

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

**Financial Statements**  
**for the year ending**

**31<sup>st</sup> July 2010**

## DIRECTORS' REPORT

Your directors present this report on the Society for the financial year ended 31st July 2010.

### 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:

Mr JHC Colvin	President since 2008. Appointed Director in 1990. Occupation – CEO of Australian Institute of Company Directors. Son of Jean Colvin.
Mr DJ Robertson	Vice President since 2008. Appointed Director in 1985 and Treasurer (to October 2008) and Company Secretary in 1990. Occupation - Chartered Accountant.
Mr N McIntosh	Vice President since 2008. Appointed Director in 2006. Occupation – Business Manager.
Mr S Bright	Appointed Director in 2008 and Treasurer since October 2008. Occupation – Chartered Accountant.
Dr DN Dalley	Appointed Director in 1990. Occupation - Medical Oncologist. Member of Medical Advisory Committee 1988 to July 2009.
Mr GW Wright	Appointed Director in 1998. Occupation - Company Director and Management Consultant.
Mr L Frater OAM	Appointed Director in 2000. Occupation - Retired Farmer, Temora Branch Past President.
Dr M Jackson	Appointed Director in 2007. Occupation – Radiation Oncologist. Member of Medical Advisory Committee 1996 to July 2009.
Mrs LE Thompson AM	Appointed Director in 1978 and Immediate Past President. Occupation – Retired.
Ms Jane Beach	Appointed Director in 2007. Occupation – Registered Nurse, Women's Health Coordinator.
Ms Sue Gilchrist	Appointed Director in 2009. Occupation – Solicitor, Partner Freehills.

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.

The Ecclesbourne Hostel was closed in September 2009 and subsequently sold.

**Operating Result and Review of Operations**

The operating result of the Society for the year ended 31st July 2010 was a profit \$3,334,612 which includes a profit on sale of assets of \$4,392,726, Net unrealised gains/(losses) on available-for-sale investments of \$41,751 and a trading loss of \$1,099,865 (2009 - trading loss \$1,118,593). 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.

**Auditors' Independence Declaration**

The lead auditor's independence declaration for the year ended 31st July 2010 has been received and can be found on page 28 of these Financial Statements.

**Significant Changes in State of Affairs**

As indicated in last year's report, the Ecclesbourne Hostel was closed in September 2009. It was subsequently sold.

**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 the 31st July 2010 the collective liability of members was \$46,000.

**Strategy**

Can Assist's strategy is to align its services with the changes that are taking place in the sector to ensure our offerings meet the changing and future demand. Essentially this requires us to move our focus to more people being looked after either closer to home or in their home. This aligns with government policy and the decentralisation of the treatment of cancer patients.

Our objectives are:

- (a) to provide efficient and cost effective accommodation and transport services in both Sydney and regional areas.
- (b) to develop appropriate in home care in selected regions.
- (c) to continue to provide 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.

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:

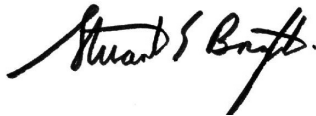
<b>Board of Directors Meetings</b>				<b>Executive Finance Committee</b>		
Director	Number Held*	Leave of Absence	Number Attended	Number Held	Leave of Absence	Number Attended
Mr JHC Colvin	7	2	5	6	1	5
Mr DJ Robertson	7	1	6	6	0	6
Mr N McIntosh	7	1	6	6	1	5
Mr SG Bright	7	1	6	6	1	5
Mrs LE Thompson AM	7	0	7	6	2	4
Mr GW Wright	7	1	6	6	0	6
Ms J Beach	7	0	7			
Ms S Gilchrist (appointed 10/09)	6	2	4			
Mr L Frater	7	0	7			
Dr DN Dalley	7	1	6			
Dr MA Jackson	7	0	7			

\* Reflects the number of meetings held during the entire 2010 year during which the relevant Director held their position.

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



**JHC Colvin**  
**Director - President**  
 1 October 2010



**SG Bright**  
**Director**

## DIRECTORS' DECLARATION

The directors of the company declare that:

1 The financial statements and notes, as set out on pages 5 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 2010 and of the performance of the company for the year ended on that date.

