



Prostate Cancer  
Foundation of Australia

# Prostate Cancer Foundation of Australia Limited

ABN: 42 073 253 924

As Trustee for Prostate Cancer Foundation of Australia

ABN: 31 521 774 656

**CONSOLIDATED FINANCIAL REPORT FOR  
THE YEAR ENDED 30 JUNE 2018**



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## DIRECTORS' REPORT

Your directors present their report together with the consolidated financial statements of the Group, which comprises Prostate Cancer Foundation of Australia Limited and its controlled entity Prostate Cancer Foundation of Australia ("PCFA") for the year ended 30 June 2018.

### Directors

The names of each person who has been a director during the year and to the date of this report are:

Mr Jim Hughes AM  
Mr Steve Callister  
Emeritus Professor Bruce Armstrong AM  
Mr Michael Brock  
Distinguished Professor Judith Clements AC  
Professor Mark Frydenberg AM  
Mr Chris Hall  
Mr Peter Haylen  
Associate Professor Andrew Kneebone  
Mr William Munro  
Mr John Palmer  
Mr Geoff Underwood  
Mr Ian Wagner  
Associate Professor Anthony Walker ASM

Resigned 10 August 2018

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

### Company Secretary

Associate Professor Anthony Lowe BA MA MMath Phd FIAA FIA was a Company Secretary to 31 January 2018  
Malcolm Freame BEc FCA GAICD was Company Secretary from 8 January 2018

### Principal Activities

The principal activities of PCFA during the 2017/18 financial year:

- Promoting and funding world leading, innovative research into Prostate Cancer
- Implementing awareness campaigns and education programs for the Australian community, health professionals and Government; and
- Supporting men and their families affected by prostate cancer through evidence-based information and resources, support groups and Prostate Cancer Specialist Nurses.

PCFA continued the Specialist Nursing Program with funds provided from the Commonwealth of Australia as represented by the Department of Health.

### Members Guarantee

In accordance with the company's constitution, each member is liable to contribute \$10 in the event the company is wound up. The total amount members would contribute is \$460.

### Operating Result

The operating surplus/(deficit) of PCFA for the year ended 30 June 2018 amounted to a surplus of \$435,495 (2017: surplus \$1,931,322).

### Dividends

PCFA is limited by guarantee and is not permitted to pay dividends.

## DIRECTORS' REPORT (Continued)

### Review of Operations

PCFA's operations for the year resulted in a surplus of \$435,495 (2017: surplus \$1,931,322) after the approval of research grants and specialist nursing program totalling \$6.63 million (2016/17 \$3.75 million).

### Significant Changes in State of Affairs

No significant changes to PCFA's state of affairs occurred during the financial year.

### After Balance Date Events

No further matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of PCFA, the results of those operations, or state of affairs of PCFA in future financial years.

### Future Developments

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

### Environmental Issues

PCFA's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### Objective

PCFA's objective is to reduce the impact of prostate cancer on Australian men, their partners and families, recognising the diversity of the Australian community.

To achieve this aim PCFA has continued to fund high quality research through its national grants programme, as noted above, promoted and supported the establishment of additional support groups which, nationally, now number in excess of 170, and raised awareness of prostate cancer through the production of several new publications and our regular newsletter, all of which are accessible via the PCFA website.

### Options

No options over issued shares or interests in PCFA were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

## Information on Directors

### Mr Jim Hughes AM – National Chairman GAICD, Snr Assoc, ANZIF

Jim has had an eleven-year involvement with PCFA. He has held senior positions in the insurance industry throughout Australia over many years and is actively involved in community activities.

He is a Senior Associate of the Australian and New Zealand Institute of Insurance and Finance and a graduate of the Australian Institute of Company Directors.

He is a past lecturer on corporate risk management and business strategy formulation on behalf of the Australian Institute of Company Directors. Jim is a Director of Youi Insurance, Ambooriny Burru Charitable Foundation and KRED Enterprises Charitable Trust. He is also a patron of the Apex Foundation of Australia and a Life Governor of the Apex Clubs of Australia.

### Mr Steve Callister – Deputy National Chairman BBus, MBA FCPA, FAICD, FAIM

Steve is Managing Director and Partner of an import wholesale company, dealing with all major retailers in Australia. His first role in 2005 was as Convenor of St Vincent's Prostate Cancer Support Group. Subsequent roles have been as Chairman of the NSW SAC, delegate to the National Support and Advocacy Committee and Chairman of the NSW Board. In May 2009 he became Chairman of PCFA's Marketing and Fundraising Committee of the National Board and National Deputy Chairman in April 2015.

