

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

INDEX	Page
Corporate Information	2
Directors' Report	3-6
Auditor's Independence Declaration	7
Directors' Declaration	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Financial Statements	13-30
Independent Auditor's Report	31-33

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

Corporate information

Directors L Di Giallonardo (Chairperson)
A Ferguson
J Hancock
M Cormack
M Beveridge
N Harris
P Hodgett
S Slade

Company Secretary S Denaro

Registered office and principal place of business 213-217 St Pauls Terrace
Fortitude Valley QLD 4006

Bankers National Australia Bank
100 Creek Street
BRISBANE QLD 4000

Auditor BDO Audit Pty Ltd
Level 10
12 Creek Street
Brisbane QLD 4000

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017

DIRECTORS' REPORT

The Board of Directors ("Board") of the Leukaemia Foundation of Australia Limited ('LFA', 'the Foundation' or 'the Company') present herewith the annual financial report of the Foundation for the year ended 30 June 2021 and report as follows:

Directors

The names and particulars of the Directors of the Foundation during or since the end of the financial year are:

Director	Date appointed	Date resigned	Qualifications
Lucio Di Giallonardo (Chair)	20/11/2004		BBus, FCA
Angela Ferguson	16/04/2021		BSc (hons), PhD Clin Psy
Jane Hancock	13/07/2021		MBA, BEd, GAICD
Mark Cormack	30/08/2021		BAppSc, MHealthMan, GAICD
Michelle Beveridge	16/04/2021		MBA (Exec), Bbus, FCPA, FACS, FGIA, GAICD
Nigel Harris	16/04/2021		MBA CFRE FFIA GAICD
Peter Hodgett	16/04/2021		BSc (hons)
Siân Slade	16/04/2021		BSc (hons) Pharm, MPH, MBA, GAICD
Andrew Soter	16/09/2019	16/04/2021	
Carrie Hillyard	16/09/2019	16/04/2021	AM, BSc (hons), PhD, FTSE, FAICD
Christopher Murray	16/04/2016	11/12/2020	BE(Hons), MIEAust, GAICD, AMP
Darren Laarhoven	25/11/2010	16/04/2021	FCA
Maryanne Hargraves	16/04/2016	16/04/2021	RN, BhlthScN, MBA (Hons), GAICD
Phillip Bradley	28/11/2005	11/12/2020	LLB, BA
Tim Ridgway	21/03/2009	11/12/2020	BA (hons), GAICD
Tony Formica	16/04/2016	16/04/2021	CA, FAICD MBA

At an Extraordinary General Meeting (EGM) on 16 April 2021 the Members voted to appoint five new directors, with five directors departing.

The Foundation's short and long-term objectives are to:

- a) Conduct or foster research into the cause, cure, therapy and/or effects of disease or treatments from leukaemia, other diseases of the blood, blood forming tissues and/or vessels and other diseases where treatments involve blood, blood vessels and blood forming tissues;
- b) Support those who have any of these diseases, together with their carers and families; and
- c) Work in partnership with the whole blood cancer community to coordinate action to empower patients, ensure equity of access to treatment and care, accelerate research and to catalyse health systems reform to meet the ambitious agenda of zero lives lost to blood cancer by 2035.

The Foundation's strategy for achieving those objectives includes:

- a) Providing funds derived from fundraising and other revenue generating activities to fund research activities;
- b) Providing facilities for the optimum care and treatment of patients with one or more of these diseases;
- c) Conducting, providing and/or promoting educational publications or meetings or providing grants for educational purposes in relation to these diseases;
- d) Acting as an advocate for patients, groups of patients, their carers, or others involved in the provision of care, treatment and therapeutics; and
- e) Doing such other things as the Board may from time to time determine in furtherance of the provision of aid generally to those who have any of these diseases.

Principal activities

The principal activities of the Foundation continue to be supporting patients (together with their carers and families) with Leukaemia, Lymphoma, Myeloma and related blood diseases, as well as promoting the funding of research into these diseases.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017

DIRECTORS' REPORT (continued)

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Foundation during the year other than as set out in this report.

Performance measures (non-IFRS)

The Foundation measures performance through the establishment and monitoring of benchmarks based on prior years:

- a) To be creative and explore ways to generate additional funding;
- b) To increase funding levels towards support services and research activities; and
- c) To closely assess and manage the Foundation's expenses to ensure cost effectiveness.

