



TRANS TASMAN RADIATION ONCOLOGY GROUP LIMITED
ABN 451 326 722 92

Financial Report
For the Year Ended
31 December 2018

CONTENTS

Responsible Persons' Report..... 1

Auditor's Independence Declaration..... 6

Independent Audit Report..... 7

Responsible Entity Declaration..... 9

Statement of Surplus or Deficit and Other Comprehensive Income..... 10

Statement of Financial Position..... 11

Statement of Changes in Funds..... 12

Statement of Cash Flows..... 13

Notes to the Financial Statements..... 14

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Responsible Persons Report

31 December 2018

The Responsible Persons of Trans Tasman Radiation Oncology Group Limited present their report for the financial year ended 31 December 2018.

1. General information

Responsible Persons

The names of the responsible persons in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
A/Prof Farshad Foroudi	President	
Dr Giuseppe Sasso	New Zealand Full Member Director and President Elect	
Professor David Christie	Scientific Committee Chair	Term expired March 2018
Professor Trevor Leong	Scientific Committee Chair	
Dr Fiona Hegi-Johnson	Full Member Director	
Dr Purnima Sundaresan	Full Member Director	
A/Prof Dion Forstner	RANZCR FRO Director	Term expired 31 December 2018
John Cleary	Independent Director	Resigned October 2018
Mr Robert Ferguson	Independent Consumer Representative	
Dr Tim Kuypers	Independent Director	

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

Company secretary

The following person held the position of Company Secretary at the end of the financial year:

Andrew Jenkins has been the Company Secretary since January 2016 and is also the Financial Controller of the Company.

Principal activities

The principal activities of Trans Tasman Radiation Oncology Group Limited during the financial year were;

- (i) carrying out investigator-driven research in radiation oncology,
- (ii) fostering optimal patient care through maintenance of standards and through independent clinical research trials,
- (iii) fostering regional co-operation between all radiation oncologists in Australia and New Zealand and specifically to promote co-ordinated multi-institution research endeavours, and
- (iv) promoting the highest ethical standard of care and research including quality assurance.

No significant changes in the nature of the Company's activities occurred during the financial year.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Responsible Persons Report

31 December 2018

1. General information

Short and long term objectives

The Company has established short and long term objectives as outlined in the Company's strategic plan which is reviewed on a quarterly basis. These objectives are both financial and non-financial and are aimed at creating a sustainable business model for researching radiotherapy as a treatment for cancers. Key performance indicators for the business, which roll down to senior management team, have also been established.

Members guarantee

Trans Tasman Radiation Oncology Group Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$10, subject to the provisions of the Company's constitution.

At 31 December 2018 the collective liability of members was \$1,940 (2017 \$2,500).

2. Business review

Operating results

The deficit of the Company amounted to \$44,280 (2017: surplus \$61,727)

