

**Cancer Society of New Zealand Auckland Northland Division  
Incorporated**

**Financial statements  
for the year ended 31 March 2022**

<b>Contents</b>	<b>Pages</b>
Directory	1
Independent auditor's report	2
Statements of comprehensive revenue and expense	4
Statements of changes in net assets/equity	5
Statements of financial position	6
Statements of cash flows	7
Notes to and forming part of financial statements	8-15

**Cancer Society of New Zealand Auckland Northland Division Incorporated  
Directory  
for the year ended 31 March 2022**

---

**DATE OF INCORPORATION** 20 February 1951

**REGISTERED OFFICE** 1 Boyle Crescent  
Grafton  
Auckland

**CHARITIES REGISTRATION NUMBER** CC22556

**INCORPORATION NUMBER** 221619

**PRESIDENT** C Kinser

**INDEPENDENT AUDITOR** BDO Auckland  
Auckland

**BANKERS** ANZ Bank  
Auckland

**SOLICITORS** Armstrong Murray  
Lawyers  
Auckland

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF CANCER SOCIETY OF NEW ZEALAND AUCKLAND NORTHLAND DIVISION  
INCORPORATED**

**Qualified Opinion**

We have audited the consolidated and separate financial statements of Cancer Society of New Zealand Auckland Northland Division Incorporated (“the Society”) and its controlled entity (together, “the Group”), which comprise the consolidated and separate statements of financial position as at 31 March 2022, and the consolidated and separate statements of comprehensive revenue and expense, consolidated and separate statements of changes in net assets/equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects on the corresponding figures of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Society and Group as at 31 March 2022, and their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) issued by the New Zealand Accounting Standards Board.

**Basis for Qualified Opinion**

Control over cash revenue of \$1,039,792 included in revenue from donations, appeals, grants & events and memoriam in the corresponding figures for the year ended 31 March 2021, prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. Accordingly, the completeness of revenue and related cash flows for the corresponding figures is unable to be determined. Our audit opinion on the consolidated and separate financial statements for the year ended 31 March 2021 was modified accordingly. Our opinion on the current year’s consolidated and separate financial statements is also modified because of the possible effect of this matter on the comparability of the current year’s figures and the corresponding figures.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society or its controlled entity.

**Board’s Responsibilities for the Consolidated and Separate Financial Statements**

The Board is responsible on behalf of the Society and Group for the preparation and fair presentation of the consolidated financial statements in accordance with PBE Standards RDR, and for such internal control as the Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Board is responsible on behalf of the Society and Group for assessing the Society and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Society and Group or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are 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 ISAs (NZ) 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 decisions of users taken on the basis of these consolidated and separate financial statements.

A further description of our responsibilities for the audit of the consolidated and separate financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>.

This description forms part of our auditor's report.

### **Who we Report to**

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Auckland*

BDO Auckland  
Auckland  
New Zealand  
27 June 2022

**Cancer Society of New Zealand Auckland Northland Division Incorporated**  
**Statements of comprehensive revenue and expense**  
**for the year ended 31 March 2022**

	<i>Note</i>	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Society 2022 \$</b>	<b>Society 2021 \$</b>
Revenue from non-exchange transactions	2	15,468,344	14,038,931	15,468,344	14,038,931
Revenue from exchange transactions	3	1,922,047	1,739,060	1,922,047	1,739,060
Investment income	5	116,643	1,012,116	622,730	750,139
Other income		4,164	9,038	4,164	9,038
<b>Total income</b>		<b>17,511,198</b>	<b>16,799,145</b>	<b>18,017,285</b>	<b>16,537,168</b>
Administration expenses	6	3,496,122	2,975,866	3,361,560	2,862,488
Research costs		3,599,385	2,441,061	3,599,385	2,441,061
Support service expenses		2,705,583	2,444,073	2,705,583	2,444,073
Domain Lodge accommodation expenses		1,302,250	1,285,681	1,302,250	1,285,681
Fundraising & promotion costs		3,125,191	3,002,126	3,125,191	3,002,126
Health promotion costs		230,826	414,301	230,826	414,301
Grant to Davis Carr Cancer Society Endowment Trust		-	-	2,850,122	2,815,478
<b>Total expenses</b>		<b>14,459,357</b>	<b>12,563,108</b>	<b>17,174,917</b>	<b>15,265,208</b>
<b>Surplus for the year attributable to members</b>		<b>3,051,841</b>	<b>4,236,037</b>	<b>842,368</b>	<b>1,271,960</b>
<b>Other comprehensive revenue and expense:</b>					
Fair value movement on available for sale financial assets		-	5,759,670	-	2,447,064
Gain or loss on available for sale financial assets transferred to surplus or deficit on sale	5	-	(553,047)	-	(553,047)
<b>Other comprehensive revenue and expense</b>		<b>-</b>	<b>5,206,623</b>	<b>-</b>	<b>1,894,017</b>
<b>Net surplus and total comprehensive revenue and expense for the period attributable to members</b>		<b>3,051,841</b>	<b>9,442,660</b>	<b>842,368</b>	<b>3,165,977</b>