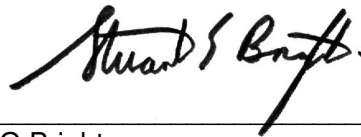
2 In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



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JH Colvin  
Director - President



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SG Bright  
Director - Treasurer

Dated 1st October 2010

**STATEMENT OF COMPREHENSIVE INCOME**  
**[For the year ended 31st July 2010]**

	Note	2010 \$	2009 \$
Revenue and Other income	2	7,480,164	5,254,246
Jean Colvin Cancer Centre/Hospital (2009) Running Expenses		(1,135,146)	(2,345,354)
Ecclesbourne Running Expenses		(55,227)	(291,840)
Wellness / Viva expenses		(62,003)	(14,496)
Share of Lilier Lodge Running Expenses		(166,176)	(160,258)
Patient Assistance	13	(1,020,226)	(2,134,137)
Fundraising Expenses	23	(273,292)	(154,299)
Administration and Overhead Expenses	3	(1,475,233)	(822,787)
Change over Costs	3	-	(449,668)
<b>Profit/(Loss) before Income Tax</b>		<b>3,292,861</b>	<b>(1,118,593)</b>
Income Tax Expense		-	-
<b>Profit/(Loss) for the year</b>		<b>3,292,861</b>	<b>(1,118,593)</b>
<b>Other Comprehensive Income</b>			
Net unrealised gains/(losses) on available-for-sale investments		41,751	-
<b>Profit Attributable to the members of the company</b>		<b>3,334,612</b>	<b>(1,118,593)</b>
<b>Total Comprehensive Income attributable to members of the company</b>		<b>3,334,612</b>	<b>(1,118,593)</b>

**STATEMENT OF CHANGES IN EQUITY**  
**[For the year ended 31st July 2010]**

	Retained Earnings	Net Unrealised Gains Reserve	Total
<b>Balance at 1st August 2008</b>	7,492,347	1,062,486	8,554,833
Profit/(Loss) attributable to the company	(1,118,593)	-	(1,118,593)
Total Other Comprehensive Income for the year	-	-	-
Net unrealised gains/(losses) on available-for-sale investments	-	67,470	67,470
<b>Balance at 31st July 2009</b>	<b>\$ 6,373,754</b>	<b>\$ 1,129,956</b>	<b>\$ 7,503,710</b>
Profit/(Loss) attributable to the company	3,292,861	-	3,292,861
Total Other Comprehensive Income for the year	41,751	-	41,751
Transfer from / (to) Reserves	(41,751)	41,751	-
<b>Balance at 31st July 2010</b>	<b>\$ 9,666,615</b>	<b>\$ 1,171,707</b>	<b>\$ 10,838,322</b>

The accompanying notes form part of these financial statements

## STATEMENT OF FINANCIAL POSITION

[As at 31st July 2010]

	Note	2010 \$	2009 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	7,075,529	3,648,582
Trade and other receivables	6	265,322	362,136
Other current assets	8	51,389	48,460
<b>Total Current Assets</b>		<u>7,392,239</u>	<u>4,059,178</u>
<b>NON-CURRENT ASSETS</b>			
Financial Assets	7	2,152,285	2,229,155
Property, plant and equipment	9	1,624,256	1,933,556
Intangible assets	10	4,583	15,380
<b>Total Non-Current Assets</b>		<u>3,781,125</u>	<u>4,178,091</u>
<b>Total Assets</b>		<u>11,173,364</u>	<u>8,237,269</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	335,043	733,560
<b>Total Current Liabilities</b>		<u>335,043</u>	<u>733,560</u>
<b>Total Liabilities</b>		<u>335,043</u>	<u>733,560</u>
<b>Net Assets</b>		<u>\$ 10,838,322</u>	<u>\$ 7,503,710</u>
<b>EQUITY</b>			
Retained Earnings		9,666,615	6,373,754
Reserves		1,171,707	1,129,956
<b>Total Equity</b>		<u>\$ 10,838,322</u>	<u>\$ 7,503,710</u>

