/(Loss) for the year	\$ 7,810,972	\$ 1,336,859	\$ 6,474,113	\$ (322,713)

Lilier Lodge results include donations received from Branches

	2012	2011
Assistance includes:	\$	\$
Donations	8,608	100,669
Patient Assistance	1,328,251	966,045
	<u>\$ 1,336,859</u>	<u>\$1,066,714</u>

NOTE 13 - EQUITY

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the entity. At 31st July 2012 the collective liability of the members was \$57,480.

NOTE 14 - CASH FLOW INFORMATION

Reconciliation of Cash

Cash on Hand	3,383	2,665
Cash at Bank	1,284,876	989,098
Cash on Deposit	5,595,747	6,095,337
	<u>\$ 6,884,006</u>	<u>\$ 7,087,100</u>

Reconciliation of cash flow from operations with Profit after income tax

Profit/(Loss) after income tax	6,474,113	(322,713)
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Non-Cash flows

Depreciation and Amortisation	105,716	103,391
(Profit)/Loss from sale of non-current assets	(6,556,129)	-
Net unrealised gains/(losses) on available-for-sale investments	(174,824)	96,913

Changes in net assets and liabilities:

(Increase)/Decrease in Trade & other receivables	(38,554)	78,186
(Increase)/Decrease in Prepayments	(7,647)	11,516
Increase/(Decrease) in Trade & other payables	37,513	100,608
Cash flows used in operations	<u>\$ (159,812)</u>	<u>\$ 67,901</u>

NOTE 15 - LEASING COMMITMENTS

Non-cancellable operating leases contracted for but not capitalised in the financial statements. The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with a 14 month term. Increase in lease commitments may occur in line with CPI.

	2012	2011
	\$	\$
Payable — minimum lease payments		
— not later than 12 months	104,318	92,526
— later than 12 months but not later than 5 years	17,386	31,767
— greater than 5 years		-
	\$ 121,704	\$ 124,293

NOTE 16 - RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

NOTE 17 - FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable and leases.

Financial Risk Management Policies

Consisting of senior committee members, the finance committee's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

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 relating to interest rate risk and equity price risk.

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company. The company does not have any material credit risk exposure.

Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The company manages this risk by preparing forward looking cash flow analysis in relation to its operational, investing and financing activities, maintaining a reputable credit profile, managing credit risk related to financial assets, only investing surplus cash with major financial institutions and comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period 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.

ii. Price risk

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 prices of securities held. The company is exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investment.

Net Fair Values - Fair value estimation

The fair values of financial assets and financial liabilities can be compared to their carrying 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.

Interest Rate Risk

The company's exposure to interest rate risk, which is that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing Within 1 year		Non Interest Bearing		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash and cash equivalents	5.08	6.11	156,101	840,025	5,595,747	5,255,311	1,132,158	991,764	6,884,006	7,087,100
Trade and other receivables			-	-	-	-	6,972,920	187,135	6,972,920	187,135
Available-for-sale financial assets			-	-	-	-	2,276,457	2,101,603	2,276,457	2,101,603
Other			-	-	-	-	47,750	39,873	47,750	39,873
Total Financial Assets			156,101	840,025	5,595,747	5,255,311	10,429,285	3,320,375	16,181,133	9,415,711
Financial Liabilities										
Trade and other payables			-	-	-	-	478,986	434,912	478,986	434,912
Total Financial Liabilities			-	-	-	-	478,986	434,912	478,986	434,912

Net Fair Values

Financial Assets

	2012		2011	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	6,884,006	6,884,006	7,087,100	7,087,100
Trade and other Debtors	6,972,920	6,972,920	187,135	187,135
Available for sale financial assets	2,275,457	2,276,457	2,101,603	2,101,603
Other assets	47,750	47,750	39,873	39,873
	<u>16,181,133</u>	<u>16,181,133</u>	<u>9,415,711</u>	<u>9,415,711</u>

The following table illustrates sensitivities to the company's exposures to changes in interest rate and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable independent of other variables.