This statement must be read in conjunction with the notes to the accounts and the audit report on pages 2-3

**Cancer Society of New Zealand Auckland Northland Division Incorporated**  
**Statements of changes in net assets/equity**  
**for the year ended 31 March 2022**

	<i>Note</i>	<b>Available for sale assets reserve \$</b>	<b>Accumulated funds \$</b>	<b>Total \$</b>
<b>Society</b>				
<b>2021</b>				
Balance at 1 April 2020		621,077	26,182,107	26,803,184
Comprehensive revenue and expense:				
Fair value movement - available for sale financial assets		2,447,064	-	2,447,064
Gain or loss on available for sale financial assets transferred to surplus or deficit on sale		(553,047)	-	(553,047)
Surplus for the year		-	1,271,960	1,271,960
Total comprehensive revenue and expense		1,894,017	1,271,960	3,165,977
<b>Balance at 31 March 2021</b>		<b>2,515,094</b>	<b>27,454,067</b>	<b>29,969,161</b>
<b>Society</b>				
<b>2022</b>				
Balance at 1 April 2021		2,515,094	27,454,067	29,969,161
Adjustment on Adoption of PBE IPSAS 41		(2,515,094)	2,515,094	-
Restated Balance at 1 April 2021		-	29,969,161	29,969,161
Net surplus and total comprehensive revenue and expense		-	842,368	842,368
<b>Balance at 31 March 2022</b>		<b>-</b>	<b>30,811,529</b>	<b>30,811,529</b>
<b>Group</b>				
<b>2021</b>				
Balance at 1 April 2020		4,731,224	39,283,418	44,014,642
Comprehensive revenue and expense:				
Fair value movement - available for sale financial assets		5,759,670	-	5,759,670
Gain or loss on available for sale financial assets transferred to surplus or deficit on sale		(553,047)	-	(553,047)
Surplus for the year		-	4,236,037	4,236,037
Total comprehensive revenue and expense		5,206,623	4,236,037	9,442,660
<b>Balance at 31 March 2021</b>		<b>9,937,847</b>	<b>43,519,455</b>	<b>53,457,302</b>
<b>Group</b>				
<b>2022</b>				
Balance at 1 April 2021		9,937,847	43,519,455	53,457,302
Adjustment on Adoption of PBE IPSAS 41		(9,937,847)	9,937,847	-
Restated Balance at 1 April 2021		-	53,457,302	53,457,302
Net surplus and total comprehensive revenue and expense		-	3,051,841	3,051,841
<b>Balance at 31 March 2022</b>		<b>-</b>	<b>56,509,143</b>	<b>56,509,143</b>


**Cancer Society of New Zealand Auckland Northland Division Incorporated**  
**Statements of financial position**  
**as at 31 March 2022**

	<i>Note</i>	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Society 2022 \$</b>	<b>Society 2021 \$</b>
<b>Equity</b>					
Accumulated funds		56,509,143	43,519,455	30,811,529	27,454,067
Available for sale assets reserve		-	9,937,847	-	2,515,094
<b>Total Equity</b>		<b>56,509,143</b>	<b>53,457,302</b>	<b>30,811,529</b>	<b>29,969,161</b>
<b>Non-current liabilities</b>					
Employee benefits	14	100,442	100,719	100,442	100,719
<b>Total non-current liabilities</b>		<b>100,442</b>	<b>100,719</b>	<b>100,442</b>	<b>100,719</b>
<b>Current liabilities</b>					
Trade payables - exchange transactions	13	1,850,663	419,370	1,848,311	383,921
Payables - non exchange transactions		-	157,703	-	398,278
Income in advance		40,200	143,000	40,200	143,000
Employee benefits	14	365,231	303,399	365,231	303,399
<b>Total current liabilities</b>		<b>2,256,094</b>	<b>1,023,472</b>	<b>2,253,742</b>	<b>1,228,598</b>
<b>Total liabilities</b>		<b>2,356,536</b>	<b>1,124,191</b>	<b>2,354,184</b>	<b>1,329,317</b>
<b>Total equity and liabilities</b>		<b>58,865,679</b>	<b>54,581,493</b>	<b>33,165,713</b>	<b>31,298,478</b>
<b>Non-current assets</b>					
Investments	10	44,823,354	42,037,215	19,123,388	18,754,200
Property, plant and equipment	11	3,864,138	4,180,656	3,864,138	4,180,656
Properties held for strategic purposes	12	5,168,253	5,238,178	5,168,253	5,238,178
<b>Total non-current assets</b>		<b>53,855,745</b>	<b>51,456,049</b>	<b>28,155,779</b>	<b>28,173,034</b>
<b>Current assets</b>					
Cash and cash equivalents	7	2,096,729	1,801,600	2,096,729	1,801,600
Investments	10	2,551,540	950,000	2,551,540	950,000
Receivables - exchange transactions	8	248,914	117,537	248,914	117,537
Receivables - non exchange transactions	9	-	150,000	-	150,000
GST receivable		112,751	106,307	112,751	106,307
<b>Total current assets</b>		<b>5,009,934</b>	<b>3,125,444</b>	<b>5,009,934</b>	<b>3,125,444</b>
<b>Total assets</b>		<b>58,865,679</b>	<b>54,581,493</b>	<b>33,165,713</b>	<b>31,298,478</b>

