

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

ABN: 78 039 911 732

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

**SPECIAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

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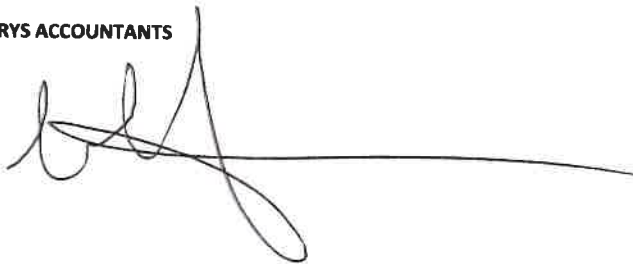
The Directors
Cancer Council of the Northern Territory Incorporated
2/25 Vanderlin Drive
Wanguri NT 0810

Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Northern Territory of Australia Associations Act* and the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

LOWRYS ACCOUNTANTS



Colin James FCA
Registered Company Auditor

Dated: 7 April 2020
Darwin

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

**BOARD OF DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors submit the special purpose financial report of Cancer Council of the Northern Territory Incorporated (the Council) for the financial year ended 31 December 2019. The Directors have determined that the Council is not a reporting entity and as such has not prepared General Purpose Financial Statements.

Directors

The directors at the date of this report are:

Chairman	Annette Burke
Vice Chairman and Public Officer	Derek Campbell
Directors	Paolo Randazzo
	Giam Kar
	Gino Luglietti
	Elizabeth Halikos

Principal Activity

The principal activity of the Council during the year was the provision of support services to community members affected by cancer.

Significant Changes

There has been no significant change in the principal activity of the Council during the year.

Operating Results

The comprehensive loss for the year was **(\$79,782)**; 2018: (\$11,321).

Directors' Declaration

The Directors of Cancer Council of the Northern Territory Incorporated declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Council will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements for the year ended 31 December 2019 and notes thereto are in accordance with the the *Northern Territory of Australia Associations Act* and the *Australian Charities and Not-for-profits Commission Act 2012*, including compliance with Australian Accounting Standards, and provide a true and fair view of the financial position and performance of the Council.

The Board of Directors Report is signed in accordance with a resolution of the board.

On behalf of the Board



Chairperson
Dated: 7 April 2020



Vice Chairperson and Public Officer
Dated: 7 April 2020

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
Revenue			
Sale of merchandise	2A	66,575	65,448
Cost of sales	3A	15,299	25,589
Gross Profit		<u>51,276</u>	<u>39,859</u>
Other Income			
Revenue from grants	2B	435,260	376,138
Fundraising, donations and bequests	2C	567,272	749,092
Other revenue	2D	127,274	132,349
PBS Stoma Reimbursement		467,634	540,602
Total Other Income		<u>1,597,440</u>	<u>1,798,181</u>
Total Revenue		<u>1,648,716</u>	<u>1,838,040</u>
Expenses			
Depreciation and amortisation	3B	42,015	29,852
Employee benefits expense	3C	747,294	835,754
Other expenses	3D	443,726	464,149
Purchase of medical supplies		495,463	518,340
Total Expenses		<u>1,728,498</u>	<u>1,848,095</u>
Net Deficit for the Year		<u>(79,782)</u>	<u>(10,055)</u>
Other comprehensive (loss)		-	(1,266)
Total Comprehensive (Loss) for the Year		<u>(79,782)</u>	<u>(11,321)</u>

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 \$	2018 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	517,800	185,576
Accounts receivable and other debtors	5	89,458	146,735
Financial assets	6	618,283	1,212,839
Inventories	7	66,132	65,379
Other current assets	8	14,249	12,004
Total current assets		1,305,922	1,622,533
Non-current assets			
Financial assets	6	717,633	252,415
Property, plant and equipment	9	396,626	422,767
Total non-current assets		1,114,259	675,182
Total Assets		2,420,181	2,297,715
LIABILITIES			
Current liabilities			
Accounts payable and other payables	10	378,272	112,743
Provisions	11	52,345	41,227
Unexpended grants / donations	12	20,000	75,636
Total current liabilities		450,617	229,606
Non-current liabilities			
Provisions	11	17,759	51,241
Total non-current liabilities		17,759	51,241
Total Liabilities		468,376	280,847
Net Assets		1,951,805	2,016,868
ACCUMULATED FUNDS			
Reserves for research and development		150,000	150,000
Asset revaluation reserve		21,652	21,652
Retained earnings		1,780,153	1,845,216
Total Accumulated Funds		1,951,805	2,016,868

The Statement of Financial Position should be read in conjunction with the accompanying notes.