## DIRECTORS' REPORT (Continued)

### **Emeritus Professor Bruce Armstrong AM FAA, BMedSc(Hons), MBBS(Hons), DPhil, FRACP, FFAPHM**

Bruce Armstrong was formerly a Professor of Public Health at the University of Sydney and the University of Western Australia. He is internationally recognised for his research into the causes and prevention of cancer, having published over 600 papers in scientific books and journals. His research has included work into trends in PSA testing in Australia and their effects on prostate cancer incidence and mortality, and the effects of diagnosis and treatment of prostate cancer on men's quality of life

He contributed extensively to the new Australian guidelines for PSA testing and early management of PSA detected prostate cancer developed by Prostate Cancer Foundation of Australia and Cancer Council Australia. Bruce was made a Member of the Order of Australia in 1998 for his work in cancer epidemiology, a Fellow of the Australian Academy of Science in 2000 and awarded an honorary MD by the University of Western Australia in 2017.

### **Mr Michael Brock**

Michael Brock is a real estate veteran of over 40 years. He has owned his own business since 1982 and is the largest shareholder of Harcourts SA.

He has twice been President of The Real Estate Institute of South Australia, served on the National Board, has conducted over 8000 residential auctions and was the inaugural Auctioneering Champion of the Australian Auctioneering Competition (the only South Australian to win this award).

He has also presented at The National Association of Realtors at a 20,000 delegate Conference in Atlanta USA, and still does presentations around Australia.

His service to the community includes being SA/NT Chairman of PCFA, Chair of the Burnside Hospital Major Fundraising Committee, Chair Sir Donald Bradman Collection Appeal; a Former Board Member of South Australian Housing Trust (now Housing SA), a former Board Member of The Australian Formula One Grand Prix Board (S.A.) and The Motor Sport Board (S.A.), a Life Member of St. Peters Old Collegians Football and Cricket Clubs and Life Member of Real Estate Institute of South Australia.

### **Distinguished Professor Judith Clements AC BAppSc, MAppSc, PhD (Endocrinology)**

Judith has been a member of the PCFA Queensland Board since its inception in 2008 and Chair since 2012. She has also served on the governing Councils of QIMR Berghofer (2002-2014) and Queensland University of Technology (2009-2012, 2014-2016).

She co-founded, and was Chair (2001-2017), of the Australian Prostate Cancer BioResource - a key national resource that underpins prostate cancer research nationally and co-led the Queensland node of the international genetics consortium for prostate cancer, PRACTICAL. She also co-founded the Australian Prostate Cancer Research Centre – Queensland (APCRC-Q) in Brisbane. She was awarded the Companion of the Order of Australia in 2015 for her work in the cancer field, education and as an advocate for the development of biomedical research facilities.

### **Professor Mark Frydenberg AM MBBS FRACS**

Professor Mark Frydenberg is a fellowship trained Urologic Oncologist and is a Professor in the Department of Surgery, Faculty of Medicine, Monash University. He was the Chairman of the Department of Urology, Monash Health between 1997-2017, is the immediate past president of the Urological Society of Australia and New Zealand and is the Urology councillor of the Royal Australasian College of Surgeons.

He sits on several government committees, as well as on the Editorial Boards of 2 major Urological journals. He has published 170 peer reviewed publications and has attracted significant competitive funding for Urological research predominantly in the area of prostate cancer.

## DIRECTORS' REPORT (Continued)

### **Mr Chris Hall BComm. (Hons), FCA**

Chris joined the Board of PCFA in May 2007 as Finance Director. He is a partner at KPMG and has been a member of the firms National Executive Committee and a board member. He was also a member of the Australian Auditing and Assurance Standards board until January 2011.

### **Mr Peter Haylen**

Peter established the law firm, Haylen McKenzie in 1987 and remains a senior partner. He continues to practise, frequently as an advocate in the field of industrial law, succession and insolvency. Peter was diagnosed with prostate cancer in 2010.

He joined Prostate Cancer Foundation of Australia's NSW/ACT State Board in 2011 and was appointed a National Director in 2015. Peter is also a foundation member of Medicins Sans Frontiers, a cricket umpire, former manager of women's cricket teams and is a member of Flags Australia.

### **Associate Professor Andrew Kneebone MBBS**

A/Professor Andrew Kneebone is a senior staff specialist in radiation oncology at the Royal North Shore and Gosford Hospitals as well as Genesis Cancer Care. He has nearly 20 years of experience as a prostate cancer specialist and is current co-chair of the national Radiation Oncology Genitourinary executive and has been an author on multiple National guidelines for definitive and post prostatectomy radiotherapy.

He has been a Chief investigator in trials attracting nearly \$8 million dollars in competitive grants and is leading a major multi-centre randomised trial evaluating the optimal timing for post prostatectomy radiotherapy. A/Prof Kneebone has also been listed as an author on more than 100 peer reviewed publications and has been invited speaker at more than 90 conferences or meetings

### **Mr William Munro MAICD**

Bill Munro has recently retired from a business career as a company director and merchant banker. He is a director and committee member of a number of not-for-profit organisations, chairman of PCFA in Western Australia and in the past, has been Chairman of the Royal West Australian Institute for the Blind, a Director of Homeswest, and a Board member of the WA Theatre Company.

Bill is a Vietnam veteran and maintains his ex-service links through the Returned and Services League and the Royal Australian Regiment Association. He joined the Board of PCFA in Western Australia in 2011 and was appointed Chairman in 2014.