## STATEMENT OF CASH FLOWS

[For the year ended 31st July 2010]

	Note	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipt of grants		123,357	104,846
Other receipts		2,863,338	3,787,452
Payments to suppliers and employees		(4,533,114)	(4,988,409)
Interest received		139,217	171,457
Dividends received		139,140	359,356
<b>Net cash generated/(used) in operating activities</b>	15	<u>(1,268,062)</u>	<u>(565,298)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from available-for-sale investments		300,209	113,500
Proceeds from sale of property, plant & equipment	9	4,528,542	-
Payments for available-for-sale investments		(43,160)	(149,836)
Payments for Property, plant & equipment and intangibles	9,10	(90,582)	(57,884)
<b>Net cash provided from / (used) in investing activities</b>		<u>4,695,009</u>	<u>(94,220)</u>
Net increase/(decrease) in cash held		3,426,947	(659,518)
Cash and cash equivalents at the beginning of the year		3,648,582	4,308,099
<b>Cash and cash equivalents at the end of the year</b>	5	<u>7,075,529</u>	<u>3,648,582</u>

The accompanying notes form part of these financial statements

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.

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **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**

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

#### **Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of comprehensive income.

As the revalued buildings are depreciated the difference between depreciation recognised in the statement of comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings 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.



**(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:-

<b>Class of Fixed Asset</b>	<b>Depreciation Rate Per Annum</b>
Buildings	2.5%
Office Equipment	10% & 20%
Plant & Equipment	10% & 20%
Computer Equipment	20% & 25%
Fixtures & Fittings	5% & 10%

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. 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. Receivables and payables in the statement of financial position are shown inclusive of GST.

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.

#### **(i) 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.

#### **(ii) 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.

**(iii) 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.

**(iv) 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 20. 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, the current strong demand for land and buildings in the area and recent sales data for similar properties.

At 31 July 2010 the directors reviewed the key assumptions made by the valuers at the time. 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. Certain individual investments may have declined in value recently. The Directors do not believe this decline constitutes a significant or prolonged decline below cost at this stage and hence no impairment has been recognised. Should share values decline to a level which is in excess of cost or should prices remain at levels below cost for an extended period, the Directors have determined that such investments will be considered impaired in the future.

### **(v) ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS**

During the current year the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements.

### **AASB 101: Presentation of Financial Statements**

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

#### **Disclosure impact**

**Terminology changes** — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

**Reporting changes in equity** — The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

**Statement of comprehensive income** — The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The company's financial statements now contain a statement of comprehensive income.

**Other comprehensive income** — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

	2010	2009
	\$	\$
<b>NOTE 2 - REVENUE AND OTHER INCOME</b>		
<b>Revenue</b>		
Hospital Fees	-	2,235,225
Rent, Accommodation & Management Fees	525,259	253,116
Government Subsidy	123,357	104,846
Other Government Grants	127,773	49,107
Lilier Lodge Management Fee	135,162	134,677
Total Revenue	<u>\$ 911,551</u>	<u>\$ 2,776,971</u>
<b>Other Income</b>		
Net gain/ (loss) from disposal assets	4,392,726	
Donations & Bequests Received	986,009	1,083,786
Fundraising Income	863,298	808,201
Interest Received	139,217	171,457
Dividends Received	139,140	359,396
Other Income	48,223	54,435
Total Other Income	<u>\$ 6,568,613</u>	<u>\$ 2,477,275</u>
	<u>\$ 7,480,164</u>	<u>\$ 5,254,246</u>
<b>NOTE 3 - EXPENSES FOR THE YEAR</b>		
Salaries and wages	1,331,974	2,635,689
Superannuation	127,590	207,583
Amortisation of non-current intangible assets	15,797	15,988
Depreciation of non-current assets	120,634	113,781
	<u>136,431</u>	<u>129,769</u>
Auditing the financial report of CPAS Sydney Operations	23,500	22,000
Auditing the financial reports of Country Branches	29,451	5,115
Auditing the financial report of Lilier Lodge - 50% share	3,419	3,689
Other non-audit services	-	3,700
	<u>56,370</u>	<u>34,504</u>

**Administration and Overhead expenses**

In the 2009 year certain administration and overhead expenses relevant to the operations of the Jean Colvin Hospital were allocated to the operations of the hospital by way of a management fee. In the 2010 year that management fee was reduced when the hospital converted to the Jean Colvin Cancer Care centre and to the extent that it was unable to reduce those costs or maintained them for other activities those costs are reflected as a central cost in the current year. Accordingly, a part of the apparent increase in administration and overhead expenses actually represents a reallocation of existing costs rather than additional costs incurred.

