

# Financial Statements

Gut Cancer Foundation

For the year ended 31 March 2021

# Contents

3	Entity Information
5	Approval of Financial Report
6	Statement of Service Performance
10	Statement of Financial Performance
11	Statement of Financial Position
12	Statement of Cash Flows
13	Statement of Accounting Policies
15	Notes to the Performance Report

# Entity Information

## Gut Cancer Foundation For the year ended 31 March 2021

### Legal Name of Entity

Gut Cancer Foundation Limited

### Entity Type and Legal Basis

Registered Company and Charitable Entity

### Registration Number

Charity Registration Number: CC 39174

Company number: 2195380

### Our Vision

Gut Cancer Foundation is committed to delivering an everlasting impact and positive change for all New Zealanders affected by gut cancers.

With help from our communities and international networks we can fund expert research, education and increase awareness to help our loved ones live their lives free of life-threatening gut cancers.

### Our Mission

Our mission is to be the voice for all cancers of the digestive system, improving survival rates, quality of life and reducing the number of New Zealanders diagnosed with this group of cancers.

We are motivated to give New Zealanders with gut cancers access to new treatments sooner and constantly support researchers to discover better ways to detect, diagnose and treat gut cancers. We want to ensure the causes and symptoms of gut cancers are better understood.

Together we can support the brightest minds to accelerate the research, contribute to global advancements, educate and increase awareness, so we can make a profound and positive impact on the lives of those impacted by or at risk of gut cancers.

### What we do

GCF's strategy is driven by 4 pillars:

1. Proactively drive research into the prevention, detection, and treatment of gut cancers by promoting and funding the use of, participation in and development of clinical trials and medical research.
2. Reduce incidence of gut cancer and increase early diagnosis by promoting public education and awareness of the symptoms and risk factors of gut cancers.
3. Improve clinical practice through education and partnerships and the free publication of research results.
4. Ensure organisational and financial stability.

### Creating a legacy of change

The Gut Cancer Foundation was founded in 2008 by Professor Michael Findlay, bowel cancer survivor Grant Baker, and pancreatic cancer survivor Paul Hargreaves. They recognised the need for a not-for-profit organisation that would fill the serious funding gap for clinical research focused on gut cancers in New Zealand.

Since then, their commitment to kick-starting conversation, advocating for support, and funding critical research has been further supported by a network of generous donors, trusts and corporate partners.

We are a not-for-profit organisation united through a collective focus on delivering an everlasting impact and positive change for all New Zealanders impacted by gut cancers.

The legacy of all donors and our community of supporters will contribute to a future where our loved ones can live their lives free of life-threatening gut cancers.

## Entity Structure

GCF has an executive made up of 1 full time Executive Officer who manages the strategic and operational direction of the organisation reporting to the board of directors, and 1 part time (0.75) fundraising and community engagement staff member. Reporting to the Executive Officer, this position implements much of the events fundraising, community engagement and digital marketing strategies for GCF.

GCF has a board of directors who meet 4 times a year. The board has a consumer representative, a marketing expert, a fundraising expert and medical researchers in oncology and gut cancers. In addition, GCF has a Scientific Advisory Committee who meet virtually at least twice a year. They advise the board on clinical research, assess any application for research funding made to GCF, and advise the board and executive regarding key messaging and approach to awareness raising.

GCF shares common Board members with Australia's GI Cancer Institute, a similar not-for-profit that raises money for the Australasian Gastro-Intestinal Trials Group (The AGITG), and maintains a close relationship with this very successful organisation.

## Main Sources of Entity's Cash and Resources

The Gut Cancer Foundation's activities are funded from a combination of grants and trusts and public donations. Our administration costs are mostly covered by the generosity of one major benefactor. The remainder is derived from public fundraising activities. The majority of expenditure on research is funded through grants from trusts and foundations, in combination with public donations and major fundraising activities. Similarly, our annual awareness raising activities are funded by a combination of grant income and public fundraising activities.

## Main Methods Used by Entity to Raise Funds

FY2021 has seen a significant increase in public donations thanks to investment and resourcing of community and events fundraising and the success of the new GIVE IT UP for Gut Cancer campaign, the Auckland Marathon and GCF's annual trek. An ongoing quarterly contribution from a major benefactor continues to underpin GCF's income and has been supplemented in FY2021 with significant contributions from a number of new major donors. Cash donations were also generated through 2 direct marketing and eDM appeals but income from Trusts and Foundations decreased this year with the ending of a multi-year funding agreement. A small amount of income is generated through the Gut Cancer Legacy Fund held with the Perpetual Guardian Foundation.

GCF were recipients of COVID-19 wage subsidy in FY2021 but otherwise receive no government funding.