For and on behalf of the board:

Dated: 27 June 2022

  
 Chief Executive

  
 President

**Cancer Society of New Zealand Auckland Northland Division Incorporated**  
**Statements of cash flows**  
**for the year ended 31 March 2022**

	<i>Note</i>	<b>Group 2022 \$</b>	<b>Group 2021 \$</b>	<b>Society 2022 \$</b>	<b>Society 2021 \$</b>
<b>Cash flows from operating activities</b>					
Cash provided from:					
Receipts from public, services and other sources		17,309,331	15,620,619	17,309,331	15,620,619
Interest received		166,673	188,731	166,673	188,731
Dividends received		10,233	9,487	10,233	9,487
		<u>17,486,237</u>	<u>15,818,837</u>	<u>17,486,237</u>	<u>15,818,837</u>
Cash applied to:					
Payments to suppliers and to employees		(12,510,976)	(12,027,429)	(15,457,871)	(14,828,553)
<b>Net cash from operating activities</b>		<u>4,975,261</u>	<u>3,791,408</u>	<u>2,028,366</u>	<u>990,284</u>
<b>Cash flows from investing activities</b>					
Cash provided from:					
Proceeds from sale of property, plant & equipment		19,130	12,608	19,130	12,608
Proceeds from sale of investments		-	1,220,435	-	850,000
Cash applied to:					
Purchase of investments		(4,446,895)	(4,371,559)	(1,500,000)	(1,200,000)
Purchase of property, plant & equipment		(252,367)	(127,243)	(252,367)	(127,243)
<b>Net cash from investing activities</b>		<u>(4,680,132)</u>	<u>(3,265,759)</u>	<u>(1,733,237)</u>	<u>(464,635)</u>
<b>Net increase in cash, and cash equivalents</b>		295,129	525,649	295,129	525,649
Cash and cash equivalents at the beginning of the year		1,801,600	1,275,951	1,801,600	1,275,951
<b>Cash and cash equivalents at the end of the year</b>	7	<u>2,096,729</u>	<u>1,801,600</u>	<u>2,096,729</u>	<u>1,801,600</u>



## 1. Statement of significant accounting policies for the year

### Reporting entity

The Cancer Society of New Zealand Auckland Northland Division Incorporated ("the Society") is an incorporated society incorporated in New Zealand under the Incorporated Societies Act 1908 and registered under the Charities Act 2005. The Society is a public benefit entity for the purposes of financial reporting.

The Society is domiciled and operates in New Zealand. The primary objective of the Society is to provide support and counselling services for cancer patients. The Society also supports research into the causes and treatment of cancer.

### Group

The group consolidated financial statements include the Society and the Davis Carr Cancer Society Endowment Trust as described in note 15.

### Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with the Charities Act 2005 and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with *Public Benefit Entity International Public Sector Accounting Standards* ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities ("Tier2 PBE Standards"), for which all reduced disclosure regime exemptions have been adopted. The Group and Society are eligible to apply Tier 2 PBE Standards because they both have annual expenditure less than \$30 million and they are not publicly accountable.

These financial statements have been prepared under the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Financial assets at fair value through surplus or deficit (2021: available for sale financial assets) (note 10)

The financial statements are presented in New Zealand dollars (\$), which is the functional currency of the Society and Group's presentation currency, rounded to the nearest dollar. There has been no change in the functional currency of the Society during the year.