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2019**

ACCUMULATED FUNDS	Reserves for Research and Development	Asset Revaluation Reserve	Retained Earnings	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2018	150,000	21,652	1,856,537	2,028,189
Net deficit for the year	-	-	(10,055)	(10,055)
Other comprehensive income			(1,266)	(1,266)
Closing Balance at 31 December 2018	150,000	21,652	1,845,216	2,016,868
Balance at 1 January 2019	150,000	21,652	1,845,216	2,016,868
Net deficit for the year	-	-	(79,782)	(79,782)
Unrealised gain / (loss) Investments	-	-	15,719	15,719
Conversion balance adjustment	-	-	(1,000)	(1,000)
Closing Balance at 31 December 2019	150,000	21,652	1,780,153	1,951,805

The Statement of Changes in Accumulated Funds should be read in conjunction with the accompanying notes.

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
Cash flows from / (used in) operating activities			
Receipts from customers		1,231,173	1,422,623
Grants received		587,557	404,638
Interest / Dividends received		36,004	38,572
Payments to suppliers and employees		<u>(1,669,977)</u>	<u>(1,871,660)</u>
Net cash flows used in operating activities	16	184,757	(5,827)
Cash flows from / (used in) investing activities			
Proceeds from sale of property, plant and equipment		-	11,000
Proceeds from withdrawal / (acquisition) of held to maturity investments		612,839	400,177
Acquisition of property, plant and equipment		(15,873)	(72,691)
Acquisition of available for sale investments		<u>(449,499)</u>	<u>(400,000)</u>
Net cash flows from / (used in) investing activities		147,467	(61,514)
Net increase / (decrease) in cash and cash equivalents		332,224	(67,341)
Cash and cash equivalents at the beginning of the year		<u>185,576</u>	<u>252,917</u>
Cash and cash equivalents at the end of the year	4	<u>517,800</u>	<u>185,576</u>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Members. The Directors have determined that Cancer Council of the Northern Territory Incorporated is not a reporting entity and as such has not prepared General Purpose Financial Statements.

The special purpose financial report has been prepared in accordance with the requirements of the *Northern Territory of Australia Associations Act*, the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards.

The financial report is prepared on the basis that the Council is a not for profit entity.

The special purpose financial report has been prepared on an accruals basis based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous financial year, unless otherwise stated, have been adopted in the preparation of this financial report.

Accounting Policies

(a) Revenue

Non-reciprocal grant revenue is recognised in the statement of profit or loss and other 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 Council 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 Council incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement by the Council in those goods.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

All revenue is stated net of the amount of goods and services tax.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Note 1: Summary of Significant Accounting Policies (continued)

(b) **Property, Plant and Equipment**

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

Buildings and improvements, plant and equipment, furniture and fittings and motor vehicles

Buildings and improvements, plant and equipment, furniture and fittings and motor vehicles are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and improvements, plant and equipment, furniture and fittings and motor vehicles is depreciated on a straight-line basis over the asset's useful life to the Council commencing from the time the asset is available for use.

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

	<u>2019</u>	<u>2018</u>
Buildings and improvements	2%	2%
Plant and equipment	10-30%	10-30%
Furniture and fittings	2-17%	2-17%
Motor vehicles	15-25%	15-25%

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains and losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(c) **Cash and Cash Equivalent**

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. The Council did not have an overdraft during the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Note 1: Summary of Significant Accounting Policies (continued)

(d) Employee Provisions

Short-term employee provisions

Provision is made for the Council's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the nominal amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Long-term employee benefits are measured at the nominal amounts expected to be paid when the obligation is settled.

The Council's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the Council does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(e) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts of claims from medicare / ostomy program as well as amounts receivable from affiliates / member bodies provided in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are recognised at fair value less any provision for impairment.