## Entity's Reliance on Volunteers and Donated Goods or Services

There is significant reliance on the goodwill of the board members who have major connections with business and wealthy individuals. The board is extremely supportive. We have engaged more volunteers for key fundraising events and utilised community projects such as the Comms Collective to assist with expert knowledge. Investment in an additional part-time member of staff in FY2021 has lessened the reliance on volunteers. GCF is fortunate to receive donated services including central Auckland office space and e-comms services which save on significant elements of expenditure.

## Physical Address

Gut Cancer Foundation, Level 17, 191 Queen Street, Auckland CBD, 1010

# Approval of Financial Report

## Gut Cancer Foundation For the year ended 31 March 2021

The Board of Directors are pleased to present the approved financial report including the historical financial statements of Gut Cancer Foundation for year ended 31 March 2021.

APPROVED



Timothy Miles

Chairperson

Date 20/08/2021



Liam Willis

Chief Executive Officer

Date 20/08/2021

# Statement of Service Performance

## Gut Cancer Foundation For the year ended 31 March 2021

### Description of Entity's Outcomes

GCF's mission is to improve survival rates, life expectancy and quality of life for New Zealanders affected by gut cancers. To achieve this GCF's work focuses on 4 strategic objectives:

1. Proactively drive research into the prevention, detection, and treatment of gut cancers by promoting and funding the use of, participation in and development of clinical trials and medical research.
2. Reduce incidence of gut cancer and increase early diagnosis by promoting public education and awareness of the symptoms and risk factors of gut cancers.
3. Improve clinical practice through education and partnerships and the free publication of research results.
4. Ensure organisational and financial stability.

### To meet these strategic objectives GCF fundraises to:

1. Bring international clinical trials to New Zealand giving New Zealanders with gut cancers access to new treatment options and ensuring New Zealand's clinical workforce have the opportunity to participate in the latest advances available for the treatment of their patients.
2. Fund New Zealand based medical research and clinical studies to ensure New Zealand's gastro-intestinal research and clinician community are able to contribute to the latest international developments in the detection, diagnosis and treatment of cancers of the digestive system.
3. Work in conjunction with the clinician, care provider and research community to help New Zealand's workforce have access to the latest developments in clinical practice.
4. Educate the New Zealand public with key messaging about the best way to reduce the risk of developing gut cancers in particular; promotion of healthy lifestyles and educating on the signs and symptoms relating to cancers of the digestive system.
5. Ensuring sufficient, diverse and balanced investment in fundraising activities necessary to allow the continued and sustained investment in trials, research and awareness raising.

### Description and Quantification of the Entity's Outputs

Description and Quantification of the Entity's Outputs	Actual (This Year)	Actual (Last Year)
<b>Awareness Raising</b>		
Pancreatic Cancer Awareness Month - Media Coverage Value	583,327	0
Pancreatic Cancer Awareness Month - Key Mainstream Media Placements	5	0
Pancreatic Cancer Awareness Month - Social Media Reach	360,601	19,758
Pancreatic Cancer Awareness Month - Social Media Engagements	189,003	2,240
Ongoing Awareness Raising - Reach	74,450	n/a
Ongoing Awareness Raising - Engagement	2,982	n/a
Total website visitors	38,433	8,707
<b>Research and clinical trials</b>		
Number of clinical trials receiving grants	1	2
Number of patients accessing clinical trials from GCF grants	1	2

Total value of clinical trial grants made this year	\$7,914	\$15,827
Number of medical research/ studies funded	3	3
Total value of medical research/ studies funded	\$59,017	\$108,022
<b>Additional Output Measures</b>		
FY2021 income reserved for agreed trials and research - not yet distributed	\$24,017	\$18,000
<b>Additional income reserved for future research/ trial funding</b>		
Total value of additional FY2021 income to be reserved for new research and clinical trials - not yet distributed	\$140,480	\$0

### Research and Trials - Impact & Output

THYmine2 - This clinical study is investigating whether a test can be created to determine if patients receiving 5FU (fluoropyrimidine), a chemotherapy drug commonly used in the treatment of bowel and stomach cancer, are susceptible to potentially life-threatening side effects. GCF support is funding a clinical trials manager to manage the recruitment of patients, allowing the team to extend their work for a further year. Without the support of the Gut Cancer Foundation's donors, Dr Helsby's team would not be able to recruit additional patients, putting years of valuable and potentially life-saving work under threat. Dr Helsby said, "We are incredibly grateful to all the Gut Cancer Foundation supporters who have helped us extend this trial. Without your support, it would not be possible to recruit the number of patients necessary to make sure we have reliable and potentially life-saving results".