Year ended 30 July 2011	Profit	Equity
	\$	\$
- 2% interest rates	115,037	
- 10% in listed investments		227,657
No sensitivity analysis has been performed on foreign exchange risk as the company is not exposed to foreign currency fluctuations.		

NOTE 18 - CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its operations and programs, and such that returns from investments are maximised. The finance committee ensures that the overall risk management strategy is in line with this objective. The finance committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements. Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

NOTE 19 - JOINT VENTURES

Interests in Joint Venture Entities

The company has a 50% interest in the joint venture entity operating Lilier Lodge a 20 unit facility in Wagga Wagga, New South Wales which is used by cancer patients and their carers receiving treatment outside of the local area. The joint venturers are the Cancer Patients' Assistance Society of New South Wales and the New South Wales Cancer Council. The voting power held by the company is 50%. The joint venture entity's last reporting date was 30th June 2012. As the company's reporting date is 31st July 2012, the following amounts disclosed in relation to the joint venture have also been reported for balances as at 31st July 2012.

There are no significant events after the joint venture entity's reporting date which could have a material effect on the financial position or operating performance of the joint venture entity for the next financial year.

	2012 \$	2011 \$
<u>Retained earnings/ (Accumulated Losses) attributable to interest in joint venture</u>		
Balance at the beginning of the year	(121,185)	(65,915)
Share of joint venture's profit/(loss) from ordinary activities	(30,296)	(55,270)
Balance at the end of the year	<u>\$ (151,481)</u>	<u>\$ (121,185)</u>
<u>Carrying amount of investment in joint venture entity</u>		
Balance at the beginning of the year	1,212,347	1,267,617
Share of joint venture's profit/(loss) from ordinary activities	(30,296)	(55,270)
Additional investments made/(recoveries) during the year	-	-
Balance at the end of the year	<u>\$ 1,182,051</u>	<u>\$ 1,212,347</u>
<u>Share of joint venture entity's results and financial position</u>		
Current Assets	75,854	64,701
Non Current Assets	1,118,858	1,166,757
Total Assets	<u>\$ 1,194,712</u>	<u>\$ 1,231,458</u>
Current Liabilities	12,661	19,111
Non Current Liabilities	-	-
Total Liabilities	<u>\$ 12,661</u>	<u>\$ 19,111</u>
Revenues	140,041	115,750
Expenses	(170,337)	(171,020)
Profit from ordinary activities	(30,296)	(55,270)
Income Tax Expense	-	-
Profit / (Loss) from ordinary activities	<u>\$ (30,296)</u>	<u>\$ (55,270)</u>

NOTE 20 - INTERESTS OF KEY MANAGEMENT PERSONNEL

The total of remuneration paid to key management personnel of the company during the year are as follows:

	2012	2011
	\$	\$
Remuneration	638,590	515,797

NOTE 21 - COMPANY DETAILS

The registered office and principal place of business of the Society are situated at Suite 1, 35-39 Mountain Street, Ultimo NSW 2007.

NOTE 22 – INFORMATION DECLARATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT, 1991.

	2012	2011
	\$	\$
Proceeds from Fundraising Activities		
Donations Received	1,280,749	1,230,578
Functions	512,723	426,991
Raffles	184,531	169,160
Stalls	71,750	61,767
Other fundraising activities	254,818	319,290
	<u>1,023,822</u>	<u>977,208</u>
Gross Proceeds from Fundraising Activities	<u>\$ 2,304,571</u>	<u>\$ 2,207,786</u>
Less Costs of Fundraising Activities		
Functions	146,108	179,641
Raffles	13,129	15,535
Stalls	9,482	7,309
Other fundraising activities	33,543	63,805
	<u>202,262</u>	<u>266,290</u>
Total Costs of Fundraising Activities	<u>202,262</u>	<u>266,290</u>
Net Surplus from Fundraising Activities	<u>\$ 2,102,309</u>	<u>\$ 1,941,496</u>

During the year, Funds were applied to charitable purposes in the following manner:

Patient Assistance & Donations (excluding Patient Fee Subsidies) see note 12	1,336,859	1,066,714
Subsidising Jean Colvin Cancer Centre & Lilier Lodge	277,977	394,269
	<u>1,614,836</u>	<u>1,460,983</u>
Surplus/(Deficiency) arising from Fundraising Activities	<u>\$ 487,473</u>	<u>\$ 480,513</u>

The Society does not always spend the monies received from fundraising in the same year as it is raised. Where a surplus in fundraising receipts arises in any one year, such surplus forms part of the retained profits. Where a shortfall arises, after patient assistance & donations, such a shortfall is funded from retained profits or investment income.

FUNDRAISING APPEALS CONDUCTED DURING THE FINANCIAL PERIOD

Functions, Raffles, Stalls, Bingo and other minor activities

COMPARISON BY MONETARY FIGURES AND PERCENTAGES

<u>Comparisons</u>	2012	2011
	%	%
Total Cost of fundraising / Gross Income from fundraising	9 cents 9%	12 cents 12%
Net Surplus from fundraising / Gross Income from fundraising	91 cents 91%	88 cents 88%

DECLARATION TO BE MADE BY THE PRESIDENT OR PRINCIPAL OFFICER

Declaration by President in respect of fundraising appeals for the year ended 31st July 2012

I, Kay Hull, President of Cancer Patients' Assistance Society of New South Wales, declare that in my opinion:

- (a) the accounts give a true and fair view of all income and expenditure of Cancer Patients' Assistance Society of New South Wales with respect to fundraising appeals;
- (b) the provisions of the charitable Fundraising Act 1991 and the regulations under the Act and the conditions attached to the authority have been complied with;
- (c) the internal controls exercised by Cancer Patients' Assistance Society of New South Wales are appropriate and effective in accounting for all income received.



K Hull
President

Dated 6th November 2012

DOBBS VUMBACA & CO.

Chartered Accountants

Partners:

NEIL A DOBBS CA
GEORGE VUMBACA CA
HELEN YIANNIKAS CA

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The Board of Directors
Cancer Patients' Assistance Society of New South Wales
Suite 1, 35-39 Mountain Street
ULTIMO NSW 2007

Dear Board Members,

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of the Cancer Patients' Assistance Society of New South Wales.

As audit partner for the audit of the financial statements of the company for the financial year ended 31st July 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully,

DOBBS VUMBACA & CO



George Vumbaca
Partner

20th October 2012

Sydney, NSW

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
CANCER PATIENTS ASSISTANCE SOCIETY OF NEW SOUTH WALES ACN 000 412 715 ABN 76 000 412 715
AND THE DEPARTMENT OF GAMING AND RACING - OFFICE OF CHARITIES**

We have audited the financial report of the Cancer Patients' Assistance Society of New South Wales, which comprises the Statement of Financial Position as at 31st July 2012, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year ended on that date, a summary of significant Accounting Policies and other explanatory notes, including disclosures required for the purposes of compliance with the Charitable Fundraising Act 1991 & associated regulations, and the Directors' Declaration, as set out in pages 5 to 27.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Act 2001 and the Charitable Fundraising Act 1991 & associated regulations. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that an independence declaration required by the Corporations Act 2001, was provided to the directors of the Cancer Patients Assistance Society of New South Wales on 20th October 2012.

Audit Opinion

In our opinion the financial statements of the Cancer Patients Assistance Society of New South Wales are in accordance with the Corporations Act 2001 including:

- i) giving a true and fair view of the Society's financial position as at 31st July 2012 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- b) the Charitable Fundraising Act 1991 and associated regulations.

Emphasis of Matter

Attention is drawn to Note 1 to the financial report which describes the revenue recognition policy of the Company, including the limitations that exist in relation to the recording of cash receipts in relation to cash donations and fundraising revenues. Revenue from these sources represents a significant proportion of the Company's revenue. Our opinion is unmodified in respect of this matter.

DOBBS VUMBACA & CO
Chartered Accountants



George Vumbaca
Partner

Sydney, NSW
8th November 2012