### **Mr John Palmer BA, BScApp (Building) Class 1 Hons, FAIM, FAIB, MIAA, Chartered Builder, JP.**

John is a Past President of the Rotary Club of Lane Cove and a Rotarian of 35 years. In 1997 he was the second Chairman of PCFA.

He is a retired Associate Lecturer University of Technology Sydney. John is a Chartered Builder and the owner and sole director of Building Durability Pty Ltd, T A Taylor (Aust) Pty Ltd and Research & Applied Technologies Pty Ltd.

In 1991 John established a joint venture with and was a Board Member of the TIANAO Building Repair Materials Institute in Tianjin China until 2002.

### **Mr Geoff Underwood Certificate of Business Studies (Real Estate)**

Geoff Underwood joined the Victoria/Tasmania Board of PCFA in 2011 and became chairman in 2015. He is a prostate cancer survivor keen to assist others with their understanding and personal experiences with prostate cancer.

Geoff is Managing Director of Underwood & Hume Pty Ltd, a town planning consultancy providing specialist services to government and private clients since 1981. He has expertise in policy formulation and administration having participated on policy committees for the Federal Government and chaired inquiries and policy reviews for the Victorian Government.

## DIRECTORS' REPORT (Continued)

### Mr Ian Wagner

Ian resided in Alice Springs for 40 years prior to relocating to the Adelaide Hills town of Mount Barker in December 2013. First becoming involved with the Alice Springs Prostate Cancer Support Group, when diagnosed with Prostate Cancer in 2009. Ian was Chairman of PCFA's National Support and Community Outreach Committee.

Ian was presented with the prestigious PCFA Max Gardner award in 2015 for distinguished service to the Prostate Cancer Foundation of Australia Support Group Network.

His community involvement includes being a past member of several committees; Schools, Sporting organisations etc. and a Government Advisory Board. He has been a member of the Lions Service Clubs for 44 years and is a Life Member of Lions Clubs International.

### Associate Professor Anthony Walker ASM BParamedicSc, GradDipEmergHlth, MEd

Tony Walker ASM is the Chief Executive Officer of Ambulance Victoria. He has over 30 years' experience working in a range of senior clinical governance, education and operational roles and is also an adjunct Associate Professor in the College of Health and Biomedicine at Victoria University.

Tony's academic qualifications include a Bachelor of Paramedic Studies, Graduate Diploma in Emergency Health and Master of Education and he is published in an extensive range of literature relating to advancements in paramedic care.

In 2010 Tony was diagnosed with Prostate Cancer at the age of 47 which was successfully treated with a radical prostatectomy and he has been an Ambassador with the Prostate Cancer Foundation of Australia since 2014.

### Meetings of Directors

During the year, 4 meetings of directors were held. Attendances by each director were as follows:

	Directors Meetings	
	Eligible to attend	Number attended
Mr Jim Hughes AM	4	4
Mr Steve Callister	4	4
Emeritus Professor Bruce Armstrong AM	4	4
Mr Michael Brock	4	2
Distinguished Professor Judith Clements AC	4	4
Professor Mark Frydenberg AM	4	4
Mr Chris Hall	4	3
Mr Peter Haylen	4	4
Associate Professor Andrew Kneebone	4	4
Mr William Munro	4	4
Mr John Palmer	4	4
Mr Geoff Underwood	4	3
Mr Ian Wagner	1	1
Associate Professor Anthony Walker ASM	4	4

### Indemnifying Officers or Auditor

During the financial year, PCFA paid a premium of \$1,870 (2017: \$4,400) to insure the directors and secretaries of the company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers about such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

## DIRECTORS' REPORT (Continued)

### Proceedings on Behalf of PCFA

No person has applied for leave of Court to bring proceedings on behalf of PCFA or intervene in any proceedings to which PCFA is a party for the purpose of taking responsibility on behalf of PCFA for all or any part of those proceedings. PCFA was not party to any such proceedings during the year.

### Auditor's 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 8 and forms part of the Directors' Report.

### Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

Signed in accordance with a resolution of the Board of Directors.



**Chris Hall**

Director

Dated this day of 18 October 2018

Sydney, NSW



## **Auditor's Independence Declaration**

As lead auditor for the audit of Prostate Cancer Foundation of Australia Limited for the year ended 30 June 2018, 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 Prostate Cancer Foundation of Australia Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'James McElvogue'.