APEC study. This New Zealand study is investigating the interaction between Capecitabine and Proton Pump Inhibitors (PPI's), used for treatment of reflux and indigestion. Dr Edmond Ang and the team at the Auckland Cancer Trials Centre will review the potential impact of pantoprazole (a common PPI prescribed in New Zealand) on capecitabine absorption among patients undergoing capecitabine treatment for gut and breast cancer. This study seeks to answer a concern around day to day oncology practice that may have significant implications for thousands of patients with cancer of the digestive system across New Zealand and around the world, and will contribute to a pool of scientific evidence that would either support or refute the concerns raised about the effects of PPI on the pharmacokinetics of capecitabine. GCF's support provided seed funding or this study which allowed the team to approach additional funders to make up the difference. Without GCF's support it is unlikely this study would have found additional funding.

The role of the tumour microenvironment and its implication as a therapeutic target in hepatocellular carcinoma (HCC) - Through analysing liver cancer tissue, the study team have found that there is a large degree of heterogeneity in the immune cell infiltrate within a patient's tumour and between patients, highlighting the difficulty in treating liver cancer. PD-L1 expression is low in liver cancer and reflects the suboptimal response to immunotherapies seen in liver cancer to date. Furthermore, there is a lack of infiltrating T cells within the cancer which further limits the efficacy of these treatments. Vascular markers within liver cancer have been identified which could represent potential targets for immunotherapy. The team hope to better analyse and quantify these immune cell infiltrates and stromal markers to better understand the tumour microenvironment of liver cancer, so that patient care can be better optimised and tailored. Plans are being discussed for the next phase of research into the immune microenvironment in HCC, between NZ (Maurice Wilkins Centre/NZ Liver Transplant Unit) and Australia (Centenary Institute/AM Morrow Gastroenterology & Liver Centre).

ACTICCA-1 Clinical trial - GCF directly funded the costs of 1 patient to access this clinical trial giving a New Zealanders access to new treatment options and further enhancing our knowledge of how to treat this rare form of cancer.

#### Research Reserves:

- \$24,017 of GCF reserves is allocated for distribution to the THYmine2 and APEC studies in FY2022
- \$18,000 of GCF reserves is allocated to the MASTERPLAN clinical trial. This funding will give access to the trial for 2 New Zealanders with high-risk operable, borderline resectable (BRPC) and locally advanced pancreatic cancer (LAPC).
- \$40,480 of GCF reserves is allocated to the funding of additional pancreatic cancer research in FY2022
- \$100,000 of GCF reserves is allocated to additional grants for research and/ or clinical trials in FY2022

## **Awareness & Education - Impact & Output**

### Pancreatic Cancer Awareness Month

GCF dedicated resource to the join many other organisations globally for the 'Its About Time' World Pancreatic Cancer Awareness Month. The main objective of the campaign was to reach as many New Zealanders as possible to:

- Communicating that increased awareness and funding is vital to reducing the dire statistics associated with pancreatic cancer;
- Elevating awareness of the symptoms of pancreatic cancer to encourage proactivity by the public to seek advice and support;
- Leverage the GCF's local presence and the global awareness drive (WPCD) to heighten awareness and discussions about this disease;

In addition to the reach and engagement on social media noted above, the success of the campaign was measured by the number of New Zealanders we managed to reach with these vital messages. GCF worked with a PR agency to develop campaign videos and social media collateral to help secure the desired results. The campaign received excellent coverage in the mainstream media including segments on/ in:

#### Newshub:

<https://www.newshub.co.nz/home/new-zealand/2020/11/pancreatic-cancer-radiotherapy-trial-hopes-to-improve-low-survival-rate.html?fbclid=IwAR0vJ5xmJOS2NgumNObwhsw6CZR--R2ec9fR4krDGUjb8Vd83S8OclbMbiY>

#### Breakfast TV:

<https://www.facebook.com/watch/?v=751079399085143>

#### Newstalk ZB:

<https://www.newstalkzb.co.nz/on-air/mike-hosking-breakfast/audio/liam-willis-clinical-trial-provides-hope-for-kiwis-with-pancreatic-cancer/?fbclid=IwAR1lqP1M6XjQA99q4QQf3j3-fNgJfD1Ktf2GghjG-Lak-8qjfN1XhRXq2hY>

#### NZ Herald:

<https://www.nzherald.co.nz/nz/clinical-trial-provides-hope-for-kiwis-with-one-of-worlds-least-survivable-cancers/WXBAMBO3MTZCKVEQX2M3CVY06M/>