(f) Goods and Services Tax

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

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST, the net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

(g) Income Tax

The Council was registered as a Public Benevolent Institution on 3 December 2012 by the Australian Charities and Not-for-profits Commission. As a registered Public Benevolent Institution, the Council is endorsed to access the following tax concessions as:

- Income Tax Exemption
- GST Concession
- FBT Exemption

The Council is also endorsed as a Deductible Gift Recipient from 1 July 2000.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Note 1: Summary of Significant Accounting Policies (Continued)

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

(i) Provisions

Provisions are recognised when the Council 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.

(j) Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Council 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.

(k) Comparative Figures

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

When the Council retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding comparative period, in addition to the minimum comparative financial statements, must be disclosed.

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
Note 2: Revenue and Other Income		
Note 2A Sale of merchandise		
Sales - Support services	34,189	35,766
Sales - Retail and other contact	10,891	15,980
Sales - Other supplies	21,495	13,702
Total sale of merchandise	<u>66,575</u>	<u>65,448</u>
Note 2B Revenue from grants		
DoH - Ostomy Services	92,375	91,402
DoH - Community Education and Support	235,616	233,132
DoH - Breast Screen Services	14,542	18,724
Other grants	54,227	91,380
	<u>396,760</u>	<u>434,638</u>
Add: Opening Unexpended grants (Note 12)	58,500	-
Less: Unexpended grants carried forward (Note 12)	<u>(20,000)</u>	<u>(58,500)</u>
Total revenue from grants	<u>435,260</u>	<u>376,138</u>
Note 2C Fundraising and donations		
Australia's Biggest Morning Tea	118,186	142,648
Charity Race Day	-	30,847
Daffodil Day	37,169	26,598
Relay for Life	133,098	94,340
Pink Ribbon Day	969	10,469
Camino Walk	-	50,649
Gala Ball	-	78,041
Girls Night In	-	2,340
Dry July	15,000	66,500
General fundraising	85,465	70,611
Donations and bequests	160,249	193,185
Add: Opening Unexpended donations (Note 12)	17,136	-
Less: Unexpended donations carried forward (Note 12)	-	<u>(17,136)</u>
Total fundraising and donations	<u>567,272</u>	<u>749,092</u>
Note 2D Other revenue		
Interest / Dividends received	42,297	42,350
Membership	13,028	2,958
Royalties	30,236	30,302
Gain on sale of asset	1,818	4,359
Reimbursement of expenses	13,500	-
Other	26,395	52,380
Total other revenue	<u>127,274</u>	<u>132,349</u>
Note 3: Expenses		
Note 3A Cost of sales		
Support services stock	12,596	16,835
Retail stock	2,703	7,390
Merchandise and other supplies	-	1,364
Total cost of sales	<u>15,299</u>	<u>25,589</u>
Note 3B Depreciation and amortisation		
Depreciation of property, plant and equipment	<u>42,015</u>	<u>29,852</u>
Note 3C Employee benefits expense		
Salaries and wages	694,852	800,126
Superannuation	74,807	72,293
Leave and other entitlements	<u>(22,365)</u>	<u>(36,665)</u>
Total employee benefits expense	<u>747,294</u>	<u>835,754</u>