Review of operations

	Note	2021 \$	2020 \$
Fundraising Revenue	2	30,713,452	28,007,995
Fundraising Costs	3	(10,877,299)	(14,392,072)
Net Fundraising Revenue		19,836,153	13,615,923
Other Revenue	2	8,328,382	6,121,663
Operating Costs	3	(4,008,572)	(4,504,208)
Surplus after Fundraising & Operating Costs		24,155,963	15,233,378
Fulfillment of Mission:			
- Research Grants Expense	3	(3,015,066)	(3,076,395)
- Patient Support Expense	3	(10,858,018)	(13,363,574)
Total Expenditure on Support Services and Research		(13,873,084)	(16,439,969)
Surplus for the year		10,282,879	(1,206,591)

Covid19 impact summary

Having experienced suppressed levels of income and restrictions on aspects of service provision in FY20, Leukaemia Foundation took steps to plan for the impact of Covid 19 on operations in FY21 and mitigate accordingly.

Transportation for treatment services could not be offered due to transmission risks and this led to the sale of the transportation fleet. Going forward these services will be resumed using flexible vehicle acquisition.

Due to lockdown and travel restrictions we saw a reduction in the occupancy rates of our patient accommodation centers and the temporary closure of our Clem Jones Sunland Village facility in Queensland. There was a commensurate reduction in travel and labour costs associated with our clinical and corporate services.

As public events were severely curtailed we took the decision not to run the Ugly Bartender and Aussie Muscle Car campaigns and also significantly reduced our community and telemarketing fundraising activity as well as reducing our permanent headcount.

We saw an increase in ICT costs as we equipped staff to work from home but pleasingly a lot of groundwork had been done for this in prior periods and so expenditure was modest.

Importantly, our Research Grant expenditure remained on par with prior periods in FY21 despite difficulties in travel and attending research centers.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017

DIRECTORS' REPORT (continued)

Taken as a whole, the prudent approach to cost management, sale of vehicles and our facility at Waverton together with government grants and a surge in WGS income late in the year, saw us end the year in a sound financial position. This stands us in good stead to deliver on plans to increase our endowment funding, accelerate research and innovation programs and develop digital platforms for services, education and therapeutic material.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in subsequent financial years.

Meetings of Directors

The numbers of meetings of the Foundation's Board of Directors, and the Finance, Audit and Risk Management Committee (FARM) held during the year ended 30 June 2021, and the numbers of meetings attended by each director were:

	Number of Meetings Directors		Number of Meetings FARM Committee	
	Held (i)	Attended	Held (i)	Attended
A Ferguson	2	2	-	-
A Soter	6	5	-	-
C Hillyard	6	6	4	4
C Murray	4	4	-	-
D Laarhoven	6	5	4	3
L Di Giallonardo	8	8	4	4
M Hargraves	6	5	-	-
M Beveridge	2	1	-	-
N Harris	2	2	-	-
P Hodgett	2	2	-	-
P Bradley	4	4	-	-
S Slade	2	2	-	-
T Ridgway	4	4	-	-
T Formica	6	6	4	4

- (i) Number of meetings held during the time the Director held office or was a Member of the Committee during the year.

No meetings of the Remuneration Committee, Nominations Committee or Member and Branch Committee were held during the year; however members of the committees communicated regularly by telephone and email to tender their advice and provide recommendations to the Board as required.

Since balance date, the names, terms of reference and composition of each of the committees have been reviewed and regular formal meetings are now being held. The committees in place at the date of this report are as follows:

Name of committee	Chairperson
Finance, Audit and Risk Management Committee	Michelle Beveridge
Remuneration, Nominations and People Committee	Siân Slade
Members, Branch and Stakeholder Committee	Angela Ferguson

Corporate Governance

Our Mission to Beat Blood Cancer is underpinned by a governance framework that enables the organisation to meet the needs of our stakeholders, while managing risk and complying with federal and state legislation.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017

DIRECTORS' REPORT (continued)

Board of Directors

The Board is structured to provide a balanced skill set to add value with regional representation, financial oversight, commercial experience, clinical practice, and legal expertise. The Board ensures the Foundation's resources are used effectively to meet the needs of Australians with Leukaemia, Lymphoma, Myeloma and related blood disorders. The key roles and responsibilities of the Board are:

- Selection and appointment of the CEO;
- Setting the direction, financial objectives, allocation of capital, human resource management, and goals for management;
- Oversight of performance against strategic objectives, and financial goals;
- Evaluating the performance and determining the remuneration of the CEO and senior managers;
- Ensuring the appropriate risk management systems, internal controls, reporting systems and compliance frameworks are in place and operating effectively; and
- Defining Board competencies, evaluating Board performance and planning Board succession.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 60-40 of the Australian Charities and Non-for-profits Commission Act 2012 is included on page 7 of the Financial Report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors made pursuant to s298 (2) of the Corporations Act 2001.