#### stuff.co.nz by Dr Siouxsie Wiles:

[https://www.stuff.co.nz/science/300163651/dont-ignore-your-guts-your-pancreas-could-be-talking?fbclid=IwAR2PwtPiyTDPvpF3e3JG1vnrZUtCZto7jV9zDZG\\_NsqFM5FwAO9OaFGOP4s](https://www.stuff.co.nz/science/300163651/dont-ignore-your-guts-your-pancreas-could-be-talking?fbclid=IwAR2PwtPiyTDPvpF3e3JG1vnrZUtCZto7jV9zDZG_NsqFM5FwAO9OaFGOP4s)

## **GIVE IT UP for Gut Cancer**

The GIVE IT UP for gut cancer campaign is based on asking individuals to give up either alcohol, sugar, or the sofa for a month. The campaign performs a dual purpose as GCF's primary fundraising campaign, that is intrinsically linked to one of GCF's core strategic aims – to help reduce the number of New Zealanders developing a gut cancer by raising awareness of the risk factors and promoting a healthier lifestyle.

In addition to raising over \$100k for future research and awareness, the campaign educated the New Zealand public about the link between health lifestyle and reducing the risk of gut cancers. This message was core to the marketing of the campaign. Much of the copy on the campaign ads, website and emails referenced that fact that adopting a healthier lifestyle (reducing obesity/ reducing alcohol consumption and increasing exercise). The campaign drew direct correlation between obesity and excessive alcohol consumption as increasing risk factors for developing gut cancers, whilst promoting the message that regular exercise could decrease the risks.

This message was seen and heard by a large section of the New Zealand population:

	Marketing channel Reach	Impressions
Facebook	486,429	1,211,886
Stuff.co.nz	2,365,000	974,537
Mediawork	1,356,800	N/A

The campaign also directly and positively impacted the health of Give It Up participants. Each one of 635 participants received extensive communication around the benefits of a healthier lifestyle and the reduction in gut cancer risk associated with reducing obesity, alcohol intake and increasing exercise.

Importantly, thanks to our partnership with Sean Robertson and Aviv Jones, each participant was given access to advice and support on their journey. This advice ranged from detailed nutritional biology to healthy recipes and work out ideas. Participants were supported by GCF staff and their fellow fundraisers through the creation of a Facebook group that attracted over 200 members.

Our post campaign survey revealed that:

- 40% of respondents engaged because of a desire to improve personal health.
- 80% of respondents said they experienced positive health changes during the campaign.
- 96% of respondents either will or may continue their lifestyle changes beyond the campaign month.
- 100% of respondents rated the support received to help them GIVE IT UP as OK, (9%) Good (23%) or Very Good (68%)
- 100% of respondents would like to take the challenge again.
- 100% of respondents would recommend the challenge to others.

Feedback on positive health changes included:

“Although I started out to just give up sugar, bit by bit, I've started to reform some other habits too. I've changed where and when we shop, cooking from fresh, playing with new recipes, getting more exercise, getting more involved in some community activities, like yoga, healthy living classes, and painting. As the sunshine hours lessen, I sometimes feel a bit down, but not this year. I'm so pleased I'm doing this, and it's good to know that it's for such a good cause outside of my personal benefit. Makes it that much more meaningful.”

“I'm loving life sugar free. Definitely going to keep it up. It's a lifetime change for me, the benefits so out way anything sugar brought to my life”

"Felt healthier, both mentally and physically; changed some bad habits; lost 7kgs; met some nice people”

“More energy. Less sugar cravings. Better wellbeing due more even energy and sugar levels clear headed, weight loss, more energy”

# Statement of Financial Performance

## Gut Cancer Foundation For the year ended 31 March 2021

	NOTES	2021	2020
<b>Revenue</b>			
Fundraising, donations and event income	2	471,585	240,814
Grant income	2	60,000	63,335
Interest, dividends and other investment revenue	2	154	282
Other revenue	2	23,432	-
<b>Total Revenue</b>		<b>555,171</b>	<b>304,431</b>
<b>Expenses</b>			
Awareness	3	58,333	9,513
Expenses related to public fundraising	3	60,315	24,208
Expenses related to providing goods or service	3	34,759	81,523
Grants and donations made	3	66,931	123,849
Volunteer and employee related costs	3	183,850	106,540
Other expenses	3	393	786
<b>Total Expenses</b>		<b>404,581</b>	<b>346,419</b>
<b>Surplus/(Deficit) for the Year</b>		<b>150,590</b>	<b>(41,988)</b>

This statement should be read in conjunction with the following Statement of Accounting Policies and Notes to the Performance Report.

