


**CanTeen – The Australian Organisation for
Young People Living with Cancer**
ACN 052 040 516



Annual Financial Report
for the year ended 31 March 2015

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The financial report covers CanTeen - The Australian Organisation for Young People Living with Cancer as an entity. The financial report is presented in the Australian currency.

The Australian Organisation for Young People Living with Cancer ('CanTeen') is a company limited by guarantee, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

CanTeen - The Australian Organisation for Young People Living with Cancer
Level 11, 130 Elizabeth Street Sydney NSW 2000

A description of the nature of the entity's operations and its principal activities is included in the nature of operations and principal activities on page 4, which is not part of this financial report.

The financial report was authorised for issue by the directors on 30 June 2015. The company has the power to amend and reissue the financial report.

Directors' report

The Board of Directors of CanTeen - The Australian Organisation for Young People Living with Cancer ("CanTeen") has pleasure in submitting their report for the year ended 31 March 2015.

DIRECTORS

The names and details of the Directors in office during the whole of the financial year and up to the date of the report:

| Member Directors | | |
|----------------------------|---|--|
| Ali Duncan | President Member Hunter & NNSW | Appointed 27 August 2011 Appointed President 25 August 2012 |
| Mathew Gilliland | Member Sydney & Central NSW | Appointed 13 June 2012 Appointed Deputy Chair 25 August 2013 |
| Lachlan Korvin | Member Victoria | Appointed 25 August 2012 |
| Samantha O'Neill | Member Victoria | Appointed 24 August 2013 |
| Alix Bateup | Member ACT | Appointed 24 August 2013 |
| Associate Directors | | |
| John de Zwart | Treasurer, Secretary, Associate Member, Chartered Accountant | Appointed 28 August 2010 Appointed Secretary/Treasurer 28 August 2010 |
| Michelle Vanzella | Associate Member Lawyer, Business Development Director | Appointed 28 August 2010 |
| Helen Souness | Associate Member, Marketing Director | Appointed 27 August 2011 |
| Kieran Schneemann | Associate Member, Executive Manager | Appointed 25 May 2014 |

BOARD SUB-COMMITTEES

The company has established the following sub-committees, comprised of Members of the Board, to report to the Board on specific areas:

- The **Finance, Governance and Risk Sub-Committee** comprised John de Zwart, Mathew Gilliland (Chair from 25 August 2013), Ali Duncan, Samantha O'Neill (from 25 August 2013) & Kieran Schneemann (from 23 August 2014) met during the year on 20 May 2014, 19 August 2014, 18 November 2014, 3 March 2015.
- The **People and Performance Sub-Committee** comprised Helen Souness (Chair), Lachlan Korvin (from 25 August 2013), Mathew Gilliland (up to 23 August 2014), Michelle Vanzella (up to 23 August 2014), Samantha O'Neill (from 25 August 2013), Alix Bateup (From 25 August 2013) & Ali Duncan (from 23 August 2014) met during the year on 22 May 2014, 21 August 2014, 20 November 2014 & 5 March 2015.
- The **Ethics and Young People Sub-Committee** comprised Lachlan Korvin (Chair), Alix Bateup (up to 23 August 2014), Mathew Gilliland (up to 23 August 2014) and Kate White, met on 5 May 2014, 23 June via email, 4 August 2014 & 28 August 2014 via email.

Directors' report (continued)

BOARD ATTENDANCE

Details of meetings of the Board of Directors held during the year are given below, including details of attendance at these meetings.

| | | 08/04/14 | 25/05/14 | 23/08/14* | 23/11/14 | 07/03/15 | TOTAL | |
|-------------------|---|----------|----------|-----------|----------|----------|-------|-----|
| | | T | | | | | Att | Elg |
| Ali Duncan | <i>Term began 27 August 2011 Appointed President 25 August 2012</i> | 1 | - | 1 | 1 | 1 | 4 | 5 |
| Mathew Gilliland | <i>Appointed 13 June 2012</i> | 1 | 1 | 1 | 1 | - | 4 | 5 |
| Lachlan Korvin | <i>Appointed 25 August 2012</i> | 1 | 1 | 1 | 1 | 1 | 5 | 5 |
| Alix Bateup | <i>Appointed 24 August 2013</i> | 1 | 1 | 1 | 1 | 1 | 5 | 5 |
| Samantha O'Neill | <i>Appointed 24 August 2013</i> | 1 | 1 | 1 | 1 | 1 | 5 | 5 |
| John de Zwart | <i>Treasurer/Secretary Term began 28 August 2010</i> | 1 | - | 1 | 1 | 1 | 4 | 5 |
| Michelle Vanzella | <i>Term began 28 August 2010</i> | 1 | 1 | 1 | - | 1 | 4 | 5 |
| Helen Souness | <i>Term began 27 August 2011</i> | 1 | 1 | - | 1 | - | 3 | 5 |
| Kieran Schneemann | <i>Term began 25 May 2014.</i> | | 1 | 1 | 1 | 1 | 4 | 4 |

T = Teleconference.