	<b>2010</b>	<b>2009</b>
	\$	\$
Changeover costs		
During the 2009 the Society incurred costs in relation to the review of its operations and ultimately in the conversion of the Jean Colvin Hospital into the Jean Colvin Cancer Centre and the closure of Ecclesbourne. A substantial proportion of these costs were costs in relation to the redundancy of staff employed in those facilities	-	449,668

**NOTE 4 – SIGNIFICANT REVENUE**

Net gain/(loss) from disposal of assets	\$ 4,392,726	\$ -
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**NOTE 5 - CASH AND CASH EQUIVALENTS**

**Current**

Cash on Hand	3,593	2,941
Cash at Bank	842,584	790,529
Cash on Deposit	6,229,352	2,855,112
	<u>\$ 7,075,529</u>	<u>\$ 3,648,582</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 six months, depending on the company's cash requirements. These deposits earn interest at market rates.

**NOTE 6 - TRADE AND OTHER RECEIVABLES**

**Current**

Trade Receivables	68,299	177,500
Other Receivables	197,023	184,636
	<u>\$ 265,322</u>	<u>\$ 362,136</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**

	2010	2009
	\$	\$
Available-for-sale financial assets as at 31st July 2010 are at fair value:		
Shares in listed corporations	\$ 2,152,285	\$ 2,229,155

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. The market value of the investments as at 31st July 2010 was \$2,152,285, a decrease of \$76,870 since the last financial year. This was due to the sale of some shares during the period. (Market Value as at 31st July 2009 was \$2,229,155). 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 29th September 2010 was \$2,241,600.

**NOTE 8 - OTHER ASSETS**

**Current**

Prepayments	\$ 51,389	\$ 48,460
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**NOTE 9 - PROPERTY, PLANT AND EQUIPMENT**

**Freehold Land**

At cost	393,029	493,029
Less: Accumulated depreciation	-	-
	<u>393,029</u>	<u>493,029</u>

**Freehold Buildings**

At cost	1,668,582	1,958,931
Less: Accumulated depreciation	(624,657)	(733,411)
	<u>1,043,925</u>	<u>1,225,520</u>

**Office Equipment**

At cost	193,795	145,895
Less: Accumulated depreciation	(138,156)	(117,355)
	<u>55,639</u>	<u>28,540</u>

**Plant & Equipment**

At cost	692,747	971,683
Less: Accumulated depreciation	(561,083)	(785,215)
	<u>131,664</u>	<u>186,468</u>

**Total Property, Plant & Equipment**

	<u>\$ 1,624,256</u>	<u>\$ 1,933,556</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:

	2010	2009
	\$	\$
<b>Freehold Land</b>		
Balance at the beginning of the year	493,029	493,029
Disposals	(100,000)	
<b>Carrying amount at the end of the year</b>	<b>\$ 393,029</b>	<b>\$ 493,029</b>
<b>Freehold Buildings</b>		
Balance at the beginning of the year	1,225,520	1,290,875
Additions	2,227	-
Disposals	(118,399)	(431)
Depreciation expense	(65,423)	(64,924)
<b>Carrying amount at the end of the year</b>	<b>\$ 1,043,925</b>	<b>\$ 1,225,520</b>
<b>Office Equipment</b>		
Balance at the beginning of the year	28,540	36,381
Additions	46,691	7,006
Depreciation expense	(19,592)	(14,847)
<b>Carrying amount at the end of the year</b>	<b>\$ 55,639</b>	<b>\$ 28,540</b>
<b>Plant and equipment</b>		
Balance at the beginning of the year	186,468	191,457
Additions	36,663	41,968
Disposals	(55,848)	(12,948)
Depreciation expense	(35,619)	(34,009)
<b>Carrying amount at the end of the year</b>	<b>\$ 131,664</b>	<b>\$ 186,468</b>
<b>Gross Carrying Amount at 31st July</b>	<b>\$ 2,948,153</b>	<b>\$ 3,569,537</b>
<b>Accumulated Depreciation at 31st July</b>	<b>\$ 1,323,897</b>	<b>\$ 1,635,981</b>
<b>Net Book Value at 31st July</b>	<b>\$ 1,624,256</b>	<b>\$ 1,933,556</b>