The accounting policies have been applied consistently to all periods presented in these financial statements except as noted below:

### Changes in accounting policies

#### *PBE IPSAS 41 Financial Instruments*

The Society and Group have early adopted PBE IPSAS 41 *Financial Instruments* for the year ended 31 March 2022. This new standard is effective for periods beginning on or after 1 January 2022, however the Society and Group have elected to early adopt this new standard. PBE IPSAS 41 establishes requirements for the recognition and measurement of financial instruments by Tier 1 and Tier 2 public benefit entities.

PBE IPSAS 41 supersedes PBE IPAS 29 *Financial Instruments: Recognition and Measurement*, which was previously applied by the Society and Group. PBE IPAS 29 is based on IAS 39 *Financial Instruments: Recognition and Measurement* issued by IASB. That standard has since been replaced by the IASB with IFRS 9 *Financial Instruments*. PBE IPSAS 41 is more aligned with IFRS 9.

In the case of disclosure requirements, the NZASB has amended PBE IPAS 30 *Financial Instruments: Disclosures* to include the disclosure concessions for Tier 2 entities, aligning to the equivalent requirements in NZ IFRS.

PBE IPSAS 41 provides users of financial statements with more useful information by:

- Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and objectives for which the asset is held;
- Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and
- Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance and creates a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

PBE IPSAS 41 also includes PBE-specific guidance and examples. For example it includes guidance and illustrative examples related to:

- Financial guarantees issued through non-exchange transactions;
- Concessionary loans;
- Equity instruments arising from non exchange transactions; and
- Fair value measurement.

Other than terminology and disclosure changes, the main impact of the adoption of PBE IPSAS 29, is a change in the treatment of the Society and Group's investments. Under PBE IPSAS 29, the Society and Group classified its investments as available for sale financial assets, with unrealised gains recorded through other comprehensive revenue and expense in the available for sale assets reserve. Under PBE IPSAS 41, the investments meet the definition of financial assets at fair value through surplus or deficit.

## 1. Statement of significant accounting policies for the year (continued)

### Critical accounting estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is noted below:

- The Board have judged that the Society and Group's investment properties are held for strategic purpose and therefore the properties are accounted for under PBE IPSAS 17 Property, Plant and Equipment and not PBE IPSAS 16 Investment Property (refer to note 12). The Society has adopted a strategy of purchasing properties adjacent to its Domain Lodge property, as they become available for sale, for the purpose of providing for the future development of Domain Lodge, having regard to its close proximity to the Auckland Public Hospital.

- The Board have judged that the Davis Carr Cancer Society Endowment Trust (Trust) is a special purpose entity controlled by the Society as the board appoints the trustees and the Society is the beneficiary of the Trust (refer to note 15).

- Revenue from bequests and legacies: Where there is a life interest associated with the bequest or legacy or the bequest or the legacy is being contested, the revenue from the bequest and legacy is not recognised until the revenue is measurable and probable.

### Foreign currency

Transactions in foreign currencies are converted at the New Zealand rate of exchange at the date of transaction. At the reporting date, any foreign currency monetary assets and liabilities are translated at the exchange rate at that date and any resulting exchange variations are included in surplus or deficit.

Foreign currency differences arising on retranslation are recognised in surplus or deficit, except for differences arising on the retranslation of available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive revenue and expense are reclassified to surplus or deficit), which are recognised in other comprehensive revenue and expense.

## 2 Revenue from non-exchange transactions

	Group 2022 \$	Group 2021 \$	Society 2022 \$	Society 2021 \$
Bequest and legacies				
- For general purposes	3,486,592	3,517,951	3,486,592	3,517,951
- For research	5,195,602	3,757,553	5,195,602	3,757,553
Donations, appeals, grants & events and memoriam	6,701,056	5,881,782	6,701,056	5,881,782
Grant from COVID wage subsidy and general COVID support	85,094	881,645	85,094	881,645
<b>Total revenue from non-exchange transactions</b>	<b>15,468,344</b>	<b>14,038,931</b>	<b>15,468,344</b>	<b>14,038,931</b>

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised.

### Fundraising

The Group's fundraising activities involve public cash collections. Fundraising non-exchange revenue is recognised at the point at which cash is received.

### Volunteer service

The Society would be unable to operate without the extensive volunteer service it receives from members, supporters, service groups and the general public. These services relate to both raising revenue and service delivery. Principal volunteer services include street collectors for Daffodil Day, entrants and organisers of Relay for Life events, numerous small fund raising events sponsored by individuals and service clubs, board members who provide governance to the Group, drivers who transport cancer patients to their treatment and meal service providers who deliver meals to cancer patients homes. Generally, the contributions made by individuals is not recorded in detail. No complete record of hours is available and the diverse nature of contribution and individuals involved means it is not possible to reliably value the services they provide. For this reason the value of volunteer services is not recognised as revenue.