Elg = number of meetings for which the Director was a Member of the Board.

Att = number of Board meetings the Director attended.

* Annual General Meeting

Directors' report (continued)

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activity of CanTeen during the financial year was the nation wide support, development and empowerment of young people living with cancer (YPLWC) – young people aged between 12 and 24 years in Australia who has or has had cancer or who has or has had an immediate family member with cancer. CanTeen provides a variety of services including specialist youth cancer services (improving delivery of health and support services for patients), counselling, peer support programs and information resources as well as research, social policy development and advocacy.

RESULTS OF OPERATIONS

The surplus of the company for the financial year was \$2,971,005 (2014: \$1,132,057).

REVIEW OF OPERATIONS

CanTeen continued to fund the delivery of a national program of state-based youth cancer services based in hospitals and which provide specialist treatment and support for all young cancer patients across Australia. The highly innovative CanTeen Online continued to provide access to professional counselling 7 days per week over extended hours as well as peer support 24/7. Young people living with cancer are also supported by our face to face services in each state and territory where their individual needs are appropriately identified and support plans developed and enacted. CanTeen's face to face services include social workers, counsellors and youth workers providing a range of support and programs to help young people meet their needs.

The organisation also continued to provide psychosocial programs which facilitate skill development and peer support to help young people deal with the impact of cancer on their life. In addition a program aimed at creating more supportive school communities for YPLWC by educating students and teachers about the challenges of dealing with cancer was also developed.

The Now What books provide information to help YPLWC deal with the impact of cancer. These continue to be very popular with e-book versions developed as well as continuing to send out thousands of hard copies free of charge. Further opportunities for detailed information on cancer are available through CanTeen Online platform.

There has also been a strong focus on further building the capacity of our staff through training and the implementation of a human resources plan that has seen staff turnover reduced and engagement substantially increased.

DIVIDENDS

No dividend has been paid or declared since the start of the financial year (2014: nil).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There are no significant changes in the state of affairs of the company that occurred during the financial year not otherwise disclosed in this report or in the financial statements.

LIKELY DEVELOPMENTS AND FUTURE RESULTS

In the opinion of the Directors there are no likely changes in the operations of the company which will adversely affect the results of the company in subsequent financial years.

Directors' report (continued)

ENVIRONMENTAL REGULATION

The Directors have assessed whether there are any significant environmental regulations which apply to the entity and have determined that there are none.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit.

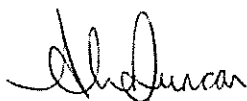
INSURANCE OF OFFICERS

CanTeen paid an insurance premium in respect of a contract insuring each of the Directors of the company named earlier in this report and each executive officer against all liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law.

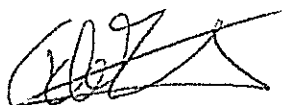
AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is set out on page 6 and forms part of the Directors' Report.

This report has been made in accordance with a resolution of Directors.



Ali Duncan
President



John de Zwart
Treasurer

Date: 30 June 2015



Auditor's Independence Declaration

As lead auditor for the audit of CanTeen - The Australian Organisation for Young People Living with Cancer for the year ended 31 March 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of CanTeen - The Australian Organisation for Young People Living with Cancer during the period.

A handwritten signature in black ink, appearing to read 'MK Graham', written over the printed name.