# Statement of Financial Position

## Gut Cancer Foundation As at 31 March 2021

	NOTES	31 MAR 2021	31 MAR 2020
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	4	400,713	264,414
Debtors and prepayments	4	6,539	7,643
<b>Total Current Assets</b>		<b>407,251</b>	<b>272,057</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	6	321	642
Intangibles Assets	6	71	143
Investments	4	100,000	100,000
<b>Total Non-Current Assets</b>		<b>100,392</b>	<b>100,785</b>
<b>Total Assets</b>		<b>507,643</b>	<b>372,842</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accruals and other creditors	5	20,094	21,824
Income received in advance	5	-	14,059
<b>Total Current Liabilities</b>		<b>20,094</b>	<b>35,883</b>
<b>Total Liabilities</b>		<b>20,094</b>	<b>35,883</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>487,549</b>	<b>336,959</b>
<b>Accumulated Funds</b>			
Capital contributed by owners or members		192	192
Accumulated surpluses or (deficits)		300,878	290,501
Reserves	8	186,479	46,266
<b>Total Accumulated Funds</b>		<b>487,549</b>	<b>336,959</b>

This statement should be read in conjunction with the following Statement of Accounting Policies and Notes to the Performance Report.

# Statement of Cash Flows

## Gut Cancer Foundation For the year ended 31 March 2021

	2021	2020
<b>Cash Flows from Operating Activities</b>		
Donations, fundraising and other similar receipts	545,878	313,288
Interest, dividends and other investment receipts	154	282
GST	(4,831)	(152)
Payments to suppliers and employees	(330,057)	(232,067)
Donations or grants paid	(74,844)	(140,935)
<b>Total Cash Flows from Operating Activities</b>	<b>136,299</b>	<b>(59,585)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>136,299</b>	<b>(59,585)</b>
<b>Bank Accounts and Cash</b>		
Cash and Cash Equivalents at beginning of period	264,414	323,998
Cash movement	136,299	(59,585)
Cash and Cash Equivalents at end of period	400,713	264,414
<b>Net change in cash for period</b>	<b>136,299</b>	<b>(59,585)</b>

This statement has been prepared showing amounts gross of GST.

# Statement of Accounting Policies

## Gut Cancer Foundation

### For the year ended 31 March 2021

#### 1. Basis of Preparation

Gut Cancer Foundation ("Gut Cancer Foundation") has elected to apply Tier 3 PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

#### **Impact of COVID-19**

The outbreak of COVID-19 and the subsequent quarantine measures and travel restrictions imposed by the New Zealand government in 2020 and 2021 have caused disruption to businesses and economic activity.

Gut Cancer Foundation has assessed the impact of the evolving COVID-19 situation and whilst it is difficult to predict, the initial impact of the COVID pandemic on its operations has been overcome. Despite significant disruption to events and fundraising campaigns in the first quarter, during the lockdown period, Gut Cancer Foundation continued to operate as normal thanks to 2 major benefactors and the receipt of the wage subsidy.

The Directors have assessed the impact of the pandemic on the future operations and cash flows of the organisation and believe that Gut Cancer Foundation will be able to continue operating as a going concern and meet its obligation as and when they fall due for a period of not less than 12 months following the date of approval of the financial statements.

The success of postponed fundraising activities on the latter half of the 2020/21 year led to a surplus being generated to supplement existing reserves. In addition, investment in regular fundraising activities and cultivation of major donors will be adequate to support business operations for the 2021/22 year. These include \$20,000 from Guy and Sue Haddleton and \$80,000 projected from Turners Automotive Ltd dividends, donated by a long-term major benefactor.

The success of the GIVE IT UP campaign in March will be supplemented with additional investment and projected income of \$190,000. Sustained investment and development of additional fundraising campaigns and events will supplement this income. Additional expenditure in the 2021/22 budget is predicated on the receipt of additional grants income. If such income is not forthcoming the expenditure will not be made. Based on the factors outlined above, the view of the Directors, is that Gut Cancer Foundation has sufficient resources to enable it to meet its obligations as and when they fall due and therefore continue to adopt the use of the going concern assumption in the preparation of the financial statements.

#### 1.1 Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

#### 2. Income Tax

Gut Cancer Foundation is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

#### 3. Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

#### 4. Investments

Investments comprise units in the Perpetual Guardian Philanthropy Fund. Investments are initially recognised at the amount paid and are assessed for impairment at balance date if the carrying amount of the investment will not be recovered.

## 5. Property, Plant and Equipment

All fixed assets are depreciated using the diminishing value basis and adjusted for any impairment losses. Depreciation has been calculated in accordance with the rates permitted under the Income Tax Act 2007 as these rates have been determined to best identify the expected useful life of the assets: Computer equipment (50%).

## Intangible Assets & Amortisation

All intangible assets are initially recorded at cost with amortisation being deducted on a diminishing value basis at a rate of 50%.