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

After balance date events

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

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Responsible Persons Report

31 December 2018

Information on the Responsible Persons

A/Prof Farshad Foroudi	President
Qualifications	MBBS (Hon 1), MPA, DMedSc, FRANZCR
Experience	Director of Radiation Oncology, Austin Health.
Dr Giuseppe Sasso	New Zealand Full Member Director and President Elect
Qualifications	MBChB, FRANZCR
Experience	Clinical Director Radiation Oncology, Northern Regional Cancer and Blood Services, Auckland City Hospital
Professor David Christie	Scientific Committee Chair (term expired March 2018)
Qualifications	MBChB, FRANZCR
Experience	Radiation Oncologist, Genesis Cancer Care, Gold Coast Chair of the Genesis National Oncology Research Committee, Radiation Oncology Editor for the Journal of Medical Imaging and Radiation Oncology
Professor Trevor Leong	Scientific Committee Chair
Qualifications	MBBS, MD, FRANZCR
Experience	Immediate Past Director, Division of Radiation Oncology, Peter MacCallum Cancer Centre, Director AGITG, Company Secretary AGITG, Radiation Oncologist, Division of Radiation Oncology, Peter MacCallum Cancer Centre
Dr Fiona Hegi-Johnson	Full Member Director
Qualifications	MBBS (Hons 1), BSc. Med (Hons), FRANZCR
Experience	Radiation Oncologist, Radiation Oncology Centres, Sydney Adventist Hospital Wahroonga Chair, Thoracic Oncology Group TROG
Dr Purnima Sundaesan	Full Member Director
Qualifications	MBBS, BSc (Hons), FRANZCR, PhD
Experience	Radiation Oncologist, Sydney West Radiation Oncology Network, Westmead Hospital. RANZCR FRO Research Committee. Chair Publications Committee, TROG. Associate Editor, Journal of Medical Imaging and Radiation Oncology
A/Prof Dion Forstner	RANZCR FRO Director (term expired 31 December 2018)
Qualifications	MBBS (Hons), FRANZCR GAICD
Experience	Dean, Faculty of Radiation Oncology RANZCR Director RANZCR COSA Council Radiation Oncologist, Genesis Care, St Vincent's Hospital Sydney

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Responsible Persons Report

31 December 2018

Information on the Responsible Persons

John Cleary	Independent Director (resigned October 2018)
Qualifications	BSc, Grad Dip Fin Mgt, MComm, MAICD, FGIA, FIPA
Experience	CEO Benhome Aged Care Facility (Maitland NSW) Experienced Not for Profit CEO, Chairman and Director Previous senior roles in Corporate and Private Banking 2017 Lake Macquarie Citizen of the Year
Mr Robert Ferguson	Independent Consumer Representative
Qualifications	BA (Psychology), M Counselling
Experience	Chairman, Muscular Dystrophy Foundation Australia; President, Muscular Dystrophy NSW. Consumer Advocate, St Vincent's Hospital. Member, Macquarie University Cancer Research Consumer Advisory Group. NSW Cancer Council Telephone Support Group co-facilitator. Cancer Council of Victoria Optimum Cancer Pathway Governance Committee. Director, Colliers International
Dr Tim Kuypers	Independent Director
Qualifications	GAICD, PhD Economics, ACCA Diploma in Accounting and Finance
Experience	Experienced non-executive director and senior executive. Significant expertise in highly regulated industries such as health, transport and Telecommunications. Currently he also sits on the Metro Trains Melbourne Board Safety Committee.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Responsible Persons Report

31 December 2018

Meetings of Responsible Persons

During the financial year, 5 meetings of Responsible Persons (including committees of responsible persons) were held. Attendances by each responsible person during the year were as follows:

	Directors' Meetings		Finance and Audit Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
A/Prof Farshad Foroudi	5	5	-	-
Dr Giuseppe Sasso	5	3	-	-
Professor David Christie	2	2	-	-
Professor Trevor Leong	3	2	-	-
Dr Fiona Hegi-Johnson	5	4	3	3
Dr Purnima Sundaresan	5	5	-	-
A/Prof Dion Forstner	5	3	-	-
John Cleary	4	3	3	1
Mr Robert Ferguson	5	5	3	3
Dr Tim Kuypers	5	5	3	3

Indemnification and insurance of officers and auditors

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium is not disclosed due to the terms of the insurance contracts and to protect commercially sensitive information of the Company.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 31 December 2018 has been received and can be found on page 6 of the financial report.

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

Director:
A/Prof Farshad Foroudi

Director:
Dr Tim Kuypers

Dated 16 February 2019

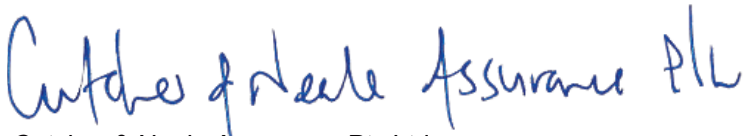
Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Auditors Independence Declaration to the Directors of Trans Tasman Radiation Oncology Group Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)



M.J. O'Connor
Director

8 February 2019

Newcastle

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Independent Audit Report to the members of Trans Tasman Radiation Oncology Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Trans Tasman Radiation Oncology Group Limited (the Company), which comprises the statement of financial position as at 31 December 2018, the statement of surplus or deficit and other comprehensive income, the statement of changes in funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entity declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report was limited to the directors report.