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
Note 3: Expenses (continued)		
Note 3D Other expenses		
Administration costs	3,812	12,999
Advertising	18,679	14,551
Audit and accounting fees	7,000	7,000
Bad debts	-	7,350
Bank and finance charges	1,634	4,868
Bank charges - merchant summary	1,998	2,060
Body corporate fees	8,370	6,696
Bookkeeping	34,583	-
Catering	40	46,188
Cleaning	4,129	4,802
Client assistance fund	1,918	3,889
Computer IT costs	8,218	238
Contract	5,345	-
CRM Implementation	3,609	7,510
Freight and couriers	583	1,282
Fundraising expenses	44,004	32,865
General expenses	3,057	-
Insurance	25,170	24,862
Internet services	-	94
Logistics and equipment	-	30,414
Merchandise	8,049	6,311
Motor vehicle expenses	12,889	15,767
National events expenses	32,406	22,129
Office equipment purchased	2,738	-
Power and water	14,409	13,259
Photocopier maintenance	2,731	7,211
Postage	6,747	8,595
Printing and publications	12,463	6,816
Program	10,482	13,654
Purchase of wigs	3,133	3,577
Rates	1,216	1,181
Repairs and maintenance	11,288	16,805
Recruitment	2,279	16,425
Security	3,793	3,538
Shrinkage and spoilage	7,077	1,256
Staff amenities	7,615	3,691
Staff development and training	61	1,493
Stationery	3,647	2,592
Storage shed and archives	3,600	2,400
Strategic planning	6,660	-
Subscriptions	80,783	84,224
Support group expenses	2,107	381
Telephone	15,496	17,409
Travel and accommodation	17,555	6,153
Venue costs	545	601
Volunteer expenses	933	336
Waste disposal	875	677
Total other expenses	443,726	464,149

CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
Note 4: Cash and Cash Equivalents		
Cash on hand	399	330
Cash at bank	517,401	185,246
Total cash and cash equivalents	517,800	185,576

Note 5: Accounts Receivable and Other Debtors		
Trade receivables	87,410	130,917
Allowance for impairment of trade receivables	-	-
Total trade receivables	87,410	130,917
GST receivable	-	1,779
Accrued interest	2,048	14,039
Total accounts receivable and other debtors	89,458	146,735

No interest is charged on outstanding debtor balances. An allowance has not been made for irrecoverable amounts determined from liquidity review of individual debtors and management views (2018: \$Nil).

No collateral has been pledged for any of the current or non-current trade and other receivable balances.

Note 6: Financial Assets		
Current		
Held-to-maturity investments, fixed interest term deposits	618,283	1,212,839
Non current		
Available-for-sale financial assets	717,633	252,415
Available-for-sale financial assets		
Balance at beginning of the year	252,415	103,680
Additions	449,499	150,000
Fair value remeasurement movement	15,719	(1,265)
Balance at end of the year	717,633	252,415

Note 7: Inventories		
Merchandise	66,132	65,379

Inventories are purchased merchandise used in trading and are expected to be recovered within twelve months.

Note 8: Other Current Assets		
Prepayments	14,249	12,004

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
Note 9: Property, Plant and Equipment		
Buildings and improvements, at cost	351,393	351,393
Accumulated depreciation	<u>(56,221)</u>	<u>(49,195)</u>
	295,172	302,198
Plant and equipment, at cost	114,583	98,710
Accumulated depreciation	<u>(98,399)</u>	<u>(95,696)</u>
	16,184	3,014
Furniture and fittings, at cost	41,413	41,413
Accumulated depreciation	<u>(14,166)</u>	<u>(12,451)</u>
	27,247	28,962
Motor vehicles, at cost	137,263	137,263
Accumulated depreciation	<u>(79,240)</u>	<u>(48,670)</u>
	58,023	88,593
Total property, plant and equipment	<u>396,626</u>	<u>422,767</u>

Note 10: Accounts Payable and Other Payables

Trade payables	149,209	95,835
CBA credit card	(2,431)	(2,707)
Wage accrual	17,132	13,615
Audit accrual	6,000	6,000
Prepaid grant income	190,797	-
Income received in advance	17,565	-
Total trade and other payables	<u>378,272</u>	<u>112,743</u>

Settlement of trade creditors is generally net 30 days.

The Council does not hold any financial liabilities whose terms have been renegotiated, but which would otherwise be past due or impaired.

No collateral has been pledged for any of the current or non-current trade and other payable balances.

a. Financial liabilities at amortised cost classified as accounts payable and other payables

Accounts payable and other payables:

- total current	378,272	112,743
- total non current	-	-
Financial liabilities as accounts payable and other payables	<u>378,272</u>	<u>112,743</u>

No interest is payable on outstanding payables.