## 6. Revenue

Fundraising and event income are recognised in the period in which the events are held by GCF or in the period in which the funds are received from the third party holding the event on behalf of GCF.

Revenue from donations and grants with "use or return" conditions attached is recorded initially as a liability until the condition has been met, at which point the revenue is then recorded.

Revenue from donations and grants where there is no "use or return" condition that requires GCF to both apply the funds for a specific purpose and to return the funds if not used for that purpose, is recorded as revenue when the cash or assets are received. When the revenue from donations and grants is provided for a specific purpose but without a use or return condition, the revenue is held in restricted reserves within Accumulated Funds until used to keep track of the unspent balance.

Interest income is recorded using the effective interest method.

## 7. Accumulated Funds

Accumulated surpluses are unrestricted funds which are available for use at the discretion of the Directors in furtherance of GCF's objectives which have not been designated for other purposes. Discretionary reserves are unrestricted funds reserved by the Directors for a specific purpose and created by a transfer from accumulated surpluses. Restricted reserves may only be used for a specific purpose set by an external party, for example the express wishes of a donor; a specific purpose agreed with a donor; or the terms of a fundraising appeal.

## 8. Grants Made

Grants made are recognised as a liability when the entity has a binding commitment to make the grant and an obligation to make a transfer. Agreements to make on-going grants are disclosed as commitments only for items abnormal in relation to the entities activities or to understand the future cash requirements of the entity.

## 9. Volunteer Services

The directors provide their services on a voluntary basis with no payment made. The value of these services has not been recognised in this performance report.

## 10. Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on basis of consistent with those used in previous years.

# Notes to the Performance Report

## Gut Cancer Foundation For the year ended 31 March 2021

### 1. Accounting Policies

Refer to "Statement of Accounting Policies".

	2021	2020
<b>2. Analysis of Revenue</b>		
<b>Fundraising, donations and event income</b>		
Donations - Community Fundraising	237,615	83,640
Donations - Corporate	2,523	20,908
Donations - Individual Giving	18,987	17,021
Donations - Major Donors	186,232	96,376
Donations - Major Events	18,055	22,000
Event Income (GST Liabile)	1,174	870
Event sponsorship	7,000	-
<b>Total Fundraising, donations and event income</b>	<b>471,585</b>	<b>240,814</b>
<b>Grant income</b>		
Grant Income - General	10,000	13,335
Grant Income - Ted & Mollie Carr	50,000	50,000
<b>Total Grant income</b>	<b>60,000</b>	<b>63,335</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	154	282
<b>Total Interest, dividends and other investment revenue</b>	<b>154</b>	<b>282</b>
<b>Other revenue</b>		
Wage Subsidy Received	23,432	-
<b>Total Other revenue</b>	<b>23,432</b>	<b>-</b>
Total Revenue	555,171	304,431
	2021	2020

### 3. Analysis of Expenses

#### Awareness

Advertising - Awareness	14,236	-
Contractor - Awareness	39,913	-
Design Fees - Awareness	2,650	-
Design Fees	-	9,363
Strategic Resource Development	1,534	150
<b>Total Awareness</b>	<b>58,333</b>	<b>9,513</b>

#### Expenses related to public fundraising

Advertising	-	8,512
Advertising - Fundraising	22,585	-
Contractor - Fundraising	6,596	-

	2021	2020
Communications	203	1,244
Design Fees - Fundraising	2,152	-
Event Expenses	12,372	2,806
Fundraising Exp Computer	16,408	11,645
<b>Total Expenses related to public fundraising</b>	<b>60,315</b>	<b>24,208</b>
<b>Expenses related to providing goods or services</b>		
Administration and overhead costs	34,759	81,523
<b>Total Expenses related to providing goods or services</b>	<b>34,759</b>	<b>81,523</b>
<b>Grants and donations made</b>		
Clinical Trials	7,914	15,827
Research & Fellowship	59,017	108,022
<b>Total Grants and donations made</b>	<b>66,931</b>	<b>123,849</b>
<b>Volunteer and employee related costs</b>		
A.C.C. Expenses	318	329
Other Employer Expenses	235	-
Travel & Accomodation	374	2,675
Wages & Salaries	159,490	103,536
Wage Subsidy	23,432	-
<b>Total Volunteer and employee related costs</b>	<b>183,850</b>	<b>106,540</b>
<b>Other expenses</b>		
Depreciation	393	786
<b>Total Other expenses</b>	<b>393</b>	<b>786</b>
Total Expenses	404,581	346,419
	2021	2020