On behalf of the Directors



Lucio Di Giallonardo
Chairperson

26 October 2021

**DECLARATION OF INDEPENDENCE BY A J WHYTE TO THE DIRECTORS OF THE LEUKAEMIA
FOUNDATION OF AUSTRALIA LIMITED**

As lead auditor of The Leukaemia Foundation of Australia Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



A J Whyte
Director

BDO Audit Pty Ltd

Brisbane

26 October 2021

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017

DIRECTORS' DECLARATION

The Directors of the Foundation declare that:

1. The financial statements and notes of the Leukaemia Foundation of Australia Limited (the Foundation) are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - a. Complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*; and
 - b. Giving a true and fair view of the Foundation's financial position as at 30 June 2021 and of its performance for the year ended on that date.
2. In the Directors' opinion, with respect to the *NSW Charitable Fundraising Act 1991 No69*, the provisions of the Act, the regulations under the Act and the conditions attached to the authority have been complied with by the Foundation.
3. In the Director's opinion, with respect to the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*, the regulations under the Act and the conditions attached to the authority have been complied with by the Foundation.
4. In the Directors' opinion, there are reasonable grounds to believe that the Foundation 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.

On behalf of the Directors



Lucio Di Giallonardo
Chairperson

26 October 2021

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
		<u> </u>	<u> </u>
Income	2	39,041,834	34,129,658
Fundraising and operational support expenses (excluding research grants and patient support)	3	(14,885,871)	(18,896,280)
		24,155,963	15,233,378
Fulfilment of mission expenses	3	(13,873,084)	(16,439,969)
Net surplus/(deficit) for the year		10,282,879	(1,206,591)
<i>Other Comprehensive Income – items that will not subsequently be reclassified to profit or loss</i>			
Net changes in fair value of financial assets at fair value through other comprehensive income	11	392,679	(384,935)
Total comprehensive income/(deficit) for the year		10,675,558	(1,591,526)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents	5	42,122,611	24,135,424
Trade and other receivables	6	558,080	1,634,730
Other assets	7	46,180	110,705
TOTAL CURRENT ASSETS		42,726,871	25,880,859
NON-CURRENT ASSETS			
Property, plant and equipment	8	53,317,964	59,798,433
Right-of-use assets	10	1,427,342	2,692,522
Financial assets at fair value through other comprehensive income	11	2,750,514	1,828,850
TOTAL NON-CURRENT ASSETS		57,495,820	64,319,805
TOTAL ASSETS		100,222,691	90,200,664
CURRENT LIABILITIES			
Trade and other payables	12	1,071,181	785,730
Lease liability	10	835,746	849,385
Unearned income	13	327,456	-
Provisions	14	1,381,366	1,366,155
TOTAL CURRENT LIABILITIES		3,615,749	3,001,270
NON-CURRENT LIABILITIES			
Lease liability	10	640,230	1,894,943
Provisions	14	559,784	573,081
TOTAL NON-CURRENT LIABILITIES		1,200,014	2,468,024
TOTAL LIABILITIES		4,815,763	5,469,294
NET ASSETS		95,406,928	84,731,370
EQUITY			
Retained surplus		67,578,768	57,295,889
Reserves	15	27,828,160	27,435,481
TOTAL EQUITY		95,406,928	84,731,370

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

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Retained surplus	Fair Value Reserve (Note 15)	Equity Contribution Reserve (Note 15)	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2019	58,502,480	29,546	27,790,870	86,322,896
Net deficit for the year	(1,206,591)	-	-	(1,206,591)
Other comprehensive income		(384,935)	-	(384,935)
Total comprehensive deficit for the year	(1,206,591)	(384,935)	-	(1,591,526)
Balance at 30 June 2020	57,295,889	(355,389)	27,790,870	84,731,370
Net surplus for the year	10,282,879	-	-	10,282,879
Other comprehensive income	-	392,679	-	392,679
Total comprehensive income for the year	10,282,879	392,679	-	10,675,558
Balance at 30 June 2021	67,578,768	37,290	27,790,870	95,406,928

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		132,501	214,442
Dividends received		31,239	120,253
Receipts from donors and sponsors		35,322,456	33,204,216
Government grants		4,278,545	1,334,000
Interest paid on lease liabilities	10	(67,609)	(93,077)
Payments to suppliers and employees		(26,348,213)	(33,435,678)
NET CASH FLOWS FROM OPERATING ACTIVITIES	18	13,348,919	1,344,156
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(70,492)	(596,846)
Proceeds from sale of land and buildings		5,554,404	-
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		5,483,912	(596,846)
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal paid on lease liabilities	10	(845,646)	(862,208)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(845,646)	(862,208)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		17,987,187	(114,898)
Cash and cash equivalents at the beginning of the year		24,135,424	24,250,322
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	42,122,611	24,135,424

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

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report of The Leukaemia Foundation of Australia Limited (“the Company” or “the Foundation”) is a general purpose financial report which has been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards – Reduced Disclosure Requirements, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report was authorised for issue by the board of Directors on 26 October 2021.

The Company is limited by guarantee and is incorporated and domiciled in Australia.

The financial report has been prepared on the basis of historical cost except for the measurement at fair value of certain financial assets.

Going Concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business conditions and the realisation of assets and discharge of liabilities in the ordinary course of business.