### Grants, donations, legacies and bequests

The recognition of non-exchange revenue from grants, donations, legacies and bequests depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

### 3 Revenue from exchange transactions

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
Services income	139,005	67,927	139,005	67,927
Revenue from property rentals	345,201	396,354	345,201	396,354
Revenue from Domain Lodge accommodation	1,437,841	1,274,779	1,437,841	1,274,779
<b>Total revenue from exchange transactions</b>	<b>1,922,047</b>	<b>1,739,060</b>	<b>1,922,047</b>	<b>1,739,060</b>

#### Rendering of services

The Group's services includes information and health promotion services provided.

Revenue from services rendered is recognised in surplus or deficit in proportion to the stage-of-completion of the transaction at the reporting date. The stage of completion is assessed by reference to work performed at reporting date for services income.

Amounts received in advance for services to be provided in future periods are recognised as a liability until such time as the service is provided.

#### Rental income on properties held for strategic purposes

Rental income from properties held for strategic purposes is recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

#### Revenue from Domain Lodge accommodation

Revenue from Domain Lodge accommodation (rental of rooms) is recognised in surplus or deficit when rooms are occupied.

### 4 Employee benefit costs

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
Salaries and wages	4,935,891	4,683,782	4,935,891	4,683,782
Contributions to medical insurance	47,212	54,905	47,212	54,905
<b>Total employee benefit costs</b>	<b>4,983,103</b>	<b>4,738,687</b>	<b>4,983,103</b>	<b>4,738,687</b>

### 5 Investment income

#### Recognised in revenue

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
<i>Dividend income on financial assets at fair value through surplus or deficit (2021: available for sale financial assets)</i>				
Dividends	10,233	9,487	10,233	9,487
<i>Interest income from financial assets at amortised cost (2021: loans and receivables)</i>				
Interest on term deposits and bank balance	98,129	124,774	98,129	124,774
<i>Interest/distribution income on financial assets at fair value through surplus or deficit (2021: available for sale financial assets)</i>				
Interest/distribution income on bonds and managed funds	380,647	324,808	67,497	62,831
<i>Revaluation of investments at fair value through surplus or deficit</i>				
Stock, bonds and managed funds	(372,366)	-	446,871	-
<i>Income from available for sale financial assets on disposal</i>				
Realised gain or loss transferred from other comprehensive revenue and expense	-	553,047	-	553,047
<b>Total financial income</b>	<b>116,643</b>	<b>1,012,116</b>	<b>622,730</b>	<b>750,139</b>

Investment income comprises interest income on financial assets, gains on financial assets at fair value through surplus or deficit and dividend income. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method. Income from dividends is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

### 6 Administration expenses

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
<i>Administration expenses include the following:</i>				
Audit fee (for the audit of the financial statements)	34,713	32,012	26,675	24,250
Depreciation on property, plant & equipment (note 11)	552,371	557,771	552,371	557,771
Depreciation on properties held for strategic purposes (note 12)	69,925	69,925	69,925	69,925
Cancer Society Levy	882,884	719,241	882,884	719,241
Salaries and wages	614,224	606,850	614,224	606,850
Computer costs	381,970	359,842	381,970	359,842
Other administration expenses	960,035	630,225	833,511	524,609
<b>Total administration expenses</b>	<b>3,496,122</b>	<b>2,975,866</b>	<b>3,361,560</b>	<b>2,862,488</b>

7 Cash and cash equivalents

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
Cash on hand	700	1,050	700	1,050
Cash at bank on call	2,096,029	1,800,550	2,096,029	1,800,550
<b>Total cash and cash equivalents</b>	<b>2,096,729</b>	<b>1,801,600</b>	<b>2,096,729</b>	<b>1,801,600</b>

8 Receivables - exchange transactions

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
Accounts receivable	245,660	113,236	245,660	113,236
Other receivable	334	334	334	334
Accrued bank interest	2,920	3,967	2,920	3,967
<b>Total receivables - exchange transactions</b>	<b>248,914</b>	<b>117,537</b>	<b>248,914</b>	<b>117,537</b>

As at 31 March 2022 and 2021 there were no impairment allowances.