### Asset Revaluations

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 was last performed by the directors as at 31st July 2008. The directors have reviewed the key assumptions used in the previous valuation to determine their appropriateness and believe that they are materially unchanged. The directors are satisfied that the carrying value does not exceed the recoverable of land and buildings at year end. Details of the last valuations are provided for the information of the members.

The sale of Ecclesbourne, one of the Society's properties, has resulted in the reduction in the valuation by \$3.8M.

(i) Date of Valuation - subsequently adjusted for sale of Ecclesbourne	31st July 2008
(ii) Amounts of valuation	\$7.4 Million
(iii) Basis of valuation	Current Market Selling Price
(iv) Determination of valuations	By directors

In arriving at the above value, the Directors made relevant enquiries of appropriately qualified persons as to the likely value of the properties, having regard to the use of the properties.

	2010	2009
	\$	\$
<b>NOTE 10 - INTANGIBLE ASSETS</b>		
<b>Computer Software</b>		
At cost	43,000	38,000
Less: Accumulated Amortisation	(38,417)	(22,621)
<b>Total Intangible Assets</b>	<u>\$ 4,583</u>	<u>\$ 15,380</u>
<b>Gross Carrying Amount</b>		
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:		
<b>Computer Software</b>		
Balance at the beginning of the year	15,380	21,418
Additions	5,000	9,951
Amortisation expense	(15,797)	(15,989)
<b>Carrying amount at the end of the year</b>	<u>\$ 4,583</u>	<u>\$ 15,380</u>
<b>Gross Carrying Amount at 31st July</b>	<u>\$ 43,000</u>	<u>\$ 38,000</u>
<b>Accumulated Amortisation at 31st July</b>	<u>\$ 38,418</u>	<u>\$ 22,621</u>
<b>Net Book Value at 31st July</b>	<u>\$ 4,582</u>	<u>\$ 15,380</u>

	2010	2009
	\$	\$
<b>NOTE 11 - TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Trade Creditors	9,840	72,448
Other Creditors & Accruals	256,012	497,527
Employee Entitlements	69,193	163,584
	<b>\$ 335,044</b>	<b>\$ 733,560</b>
<b>Employee Entitlements</b>		
Opening Balance at the beginning of the year	163,584	237,452
Additional / (reduction in) liability during the year	(86,221)	(73,868)
Closing Balance at the end of the year	<b>\$ 77,363</b>	<b>\$ 163,584</b>
Number of Full Time Equivalent employees at end of financial year.	18.8	31.8

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 - PATIENTS' SUBSIDY**

Whilst providing Hospital Service subsidies, provided by way of reduced or waived hospital fees in respect of patients discharged requiring assistance, amounted to \$1,119,307 in 2009. With the conversion of the hospital to a hostel, the pricing structure has changed with no subsidy being determined. This is consistent with the operation of other non hospital services, Lillier Lodge and Ecclesbourne (which was closed during the current financial year).

	2010	2009
	\$	\$
Net Hospital Fees (2009 only)	-	1,115,918
Subsidies provided (2009 only)	-	1,119,307
Gross Hostel / Hospital Revenue	<b>-</b>	<b>2,235,225</b>