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

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

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Independent Audit Report to the members of Trans Tasman Radiation Oncology Group Limited

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

Responsibilities of 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 and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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/ar4.pdf. This description forms part of our audit report.

Cutcher & Neale Assurance Pty Ltd
(An authorised audit company)

M. J. O'Connor
Partner

NEWCASTLE

18 February 2019

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Responsible Entity Declaration

The Responsible Persons of the Company declare that:

1. The financial statements and notes, as set out on pages 10 to 24, are in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
 - (b) give a true and fair view of the financial position as at 31 December 2018 and of the performance for the year ended on that date of the Company.
2. In the Responsible Persons' opinion, there are reasonable grounds to believe that the Company 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 Responsible Persons.

Responsible Person

.....

Responsible Person

.....

Dated:

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Statement of Surplus or Deficit and Other Comprehensive Income For the Year Ended 31 December 2018

		2018	2017
	Note	\$	\$
Revenue	2	2,795,876	2,213,091
Other income	2	74,123	84,876
Employee benefits expense		(1,641,647)	(1,409,651)
Depreciation and amortisation expense	3(a)	(51,040)	(55,336)
Direct Trial Support Services		(316,309)	(119,673)
Annual Scientific Meeting		(287,968)	(323,859)
Administration and other expenses		(617,315)	(327,722)
Surplus/(deficit) before income tax		(44,280)	61,726
Income tax expense	1(f)	-	-
Surplus/(deficit) after income tax		(44,280)	61,726
Other comprehensive income		-	-
Total comprehensive income/(expense) for the year		(44,280)	61,726

The accompanying notes form part of these financial statements.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Statement of Financial Position

As At 31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,575,411	2,048,340
Trade and other receivables	5	422,325	790,563
Other assets		121,851	119,026
TOTAL CURRENT ASSETS		<u>3,119,587</u>	<u>2,957,929</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	34,974	47,221
Intangible assets	7	107,379	129,645
TOTAL NON-CURRENT ASSETS		<u>142,353</u>	<u>176,866</u>
TOTAL ASSETS		<u>3,261,940</u>	<u>3,134,795</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	110,797	164,546
Employee benefits	10	147,733	149,788
Other liabilities	9	1,944,188	1,729,479
TOTAL CURRENT LIABILITIES		<u>2,202,718</u>	<u>2,043,813</u>
NON-CURRENT LIABILITIES			
Employee benefits	10	24,855	12,335
TOTAL NON-CURRENT LIABILITIES		<u>24,855</u>	<u>12,335</u>
TOTAL LIABILITIES		<u>2,227,573</u>	<u>2,056,148</u>
NET ASSETS		<u>1,034,367</u>	<u>1,078,647</u>
FUNDS			
Accumulated surplus		<u>1,034,367</u>	<u>1,078,647</u>
TOTAL FUNDS		<u>1,034,367</u>	<u>1,078,647</u>

The accompanying notes form part of these financial statements.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Statement of Changes in Funds For the Year Ended 31 December 2018

2018

	Accumulated Surplus
	\$
Balance at 1 January 2018	<u>1,078,647</u>
Total comprehensive income	<u>(44,280)</u>
Balance at 31 December 2018	<u>1,034,367</u>

2017

	Accumulated Surplus
	\$
1 January 2017	<u>1,016,920</u>
Total comprehensive income	<u>61,727</u>
Balance at 31 December 2017	<u>1,078,647</u>

The accompanying notes form part of these financial statements.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Statement of Cash Flows