MK Graham
Partner
PricewaterhouseCoopers

Sydney
30 June 2015

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Statement of Comprehensive Income

| YEAR ENDED 31 MARCH 2015 | Note | 2015 | 2014 |
|--|-------|---------------------|---------------------|
| | | \$ | \$ |
| Revenue from continuing operations | 2 (a) | 31,477,248 | 23,975,488 |
| Total Operating revenue | | 31,477,248 | 23,975,488 |
| Fundraising expenses | 2 (b) | (11,855,344) | (10,103,956) |
| Consulting expenses | | (83,931) | (85,628) |
| Direct program expenses | | (6,178,906) | (2,173,687) |
| YCF program expenses | | - | (990,093) |
| Occupancy expenses including division offices | | (1,330,889) | (1,426,529) |
| Personnel expenses including program staff | | (8,060,601) | (7,014,574) |
| Transport expenses | | (344,015) | (305,241) |
| Other expenses from ordinary activities | | (652,557) | (743,723) |
| Total Operating Expenses | | (28,506,243) | (22,843,431) |
| Profit/(Loss) before income tax | | 2,971,005 | 1,132,057 |
| Income tax expense | 1 (d) | - | - |
| Surplus/(deficit) for the year | | 2,971,005 | 1,132,057 |
| Other comprehensive income | | - | - |
| Total comprehensive income/(expense) income for the year | | 2,971,005 | 1,132,057 |
| Total comprehensive income/(expense) attributable to Members of CanTeen – The Australian Organisation for Young People Living with Cancer | | 2,971,005 | 1,132,057 |

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

Statement of Financial Position

| AS AT 31 MARCH 2015 | Note | 2015 \$ | 2014 \$ |
|----------------------------------|-------|-------------------|------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 14(a) | 6,529,926 | 6,159,268 |
| Trade and other receivables | 4 | 244,425 | 146,412 |
| Inventories | 5 | 179,562 | 276,358 |
| Other current assets | 6 | 5,912,251 | 1,885,136 |
| Total Current Assets | | 12,866,164 | 8,467,174 |
| Non-Current Assets | | | |
| Property, plant and equipment | 7 | 180,470 | 250,844 |
| Intangible assets | 8 | 89,583 | 73,731 |
| Total Non-Current Assets | | 270,053 | 324,575 |
| Total Assets | | 13,136,217 | 8,791,749 |
| Current Liabilities | | | |
| Trade and other payables | 9 | 3,594,166 | 2,426,846 |
| Provisions | 10 | 566,590 | 461,451 |
| Total Current Liabilities | | 4,160,756 | 2,888,297 |
| Non-Current Liabilities | | | |
| Other non-current Provisions | 11 | 318,525 | 217,521 |
| Total Liabilities | | 4,479,281 | 3,105,818 |
| NET ASSETS | | 8,656,936 | 5,685,931 |
| MEMBERS' FUNDS | | | |
| Retained surplus | 12 | 8,656,936 | 5,685,931 |

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

Statement of Changes in Equity

| YEAR ENDED 31 MARCH 2015 | Note | 2015 \$ | 2014 \$ |
|---|------|------------------|------------------|
| Members' funds at the beginning of the financial year | | 5,685,931 | 4,553,874 |
| Total comprehensive income/(expense) for the year | | 2,971,005 | 1,132,057 |
| Members' funds at the end of the financial year | 12 | <u>8,656,936</u> | <u>5,685,931</u> |

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

Statement of Cashflows

| YEAR ENDED 31 MARCH 2015 | Note | 2015 \$ | 2014 \$ |
|---|--------------|--------------------|------------------|
| Cash flows from operating activities: | | | |
| Receipts from donations, grant income and other sources | | 31,129,944 | 23,479,187 |
| Payments to suppliers and employees (inclusive of goods and services tax) | | (26,879,268) | (22,495,169) |
| Interest received | | 203,729 | 162,074 |
| Net cash inflow / (outflow) from operating activities | | 4,454,405 | 1,146,092 |
| Cash flows (used in) / from investing activities: | | | |
| Purchase of plant and equipment | | (55,487) | (94,929) |
| Purchase of computer software | | (73,824) | (43,704) |
| Payments for held to maturity investments | | (4,500,000) | (500,000) |
| Proceeds from held to maturity investments | | 500,000 | 1,034,285 |
| Proceeds from the sale of property, plant and equipment | | 45,564 | 45,100 |
| Net cash inflow / (outflow) from investing activities | | (4,083,747) | 440,752 |
| Net increase / (decrease) in cash and cash equivalents | | 370,658 | 1,586,844 |
| Cash and cash equivalents at the beginning of the financial year | | 6,159,268 | 4,572,424 |
| Cash and cash equivalents at the end of the financial year | 14(a) | 6,529,926 | 6,159,268 |

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

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes financial statements for CanTeen - The Australian Organisation for Young People Living with Cancer as an individual entity. The financial report is presented in the Australian currency.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Australian Charities and Not for Profit Commission (ACNC) Act 2012. CanTeen - The Organisation for Young People Living with Cancer is a not for profit entity for the purposes of preparing the financial statements.