**NOTE 13 - SUMMARY OF CONTRIBUTION TO NET RESULT**

	Net Profit Before Assistance \$	Assistance \$	Net Profit/(Loss) 2010 \$	Net Profit/(Loss) 2009 \$
Ardlethan	1,000	-	1,000	316
Armidale	20,898	28,950	(8,052)	(12,510)
Balranald	11,337	13,735	(2,398)	19,951
Bathurst	37,250	9,948	27,302	53,411
Bega Valley	48,774	32,311	16,464	17,879
Blayney	19,659	4,148	15,511	37,925
Blue Mountains	16,779	12,928	3,851	8,386
Coleambally	6,329	3,852	2,477	7,597
Condobolin	11,125	10,957	168	24,102
Cootamundra	81,460	53,682	27,778	(6,645)
Dubbo	41,339	8,283	33,056	23,330
Dunedoo	5,226	952	4,274	-
Eurobodalla	8,741	630	8,111	-
Forbes	34,814	30,928	3,886	19,398
Friends of Jean Colvin Hospital	-	-	-	(551)
Grenfell	4,198	1,867	2,331	3,695
Griffith	114,791	165,224	(50,433)	34,967
Gundagai	16,331	-	16,331	1,024
Gunnedah	6,619	250	6,369	11,152
Guyra	10,692	1,504	9,188	10,637
Harden/Murrumburrah	32,448	18,139	14,309	9,779
Hay	47,006	37,097	9,909	2,922
Hillston	21,287	12,210	9,077	16,043
Junee	46,335	30,427	15,908	4,718
Leeton	33,663	28,773	4,891	2,005
Lockhart	5,545	5,856	(311)	5,558
Moree	13,847	7,575	6,273	-
Mudgee	26,369	5,672	20,697	11,009
Narrabri	4,052	5,258	(1,206)	6,022
Narrandera	60,255	54,088	6,167	10,015
Oberon	17,863	5,160	12,703	23,567
Orange	61,924	69,221	(7,297)	55,502
Parkes	68,766	63,251	5,515	35,921
Peak Hill	6,924	6,995	(71)	(1,855)
Southern Highlands	53,565	30,153	23,413	(1,375)
Tamworth	18,295	2,089	16,206	8,046
Temora	43,463	33,041	10,422	10,215
Tumbarumba	22,070	18,523	3,547	14,673
Tumut	55,761	81,413	(25,652)	37,640
Ungarie	22,948	3,891	19,056	(2,214)
Uralla	9,743	5,742	4,001	26,245
Wagga Wagga	49,129	30,851	18,277	(18,267)
Werris Creek	4,882	1,217	3,665	-
West Wyalong	48,793	37,114	11,678	16,379
Yass	13,307	16,009	(2,702)	(2,158)
Young/Boorowa	<u>29,789</u>	<u>28,250</u>	<u>1,539</u>	<u>(2,961)</u>
	1,315,390	1,018,164	297,227	521,492
Jean Colvin Cancer Centre	(744,615)	-	(744,615)	(1,550,473)
Government Grants & Subsidies	123,357	-	123,357	104,846
Ecclesbourne	(43,079)	-	(43,079)	(186,216)
Sydney	(637,047)	2,062	(639,109)	57,730
Wellness-Viva	(56,943)	-	(56,943)	(14,446)
Lilier Lodge - 50% Share of Joint Venture	(36,703)	-	(36,703)	(51,526)
Profit on sale of Investments & Fixed Assets	4,392,726	-	4,392,726	-
Net unrealised gains/(losses) on available-for-sale investments	41,751	-	41,751	-
<b>Net Profit/(Loss) for the year</b>	<b>\$ 4,354,838</b>	<b>\$ 1,020,226</b>	<b>\$ 3,334,612</b>	<b>\$ (1,118,593)</b>

The net surplus of the branches excludes all transfers & patient assistance relating to operations within the entity.

Lilier Lodge results include donations received from Branches

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Assistance includes:</b>		
Donations	55,833	13,301
Patient Assistance	964,393	1,001,529
subtotal	<u>\$1,020,226</u>	<u>\$1,014,830</u>
Hospital Patient Fee Subsidies (Note 12)	-	1,119,307
	<u>\$1,020,226</u>	<u>\$2,134,137</u>

#### **NOTE 14 - 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 the 31<sup>st</sup> July 2010 the collective liability of the members was \$46,000.