For the Year Ended 31 December 2018

	2018	2017
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from customers	3,674,202	2,215,755
Payments to suppliers and employees	(3,163,745)	(2,354,703)
Interest received	33,141	27,736
Net cash provided by (used in) operating activities	<u>543,598</u>	<u>(111,212)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	6(a) (7,807)	(27,864)
Payment for intangible asset	7(a) (8,720)	(6,968)
Net cash used by investing activities	<u>(16,527)</u>	<u>(34,832)</u>
Net increase (decrease) in cash and cash equivalents held	527,071	(146,044)
Cash and cash equivalents at beginning of year	<u>2,048,340</u>	2,194,384
Cash and cash equivalents at end of financial year	4 <u>2,575,411</u>	<u>2,048,340</u>

The accompanying notes form part of these financial statements.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

The financial statements are for Trans Tasman Radiation Oncology Group Limited as an individual entity, incorporated and domiciled in Australia. Trans Tasman Radiation Oncology Group Limited is a not for profit Company limited by guarantee.

1 Statement of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

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

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative figures

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

When the Company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be presented.

(c) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(d) Revenue and other income

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of Trans Tasman Radiation Oncology Group Limited's activities as discussed below.

Revenue from the rendering of services is recognised upon delivery of the service to the customer.

Membership and Facility Alliance subscriptions are recognised on a proportionate basis over the period of the subscription. The amount attributed to the period subsequent to balance date is recorded as a liability.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Statement of Significant Accounting Policies

(d) Revenue and other income

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Donations are recognised in the statement of surplus or deficit and other comprehensive income.

Grant revenue is recognised in the statement of surplus or deficit and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

In-kind contributions are recognised on the date of acquisition at fair value as revenue from sponsorship and within the relevant expenditure category in the statement of surplus or deficit and other comprehensive income. Revenue from in-kind contributions recognised the current year amounted to \$336,764 (nil for prior year) and an expense for the same amount was reported within administration and other expenses.

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

(e) Goods and services tax (GST)

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 Tax 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 statement of financial position are shown inclusive of GST.

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.

(f) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less which are convertible to a known amount of cash and subject to an insignificant risk of change in value.

(h) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Statement of Significant Accounting Policies

(h) Property, plant and equipment

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

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

Depreciation

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

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and Equipment	20% - 33%
Furniture, Fixtures and Fittings	10%

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of surplus or deficit and other comprehensive income.

(i) Investments and other financial assets

i) Classification

From 1 January 2018, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Statement of Significant Accounting Policies

(i) Investments and other financial assets

The Company is using the measured at amortised cost method for all its financial assets, namely trade and other receivables and debt investments, such as “cash invested in term deposit products. Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

iii) Measurement

Subsequent to initial recognition, financial assets are carried at amortised costs using the effective interest rate method less provision for impairment.

Interest income and impairment for expected credit losses are recognised in the profit or loss. Gain or loss on derecognition is recognised in profit or loss.

iv) Impairment

Impairment of financial assets is recognised on an expected credit loss (ECL) – forward looking - basis for all financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the Company’s historical experience and informed credit assessment, including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

(j) Intangible Assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of five to ten years.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Statement of Significant Accounting Policies

(j) Intangible Assets

Amortisation

Amortisation is recognised in the statement of surplus or deficit and other comprehensive income on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

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

(k) Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company during the reporting period which remain unpaid at balance date. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at their nominal amount. This estimate is not materially different from the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

(m) Unexpended grants

The liability for deferred income is the unutilised amounts of grants received on the condition that specified services are delivered or conditions are fulfilled in a future period.

(n) Trial funds held

A liability is recognised for trial funds held where ultimate control of the trial funds is vested in the trial chairperson. The Directors have determined that the Company receives no economic benefit from the holding of trial funds, and accordingly no revenue is recognised.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Statement of Significant Accounting Policies

(o) Fees received in advance

Revenue earned from provision of research services is recognised on a proportionate basis when the service obligations established in the agreement are met. Trial coordination or quality assurance service fees received in advance of the service obligations being met are deferred and recognised as a liability.