James McElvogue  
Partner  
PricewaterhouseCoopers

Sydney  
18 October 2018

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue and other income	4	14,120,716	12,826,753
Administration employee benefit expenses		(1,562,856)	(1,725,133)
Direct fundraising expenses		(2,404,864)	(1,964,525)
Direct support group expenses		(412,810)	(573,334)
Research grants		(3,772,413)	(3,345,319)
Specialist Nursing Program		(2,854,931)	(408,045)
Direct awareness activity expenses		(712,488)	(1,041,984)
Other operating expenses		(1,964,859)	(1,826,601)
Loss on sale of financial assets		<u>-</u>	<u>(10,490)</u>
Current year surplus before income tax		<u>435,495</u>	<u>1,931,322</u>
Income tax expense		<u>-</u>	<u>-</u>
<b>Net current year Surplus</b>		<u>435,495</u>	<u>1,931,322</u>
 <i>Other Comprehensive Income</i>			
<i>Items that will be reclassified subsequently to profit and loss when specific conditions are met:</i>			
Loss on revaluation of available for sale financial assets		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>435,495</u></u>	<u><u>1,931,322</u></u>

*The accompanying notes form part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	6,417,539	7,619,286
Accounts receivable and other debtors	7	2,658,600	2,374,943
Other current assets	8	234,741	225,518
		<hr/>	<hr/>
<b>TOTAL CURRENT ASSETS</b>		<b>9,310,880</b>	<b>10,219,747</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	9	5,656	5,656
Plant and equipment	10	109,353	137,020
Leasehold Improvements	10	11,062	28,850
		<hr/>	<hr/>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>126,071</b>	<b>171,526</b>
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>		<b>9,436,951</b>	<b>10,391,273</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	958,508	759,606
Research grants payable	12	3,291,126	5,691,721
Specialist Nursing Program payable	12	1,619,491	592,737
Provisions	13	63,963	83,926
		<hr/>	<hr/>
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,933,088</b>	<b>7,127,990</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	11	1,681	1,681
Research grants payable	12	499,234	706,761
Provisions	13	93,280	80,668
		<hr/>	<hr/>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>594,195</b>	<b>789,110</b>
		<hr/>	<hr/>
<b>TOTAL LIABILITIES</b>		<b>6,527,283</b>	<b>7,917,100</b>
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>2,909,668</b>	<b>2,474,173</b>
<b>EQUITY</b>			
Reserves	14	-	-
Retained earnings		2,909,668	2,474,173
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>2,909,668</b>	<b>2,474,173</b>
		<hr/>	<hr/>

*The accompanying notes form part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
<b>Balance at 30 June 2016</b>		<b>542,851</b>	<b>(8,356)</b>	<b>534,495</b>
Total comprehensive income		1,931,322	-	1,931,322
Reserve written back on realisation of financial assets		-	8,356	8,356
<b>Balance at 30 June 2017</b>		<b>2,474,173</b>	-	<b>2,474,173</b>
Reserve written back on realisation of financial assets		-	-	-
Total comprehensive income		435,495	-	435,495
<b>Balance at 30 June 2018</b>		<b>2,909,668</b>	-	<b>2,909,668</b>

*The accompanying notes form part of these consolidated financial statements.*

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts and contributions from the public and government		12,959,538	10,976,623
Payments to suppliers and employees		(6,588,615)	(6,130,787)
Research grants and Specialist Nursing Program paid		(8,096,529)	(8,990,737)
Interest and other income received		<u>535,074</u>	<u>253,452</u>
Net cash generated from/ (used in) operating activities	19	<u>(1,190,532)</u>	<u>(3,891,449)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of investments		-	1,066
Payments for investments		-	-
Proceeds from sale of plant and equipment		-	150
Payments for plant and equipment		<u>(11,215)</u>	<u>(19,711)</u>
Net cash generated from/ (used in) investing activities		<u>(11,215)</u>	<u>(18,495)</u>
Net increase / decrease in cash held		<u>(1,201,747)</u>	<u>(3,909,944)</u>
Cash at the beginning of the financial year		<u>7,619,286</u>	<u>11,529,230</u>
Cash at the end of the financial year	6	<u><u>6,417,539</u></u>	<u><u>7,619,286</u></u>

*The accompanying notes form part of these consolidated financial statements.*

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**NOTE 1: CORPORATE INFORMATION**

The financial report of Prostate Cancer Foundation of Australia for the year ended 30 June 2018 was authorised for issue in accordance with a resolution of the directors.

Prostate Cancer Foundation of Australia Limited (the Company) is a company domiciled in Australia, the sole activity of which is to act as the corporate trustee of Prostate Cancer Foundation of Australia (the Trust). The consolidated financial statements as at and for the year ended 30 June 2018 comprise the Company and the Trust, collectively referred to as PCFA. PCFA is a not for profit entity.

The nature of the operations and principal activities of PCFA are described in the Directors' Report.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards-Reduced Disclosure Requirements (including Australian Accounting Interpretations), the *Australian Charities and Not-for-Profits Commission Act 2012* and its associated regulations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets and financial assets. All amounts are stated in Australian Dollars and in presenting the financial report are rounded to the nearest dollar.

**(a) Revenue**

Fundraising proceeds, bequests and donations are accounted for when received or when PCFA is legally entitled to the income.

Interest revenue is recognised on a proportional basis considering the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST) payable to the Australian Taxation Office.

Revenue from the sale of goods is recognised when control passes to the buyer.