#### **NOTE 15 - CASH FLOW INFORMATION**

##### **Reconciliation of Cash**

Cash on Hand	3,593	2,941
Cash at Bank	842,584	790,529
Cash on Deposit	6,229,352	2,855,112
	<u>\$7,075,529</u>	<u>\$3,648,582</u>

##### **Reconciliation of cash flow from operations with Profit after income tax**

Profit/(Loss) after income tax	3,342,612	(1,118,593)
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##### **Non-Cash flows**

Depreciation and Amortisation	136,431	129,769
(Profit)/Loss from sale of non-current assets	4,392,726	-
Net unrealised gains/(losses) on available-for-sale investments	(41,751)	-

##### **Changes in net assets and liabilities:**

(Increase)/Decrease in Trade & other receivables	96,815	195,167
(Increase)/Decrease in Prepayments	(2,928)	5,820
Increase/(Decrease) in Trade & other payables	(398,515)	210,365
<b>Cash flows used in operations</b>	<u>(1,268,062)</u>	<u>(565,298)</u>

**NOTE 16 - 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 five-year term. Increase in lease commitments may occur in line with CPI.

	2010	2009
	\$	\$
Payable — minimum lease payments		
— not later than 12 months	\$ 89,808	\$ -
— later than 12 months but not later than 5 years	\$ 123,336	\$ -
— greater than 5 years	\$ -	\$ -
	\$ 213,144	\$ -

**NOTE 17 - 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 18 - 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		1 to 5 Years		Non Interest Bearing		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial Assets</b>												
Cash and cash equivalents	2.80	4.30			7,075,529	3,648,582					7,075,529	3,648,582
Trade and other receivables									265,322	362,136	265,322	362,136
Available-for-sale financial assets									2,152,285	2,229,155	2,152,285	2,229,155
Other									51,389	48,460	51,389	48,460
<b>Total Financial Assets</b>			-	-	7,075,529	3,648,582	-	-	2,468,996	2,639,751	9,544,525	6,288,333
<b>Financial Liabilities</b>												
Trade and other payables									335,044	733,560	335,044	733,560
<b>Total Financial Liabilities</b>			-	-	-	-	-	-	335,044	733,560	335,044	733,560



**Net Fair Values**

**Financial Assets**

	2010		2009	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	7,075,529	7,075,529	4,308,099	4,308,099
Trade and other Debtors	265,322	265,322	557,302	557,302
Available for sale financial assets	2,152,285	2,152,285	2,125,349	2,125,349
Other assets	51,389	51,389	54,278	54,278
	<u>9,544,525</u>	<u>9,544,525</u>	<u>7,045,029</u>	<u>7,045,029</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.

<b>Year ended 30 June 2009</b>
- 2% interest rates
- 10% in listed investments
<b>Year ended 30 June 2010</b>
- 2% interest rates
- 10% in listed investments
No sensitivity analysis has been performed on foreign exchange risk as the company is not exposed to foreign currency fluctuations.

**NOTE 19 - 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 20 - JOINT VENTURES**

**Interests in Joint Venture Entities**

The company has a 50% interest in the joint venture entity operating Lillier 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 2010. As the company's reporting date is 31st July 2010, the following amounts disclosed in relation to the joint venture have also been reported for balances as at 31st July 2010.

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.

	2010	2009
	\$	\$
<b><u>Retained earnings attributable to interest in joint venture</u></b>		
Balance at the beginning of the year	22,202	69,979
Share of joint venture's profit/(loss) from ordinary activities	(36,703)	(47,777)
Balance at the end of the year	<u>\$ (14,502)</u>	<u>\$ 22,202</u>
<b><u>Carrying amount of investment in joint venture entity</u></b>		
Balance at the beginning of the year	1,252,581	1,300,358
Share of joint venture's profit/(loss) from ordinary activities	(36,703)	(47,777)
Additional investments made/(recoveries) during the year	-	-
Balance at the end of the year	<u>\$ 1,215,877</u>	<u>\$ 1,252,581</u>
<b><u>Share of joint venture entity's results and financial position</u></b>		
Current Assets	83,632	61,517
Non Current Assets	1,214,373	1,260,079
Total Assets	<u>1,298,004</u>	<u>1,321,596</u>
Current Liabilities	30,387	17,276
Non Current Liabilities	-	-
Total Liabilities	<u>\$ 30,387</u>	<u>\$ 17,276</u>
Revenues	129,473	112,481
Expenses	(166,176)	(160,258)
Profit from ordinary activities	(36,703)	(47,777)
Income Tax Expense	-	-
<b>Profit / (Loss) from ordinary activities</b>	<u>\$ (36,703)</u>	<u>\$ (47,777)</u>