(p) Changes in Accounting Policy - adoption of AASB 9

The Company has applied AASB 9 Financial Instruments from 1 January 2018.

AASB 9 replaces the provisions of AASB 139 Financial Instruments that relate to the recognition, classification and measurement of financial assets and financial liabilities, including derecognition and impairment. AASB 9 also amends other standards dealing with financial instruments such as AASB 7 Financial Instruments: Disclosures.

The adoption of AASB 9 did not result in a significant change to the recognition or measurement of financial instruments for the Company as presented in the financial report.

On adoption of AASB 9 Trans Tasman Radiation Oncology Group Limited has also reclassified its financial assets as subsequently measured at amortised cost or fair value depending on the business model for those assets and the contractual cash flow characteristics. There was no change in the classification or measurement of financial liabilities.

The principal impact on Trans Tasman Radiation Oncology Group Limited's financial assets at 1 January 2018 are:

- the reclassification of the trade receivables from 'loans and receivables' under AASB 139 to 'financial assets at amortised cost' under AASB 9. This did not change the balance of trade receivables recognised in the comparative year.

- the reclassification of the other financial assets from 'held-to-maturity' under AASB 139 to 'financial assets at amortised cost' under AASB 9. This did not change the balance of other financial assets recognised in the comparative year.

In relation to the reclassification of financial assets and liabilities, there was no impact on the statement of surplus or deficit and other comprehensive income, balance sheet or statement of changes in equity on adoption of AASB 9.

See note 1(i) and 1(k) for the detailed accounting policies.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Statement of Significant Accounting Policies

(q) New Accounting Standards and Interpretations

Accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to the Company, together with an assessment of the potential impact of such Pronouncements on the Company when adopted in future periods, are discussed below:

- *AASB 15 Revenue from Contracts with Customers* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2019).

The Standard contains new requirements for the recognition of revenue and additional disclosures. The Standard introduces a single principles-based five step model for recognising revenue, and introduces the concept of recognising revenue when an obligation to a customer is satisfied. The adoption of this Standard is not expected to have a material impact on the Company's financial statements and is not applicable until 1 January 2019.

- *AASB 1058 Income of Not-for-Profit Entities* and associated Amending Standards (applicable to annual reporting periods on or after 1 January 2019).

The Standard replaces the existing requirements in AASB 1004 Contributions and clarifies the income recognition requirements that apply to Not-for-Profit entities, in conjunction with AASB 15 Revenue from Contracts with Customers. The adoption of this Standard is not expected to have a material impact on the Company's financial statements and is not applicable until 1 January 2019.

- *AASB 16 Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

The main impact of this new Standard will require lessees to recognise assets and liabilities for all operating and finance leases, except where the lease is for a period less than 12 months and of low value. The adoption of this Standard is not expected to have a material impact on the Company's financial statements and is not applicable until 1 January 2019.

Other amendments to existing standards that are not yet effective are not expected to result in a material impact to the Company's financial report.

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements For the Year Ended 31 December 2018

2 Revenue and Other Income

	2018	2017
	\$	\$
Revenue		
- Government grants	468,000	460,000
- Donations and sponsorships	447,023	77,127
- Annual scientific meeting	457,155	369,429
- Membership subscriptions	33,465	31,876
- Research services	881,125	708,977
- Facility alliance membership	386,300	367,764
- Quality assurance services	122,808	197,918
Total revenue from operating activities	<u>2,795,876</u>	<u>2,213,091</u>
Other Income		
- Interest income	33,141	27,736
- Other income	40,982	57,140
Total revenue from non operating activities	<u>74,123</u>	<u>84,876</u>

3 Surplus for the Year

(a) The result for the year includes the following specific expenses:

Depreciation and Amortisation		
Depreciation - plant and machinery	20,054	26,932
Intangible assets	30,986	28,404
Total Depreciation and Amortisation	<u>51,040</u>	<u>55,336</u>

4 Cash and Cash Equivalents

Cash at bank	1,462,837	930,808
Payroll clearing account	110,273	-
Trial funds held in trust	(a) 1,002,301	1,117,532
	<u>2,575,411</u>	<u>2,048,340</u>

(a) Trial funds held in trust

Trial funds held in trust as disclosed in note 9.