#### 4. Analysis of Assets

<b>Bank accounts and cash</b>		
Bus First Oncall Acct (025)	172,351	172,259
Non Profit Org Acct (000)	150,035	61,565
Research Account (002)	79,560	31,542
Visa	(1,233)	(952)
<b>Total Bank accounts and cash</b>	<b>400,713</b>	<b>264,414</b>
<b>Debtors and prepayments</b>		
Accounts Receivable	-	4,799
GST	5,732	2,257
Prepaid Expenses	807	588
<b>Total Debtors and prepayments</b>	<b>6,539</b>	<b>7,643</b>
<b>Investments</b>		
Perpetual Guardian Fund	100,000	100,000
<b>Total Investments</b>	<b>100,000</b>	<b>100,000</b>
<b>Other non-current assets</b>		

	2021	2020
Property, plant and equipment	321	642
Intangible assets	71	143
<b>Total Other non-current assets</b>	<b>392</b>	<b>785</b>
Total Assets	507,643	372,842
	2021	2020

## 5. Analysis of Liabilities

<b>Accruals and other creditors</b>		
Employee costs payable and accruals	12,898	4,834
Trade Creditors	1,630	15,134
Holiday Pay Provision	5,566	1,855
<b>Total Accruals and other creditors</b>	<b>20,094</b>	<b>21,824</b>
<b>Income received in advance</b>		
Wage subsidy received in advance	-	14,059
<b>Total Income received in advance</b>	<b>-</b>	<b>14,059</b>
Total Liabilities	20,094	35,883
	2021	2020

## 6. Property, Plant and Equipment

<b>Computer Equipment</b>		
Computer Equipment at cost	2,370	2,370
Accumulated Depreciation - Computer Equipment	(2,049)	(1,728)
<b>Total Computer Equipment</b>	<b>321</b>	<b>642</b>
<b>Total Property, Plant and Equipment</b>	<b>321</b>	<b>642</b>
	2021	2020

## Intangibles Assets

<b>Website</b>		
Website - at Cost	9,200	9,200
Website - Accum Depreciation	(9,128)	(9,057)
<b>Total Website</b>	<b>71</b>	<b>143</b>
<b>Total Intangibles Assets</b>	<b>71</b>	<b>143</b>

**Reconciliation of the carrying amount at the beginning of the period:**

<b>This Year</b>	<b>Computer Equipment</b>	<b>Website</b>	<b>Totals</b>
<b>Opening Book Value at 1 April 2020</b>	642	143	785
Additions	-	-	-
Disposals	-	-	-
Depreciation	(321)	(72)	(393)
<b><u>Closing Book Value at 31 March 2021</u></b>	<b><u>321</u></b>	<b><u>71</u></b>	<b><u>392</u></b>

<b>Last Year</b>	<b>Computer Equipment</b>	<b>Website</b>	<b>Totals</b>
<b>Opening Book Value at 1 April 2019</b>	1,284	287	1,570
Additions	-	-	-
Disposals	-	-	-
Depreciation	(642)	(143)	(785)
<b><u>Closing Book Value at 31 March 2020</u></b>	<b><u>642</u></b>	<b><u>143</u></b>	<b><u>785</u></b>

**7. Accumulated Funds**

<b>(This Year) Description</b>	<b>Capital Contributed by Owners or Members</b>	<b>Accumulated Surpluses or Deficits</b>	<b>Reserves</b>	<b>Total</b>
Opening Balance	192	290,501	46,266	<b>336,959</b>
Surplus/(Deficit)		150,590		150,590
Transfer from Accumulated Surpluses to Reserves		(164,497)	164,497	-
Transfer of amounts used or released from Reserves to Accumulated Surpluses		24,284	(24,284)	-
<b>Closing Balance</b>	<b>192</b>	<b>300,878</b>	<b>186,479</b>	<b>487,549</b>

<b>(Last Year) Description</b>	<b>Capital Contributed by Owners or Members</b>	<b>Accumulated Surpluses or Deficits</b>	<b>Reserves</b>	<b>Total</b>
Opening Balance	192	304,364	74,392	378,947
Surplus/(Deficit)		(41,988)		(41,988)
Transfer from Accumulated Surpluses to Reserves		(29,896)	29,896	-
Transfer of amounts used or released from Reserves to Accumulated Surpluses		58,022	(58,022)	-
<b>Closing Balance</b>	<b>192</b>	<b>290,501</b>	<b>46,266</b>	<b>336,959</b>

2021 2020

**8. Breakdown of Reserves**

<b>Reserves</b>		
Clinical Research/Trials (Pancreatic)	62,462	10,677
Clinical Trials (AGITG)	-	19,219
Clinical Research/ Fellowship	24,017	-
Research or Trials	100,000	-
Integrate11	-	8,850
TopGear	-	7,520
<b>Total Reserves</b>	<b>186,479</b>	<b>46,266</b>

2021 2020

**9. Commitments**

Commitment towards impact of PPI on chemo efficacy project in next FY	7,500	-
Commitments to clinical trials and clinical research (Integrate11:\$8,850; TopGear: \$7,520)	-	16,370
<b>Total Commitments</b>	<b>7,500</b>	<b>16,370</b>

**10. Contingent Liabilities and Guarantees**

There are no contingent liabilities or guarantees as at balance date. (2020: Nil).

