

# FINANCIAL REPORT

For the year ended 30 June 2022

**BreastScreen Victoria Inc.**  
Registration Number: A0025878W  
ABN: 54 505 206 361

**BreastScreen  
Victoria**



# TREASURER'S REPORT



I am pleased to present BreastScreen Victoria's annual financial statements for the year ended 30 June 2022.

Meeting our screening targets with COVID-19 remains challenging. Until COVID-19, BreastScreen Victoria prided itself on achieving >99% performance to target every financial year. Due to COVID-19 unplanned staff leave, and safety measures to keep our clients safe, we have achieved 93.4% in 2021/22. It is a fantastic effort and credit to everyone involved in delivering our service. BreastScreen Victoria appreciates the continued support of the Victorian Government through this period.

The financial statements for the year report that the activities of BreastScreen Victoria resulted in an overall surplus of \$1.4 million. This surplus is mostly attributable to the recognition of capital income which BreastScreen Victoria has held on its balance sheet from previous years, with the underlying assets depreciated over three years.

As we continue to identify operational efficiencies, we are investing these savings into strengthening our cyber security posture and improving service delivery.

2021/22 highlights include:

- Funding provided by the Department of Health to 30 June 2022 was \$49.8 million (an increase of 4.6% from 2020/21). This does not include funding set aside for COVID-19 catch-up.
- Direct service delivery expenditure was \$45.7 million (an increase of 4.3% from 2020/21). This was incurred by Screening, Reading and Assessment Service providers and the BreastScreen Coordination Unit. Screening, Reading and Assessment Services provided direct services to clients, while the BreastScreen Coordination Unit provided Mobile Screening Services and supported service delivery, the client contact centre, engagement, communications, information and technology.

- BreastScreen Victoria's management expenditure was \$3.8 million (no increase over 2020/21). This includes depreciation expenses, building, governance and clinical costs.

BreastScreen Victoria has opened a record four new clinics in 2021/22. I was pleased to see additional funding in the 2022/23 Victorian Budget, where \$20 million was committed to BreastScreen Victoria to renew infrastructure and meet increasing demand for our services associated with population growth.

In addition to this new funding, BreastScreen Victoria has accumulated substantial funds on its balance sheet associated with COVID-19. In 2022/23 and beyond, the priority will be to allocate this funding in a systematic and sustainable manner to ensure clients have access to timely appointments, close to home.

I would like to thank the Victorian Government for their ongoing support of the program and thank our workforce, whose passion and diligence mean we continue to deliver an effective, efficient and quality service for Victorians.

A handwritten signature in black ink that reads "Sue Madden". The signature is written in a cursive, flowing style.

**Sue Madden**  
Treasurer

# BREASTSCREEN VICTORIA INC. ANNUAL FINANCIAL REPORT – 30 JUNE 2022

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These financial statements cover BreastScreen Victoria Inc. as an individual entity. The financial statements are presented in Australian dollars.

BreastScreen Victoria Inc. is an Association incorporated and domiciled in Victoria under the *Associations Incorporation Act (Vic) 1981*, which was subsequently superseded by *Associations Incorporation Reform Act 2012*. Its registered office and principal place of business is 15-31, Pelham Street, Carlton South, VIC 3053.

The financial statements were authorised for issue by a resolution of the directors on 4 October 2022. The Board have the power to amend and reissue the financial statements.

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>REVENUE</b>			
Revenue from Contract with Customers	5	52,688,895	48,298,061
Other Income	6	323,446	169,395
Total revenue from operating activities		<b>53,012,341</b>	<b>48,467,456</b>
<b>EXPENDITURE</b>			
Screening Service Providers	20	13,087,070	11,702,127
Mobile Screening Services	20,22	798,109	808,941
Reading and Assessment Services	21	22,321,329	22,063,307
BreastScreen Coordination Unit			
Service Providers Support			
Client Services	22	1,520,592	1,552,463
Client Contact	22	1,376,265	1,395,396
Communications and Engagement	22	1,551,031	1,438,553
Information and Technology Services	22	5,020,310	4,823,797
BreastScreen Victoria Management			
CEO Office	22	628,409	886,890
Corporate Services	22	3,211,454	2,950,232
Specific Projects			
Special Projects	22	2,078,205	771,018
<b>Total expenses</b>		<b>51,592,774</b>	<b>48,392,724</b>
<b>Net surplus/(deficit) for the year</b>		<b>1,419,567</b>	<b>74,732</b>
Other comprehensive income		-	-
<b>Total comprehensive surplus/(deficit) for the year</b>		<b>1,419,567</b>	<b>74,732</b>

# STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and short term deposits	8	26,097,785	22,076,156
Receivables and other assets	9	835,056	1,155,393
<b>Total current assets</b>		<b>26,932,841</b>	<b>23,231,549</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	2,309,319	1,334,383
Intangible assets	11	331,181	256,141
Right of use assets	12(a)	3,035,094	2,674,792
<b>Total non-current assets</b>		<b>5,675,594</b>	<b>4,265,316</b>
<b>Total assets</b>		<b>32,608,435</b>	<b>27,496,865</b>
<b>CURRENT LIABILITIES</b>			
Payables	13	4,933,011	5,598,154
Other liabilities	14	13,068,883	9,100,064
Provisions	15	1,254,492	1,320,591
Lease liabilities	12(b)	231,992	442,759
<b>Total current liabilities</b>		<b>19,488,378</b>	<b>16,461,568</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	15	554,766	314,043
Lease liabilities	12(b)	2,844,003	2,419,533
<b>Total non-current liabilities</b>		<b>3,398,769</b>	<b>2,733,576</b>
<b>Total liabilities</b>		<b>22,887,147</b>	<b>19,195,144</b>
<b>Net assets</b>		<b>9,721,288</b>	<b>8,301,721</b>
<b>EQUITY</b>			
Reserves	16	22,084,818	17,318,714
Accumulated (deficit)	17	(12,363,530)	(9,016,993)
<b>Total equity</b>		<b>9,721,288</b>	<b>8,301,721</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>ACCUMULATED SURPLUS</b>			
Opening accumulated surplus/(deficit)		(9,016,993)	(446,847)
Total comprehensive surplus/(deficit) for the year		1,419,567	74,732
Transfers (to)/from Reserves		(4,766,104)	(8,644,878)
<b>Accumulated (deficit)/surplus at year end</b>	17	<b>(12,363,530)</b>	<b>(9,016,993)</b>
<b>RESERVES</b>			
Opening reserves		17,318,714	8,673,836
Transfer from/(to) to accumulated surplus		4,766,104	8,644,878
<b>Reserves at year end</b>	16	<b>22,084,818</b>	<b>17,318,714</b>
<b>Total equity at year end</b>		<b>9,721,288</b>	<b>8,301,721</b>

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from government grants		62,020,173	58,611,923
Other receipts		992,713	1,087,747
Interest received		52,015	64,988
Payments to suppliers and employees		(56,684,165)	(53,138,388)
Interest on leases	12(b)	(223,530)	(136,299)
<b>Cash inflow from operating activities</b>	18	<b>6,157,206</b>	<b>6,489,971</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for purchases of property, plant and equipment and intangible assets		(1,830,170)	(688,117)
<b>Cash (outflow) from investing activities</b>		<b>(1,830,170)</b>	<b>(688,117)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities	12(b)	(305,407)	(453,611)
<b>Cash (outflow) from financing activities</b>		<b>(305,407)</b>	<b>(453,611)</b>
Net increase in cash held		4,021,629	5,348,243
Cash and short term deposits at beginning of year		22,076,156	16,727,913
<b>Cash and short term deposits at end of year</b>	8	<b>26,097,785</b>	<b>22,076,156</b>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## NOTE 1: OPERATIONS AND PRINCIPAL ACTIVITIES

BreastScreen Victoria Inc. (BSV) is part of a national breast cancer screening program offering eligible clients aged 50-74 free screening mammograms every two years. BSV aims to reduce deaths from breast cancer through early detection of the disease.

BSV is responsible for the ongoing delivery and management of the BreastScreen Program in Victoria. The BreastScreen Coordination Unit (BCU) develops and reviews program policy, manages the centralised Contact Centre, coordinates the Mobile Screening Service, manages client information, coordinates the state-wide communications and recruitment, monitors service provision, manages quality, coordinates special projects and administers the funding for a network of accredited screening and Reading and Assessment Services located in both the public and private sectors.