New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2015 reporting periods. The Company's assessment of the impact of these new standards and interpretations which may be applicable to the company is set out below:

| Title of standard | Nature of change | Impact |
|---|--|---|
| AASB15 Revenue from contracts with customers | <p>The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.</p> <p>The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.</p> <p>The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (e.g. 1 January 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.</p> | <p>Management is currently assessing the impact of this new standard.</p> <p>At this stage, the company is not able to estimate the impact of the new rules on the company's financial statements. The company will make more detailed assessments of the impact over the next twelve months.</p> |

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no significant areas which involve a high degree of complexity or judgement or where assumptions and estimates are significant to the financial statements of CanTeen - The Australian Organisation for Young People Living with Cancer.

Notes to the Financial Statements (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of the amount of goods and services tax (GST).

Sales of goods

Sales revenue represents revenue earned (net of returns, discounts and allowances) from the sale of products. Sales revenue is recorded when the goods are provided.

Interest revenue

Interest revenue is recognised when control of the right to receive the interest payment exists.

Voluntary income

Donations, fundraising income and other voluntary income are recognised as revenue when received. The entity takes all steps possible to gain assurance over the completeness of such revenue. However due to the nature of this income it is not possible to achieve absolute assurance regarding its completeness.

Bequest revenue

Bequest revenue is recognised when unconditional control of the right to receive the bequest exists.

(c) Government Grants

Grants from the government are recognised when the entity gains control of the contribution, it is probable that the economic benefits from the contribution will flow to the entity and the amount of the contribution can be measured reliably. The entity is considered to gain control of the contribution when it has provided the services outlined in the grant agreement.

As such revenue from government grants are deferred and recognised in the profit and loss over the period necessary to match them with the costs that they are intended to compensate.

(d) Taxes

Income taxes

The company is exempt from all income taxes. As a consequence no provision has been made as at 31 March 2014 and 31 March 2015 for income taxes.

Goods and services tax

Revenues, expenses and assets are recognised net of the amounts of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cashflows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the Financial Statements (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Trade receivables

Trade and other receivables are recorded at amounts due less any provision for doubtful debts. The carrying value approximates net fair value. Trade and other receivables are non-interest bearing.

Credit risk is minimised in relation to trade receivables due to the predominately cash basis of the business.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(g) Investments

The term deposits do not satisfy the definition of a 'highly liquid' instrument as they have a maturity of greater than 3 months and funds can not be accessed on request. As such the term deposits have been classified as investments rather than cash or cash equivalent.

(h) Inventories

Inventories (bandannas, badges and pens) are stated at lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average cost.

(i) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the company. The carrying amount of accounts payable approximates net fair value. Trade and other creditors are non-interest bearing.

(j) Interest bearing liabilities

All loans are measured at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

(k) Plant and equipment

Plant and equipment is carried at cost and depreciated over its useful economic life using the straight-line method. Depreciation rates are as follows:

| | | | |
|------------------------|-----|------------------------|-----|
| Furniture and Fittings | 20% | Computer Software | 40% |
| Office Equipment | 25% | Leasehold Improvements | 20% |
| Computer Equipment | 40% | Motor Vehicles | 23% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(o)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Comprehensive Income.

Notes to the Financial Statements (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Intangible assets

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the company has an intention and ability to use the asset.

(m) Employee benefits

i) Wages and Salaries, annual leave and sick leave

Liabilities for wages and salaries including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. No provision is made for non-vesting sick leave as the anticipated pattern of future sick leave taken indicates that accumulated non-vesting leave will never be paid.

ii) Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(n) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis.

(o) Impairment of assets

Assets 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 an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Notes to the Financial Statements (continued)

2. OPERATING SURPLUS

| | 2015 | 2014 |
|---|--------------------------|--------------------------|
| | \$ | \$ |
| (a) Operating surplus is after crediting the following revenues: | | |
| National Bandanna Day income | 1,106,649 | 1,048,751 |
| Merchandise | 1,447 | 2,811 |
| Telemarketing | 740,423 | 1,102,460 |
| Donations | 140,204 | 231,422 |
| Fundraising excluding grants | 1,569,195 | 2,002,037 |
| Grants | 7,060,898 | 2,181,117 |
| Regular Giving Program | 19,358,960 | 15,019,404 |
| Other direct marketing | 320,058 | 336,270 |
| Total fundraising income | <u>30,297,834</u> | <u>21,924,272</u> |
| YCF income | - | 1,424,736 |
| Bequest income | 919,709 | 411,698 |
| Total revenues from core charitable activities | <u>31,217,543</u> | <u>23,760,706</u> |
| <i>Other revenues:</i> | | |
| Interest received – other persons /corporations | 203,729 | 162,074 |
| Other revenue | 55,976 | 52,708 |
| Total other revenues from ordinary activities | <u>259,705</u> | <u>214,782</u> |
| Total Operating Revenues | <u><u>31,477,248</u></u> | <u><u>23,975,488</u></u> |

The YCF ceased to exist in the 2013-14 financial year and therefore has no income or expenditure in the current financial year.