5 Trade and Other Receivables

CURRENT		
Trade receivables	422,325	710,817
Accrued trial income	-	79,746
	<u>422,325</u>	<u>790,563</u>

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements For the Year Ended 31 December 2018

6 Property, Plant and Equipment

	2018	2017
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	169,550	163,155
Accumulated depreciation	(144,728)	(126,772)
Total plant and equipment	<u>24,822</u>	<u>36,383</u>
Furniture, fixture and fittings		
At cost	17,845	16,434
Accumulated depreciation	(7,693)	(5,596)
Total furniture, fixture and fittings	<u>10,152</u>	<u>10,838</u>
Total property, plant and equipment	<u><u>34,974</u></u>	<u><u>47,221</u></u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant & Equipment	Furniture, Fixtures & Fittings	Total
	\$	\$	\$
Balance at the beginning of year	36,383	10,838	47,221
Additions	6,396	1,411	7,807
Depreciation expense	(17,957)	(2,097)	(20,054)
Closing value at 31 December 2018	<u>24,822</u>	<u>10,152</u>	<u>34,974</u>

7 Intangible Assets

	2018	2017
	\$	\$
Cost	211,336	202,616
Accumulated amortisation	(103,957)	(72,971)
Total Intangibles	<u>107,379</u>	<u>129,645</u>

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements For the Year Ended 31 December 2018

7 Intangible Assets

(a) Movements in carrying amounts of intangible assets

	\$
Year ended 31 December 2018	
Balance at the beginning of the year	129,645
Additions	8,720
Amortisation	<u>(30,986)</u>
Closing value at 31 December 2018	<u><u>107,379</u></u>

8 Trade and Other Payables

	2018	2017
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	38,104	55,495
GST payable	64,893	102,051
Sundry payables and accrued expenses	7,800	7,000
	<u>110,797</u>	<u>164,546</u>

9 Other Liabilities

CURRENT		
Unexpended grants	174,000	80,000
Trial funds held	1,002,301	1,117,532
Fees received in advance	767,887	531,947
	<u>1,944,188</u>	<u>1,729,479</u>

10 Employee Benefits

CURRENT		
Provision for employee benefits	129,037	110,058
Long service leave	18,696	39,730
	<u>147,733</u>	<u>149,788</u>
NON-CURRENT		
Long service leave	24,855	12,335

Trans Tasman Radiation Oncology Group Limited

ABN 451 326 722 92

Notes to the Financial Statements

For the Year Ended 31 December 2018

11 Members' Guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of the Company. At 31 December 2018 the number of members was 194 (2017: 250).

12 Related Parties

Trans Tasman Radiation Oncology Group Limited performs trial co-ordination and quality assurance services for a Trial that is chaired by Dr Farshad Foroudi (Director). Total receipts in 2018 amounted to \$187,883 GST inclusive (2017: \$48,338).

Trans Tasman Radiation Oncology Group Limited performs trial co-ordination and quality assurance services for a Trial that is chaired by Dr Fiona Hegi-Johnson (Director). Total receipts in 2018 amounted to \$11,661 GST inclusive (2017: \$99,878).

13 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Trans Tasman Radiation Oncology Group Limited during the year are as follows:

	2018	2017
	\$	\$
Short-term employee benefits	156,707	196,128
Post-employment benefits	17,690	15,809
Termination benefits	40,430	-
	214,827	211,937

14 Events after the end of the Reporting Period

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