**(b) Government Contributions**

PCFA will recognise government grants in the Statement of Comprehensive Income on a systematic basis over the period in which PCFA recognises, as expenses, the related costs for which the grants are intended to compensate, provided the condition that specified services are delivered or conditions fulfilled as stated in the funding agreements. These contributions are received on the condition that specified services are delivered or conditions fulfilled. These contributions are recognised at the fair value upon receipt at which time an asset is taken up in the Statement of Financial Position and the revenue recognised in the Statement of Comprehensive Income.

**(c) Donations in Kind**

Items donated for use are included at the fair value to PCFA where this value can be quantified, and a third party is bearing the cost.

No amounts are included in the financial statements for services donated by volunteers.

**(d) Expenditure**

Expenditure is accounted on an accrual basis and has been classified under headings that aggregate all costs relating to that category. The categories in the consolidated statement of comprehensive income reflect PCFA activities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**(e) Plant & Equipment**

Plant and equipment are measured on the cost basis, less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present value in determining their recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to PCFA commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the unexpired period of the lease.

The useful life applied for each class of depreciable assets is:

<b>Class of Fixed Asset</b>	<b>Useful Lives</b>
Computer equipment	1-5 years
Office furniture and equipment	10-20 years
Leasehold improvement	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive Income.

**(f) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to PCFA are classified as finance leases.

Finance leases, which transfer to PCFA substantially all the risks and benefits incident to ownership of the leased item, are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that PCFA will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term

**(g) Inventories**

Inventories of goods purchased for resale are valued at the lower of cost or net realisable value.

**(h) Financial Instruments**

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when PCFA becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that PCFA commits itself to either purchase or sell the asset (i.e. trade accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

*Classification and subsequent measurement*

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

Amortised cost is calculated as:

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

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

*(i) Financial assets at fair value through profit or loss*

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

*(ii) Loans and receivables*

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

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is PCFA's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

*(iv) Available-for-sale financial assets*

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

Available-for-sale financial assets are classified as non-current assets.

*(v) Financial liabilities*

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

*Fair Value*

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

*Impairment*

At each reporting date, PCFA assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

*Derecognition*

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

**(i) Impairment of Assets**

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

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when PCFA would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated cost of an asset.

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

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

**(j) Research Grants and Specialist Nursing Program**

Research grants are expensed through the Statement of Comprehensive Income and recognised as a liability when PCFA has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Specialist Nursing Program payments are expensed through the Statement of Comprehensive Income and recognised as a liability when PCFA has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

It is considered that upon PCFA National Board approval of the research grants or placement application and notification of success to the applicant organisation, PCFA is constructively obliged to fund the contract whereby an economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**(k) Employee Benefits**

Employee benefits comprise wages and salaries, annual, sick and long service leave, and contributions to employee superannuation funds.

Provision is made for PCFA's liability for employee benefits arising from services rendered by employees to balance sheet date. Employee benefits, expected to be settled within one year, together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits, payable later than one year, have been measured at the net present value.

Contributions are made by PCFA to employee superannuation funds and are charged as expenses when incurred. PCFA has no further obligation to pay further contributions to these funds if the funds do not hold sufficient assets to pay all employees benefits relating to employee service in current and prior periods. Liabilities for sick leave are recognised when the leave is taken and are measured at the rates paid.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**(l) Cash and Cash Equivalents**

Cash and cash equivalents in the consolidated statement of financial position include cash at bank, cash on hand, short-term deposits held with banks with an original maturity of six months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, other short-term highly liquid investments and bank overdrafts.

For the purposes of the statement of cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

**(m) Accounts Receivable and other debtors**

Accounts receivable which are expected to be collected within 12 months are classified as current assets. All other receivables are classified as non-current assets. Accounts receivable are initially recognised at fair value.

Collectability of accounts receivable is reviewed on an ongoing basis. Amounts that are known to be uncollectible are written off when identified.

**(n) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST. The amount of GST recoverable from or payable to the ATO is included with other receivables or payables in the Statement of Financial Position. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(o) Income Tax**

No provision for income tax has been made as PCFA is a charitable institution for the purposes of Australian taxation legislation and therefore exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

**(p) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when PCFA has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

Any reimbursement that PCFA is certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote in which case no liability is recognised.

**(q) Comparative Figures**

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

**(r) Accounts payable and other payables**

Accounts payable and other payables represent liabilities outstanding at the end of the reporting period for goods and services received by PCFA during the financial year which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of the payables is deemed to reflect fair value.

**(s) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements 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 PCFA.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

*Key Estimates – Impairment*

PCFA assesses impairment at each reporting date by evaluating conditions specific to PCFA that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

**(t) Basis of Consolidation**

Subsidiaries are entities controlled by the Group. The consolidated financial statements incorporate the assets and liabilities of all subsidiaries as at 30 June and results for the year then ended. Intragroup balances and transactions, and any unrealized income and expenses arising, are eliminated in preparing the consolidated financial statements.