(b) Operating surplus is after charging the following expenses:

| | | |
|---|-------------------|-------------------|
| Depreciation and amortisation of property, plant and equipment: | | |
| Furniture and Fittings | 12,189 | 10,265 |
| Office Equipment | 4,618 | 4,747 |
| Computer Equipment | 8,032 | 38,330 |
| Motor Vehicles | 62,842 | 65,389 |
| Leasehold Improvements | 38,179 | 24,438 |
| Amortisation of Computer Software | 57,971 | 122,128 |
| Total depreciation and amortisation | <u>183,831</u> | <u>265,297</u> |
| Fundraising expenses: | | |
| National Bandanna Day expenses | 681,165 | 688,572 |
| Regular Giving Program expenses | 9,959,691 | 7,947,675 |
| Other fundraising expenses | 1,214,488 | 1,467,709 |
| Total fundraising expenses | <u>11,855,344</u> | <u>10,103,956</u> |

Notes to the Financial Statements (continued)

2. OPERATING SURPLUS (CONTINUED)

| | 2015 | 2014 |
|------------------------------|---------|---------|
| | \$ | \$ |
| <i>Other expense item:</i> | | |
| Operating lease rentals | 702,245 | 589,424 |
| Superannuation contributions | 641,113 | 532,670 |

3. INCOME AND EXPENDITURE – FUNDRAISING APPEALS

| | 2015 | 2014 |
|--|---------------------|---------------------|
| | \$ | \$ |
| (i) Details of aggregate gross income and total expenses of fundraising appeals | | |
| Gross proceeds from fundraising appeals | 30,297,834 | 21,924,272 |
| Costs of fundraising appeals | <u>(11,855,344)</u> | <u>(10,103,956)</u> |
| Net surplus obtained from fundraising appeals | <u>18,442,490</u> | <u>11,820,316</u> |

(ii) Statement showing how funds and goods received were applied to charitable purposes

| | | |
|---|-------------------|-------------------|
| Net surplus obtained from fundraising appeals | <u>18,442,490</u> | <u>11,820,316</u> |
|---|-------------------|-------------------|

This was applied to charitable purposes in the following manner:

| | | |
|---|---------------------|---------------------|
| Consulting expenses | (83,931) | (85,628) |
| Direct program expenses | (6,178,906) | (2,173,687) |
| YCS program expenses | - | (990,093) |
| Occupancy expenses including division offices | (1,330,889) | (1,426,529) |
| Personnel expenses including program staff | (8,060,601) | (7,014,574) |
| Transport expenses | (344,015) | (305,241) |
| Other expenses including depreciation | (652,557) | (743,723) |
| | <u>(16,650,899)</u> | <u>(12,739,475)</u> |

(iii) The surplus of \$1,791,591 between the \$18,442,490 available from fundraising appeals conducted and total expenditure of \$16,650,899 is included in the operating surplus for the year.

(iv) Fundraising appeals conducted during the financial period

Regular Giving Program
National Bandanna Day
Public, Corporate and Trust Donations
Events
Telemarketing
Direct Mail

Notes to the Financial Statements (continued)

4. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

| | 2015 | 2014 |
|--------------------------------|----------------|----------------|
| | \$ | \$ |
| Trade debtors | 244,425 | 146,412 |
| Provision for doubtful debtors | - | - |
| | <u>244,425</u> | <u>146,412</u> |
| Other receivables | - | - |
| | <u>244,425</u> | <u>146,412</u> |

Bad and doubtful trade receivables

All trade debtors outstanding at year end are deemed to be fully recoverable and therefore the provision for doubtful debtors is nil.