9 Receivables - non exchange transactions

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
Monetary legacies, bequests and grants	-	150,000	-	150,000
<b>Total receivables - non exchange transactions</b>	<b>-</b>	<b>150,000</b>	<b>-</b>	<b>150,000</b>

10 Investments

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
<i>Current investments</i>				
Financial assets at amortised cost (2021: loans and receivables) - term deposits with maturity under 12 months	2,350,000	950,000	2,350,000	950,000
Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) -bonds	201,540	-	201,540	-
	<u>2,551,540</u>	<u>950,000</u>	<u>2,551,540</u>	<u>950,000</u>
<i>Term investments</i>				
Financial assets at amortised cost (2021: loans and receivables) - term deposits with maturity over 12 months	-	1,400,000	-	1,400,000
Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) -bonds	-	208,100	-	208,100
Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) - shares	701,886	685,355	701,886	685,355
Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) - managed funds	44,121,468	39,743,760	18,421,502	16,460,745
	<u>44,823,354</u>	<u>42,037,215</u>	<u>19,123,388</u>	<u>18,754,200</u>

The investments held by the Society and Trust in unit funds are managed respectively by ANZ Investments and Nikko Asset Management New Zealand Limited and the Boards in accordance with the Statement of Investment Policy and Objectives.

**Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) - bonds**

**Group and Society**

Interest-bearing financial assets at fair value through surplus or deficit with a carrying amount of \$201,540 as at 31 March 2022 (2021: \$208,100) have a stated interest rate of 4 percent (2021: 4 percent) and mature in 0.68 years.  
The bonds are listed on the New Zealand stock exchange.

**Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) - shares**

**Group and Society**

The shares are listed on the New Zealand and London stock exchanges.

**Financial assets at fair value through surplus or deficit (2021:available for sale financial assets) - investments in managed funds**

**Group**

The fair value for the various managed funds financial assets at fair value through surplus or deficit is determined as follows:

Cash funds - at face value of the amounts held

Listed government and semi government securities - by reference to quoted bid price;

Unlisted investments - at valuation based on arm's length transactions, reference to other instruments that have substantially the same characteristics, discounted cash flow analysis and other pricing models;

Unit trusts - by reference to the quoted bid price.

## 11 Property, plant and equipment

	Land \$	Building \$	Plant & Equipment \$	Computers	Motor Vehicles \$	Total \$
<b>Group &amp; Society</b>						
<b>Cost</b>						
Balance at 1 April 2021	300,944	12,241,748	151,280	291,473	379,541	13,364,986
Additions	-	-	111,470	74,837	66,060	252,367
Disposals	-	-	(52,783)	-	(17,383)	(70,166)
<b>Balance at 31 March 2022</b>	<b>300,944</b>	<b>12,241,748</b>	<b>209,967</b>	<b>366,310</b>	<b>428,218</b>	<b>13,547,187</b>
<b>Accumulated depreciation</b>						
Balance at 1 April 2021	-	8,725,420	86,230	158,439	214,241	9,184,330
Depreciation for the year	-	408,058	19,485	78,105	46,723	552,371
Release on disposal	-	-	(52,783)	-	(869)	(53,652)
<b>Balance at 31 March 2022</b>	<b>-</b>	<b>9,133,478</b>	<b>52,932</b>	<b>236,544</b>	<b>260,095</b>	<b>9,683,049</b>
<b>Carrying amounts</b>						
At 31 March 2021	300,944	3,516,328	65,050	133,034	165,300	4,180,656
<b>At 31 March 2022</b>	<b>300,944</b>	<b>3,108,270</b>	<b>157,035</b>	<b>129,766</b>	<b>168,123</b>	<b>3,864,138</b>

Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Property, plant and equipment are shown at cost, less accumulated depreciation and impairment losses. All of the Group's items of property plant and equipment are subsequently measured in accordance with the cost model.

### Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. Depreciation is charged to surplus or deficit. Land is not depreciated. The useful lives and associated depreciation rates of major classes of assets have been estimated for current and prior period as follows:

Asset	Economic Life
Plant and Equipment	5 years
Computer equipment	3 years
Motor vehicles	6.7 years
Buildings	30 years

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

## 12 Properties held for strategic purposes

	Land	Buildings	Total
<b>Group &amp; Society</b>			
<b>Cost</b>			
Balance at 1 April 2021	4,175,651	2,097,760	6,273,411
Additions	-	-	-
<b>Balance at 31 March 2022</b>	<b>4,175,651</b>	<b>2,097,760</b>	<b>6,273,411</b>
<b>Accumulated depreciation</b>			
Balance at 1 April 2021	-	1,035,233	1,035,233
Depreciation for the year	-	69,925	69,925
<b>Balance at 31 March 2022</b>	<b>-</b>	<b>1,105,158</b>	<b>1,105,158</b>
<b>Carrying amounts</b>			
At 31 March 2021	4,175,651	1,062,527	5,238,178
<b>At 31 March 2022</b>	<b>4,175,651</b>	<b>992,602</b>	<b>5,168,253</b>

Properties held for strategic purposes comprises a number of domestic properties that are leased to third parties. Subsequent renewals are negotiated with the lessees. No contingent rents are charged.