**(u) New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been early adopted by the Group. These include:

- AASB 9 Financial Instruments (effective for the year ending 30 June 2019)
- AASB 15 Revenue from Contracts with Customers (effective for the year ending 30 June 2019)
- AASB 16 Leases (effective for the year ending 30 June 2020)
- AASB 1058 Income of Not-for-profit Entities (effective for the year ending 30 June 2020)

The Directors' are assessing the impact of these new standards (to the extent applicable to the Group) on the Group's financial statements in future reporting periods.

**NOTE 3: FUNDRAISING APPEALS CONDUCTED DURING THE FINANCIAL YEAR**

The following disclosures for the current period are included to comply with the *Australian Charities and Not-for-Profit Commission Act 2012*.

During the financial year PCFA raised funds primarily through:

- Solicited corporate and general donations;
- Gifts and bequests; and
- Charity events such as Movember.

**Results from fundraising appeals**

	<b>2018</b>		<b>2017</b>	
	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
Gross income from fundraising and donations	13,243,195		12,137,090	
Total cost of fundraising	<u>(2,404,864)</u>	18%	<u>(1,964,525)</u>	16%
Net income after fundraising costs	<u>10,838,331</u>	82%	<u>10,172,565</u>	84%
Total income	14,120,716		12,826,753	
Total expenditure	13,685,221		10,895,430	
Total payments to support services, research grants and specialist nursing service program, awareness activities, plus projects	8,217,962		5,587,098	
Payments to support services, research grants and specialist nursing service program, awareness activities, plus projects as a percentage of total income	58%		44%	
Payments to support services, research grants and specialist nursing service program, awareness activities, plus projects as a percentage of total expenditure	60%		51%	

Further information on the application of the net surplus from fundraising and other income is contained in the Statement of Comprehensive Income and the Statement of Cash Flows.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 4: REVENUE AND OTHER INCOME**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Revenue from government and other grants	2,444,962	1,774,000
Fundraising revenue:		
- Donations	522,741	404,798
- Corporate donations	1,368,097	1,578,015
- Major gifts	666,278	998,180
- Direct mail	1,085,269	906,238
- Community fundraising	2,803,475	2,684,212
- Major events	3,726,586	3,417,689
- Trusts and foundations	623,586	367,308
- Merchandise sales	2,202	6,650
Total fundraising revenue	<u>10,798,233</u>	<u>10,363,090</u>
Other revenue	419,637	109,865
Interest and dividends	115,437	143,587
Donations in kind	342,447	436,211
Total other income	<u>877,521</u>	<u>689,663</u>
Total revenue	<u>14,120,716</u>	<u>12,826,753</u>

**NOTE 5: NET SURPLUS FOR THE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Net surplus for the year has been determined after the following expenses:		
Strategic Projects Administration		
- Specialist Nursing Program administration	450,124	183,231
- Pathfinder Registry	39,457	39,377
- PSA Testing Guidelines/Decision Aid	31,273	4,000
- Prostate Cancer Survivorship Research Centre	273,124	175,002
Other Operating Expense		
- Rent	451,330	434,709
Depreciation		
- Furniture and equipment	35,576	83,400
- Leasehold Improvements	22,523	27,344
Employee benefits expense	2,941,223	3,057,900
- Including Key management personnel compensation	283,331	257,328
Auditor Remuneration		
- Audit services	55,000	54,400

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 6: CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Cash at bank	1,792,088	2,279,283
Cash on hand	875	1,086
Term deposits	4,624,576	5,338,917
	<u>6,417,539</u>	<u>7,619,286</u>

**NOTE 7: ACCOUNTS RECEIVABLE AND OTHER DEBTORS**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT</b>		
Accounts receivable	56,299	110,537
Movember income receivable	2,586,836	2,257,410
Interest receivable	15,465	6,996
	<u>2,658,600</u>	<u>2,374,943</u>

**NOTE 8: OTHER CURRENT ASSETS**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Prepayments	134,741	162,554
Other deposits	100,000	62,964
	<u>234,741</u>	<u>225,518</u>

**NOTE 9: FINANCIAL ASSETS**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>NON-CURRENT</b>		
<i>Held to Maturity financial instruments:</i>		
Rental deposits	5,656	5,656
	<u>5,656</u>	<u>5,656</u>

Held to maturity financial assets are comprised of bank deposits held.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 10: PLANT AND EQUIPMENT AND LEASEHOLD IMPROVEMENTS**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and equipment</b>		
At cost	488,238	480,328
Less accumulated depreciation	<u>(378,885)</u>	<u>(343,308)</u>
Total plant and equipment	<u>109,353</u>	<u>137,020</u>
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Leasehold Improvements</b>		
At cost	224,596	219,860
Less accumulated depreciation	<u>(213,534)</u>	<u>(191,010)</u>
Total leasehold improvements	<u>11,062</u>	<u>28,850</u>
<b>Movements in Carrying Amounts</b>		
	Plant and equipment	Leasehold improvement
<b>2017</b>	<b>\$</b>	<b>\$</b>
Balance at the beginning of the year	202,621	56,194
Additions at cost	19,711	-
Disposals at cost	(3,785)	-
Depreciation written off on disposal	1,873	-
Depreciation expense	<u>(83,400)</u>	<u>(27,344)</u>
Carrying amount at end of year	<u>137,020</u>	<u>28,850</u>
<b>2018</b>		
Balance at the beginning of the year	137,020	28,850
Additions at cost	7,910	4,735
Disposals at cost	-	-
Depreciation written off on disposal	-	-
Depreciation expense	<u>(35,577)</u>	<u>(22,523)</u>
Carrying amount at end of year	<u>109,353</u>	<u>11,062</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 11: TRADE AND OTHER PAYABLES**