Accounting policies

Specific material accounting policies adopted by the Foundation in the preparation of the financial report are included with the relevant Note to the Financial Statements. The accounting policies have been consistently applied unless otherwise stated.

(a) Income tax

No provision for income tax has been raised as the Foundation is exempt from income tax under Subdivision 50 - 5 of the Income Tax Assessment Act 1997.

(b) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial report 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 Foundation. Key estimates and critical judgments are discussed in Notes 6, 8, 10 and 11 dealing with Receivables, Property, Plant and Equipment, Right-of-use Assets and Financial Assets at Fair Value through Other Comprehensive Income.

(c) Functional currency

The financial statements of the Foundation are presented in its functional and presentation currency being the currency of the primary economic environment in which the entity operates, namely Australian dollars.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
2. INCOME		
<u>Income from operating activities</u>		
– World’s Greatest Shave	17,342,784	12,558,425
– Other fundraising and donations	12,061,487	14,119,663
– Interest income	164,512	310,701
– Rent	2,884,445	3,614,809
– Dividends	31,239	120,253
– Commonwealth Government grant income		
Department of Treasury – JobKeeper	4,053,500	1,875,900
Department of Treasury – GST subsidy	50,000	50,000
Department of Health – National Action Plan	175,045	150,000
– Sponsorship and grants	1,309,181	1,329,907
	38,072,193	34,129,658
<u>Other income</u>		
– Gain on sale of assets	926,740	-
– Profit on modification of contracts (leases)	42,901	-
	39,041,834	-

Accounting policy – Revenue

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale of goods

Revenue from sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of the delivery.

Rendering of services

Revenue from services provided by the Foundation is recognised over time as the services are rendered.

Fundraising, donations and bequests

Revenue from fundraising, including donations and bequests, is recognised when received or receivable.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Interest

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Dividends

Dividends are recognised as revenue when the Foundation's right to receive payment is established.

Rental income

Rental income on the Foundation's properties is accounted for on a straight-line basis over the lease term. Contingent rentals are recognised as income in the periods when they are earned.

Grants

Revenue from government grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised upon receipt.

Capital grants are recognised as income when (or as) it satisfies its obligations under the transfer. Capital grants are types of grants where the Company receives a financial asset to acquire or construct a non-financial asset to identified specifications; retains control of the non-financial asset (i.e. for its own use); and the transaction is enforceable.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Volunteer services

The Company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

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

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
3. EXPENSES		
<u>Fundraising and operational support expenses</u> (excluding research grants and patient support)		
– Fundraising	10,877,299	14,392,072
– Operational support	4,008,572	4,504,208
	14,885,871	18,896,280
<u>Fulfilment of mission expenses</u>		
– Provision of accommodation and patient support	10,858,018	13,363,574
– Research grants and advocacy	3,015,066	3,076,395
	13,873,084	16,439,969
<u>Accounting policy - Expenses</u>		
Expenses 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 an item of expense.		
<u>(a) Included as Expenses are the following specific items:</u>		
<u>Employee Benefits</u>		
– Fundraising and Operational activities	7,997,394	8,770,653
– Fulfilment of mission activities	6,830,136	8,065,968
	14,827,530	16,836,621
Superannuation expense of \$1,268,179 for the year ended 30 June 2021 (2020: \$1,414,813) was included in employee benefits expense.		
<u>Depreciation of non-current assets</u>		
– Buildings	1,402,639	1,411,450
– Plant and equipment	158,610	227,412
– Motor vehicles	101,421	99,535
– Furniture and fittings	260,627	337,601
– Right-of-use asset	885,159	951,020
	2,808,456	3,027,018
<u>Amortisation of non-current assets</u>		
– Software Intangible Asset	-	461
<u>Impairment of property, plant and equipment</u>		
– impairment of buildings (see Note 8)	-	693,509

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

4. AUDITORS' REMUNERATION

Amount received, or due and receivable by the auditor for:

	2021	2020
	\$	\$
– Auditing the financial report	54,530	45,154
– Other services *	10,000	10,000
	<u>64,530</u>	<u>55,154</u>

* Other services provided consist of accounting for lease services.

5. CASH AND CASH EQUIVALENTS

– Cash at bank	4,782,984	6,831,222
– Term deposits	37,339,627	17,304,202
	<u>42,122,611</u>	<u>24,135,424</u>

\$5,582,129 of the cash held represents funds reserved for accommodation in Queensland unless approved for other purposes by a majority of the Queensland resident directors (2020: \$5,531,663).

Accounting policy - Cash and cash equivalents

Cash comprises cash on hand and on demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of the acquisition.