5. CURRENT ASSETS – INVENTORIES

| | 2015 | 2014 |
|------------------|----------------|----------------|
| | \$ | \$ |
| Goods for resale | <u>179,561</u> | <u>276,358</u> |
| | <u>179,561</u> | <u>276,358</u> |

6. OTHER CURRENT ASSETS

| | 2015 | 2014 |
|---------------|------------------|------------------|
| | \$ | \$ |
| Prepayments | 1,412,251 | 1,385,136 |
| Term deposits | <u>4,500,000</u> | <u>500,000</u> |
| | <u>5,912,251</u> | <u>1,885,136</u> |

The term deposits do not satisfy the definition of a 'highly liquid' instrument as they have a maturity of greater than 3 months and funds can not be accessed on request. As such the term deposits have been classified as investments rather than cash or cash equivalent.

Notes to the Financial Statements (continued)

7. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT

| | 2015 | 2014 |
|---------------------------------|-----------------|-----------------|
| | \$ | \$ |
| Furniture and Equipment | | |
| <i>Cost</i> | | |
| Opening balance | 94,486 | 70,978 |
| Additions | 18,849 | 23,508 |
| Disposals | - | - |
| Closing balance | <u>113,335</u> | <u>94,486</u> |
| <i>Accumulated depreciation</i> | | |
| Opening balance | (60,094) | (49,829) |
| Depreciation for the year | (12,189) | (10,265) |
| Disposals | - | - |
| Closing balance | <u>(72,283)</u> | <u>(60,094)</u> |
| Net book value | <u>41,052</u> | <u>34,392</u> |
| | | |
| Leasehold improvements | | |
| <i>Cost</i> | | |
| Opening balance | 176,056 | 139,621 |
| Additions | 34,637 | 52,345 |
| Disposals | (13,215) | (15,910) |
| Closing balance | <u>197,478</u> | <u>176,056</u> |
| <i>Accumulated depreciation</i> | | |
| Opening balance | (68,446) | (59,918) |
| Depreciation for the year | (38,179) | (24,438) |
| Disposals | 13,215 | 15,910 |
| Closing balance | <u>(93,410)</u> | <u>(68,446)</u> |
| Net book value | <u>104,068</u> | <u>107,610</u> |

Notes to the Financial Statements (continued)

7. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (CONTINUED)

| | 2015 | 2014 |
|---------------------------------|------------------|------------------|
| | \$ | \$ |
| Motor vehicles | | |
| <i>Cost</i> | | |
| Opening balance | 280,982 | 485,313 |
| Additions | - | - |
| Disposals | (124,584) | (204,331) |
| Closing balance | <u>156,398</u> | <u>280,982</u> |
| <i>Accumulated depreciation</i> | | |
| Opening balance | (191,502) | (330,444) |
| Depreciation for the year | (62,842) | (65,389) |
| Disposals | 124,584 | 204,331 |
| Closing balance | <u>(129,760)</u> | <u>(191,502)</u> |
| Net book value | <u>26,638</u> | <u>89,480</u> |
| Office Equipment | | |
| <i>Cost</i> | | |
| Opening balance | 49,294 | 74,949 |
| Additions | - | 4,141 |
| Disposals | - | (29,796) |
| Closing balance | <u>49,294</u> | <u>49,294</u> |
| <i>Accumulated depreciation</i> | | |
| Opening balance | (41,151) | (66,199) |
| Depreciation for the year | (4,618) | (4,747) |
| Disposals | - | 29,795 |
| Closing balance | <u>(45,769)</u> | <u>(41,151)</u> |
| Net book value | <u>3,525</u> | <u>8,143</u> |

Notes to the Financial Statements (continued)

7. NON-CURRENT ASSETS – PROPERTY PLANT AND EQUIPMENT (CONTINUED)

| | 2015 | 2014 |
|---|-----------------------|-----------------------|
| | \$ | \$ |
| Computer Equipment | | |
| <i>Cost</i> | | |
| Opening balance | 186,973 | 267,691 |
| Additions | 2,000 | 14,936 |
| Disposals | - | (95,654) |
| Closing balance | <u>188,973</u> | <u>186,973</u> |
| <i>Accumulated depreciation</i> | | |
| Opening balance | (175,754) | (233,078) |
| Depreciation for the year | (8,032) | (38,330) |
| Disposals | - | 95,654 |
| Closing balance | <u>(183,786)</u> | <u>(175,754)</u> |
| Net book value | <u>5,187</u> | <u>11,219</u> |
| Total property, plant and equipment, net | <u><u>180,470</u></u> | <u><u>250,844</u></u> |