	<b>2018</b>	<b>2017</b>
	\$	\$
Accounts payable and accruals	678,969	396,144
GST payable	96,295	138,979
Short-term employee benefits (Annual Leave)	<u>184,925</u>	<u>226,164</u>
	<u>960,189</u>	<u>761,287</u>

Financial liabilities at amortised cost classified as trade and other payables.

	<b>2018</b>	<b>2017</b>
	\$	\$
Accounts payable and other payables		
- Total current	958,508	759,606
- Total non-current	<u>1,681</u>	<u>1,681</u>
	<u>960,189</u>	<u>761,287</u>
Less short term employee benefits	<u>(184,925)</u>	<u>(226,164)</u>
Financial liabilities as trade and other payables	<u>775,265</u>	<u>535,123</u>

**NOTE 12: RESEARCH GRANTS AND SPECIALIST NURSING PROGRAM PAYABLE**

	<b>2018</b>	<b>2017</b>
	\$	\$
<b>CURRENT</b>		
Research grants payable	3,291,126	5,691,721
Specialist Nursing Program – Unearned Revenue	864,032	592,737
Specialist Nursing Program – Revenue Received in Advance	755,459	-
<b>NON-CURRENT</b>		
Research grants payable	499,234	706,761
Specialist Nursing Program payable	<u>-</u>	<u>-</u>
	<u>5,409,851</u>	<u>6,991,219</u>

Research grants payable relate to 26 (2017: 34) approved applications to which PCFA are presently committed. These will be paid over the next 3 financial years according to the agreed letters of offer.

Specialist Nursing Program payable is based on funds received from or committed by the Federal Government via the Department of Health during the 2017/18 financial year. Contracts have been awarded to provide nurses in hospitals at various locations around Australia and funds will be set aside for evaluation of the program. These funds are to be expended over three years.

**NOTE 13: PROVISIONS**

	<b>2018</b>	<b>2017</b>
	\$	\$
Long service leave	95,962	77,987
Nursing education	58,600	78,564
Lease incentive	<u>2,681</u>	<u>8,043</u>
	<u>157,243</u>	<u>164,594</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 13: PROVISIONS (CONTINUED)**

<b>Provisions</b>	<b>2018</b> \$	<b>2017</b> \$
- Current	63,963	83,926
- Non-current	93,280	80,668
	<u>157,243</u>	<u>164,594</u>

<b>2018</b>	Long service leave	Nursing education	Lease incentive
<b>Analysis of Total Provisions</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening balance at 1 July	77,987	78,564	8,044
Additional provisions raised during year	45,838	-	-
Amounts used	(27,863)	(19,964)	(5,363)
Balance at 30 June	<u>95,962</u>	<u>58,600</u>	<u>2,681</u>

**Provision for long-term employee benefits**

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 2(k) to this report.

**Provision for Nursing education**

A provision has been recognised for amounts provided for education purposes for nurses. These claims are expected to be settled in the next financial year. The provision is based on funds received from an endowment.

**Provision for Lease incentive**

The company entered into a new operating lease for PCFA's Melbourne office on 6 January, 2014 for a period of 5 years. PCFA received a rent-free incentive of \$26,812 in the form of rent, outgoings and parking. This incentive will be amortised over the life of the lease.

**NOTE 14: RESERVES**

**Asset Revaluation Reserve**

This reserve records the revaluation of financial assets classified as available-for-sale, which is the difference between the asset's carrying value and market value at balance sheet date.

	<b>2018</b> \$	<b>2017</b> \$
Opening balance 1 July 2017	-	(8,356)
Revaluation of available for sale assets	-	-
Reserve written back on realisation of financial assets	-	8,356
Balance 30 June 2018	<u>-</u>	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 15: CAPITAL AND LEASING COMMITMENTS**

**(a) Operating lease commitments**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable – minimum lease payments		
- not later than 12 months	372,098	361,347
- later than 12 months but not later than 5 years	724,034	690,756
- greater than 5 years	<u>162</u>	<u>343</u>
	<u>1,096,294</u>	<u>1,052,446</u>

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements within a three-year term. No capital commitments exist in regards to the operating lease commitments at year-end. Increase in lease commitments are in line with the lease agreements at an average increase of 4% upon each anniversary date. PCFA can renew the term of operating leases for a further three years upon termination of the current lease period.