6. TRADE AND OTHER RECEIVABLES

Current

Trade receivables	370,791	742,045
GST receivable	155,278	67,701
Other receivables	32,011	824,984
	<u>558,080</u>	<u>1,634,730</u>

Accounting policy - Trade and other receivables

The Foundation holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Foundation has applied the simplified approach to measuring expected credit losses, which uses lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. No impairment loss has been recognised by the Foundation during the financial year (2020: nil).

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

The net amount of GST receivable from the taxation authority is included as part of receivables.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
	<hr/>	<hr/>
7. OTHER ASSETS		
Current		
Community benefit fund	10,903	10,903
Deposits	32,975	40,605
Prepayments	2,302	59,197
	<hr/> 46,180 <hr/>	<hr/> 110,705 <hr/>
8. PROPERTY, PLANT AND EQUIPMENT		
Freehold land – at cost	9,466,054	12,606,054
Total land	<hr/> 9,466,054 <hr/>	<hr/> 12,606,054 <hr/>
Freehold Buildings – at cost	42,511,458	44,971,928
Less: Accumulated Depreciation	(6,755,078)	(6,370,412)
Impairment	-	(693,509)
	<hr/> 35,756,380 <hr/>	<hr/> 37,908,007 <hr/>
Leasehold Buildings – at cost	13,726,955	13,726,955
Less: Accumulated Depreciation	(6,595,570)	(6,084,482)
	<hr/> 7,131,385 <hr/>	<hr/> 7,642,473 <hr/>
Total buildings	<hr/> 42,887,765 <hr/>	<hr/> 45,550,480 <hr/>
Plant and equipment – at cost	1,909,756	1,873,574
Less: Accumulated Depreciation	(1,585,943)	(1,440,991)
	<hr/> 323,813 <hr/>	<hr/> 432,583 <hr/>
Total plant and equipment	<hr/> 323,813 <hr/>	<hr/> 432,583 <hr/>
Furniture and fittings – at cost	2,916,987	2,908,628
Less: Accumulated Depreciation	(2,575,990)	(2,419,722)
	<hr/> 340,997 <hr/>	<hr/> 488,906 <hr/>
Leasehold improvements – at cost	825,539	825,539
Less: Accumulated Depreciation	(668,744)	(576,678)
	<hr/> 156,795 <hr/>	<hr/> 248,861 <hr/>
Total furniture, fittings and leasehold improvements	<hr/> 497,792 <hr/>	<hr/> 737,767 <hr/>

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
	<hr/>	<hr/>
8. PROPERTY, PLANT AND EQUIPMENT (continued)		
Motor vehicles – at cost	418,318	1,089,391
Less: Accumulated Depreciation	(275,778)	(617,842)
	<hr/> 142,540	<hr/> 471,549
Total motor vehicles	<hr/> 142,540	<hr/> 471,549
Total property, plant and equipment	<hr/> 53,317,964	<hr/> 59,798,433
	<hr/>	<hr/>

Accounting policy - Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation, and impairment. Costs include all expenditure that is directly attributable to the acquisition of the asset. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition. The carrying amount of property, plant and equipment is reviewed annually by the directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the expected future use.

Depreciation is provided on plant and equipment and is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The following useful lives are used in the calculation of depreciation:

Plant and Equipment	6.67 years
Computer Equipment	3 years
Furniture and Fittings	6.67 years
Motor Vehicles	5.33 years
Buildings	50 years
Leasehold Buildings	30 years
Leasehold Improvements	10 years

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, in which case it is recognised as part of the cost of acquisition of an asset.

Impairment of assets

Assets that have an indefinite life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. As a not-for-profit entity, value in use is determined using current replacement cost where the asset would be replaced with a similar asset if the entity were deprived of it. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

8. PROPERTY, PLANT AND EQUIPMENT (continued)

Where it is not possible to estimate the recoverable amount of an individual asset, the Foundation estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Key estimates – Impairment

The Foundation assesses impairment at each reporting date by evaluating conditions specific to the Foundation that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. This may involve value in use calculations which incorporate a number of key estimates and assumptions.

	2021	2020
	\$	\$
<u>Carrying amounts of assets pledged as security</u>		
Property at 8 Priory Road, Waverton, NSW	-	4,426,605
Property at 25 Helen Street, Westmead, NSW	2,665,656	2,698,761
Property at 22 Villa Road, Newcastle, NSW	374,246	377,646
	3,039,902	7,503,012

The security is with a major Australian bank for a corporate credit card facility and bank guarantees for bonds on office leases - refer Notes 17(b) and 18(b) for further details.