Note 11: Provisions

Current		
Employee benefits	52,345	41,227
Total current provisions	<u>52,345</u>	<u>41,227</u>
Non Current		
Employee benefits	17,759	51,241
Total non current provisions	<u>17,759</u>	<u>51,241</u>
Total provisions	<u>70,104</u>	<u>92,468</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2019 \$
Note 12: Unexpended Grants / Donations		
Unspent Donations		
Total unspent donations	-	17,136
Unspent grant - Dry July	-	28,500
Unspent grant - Volunteer Grant	20,000	20,000
Unspent grant - CBA	-	10,000
Total unexpended grants	20,000	58,500
Total unexpended grants / donations	20,000	75,636

Note 13: Commitments for Expenditure

There were no capital commitments at 31 December 2019 (2018: \$Nil).

Note 14: Events After the Reporting Period

The Directors are not aware of any significant events that have occurred since the end of the reporting period.

Note 15: Economic Dependence

While the Council's activities are funded by fundraising, donations and bequests, the Council is assisted in its activities by operating grants provided by the Government. As at the date of this report, the Directors have no reason to believe that the Government would not continue to provide financial support to the Council. The financial report has been prepared on a going concern basis on the expectation that such funding will continue.

Note 16: Cash Flow Information

Reconciliation of Cash Flow from Operating Activities with Current Year Deficit

Deficit for the year	(79,782)	(10,055)
<i>Non cash transactions</i>		
Depreciation and amortisation	42,015	29,852
Interest income deposited into term deposits	(18,283)	(4,458)
Write-off of property, plant and equipment	-	-
Gain on sale of property, plant and equipment	-	(4,359)
<i>Changes in net assets and liabilities:</i>		
<i>(Increase) / Decrease in assets:</i>		
Accounts receivable and other debtors	57,706	19,841
Inventories	(753)	7,980
Other current assets	(1,000)	680
<i>Increase/(decrease) in liabilities:</i>		
Accounts payable and other payables	54,922	857
Unexpended / prepaid grants	152,297	(9,500)
Provisions	(22,365)	(36,665)
Net cash flows used in operating activities	184,757	(5,827)

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED
Report on the Audit of the Financial Report
Qualified Auditor's Opinion

We have audited the financial report of Cancer Council of the Northern Territory Incorporated (the Council), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' report.

In our opinion, except for the effects of the matters described in the Basis of Qualified Opinion paragraph, the financial report of the Cancer Council of the Northern Territory Incorporated has been prepared in accordance with the *Northern Territory of Australia Associations Act* and the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Council's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards, the *Northern Territory of Australia Associations Act* and the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for Qualified Opinion

As is common for organisations of this type, it is not practicable to establish an effective system of internal control over the following revenue lines prior to its initial entry in the accounting records:

	2019	2018
	\$	\$
Fundraising events	389,887	573,043
Donations and bequests	177,385	176,049
	<u>567,272</u>	<u>749,092</u>

The evidence available to us regarding this source of income was limited. Accordingly our audit in relation to this source of income was limited to the amounts recorded. Therefore we are unable to express an opinion whether the amounts recorded in the accounting records are complete.

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

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

Other matters
Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Cancer Council of the Northern Territory Incorporated to meet the reporting requirements of the *Northern Territory of Australia Associations Act* and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF CANCER COUNCIL OF THE NORTHERN TERRITORY INCORPORATED****Report on the Audit of the Financial Report (continued)****Responsibilities of the Directors for the Financial Report**

The Directors of the Council are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards, the *Northern Territory of Australia Associations Act* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

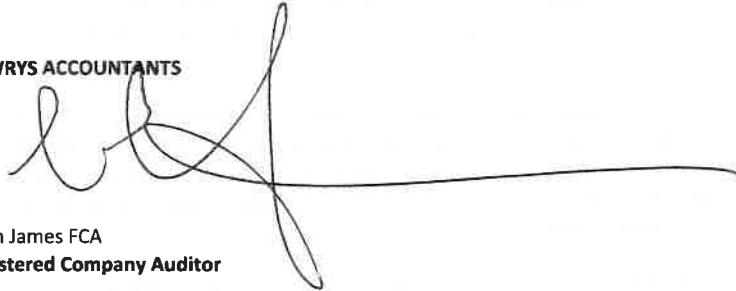
Directors are also responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

LOWRYS ACCOUNTANTS

Colin James FCA
Registered Company Auditor

Darwin
Dated: 7 April 2020