**NOTE 21 - INTERESTS OF KEY MANAGEMENT PERSONNEL**

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

	2010	2009
<b>Remuneration</b>	<b>\$</b>	<b>\$</b>
	<u>666,602</u>	<u>451,073</u>

**NOTE 22 - 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 23 – INFORMATION DECLARATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT, 1991.**

**Proceeds from Fundraising Activities**

Donations Received	981,009	1,048,079
Functions	473,573	431,986
Raffles	134,125	182,518
Stalls	48,292	55,850
Other fundraising activities	207,308	137,847
	<u>863,298</u>	<u>808,201</u>
<b>Gross Proceeds from Fundraising Activities</b>	<b>\$ 1,844,307</b>	<b>\$ 1,856,279</b>

**Less Costs of Fundraising Activities**

Functions	169,562	116,474
Raffles	13,023	13,784
Stalls	2,943	11,835
Other fundraising activities	87,765	12,205
	<u>273,292</u>	<u>154,299</u>
<b>Total Costs of Fundraising Activities</b>	<b>273,292</b>	<b>154,299</b>
<b>Net Surplus from Fundraising Activities</b>	<b>\$ 1,571,015</b>	<b>\$ 1,701,980</b>

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

Patient Assistance & Donations (excluding Patient Fee Subsidies) see note 12	1,020,226	1,014,830
Subsidising Jean Colvin Hospital & Ecclesbourne incl changeover costs.	65,440	1,736,689
	<u>1,085,666</u>	<u>2,751,519</u>
<b>Surplus/(Deficiency) arising from Fundraising Activities</b>	<b>\$485,349</b>	<b>(1,049,540)</b>

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>	2010	2009
	\$	\$
Total Cost of fundraising / Gross Income from fundraising	273292 / 1844307 15%	154299 / 1856279 8%
Net Surplus from fundraising / Gross Income from fundraising	1571015 / 1844307 85%	1701980 / 1856279 92%

**DECLARATION TO BE MADE BY THE PRESIDENT OR PRINCIPAL OFFICER**

**Declaration by President in respect of fundraising appeals for the year ended 31st July 2010**

I, John Colvin, 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.



John HC Colvin  
President

Dated 1st October 2010

**DOBBS VUMBACA & CO.**  
Chartered Accountants

**Partners:**  
**NEIL A DOBBS CA**  
**GEORGE VUMBACA CA**  
**HELEN YIANNIKAS CA**

**Suite 202, Level 2, 83-87 York St, Sydney 2000**  
**GPO Box 2590, Sydney 2001**

**PH: (02) 9299-6824 FAX: (02)9290-3168**  
**EMAIL:admin@dobbsvumbaca.com.au**

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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 2010, 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

29<sup>th</sup> September 2010

Sydney, NSW

**DOBBS VUMBACA & CO.**  
**Chartered Accountants**

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

We have audited the financial statements of the Cancer Patients' Assistance Society of New South Wales, which comprises the Statement of Financial Position as at 31st July 2010, 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 4 to 27.

*Directors Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial statements 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 statements that are 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 statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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 29th September 2010.

*Qualification*

Cash donations and fundraising are significant sources of revenue for the Society. The Society has determined that it is impracticable to establish control over the collection of cash donations and fundraising proceeds prior to their entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to cash donations and fundraising was restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether the cash donations and fundraising proceeds the Society obtained are complete.

*Qualified Audit Opinion*

In our opinion:

- a) except for the effects on the financial statements of such adjustments, if any as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed, 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 2010 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.

18 October 2010

Sydney, NSW

**DOBBS VUMBACA & CO**  
Chartered Accountants



**George Vumbaca**  
Partner

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