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

<u>Year Ended 30 June 2021</u>	Freehold Land	Buildings	Plant and Equipment	Furniture & Fittings Leasehold Improvements	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Balance at beginning of year	12,606,054	45,550,480	432,583	737,767	471,549	59,798,433
Additions	-	-	39,670	20,652	-	60,322
Work in Progress	-	-	10,170	-	-	10,170
Disposals	(3,140,000)	(1,260,076)	-	-	(227,588)	(4,627,664)
Impairment *	-	-	-	-	-	-
Depreciation and amortisation	-	(1,402,639)	(158,610)	(260,627)	(101,421)	(1,923,297)
Carrying amount at end of the year	9,466,054	42,887,765	323,813	497,792	142,540	53,317,964

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

8. PROPERTY, PLANT AND EQUIPMENT (continued)

<u>Year Ended 30 June 2020</u>	Freehold Land	Buildings	Plant and Equipment	Furniture & Fittings Leasehold Improvements	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$
Balance at beginning of year	12,606,054	47,655,439	595,975	964,082	156,383	61,977,933
Additions	-	-	70,859	111,286	414,701	596,846
Disposals	-	-	(6,839)	-	-	(6,839)
Impairment *	-	(693,509)	-	-	-	(693,509)
Depreciation and amortisation	-	(1,411,450)	(227,412)	(337,601)	(99,535)	(2,075,998)
Carrying amount at end of the year	12,606,054	45,550,480	432,583	737,767	471,549	59,798,433

* The Directors determined the accommodation apartments at 'The Green' in Bowen Hills, Brisbane were impaired after an independent valuation was obtained. The valuation was based with reference to recent sales data for similar properties. The units were valued below their net book value by \$693,509, which resulted in an impairment charge being recorded in the 2020 year.

	2021	2020
	\$	\$
9. INTANGIBLES		
NON-CURRENT		
Software development - at cost	-	179,763
Less: accumulated amortisation	-	(179,763)
Total Computer software	-	-
Movements during the year:		
Balance at beginning of year	-	461
Amortisation expense	-	(461)
Balance at end of year	-	-

Accounting policy - Intangibles

Intangible assets, relating to computer software, are recognised in the financial statements. Each intangible asset is amortised over its estimated useful life to the Foundation, less any anticipated residual value. The residual value is zero for all the Foundation's intangible assets.

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the Foundation of 3 years.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

10. LEASES

Company as a lessee

The Foundation leases various offices, equipment and motor vehicles. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. There are several lease contracts that include extension options, which are further discussed below.

The Foundation also has certain leases of equipment and storage with lease terms of 12 months or less, or low value. The Foundation applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Motor vehicle	Equipment	Properties	Total
As at 1 July 2020	2,619	259,060	2,430,843	2,692,522
Additions	-	-	-	-
Lease re-assessments	-	-	(422,706)	(422,706)
Depreciation expense	(2,619)	(52,684)	(829,856)	(885,159)
As at 30 June 2021	-	206,376	1,178,281	1,384,657

	Motor vehicle	Equipment	Properties	Total
As at 1 July 2019 (date of initial application)	7,596	19,603	3,217,701	3,244,900
Additions	-	263,284	-	263,284
Lease re-assessments	-	-	135,358	135,358
Depreciation expense	(4,977)	(23,827)	(922,216)	(951,020)
As at 30 June 2020	2,619	259,060	2,430,843	2,692,522

Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2021	2020
	\$	\$
Balance at beginning of year	2,744,328	3,207,894
Additions	-	263,284
Lease re-assessments	(422,706)	135,358
Accretion of interest	67,609	93,077
Payments	(913,255)	(955,285)
Balance at end of year	1,475,976	2,744,328

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
Notes	\$	\$
10. LEASES (Continued)		
Current	835,746	849,685
Non-current	640,230	1,894,943
Total lease liability	1,475,976	2,744,328

Amounts recognised in the statement of comprehensive income

Depreciation charge of right-of-use assets:		
Buildings	3 829,856	922,216
Equipment	3 52,684	23,827
Motor vehicles	3 2,619	4,977
Total depreciation charge	885,159	951,020
Interest expense (included in finance cost)	67,609	93,077
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	70,837	121,869

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

The Foundation had total cash outflows for leases of:

Interest (Operating activity)	67,609	93,077
Principal (Financing activity)	845,646	862,208
Total cash outflows	913,255	955,285

Future cash outflows relating to leases that have not yet commenced is nil.

Accounting policy - Leases

Right of use assets

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Foundation is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of offices and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

10. LEASES (continued)

Lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Foundation, the Foundation's incremental borrowing rate is used, being the rate that the Foundation would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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

Leases - determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of offices, the following factors are normally the most relevant:

- If there are significant penalties to terminate, the Foundation is typically reasonably certain to not terminate.
- If any leasehold improvements are expected to have a significant remaining value, the Foundation is typically reasonably certain to not terminate.
- Otherwise, the Foundation considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.
- Most extension options in offices have not been included in the lease liability, because the Foundation could replace the assets without significant cost or business disruption.

As at 30 June 2021, there are no potential future cash outflows to disclose, (2020: \$1,345,952)

The lease term is reassessed if an option is actually exercised (or not exercised) or the Foundation becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Foundation.