8. INTANGIBLE ASSETS

| | 2015 | 2014 |
|---------------------------------|--------------------|--------------------|
| | \$ | \$ |
| Computer Software | | |
| <i>Cost</i> | | |
| Opening balance | 1,126,003 | 1,244,746 |
| Additions | 73,823 | 43,703 |
| Disposals | - | (162,446) |
| Closing balance | <u>1,199,826</u> | <u>1,126,003</u> |
| <i>Accumulated amortisation</i> | | |
| Opening balance | (1,052,272) | (1,092,591) |
| Amortisation for the year | (57,971) | (122,128) |
| Disposals | - | 162,447 |
| Closing balance | <u>(1,110,243)</u> | <u>(1,052,272)</u> |
| Net book value | <u>89,583</u> | <u>73,731</u> |

Notes to the Financial Statements (continued)

9. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

| | 2015 | 2014 |
|-----------------------------|------------------|------------------|
| | \$ | \$ |
| Unearned income | 2,777,092 | 1,550,273 |
| Trade payables | 543,254 | 651,722 |
| Accruals and other payables | 273,820 | 224,851 |
| | <u>3,594,166</u> | <u>2,426,846</u> |

10. CURRENT LIABILITIES- PROVISIONS

| | 2015 | 2014 |
|------------------------|----------------|----------------|
| | \$ | \$ |
| Annual leave provision | <u>566,590</u> | <u>461,451</u> |

11. NON-CURRENT LIABILITIES – PROVISIONS

| | 2015 | 2014 |
|--------------------|----------------|----------------|
| | \$ | \$ |
| Rent provision | 3,313 | - |
| Long service leave | 315,212 | 217,521 |
| | <u>318,525</u> | <u>217,521</u> |

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

| | 2015 | 2014 |
|--|--------------|----------|
| | \$ | \$ |
| <i>Rent Provision</i> | | |
| Carrying amount at the start of the year | - | 46,942 |
| Charged/(credited) to income statement | 3,313 | - |
| Unused amounts reversed | - | (46,942) |
| Transferred to current provisions | - | - |
| Carrying amount at the end of the year | <u>3,313</u> | - |

In the prior year CanTeen was advised that the building which houses the National Office would be sold. Consequently, an early exit from the lease was granted for no earlier than 31 December 2014. As a result of this the rent provision has been reversed as it is no longer needed.

Notes to the Financial Statements (continued)

12. RETAINED SURPLUS

| | 2015 \$ | 2014 \$ |
|---|-------------------------|-------------------------|
| Balance 1 April | 5,685,931 | 4,553,874 |
| Total comprehensive income for the year | <u>2,971,005</u> | <u>1,132,057</u> |
| Balance at 31 March | <u><u>8,656,936</u></u> | <u><u>5,685,931</u></u> |

13. COMMITMENTS

| | 2015 \$ | 2014 \$ |
|---|-----------------------|-----------------------|
| Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payables: | | |
| Not later than one year | 381,990 | 537,737 |
| Later than one year but not later than five years | <u>590,073</u> | <u>421,926</u> |
| | <u><u>972,063</u></u> | <u><u>959,663</u></u> |

Assets the subject of operating leases are commercial premises, motor vehicles and photocopiers.

14. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash

| | 2015 \$ | 2014 \$ |
|--|-------------------------|-------------------------|
| Cash at the end of the financial year as shown in the statement of cash flows is as follows: | | |
| Cash at bank and in hand | 4,029,926 | 2,659,268 |
| Short term deposit | <u>2,500,000</u> | <u>3,500,000</u> |
| | <u><u>6,529,926</u></u> | <u><u>6,159,268</u></u> |

The term deposit satisfies the definition of a "highly liquid" instrument as it has a maturity of 3 months. As such the term deposit has been classified as cash or cash equivalents in line *AASB 107 Statement of Cash Flows*.

Notes to the Financial Statements (continued)

15. FINANCIAL INSTRUMENTS

The company is exposed to certain risks arising from its use of financial instruments.

In the Director's opinion, there is no material difference between the book value and fair value of any financial instruments.

The Company has some exposure to credit risk and interest rate risk. There has been no material change to the financial instruments used within the business during the period.

(a) Interest Rate Risk Exposures

Interest rate risk is the risk that the value of financial assets will fluctuate due to changes in market interest rates. Exposures arise predominately from interest bearing term deposits that the company intends to hold to maturity. In the Director's opinion, fluctuations in the carrying amount of this term deposit are not expected to have a material impact on the financial statements. The Company's income and operating cash flows and the value of its other financial assets and liabilities are largely independent of changes in market interest rates.