**(b) Capital commitments**

PCFA have no capital commitments that require disclosure in this report.

**NOTE 16: CONTINGENT LIABILITIES AND ASSETS**

PCFA has a bank guarantee at 30 June 2018 for the performance of certain office lease commitments amounting to \$177,696 (2017: \$177,696).

PCFA has contingent assets totalling \$1,000,000 (2017: \$2,000,000) in relation to funding agreement receivable from the Movember Foundation. There is a contingent liability of \$1,000,000 for the payment of this grant.

PCFA has a contingent asset totalling \$7,772,823 (2017: \$5,900,000) in relation to funding agreement receivable from the Department of Health for the Specialist Nursing Program.

PCFA has a contingent liability totalling \$1,000,000 in relation to funding agreement payable for ANZUP Clinical Trial.

**NOTE 17: EVENTS AFTER BALANCE SHEET DATE**

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

**NOTE 18: RELATED PARTIES AND RELATED PARTY TRANSACTIONS**

**Directors' compensation**

The directors act in an honorary capacity and receive no compensation for their services.

**Transactions with related entities**

No amounts are payable to or receivable from director related entities at the reporting date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 19: CASH FLOW INFORMATION**

Reconciliation of cashflow from operations with (deficit)/surplus from ordinary activities after income tax

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Surplus/Deficit from ordinary activities	435,495	1,931,322
<i>Non-cash flows</i>		
Loss on Sale of Financial Assets	-	10,490
Loss on Sale of plant and equipment	-	1,763
Depreciation	56,671	110,744
<i>Changes in assets and liabilities</i>		
(Increase)/Decrease in receivables and other assets	(283,657)	(1,082,688)
(Increase)/Decrease in other current assets	(9,223)	(32,883)
Decrease in inventory	-	-
Decrease in nursing program & grants payable	(1,581,369)	(5,237,374)
Increase/(Decrease) in trade and other payables	198,903	277,180
Increase in provisions	(7,352)	64,231
	(1,190,532)	(3,891,449)

**NOTE 20: FOUNDATION DETAILS**

The registered office and principal place of business of PCFA is:

Level 3,  
39-41 Chandos Street  
St Leonards, New South Wales, 2065

**NOTE 21: PARENT ENTITY FINANCIAL INFORMATION**

The individual financial statements for the parent entity show the following aggregate amounts:

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Balance Sheet</b>		
Current Assets	-	-
Total Assets	-	-
Current Liabilities	-	-
Total Liabilities	-	-
Shareholders' Equity	-	-
Profit or Loss for the year	-	-
<b>Total Comprehensive Income</b>	-	-

Prostate Cancer Foundation of Australia Limited (ABN 42 073 253 924), a company limited by guarantee, is the corporate trustee for its only controlled entity, Prostate Cancer Foundation of Australia (ABN 31 521 774 656).

Prostate Cancer Foundation of Australia Limited is incorporated under the *Corporations Act 2001*. If it is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding and obligations of PCFA. As at 30 June 2018 the number of members were 46 (2017: 46).

## DIRECTORS' DECLARATION

The directors of PCFA declare that:

1. the consolidated financial statements and notes, as set out on pages 9 to 25, 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-Profit Commission Regulation 2013; and
  - (b) giving a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of PCFA.
2. in the directors' opinion, there are reasonable grounds to believe that PCFA 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.



**Chris Hall**  
Director

Dated this day of 18 October 2018  
Sydney, NSW



## *Independent auditor's report*

To the members of Prostate Cancer Foundation of Australia Limited

### *Our qualified opinion*

In our opinion, except for the possible effects of the matter[s] described in the *Basis for qualified opinion* section of our report, the accompanying financial report of Prostate Cancer Foundation of Australia Limited (the Company) and its controlled entities (together the Group) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### *What we have audited*

The Group financial report comprises:

- the consolidated statement of financial position as at 30 June 2018
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

### *Basis for qualified opinion*

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

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

**PricewaterhouseCoopers, ABN 52 780 433 757**

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### ***Independence***

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### ***Other information***

The directors are responsible for the other information. The other information comprises the information included in the Directors' report for the year ended 30 June 2018, including 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 identified above 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.

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### ***Responsibilities of the directors 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 in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group or to cease operations, or have no realistic alternative but to do so.

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### ***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 the 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 at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.

*Matters relating to the electronic presentation of the audited financial report*

This auditor's report relates to the financial report of Prostate Cancer Foundation of Australia Limited for the year ended 30 June 2018 included on Prostate Cancer Foundation of Australia Limited's web site. The directors of the Company are responsible for the integrity of Prostate Cancer Foundation of Australia Limited's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

A handwritten signature in black ink, appearing to read 'P. Allen Coopers', written over a light blue horizontal line.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'James McElvogue', written over a light blue horizontal line.

James McElvogue  
Partner

Sydney  
18 October 2018





Prostate Cancer  
Foundation of Australia

Prostate Cancer  
Foundation of Australia  
Level 3, 39-41 Chandos Street  
St Leonards NSW 2065

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