"Peppercorn" or concessionary leases

The Foundation has elected to apply the temporary option to measure "peppercorn" or concessionary leases at cost in accordance with AASB16 *Leases*, rather than at fair value in accordance with AASB13 *Fair Value Measurement*. No timeline has been set for removing the temporary option. The Foundation currently leases the John James Village in Canberra, which comprises six purpose-designed, self-contained units, at NIL rental. These units are being used to enable the Foundation to further its objectives by providing them to blood cancer patients and their carers whilst patients are undergoing treatment.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
	<hr/>	<hr/>
11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME		
Investments in listed shares at fair value	2,750,514	1,828,850
	<hr/>	<hr/>
Movements in investments:		
Opening Balance	1,828,850	1,466,307
Shares received as donations	528,985	747,478
Fair value adjustments	392,679	(384,935)
Closing Balance	2,750,514	1,828,850
	<hr/>	<hr/>

Key accounting judgments – Investments

Financial assets at fair value through other comprehensive income:

Financial assets at fair value through other comprehensive income relates to investments in equity instruments held by the Foundation that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Investments in equity instruments classified at fair value through other comprehensive income are initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue i.e. ordinary shares.

Management has elected, at initial recognition, to irrevocably designate all equity investments at fair value through other comprehensive income (FVOCI) as allowed under AASB 9. The Foundation's policy is to designate equity investments as FVOCI when those investments are not held for trading or held for purposes other than to generate investment returns. This election is made on an investment by investment basis. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Foundation's right to received payments is established.

Impairment

All equity instruments were re-classified as financial assets at fair value through other comprehensive income and are not subject to impairment under AASB 9.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
12. TRADE AND OTHER PAYABLES		
Current		
Trust funds held	3,225	6,817
Sundry creditors and accruals (i)	1,067,956	778,913
	1,071,181	785,913
	1,071,181	785,913

(i) The average credit period on purchases of certain goods is 30 days. No interest is charged on trade payables from the date of invoice. The Foundation has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Accounting policy - Trade and other payables

Trade payables and other payables represent amounts due and payable in the next 12 months. These amounts are carried at cost representing fair value of the consideration to be paid. Any amounts outside this timeframe are discounted at the appropriate rate. Trade payables and other payables represent liabilities for goods and services provided to the Foundation prior to the end of the financial year that are unpaid and arise when the Foundation becomes obliged to make future payments in respect of the purchase of these goods and services.

The net amount of GST recoverable from the taxation authority is included as part of payables.

13. UNEARNED INCOME

NAP grant	327,456	-
	327,456	-

14. PROVISIONS

Current		
Employee entitlements	1,381,366	1,366,155
	1,381,366	1,366,155
Non-current		
Employee entitlements	299,784	313,081
Provision for make good expense	260,000	260,000
	559,784	573,081
	1,941,150	1,939,236

A provision for make good has been brought to account in respect of premises at Artarmon, Innaloo and North Melbourne. The lease over premises at Artarmon expires in September 2023. The estimate of the make good costs for these premises is \$75,000. The lease over premises in Innaloo expires in March 2023. The estimate of the costs to make good for this location is \$75,000. The lease over premises at North Melbourne expires on 30 June 2022. The estimate of the costs to make good for this location is \$110,000. All other leased properties have been assessed and been found not to require a provision for make good.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

14. PROVISIONS (continued)

Accounting policy - Provisions

Provisions are recognised when the Foundation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Foundation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Accounting policy - Employee entitlements

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Foundation in respect of services provided by employees up to reporting date.

Defined contribution plans

Contributions to defined contribution superannuation plans are expensed when employees have rendered service entitling them to contributions.

15. RESERVES

	2021	2020
	\$	\$
(a) Fair value reserve	37,290	(355,389)
The fair value reserve is used to record increases and decreases in the value of the Foundation's financial assets at fair value through other comprehensive income.		
(b) Equity contribution reserve	27,790,870	27,790,870
The equity contribution reserve arose on the voluntary merger of LFA and Leukaemia Foundation of Queensland which was finalised on 1 July 2016.		
Total reserves	27,828,160	27,435,481

Movements in reserves are disclosed in the Statement of Changes in Equity.

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

16. MEMBERS' GUARANTEE

The Leukaemia Foundation of Australia Limited is a company limited by guarantee. If the Foundation is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company.

At 30 June 2021 the number of members was 375 (2020: 376).