(b) Credit Risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets held at the balance sheet date. The credit risk on financial assets of the company, which have been recognised on the Statement of Financial Position, is generally the carrying amount, net of any provisions for doubtful debts. The carrying amounts of financial assets included on the Statement of Financial Position represent the entity's maximum exposure to credit risk in relation to these assets.

Notes to the Financial Statements (continued)

16. RELATED PARTY DISCLOSURES

The following persons held the position of Director of CanTeen - The Australian Organisation for Young People Living with Cancer during all of the past two financial years, unless otherwise stated:

Member Directors

| | |
|---------------------------------------|--|
| Ali Duncan (President) | Appointed 27 August 2011 Appointed President 25 August 2012 |
| Cameron Ellis | Appointed 28 August 2010 Appointed Vice President 25 August 2012 Term ended 24 August 2013 |
| Matthew Gilliland | Appointed 13 June 2012 |
| Lachlan Korvin | Appointed 25 August 2012 |
| Samantha O'Neill | Appointed 24 August 2013 |
| Alix Bateup | Appointed 24 August 2013 |
| Associate Directors | |
| John de Zwart (Treasurer / Secretary) | Appointed 28 August 2010 Appointed Treasurer / Secretary 28 August 2010 |
| Michelle Vanzella | Appointed 28 August 2010 |
| Helen Souness | Appointed 27 August 2011 |
| Michael Saadie | Appointed 27 August 2011 Term ended 24 August 2013 |
| Kieran Schneemann | Appointed 25 May 2014 |

No Directors of the entity received, or were due to receive, remuneration (including brokerage, commissions, bonuses, and salaries), directly or indirectly, from the company in 2014 or 2015.

Key Management Personnel Compensation

CanTeen - The Australian Organisation for Young People Living with Cancer considers key management personnel to be an employee who has the authority and responsibility for planning, directing and controlling the activities of the company:

Details of remuneration of key management personnel are set out below:

| | 2015 | 2014 |
|------------------------------|---------|-----------|
| | \$ | \$ |
| Short-term employee benefits | 811,729 | 1,041,382 |

No related party activities occurred during the period or prior period.

17. CONTINGENT LIABILITIES

At the date of this report there are no known contingent liabilities to which the company may be liable.

18. SUBSEQUENT EVENTS

No matters have occurred since the balance sheet date that will impact the financial report at balance date.

Directors' declaration

In the directors' opinion:

(a) the financial statements set out on pages 7 to 24 are in accordance with the *Australian Charities and Not for Profit Commission (ACNC) Act 2012* including:

1. complying with Accounting Standards and *the ACNC Act*; and other mandatory professional reporting requirements, and
 2. giving a true and fair view of the company's financial position as at 31 March 2015 and of its performance, as represented by the results of its operations, changes in equity and its cash flows for the year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The declaration is made in accordance with a resolution of the directors.



Ali Duncan
President

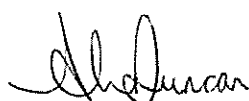


John de Zwart
Treasurer

Declaration by President in respect of Fundraising Appeals

I, Ali Duncan, President of CanTeen - The Australian Organisation for Young People Living with Cancer (CanTeen) declare that in my opinion:

- a) the accounts give a true and fair view of all income and expenditure with respect to fundraising appeals; and
- b) the Statement of Financial Position gives a true and fair view of the state of affairs of the organisation with respect to fundraising appeals and
- c) money received as a result of fundraising appeals conducted during that year has been properly accounted for and applied in accordance with this Act and the regulations; and
- d) the provisions of the Charitable Fundraising Act 1991 and the regulations under that Act and the conditions attached to the authority have been complied with by the organisation.



Ali Duncan
President



Independent auditor's report to the members of CanTeen- The Australian Organisation for Young People Living with Cancer

Report on the financial report

We have audited the accompanying financial report of CanTeen - The Australian Organisation for Young People Living with Cancer (the company), which comprises the statement of financial position as at 31 March 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* 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.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Basis for qualified auditor's opinion

Cash from donations and other fund-raising activities is a significant source of revenue for the company. The company's directors have determined that it is impractical to establish control over the collection of cash donations and other fund-raising activities prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from these sources was limited, our audit procedures with respect to cash donations and other fund raising activities had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion as to whether revenue from cash donations and other fund-raising activities is complete.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph above, the financial report of CanTeen- The Australian Organisation for Young People Living with Cancer is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the company's financial position as at 31 March 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* .


PricewaterhouseCoopers


MK Graham
Partner

Sydney
30 June 2015