Properties which are held for strategic purposes are held to meet service delivery objectives and are accounted for under PBE IPSAS 17 Property, Plant and Equipment. Refer to "property, plant and equipment" above.

Asset	Economic Life	Method
Buildings	30 years	Straight Line Method

The residual value, depreciation method and useful life of buildings is reviewed, and adjusted if applicable, at each financial year-end.

## 13 Trade payables - exchange transactions

	Group 2022 \$	Group 2021 \$	Society 2022 \$	Society 2021 \$
Trade payables from exchange transactions	1,850,663	419,370	1,848,311	383,921
<b>Total trade payables - exchange transactions</b>	<b>1,850,663</b>	<b>419,370</b>	<b>1,848,311</b>	<b>383,921</b>

#### 14 Employee benefit liabilities

	Group 2022	Group 2021	Society 2022	Society 2021
	\$	\$	\$	\$
<i>Current</i>				
Current portion of long-service leave (long term employee benefit)	5,034	6,596	5,034	6,596
Holiday pay accrual (short term employee benefit)	306,309	249,350	306,309	249,350
Accrued expense (short term employee benefit)	53,888	47,453	53,888	47,453
<b>Total current employee benefit liabilities</b>	<b>365,231</b>	<b>303,399</b>	<b>365,231</b>	<b>303,399</b>
<i>Non-current</i>				
Non current portion of long-service leave	100,442	100,719	100,442	100,719
<b>Total non-current employee benefit liabilities</b>	<b>100,442</b>	<b>100,719</b>	<b>100,442</b>	<b>100,719</b>
<b>Total employee benefit liabilities</b>	<b>465,673</b>	<b>404,118</b>	<b>465,673</b>	<b>404,118</b>

##### Short-term employee benefits

Employee benefits that the Group expects to be settled wholly within 12 months of reporting date are measured at nominal values based on accrued entitlements at current rates of pay on an undiscounted basis.

These include salaries and wages accrued up to reporting date, annual leave earned to, but not yet taken at reporting date, expected to be settled within 12 months.

##### Long-term employee benefits

Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities.

Provision is made for benefits accruing to employees in respect of long service leave based on the probability that settlement will be required.

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

#### 15 Group entity

The Society established the Davis Carr Cancer Society Endowment Trust (the Trust) on 31 March 2008 to maintain and develop Domain Lodge, assist with the work and activities of the Society and provide funds for cancer research and treatment and assistance to those with cancer. The Society has the power to govern the financial and operating policies of the Trust so as to benefit from the Trust's activities. The Board have judged that the Trust is a Group entity controlled by the Society as the Board appoints the trustees and the Society is the beneficiary of the Trust.

The reporting date for the Trust is 31 March. The principal activity of the Trust is investment.

##### **Basis of consolidation**

###### *Controlled entities*

Controlled entities are entities controlled by the Group, being where the Group has power to govern the financial and operating policies of another entity so as to benefit from that entity's activities. The financial statements of the Group's controlled entities are included in the financial statements from the date that control commences until the date that control ceases.

Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with controllers of the controlling entity in their capacity as controllers, within net assets/equity.

###### *Transactions eliminated on consolidation*

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

#### 16 Related party transactions

The following transactions were carried out with related parties during the year.

(1) Cancer Society of New Zealand Incorporated is partly funded by the Society. The Society is entitled to representation on the board of the Cancer Society of New Zealand Incorporated. In 2022 the Society paid administration and research levies of \$1,061,824 which is equal to 35% of the total divisional levy (2021: \$865,644). There was \$85,094 owing to the Society from Cancer Society of New Zealand Incorporated at year end (2021: nil)

(2) In 2022, the Society paid grants totalling \$2,850,122 to the Cancer Society Davis Carr Endowment Trust (the "Trust"). (2021: \$2,815,478). The balance as at 31 March 2022 owing to the Trust is \$37,157 (2021: \$240,578)

(3) In the current year, the Waikato/ Bay Of Plenty Division Cancer Society of New Zealand (Incorporated) paid the Society \$132,552 (2021: nil) for fundraising expertise and services .

(4) In 2022, the Society paid \$50,555 to Cancer Society Wellington Division for call centre services (2021: nil)

There are no fees paid to any board member.

##### **Key management personnel**

The Directors of the Society, Trustees of the Trust and executive team of the Society are considered to be the key management personnel of the Group and Society. Directors of the Society and Trustees of the Trust receive no remuneration.