17. RELATED PARTY TRANSACTIONS

(a) Directors:

The names of directors who have held office during the financial year are:

Mr Lucio Di Giallonardo (appointed 20-11-04)	Mr Tim Ridgway (resigned 20-11-20)
Mrs Angela Ferguson (appointed 16-4-21)	Ms Maryanne Hargraves (resigned 16-4-21)
Mrs Jane Hancock (appointed 13-7-21)	Mr Andrew Soter (resigned 16-4-21)
Mr Mark Cormack (appointed 30-8-21)	Dr Carrie Hillyard (resigned 16-4-21)
Ms Michelle Beveridge (appointed 16-4-21)	Mr Christopher Murray (resigned 20-11-20)
Mr Nigel Harris (appointed 16-4-21)	Mr Tony Formica (resigned 16-4-21)
Mr Peter Hodgett (appointed 16-4-21)	Mr Darren Laarhoven (resigned 16-4-21)
Ms Sian Slade (appointed 16-4-21)	Mr Phillip Bradley (resigned 20-11-20)

(b) Related party transactions

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

	2021	2020
	\$	\$
	<hr/>	<hr/>
Transactions with related parties	-	-
	<hr/>	<hr/>

No director received remuneration directly or indirectly in connection with the management of the Foundation.

(c) Key management personnel compensation

The names and positions of those having authority for planning, directing and controlling the Foundation's activities, directly or indirectly (other than directors), are:

Chris Tanti, Chief Executive Officer (1-2-21 to current)
 Alex Struthers, Acting Chief Executive Officer (1-7-20 to 31-1-21)
 William Petch, Chief Executive Officer (prior to 1-7-20)
 Keiran Mylrea, General Manager Corporate Services

– Short term benefits	494,257	497,555
– Post-employment benefits	47,432	48,206
– Other long-term benefits (long service leave)	-	33,855
– Termination benefits	-	107,287
	<hr/> 541,689 <hr/>	<hr/> 686,903 <hr/>

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
	<hr/>	<hr/>
18. CASH FLOW INFORMATION		
(a) Reconciliation of net cash flows from operating activities to net surplus/(deficit)		
Net surplus/(deficit) for the year	10,282,879	(1,206,591)
<u>Non-cash items:</u>		
Property received as donation in prior year sold in current year	-	845,000
Shares received as donations	(528,985)	(747,478)
Impairment of property, plant and equipment	-	693,509
Depreciation and amortisation	2,808,456	3,027,479
Net (profit)/loss on disposal of non-current assets	(926,740)	6,839
Profit on modification of contracts (leases)	(42,901)	-
<u>Change in operating assets and liabilities:</u>		
(Increase)/decrease in receivables	1,076,650	(637,150)
(Increase)/decrease in prepayments	56,895	124,099
(Increase)/decrease in deposits	7,630	2,333
Increase/(decrease) in payables	285,665	(908,579)
Increase/(decrease) in unearned revenue	327,456	-
Increase/(decrease) in provisions	1,914	144,695
Cash inflow from operating activities	13,348,919	1,344,156
	<hr/> <hr/>	<hr/> <hr/>

Accounting Policy - Goods and Services Tax

Cash flows are included in the Statement of Cash Flows on a gross 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 within operating cash flows.

(b) Financing facilities available to the company as at 30 June 2021 were:

At 30 June 2021 there was a \$300,000 corporate credit card facility available to the Company (2020: \$300,000).

THE LEUKAEMIA FOUNDATION OF AUSTRALIA LIMITED
ACN 057 493 017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$

19. COMMITMENTS

(a) Grant Commitments

Grant commitments comprise research and clinical grants arising from the Foundation's commitment to the research community. At balance date, the balance of the grants to be funded in future amounted to \$5,835,732 and it is anticipated that this will be payable as follows:

Payable:		
– less than 1 year	2,403,634	2,435,430
– greater than 1 year but less than 5 years	3,432,098	3,016,551
Minimum grant payments	5,835,732	5,451,981

(b) Bank Guarantees

The Foundation has issued bank guarantees to third parties totalling \$272,641 (2020: \$285,603). These bank guarantees are for bonds on office leases and are secured against the property of the Foundation as listed in Note 8.

20. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in subsequent financial years.

21. CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities at 30 June 2021.

INDEPENDENT AUDITOR'S REPORT

To the members of The Leukaemia Foundation of Australia Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Leukaemia Foundation of Australia Limited (the company), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of The Leukaemia Foundation of Australia Limited, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

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.

Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulations 2015 and the requirements of the WA Charitable Collections Act (1946) and the WA Charitable Collections Regulations (1947)

We have audited the financial report as required by Section 24(2) of the *NSW Charitable Fundraising Act 1991* and the *WA Charitable Collections Act (1946)*. Our procedures included obtaining an understanding of the internal control structure for fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fund raising Regulations 2015* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*.

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

Opinion

In our opinion:

- (i) The financial report shows a true and fair view of the financial result of fundraising appeals conducted during the year ended 30 June 2021;
- (ii) The accounting and associated records have been properly kept during the year in accordance with *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fund raising Regulations 2015* and the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)*;
- (iii) Money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the above mentioned Acts; and
- (iv) As at the date of this report, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

BDO Audit Pty Ltd



A J Whyte
Director

Brisbane, 26 October 2021