**11. Significant Grants and Donations with Conditions not Recorded as a Liability**

No. (2020: Nil).

**12. Goods or Services Provided to the Entity in Kind**

The directors provide their services on a voluntary basis with no payment made. Legal services are provided on a pro-bono basis by Chapman Tripp. A vehicle, Hyundai I35 SUV has been provided by Turners Ltd for use by the Executive Officer. Since November 2019 we have also received additional pro bono support from a company called Cumulo9. Cumulo9 provide us with the following: Desk space for 2 employees in their central Auckland office, and access to their C9 Campaigns e-communications software and C9 signature system. The value of \$22,180 p/a for the desk space and access to communications software given to us by Cumulo9 has not been recognised in this performance report.

**13. Related Parties**

		<b>This Year</b>	<b>This Year</b>	<b>Last Year</b>	<b>Last Year</b>
<b>Description of Related Party Relationship</b>	<b>Description of the Transaction (whether in cash or amount in kind)</b>	<b>Value of Transaction</b>	<b>Amount Outstanding</b>	<b>Value of Transaction</b>	<b>Amount Outstanding</b>
Grant Baker - Director of Turners Limited	Provision of vehicle refer to Note 12 in kind	6,000	0	6,000	0

### Key management personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Board of Directors, CEO and senior management employees having the authority and responsibility for planning, directing, and controlling the activities of Gut Cancer Foundation. No remuneration is paid to members of the Board of Directors. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2021	2020
<b>Key management personnel</b>		
Total remuneration	112,740	90,000
Number of persons	1	1

### 14. Events After the Balance Date

The outbreak of COVID-19 and the subsequent quarantine measures and travel restrictions imposed by the New Zealand government in 2020 and 2021 have caused disruption to businesses and economic activity. Gut Cancer Foundation has assessed the impact of the evolving COVID-19 situation and whilst it is difficult to predict, the initial impact of the COVID pandemic on its operations has been overcome. Gut Cancer Foundation will continue to monitor the situation closely. There were no other subsequent events arising after the balance date.



## **Gut Cancer Foundation Limited**

### **Independent assurance practitioner's review report to the Members**

#### Report on the Performance Report

We have reviewed the accompanying performance report of Gut Cancer Foundation Limited, which comprise

- the entity information;
- the statement of service performance;
- the statement of financial position as at 31 March 2021;
- the statement of financial performance for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of accounting policies; and
- note to the performance report.

#### Directors' Responsibilities for the Performance Report

The Directors are responsible for:

- a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation of a performance report on behalf of the entity that gives a true and fair view in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report, and
- c) for such internal control as the Directors determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

#### Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying performance report. We conducted our review of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity, and the review of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised).

Those standards require us to conclude whether anything has come to our attention that causes us to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. Those standards also require us to comply with relevant ethical requirements. A review of the performance report in accordance with ISRE (NZ) 2400 and ISAE (NZ) 3000 (Revised) is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures selected depend on our judgement, including the areas identified where a material misstatement is likely to arise and includes performing procedures to obtain evidence and

evaluating whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and ISAE (NZ) 3000 (Revised). Accordingly, we do not express an audit opinion on the performance report.

Other than in our capacity as assurance practitioner, employees of Aktive, who were not involved in the assessment of this Independent assurance practitioner's review report, deal with the Gut Cancer Foundation Limited, on normal terms within the ordinary course of the activities of the Gut Cancer Foundation Limited. Aktive has no other relationship with, or interests in, Gut Cancer Foundation Limited.

### *Basis for Qualified Conclusion*

In common with other organisations of a similar nature, control over revenues from donations and fundraising events on behalf of Gut Cancer Foundation Limited prior to being banked is limited. It was not practicable to extend our examination of donations and fundraising events on behalf of Gut Cancer Foundation Limited beyond the accounting for amounts received as shown in the accounting records of the Company, or to determine the effect of the limited control.

### *Qualified Conclusion*

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are not suitable; and
- b) the performance report does not give a true and fair view of:
  - the financial position of Gut Cancer Foundation Limited as at 31 March 2021;
  - the financial performance and cash flows for the year then ended; and
  - the entity information and its service performance for the year then ended.



2 August 2021

**Aktive**  
14 Normanby Road  
Mt Eden  
Auckland