Group and Society	2022 \$	Number of individuals	2021 \$	Number of individuals
Compensation to key management personnel:				
Short term employee benefits	902,626	6	852,294	6
	<u>902,626</u>		<u>852,294</u>	

## 17 Financial instruments

### Fair values

All financial instruments are recognised in the statement of financial position and are stated at carrying amounts that are also a reasonable approximation of their fair values.

### Classification of financial instruments

	Group 2022 \$	Group 2021 \$	Society 2022 \$	Society 2021 \$
<b>Current financial assets</b>				
<i>Financial assets at amortised cost (2021: loans and receivables)</i>				
Cash and cash equivalents	2,096,729	1,801,600	2,096,729	1,801,600
Financial assets at amortised cost (2021: loans and receivables)				
-term deposits with maturity under 12 months	2,350,000	950,000	2,350,000	950,000
<i>Financial assets at fair value through surplus or deficit (2021: available for sale financial assets)</i>				
Accounts receivable	245,660	113,236	245,660	113,236
Other receivables	334	334	334	334
Accrued bank interest	2,920	3,967	2,920	3,967
Non-exchange receivables	-	150,000	-	150,000
-bonds	201,540	-	201,540	-
<b>Non current financial assets</b>				
<i>Financial assets at amortised cost (2021: loans and receivables)</i>				
-term deposits with maturity over 12 months	-	1,400,000	-	1,400,000
<i>Financial assets at fair value through surplus or deficit (2021: available for sale financial assets)</i>				
-bonds	-	208,100	-	208,100
-shares	701,886	685,355	701,886	685,355
-managed funds	44,121,468	39,743,760	18,421,502	16,460,745
<b>Current financial liabilities</b>				
<i>Financial liabilities measured at amortised cost</i>				
Trade payables	1,850,663	419,370	1,848,311	383,921
Non-exchange payables	-	157,703	-	398,278

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial instrument when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

### Financial assets

The Society and Group's financial assets are classified as either *financial assets at amortised cost*, and *financial assets at fair value through surplus or deficit*.

The classification of the financial assets are determined at initial recognition .

The categorisation determines subsequent measurement and where any resulting income and expense is recognised. The categorisation is on the basis of both:

- The entity's management model for financial assets; and
- The contractual cash flow characteristics of the financial asset.

#### *Financial assets at amortised cost*

A financial asset is measured at amortised cost if the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding .

After initial recognition, these are measured at amortised cost using the effective interest rate method, less any allowance for impairment.

The Group's cash and cash equivalents, term deposits, receivables from non-exchange transactions and receivables from exchange transactions fall into this category of financial instruments.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with original maturities of three months or less.

Term deposits are those cash balances with original maturities of more than three months. Where a term deposit matures within 12 months, it is classified as a current asset. All other term deposits are classified as non-current assets.

**17 Financial Instruments (continued)**

*Financial assets at fair value through surplus or deficit*

Financial assets classified at fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.

Financial assets at fair value through surplus or deficit include equity and debt securities, and managed fund investments.

**Financial Liabilities**

Financial liabilities include payables (from exchange and non-exchange transactions).

The Group's financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

**Impairment of non-derivative financial assets**

Financial assets as amortised cost are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset. Impairment is recognised in surplus or deficit.

**18 Financial commitments and operating leases**

**Leases as lessee**

At balance date the Group and Society had operating lease commitments of \$nil (2021 - \$nil).

**Financial commitments:**

The group has resolved to provide support to the following entities in the next financial year:

	Next 12 months \$	Between 1 - 5 years \$	Beyond 5 years \$
<b>Group and Society 2022</b>			
Cancer Trials NZ - clinical trials	243,000	-	-
ACS Research Centre funding and other fundraising costs	2,126,000	-	-
	<u>2,369,000</u>	-	-
	Next 12 months \$	Between 1 - 5 years \$	Beyond 5 years \$
<b>Group and Society 2021</b>			
Cancer Trials NZ - clinical trials	243,000	-	-
ACS Research Centre funding and other fundraising costs	2,137,000	-	-
	<u>2,380,000</u>	-	-

**19 Contingencies**

**Contingent liability**

The Group and Society have no contingent liabilities as at 31 March 2022 (2021 - \$nil).

**Contingent assets**

At reporting date the Group and Society has received intimation concerning bequests which will be received in the future. These bequests cannot be quantified by the Group and Society as at reporting date due to fact that they cannot be reliably measured. A register is maintained of all the future bequests receivable.

This is available from the Domain Lodge, 1 Boyle Crescent, Grafton.

**20 Events after the reporting date**

There are no events subsequent to balance date requiring disclosure in these accounts.