BCU consists of a small multidisciplinary team and is managed by the Chief Executive Officer who is accountable to a ministerial appointed Board.

## NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers BreastScreen Victoria Inc. as an individual entity. BreastScreen Victoria Inc. is an Association incorporated and domiciled in Victoria under the *Associations Incorporation Act (Vic) 1981*, which was subsequently superseded by *Associations Incorporation Reform Act 2012*. BreastScreen Victoria Inc. is a public entity under the *Public Administration Act 2004* and gained charitable status on 22 April 2016 under the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*.

The financial report for the year ended 30 June 2022 was authorised for issue by a resolution of the Board on 4 October 2022.

The following is a summary of the significant accounting policies adopted by BreastScreen Victoria Inc. in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

### (a) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*, and *Australian Accounting Standards – Simplified Disclosures, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board*. This includes compliance with the recognition and measurement requirements of all *Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board* and the disclosure requirements of *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

This financial report is the first financial report of the association prepared in accordance with *Australian Accounting Standards – Simplified Disclosures*. The prior year financial report was prepared in accordance with *Australian Accounting Standards – Reduced Disclosure Requirements*. The transition from the previous financial reporting framework to *Australian Accounting Standards – Simplified Disclosures* has not affected the association's reported financial position, financial performance and cash flows.

BreastScreen Victoria Inc. is a not-for-profit entity and therefore applies the additional *Australian Accounting Standards* paragraphs applicable to 'not-for-profit' entities under the AASs.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets, and financial liabilities for which the fair value basis of accounting has been applied.

### (b) Statement of compliance

#### Compliance with the Australian Accounting Standards – Simplified disclosures

The financial report of BreastScreen Victoria Inc. complies with the *Australian Accounting Standards – Simplified disclosures* as issued by the *Australian Accounting Standards Board*.

### (c) Significant accounting estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects current and future periods.



# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Estimates and judgements made by management in the application of AASs that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below.

## **(i) Employee entitlements**

Management judgement is applied in determining the following key assumptions used in the calculation of annual and long service leave at balance date:

- Future increases in wages and salaries
- Future on-cost rates
- Experience of employee departures and period of service.

## **(ii) Impairment of non-financial assets**

BreastScreen Victoria Inc. assesses impairment of all assets at each reporting date by evaluating conditions specific to BreastScreen Victoria Inc. and to the particular asset that may lead to impairment. These include product performance, technology, economic and political environments and future product expectations. If an impairment trigger exists, the recoverable amount of the asset is determined. Management does not consider that the triggers for impairment testing have arisen.

## **(iii) Estimation of useful lives of assets**

The estimation of the useful lives of assets has been based on historical experience. In addition, the condition of the asset is assessed at least annually and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary. The estimation of useful lives adopted in the current financial year are set out in note 1(g) and (h).

## **(iv) Make-good provisions**

BreastScreen Victoria is required to make good the Carlton premises to the value of \$282,600 increased annually by 3% at the end of the lease term as specified in the lease agreement. This has been estimated at a value of \$318,000 and recognised in the financial statements. Provisions for future costs to return certain leased premises to their original condition are based on the estimates of likely restoration costs determined by expert consultants. These estimates may vary from the actual costs incurred as a result of conditions existing at the date the premises are vacated.

## **(v) Revenue and other income**

The association derives revenue and other income from a range of activities and sources, including revenue from the provision of services, operating grants, and capital grants. In accordance with Australian Accounting Standards, the association is required to determine whether it is appropriate to recognise revenue and other income in the financial year in which cash or non-cash assets are received or to defer the recognition of revenue and other income until associated obligations and/or conditions (if any) are satisfied. In making this judgement, the association considers the guidance outlined in AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities and, in particular, whether the arrangement contains enforceable and sufficiently specific performance obligations. Where the association identifies the existence of enforceable and sufficiently specific performance obligations, or the arrangement requires the association to use the funds received to acquire or construct items of property, plant, and equipment to identified specifications, the recognition of revenue and other income is deferred until the identified obligations are satisfied.

## **(d) Rounding off**

All amounts shown in the financial report are expressed to the nearest dollar.

## **(e) Cash on hand and at bank**

Cash on hand and at bank refers to cash held in operating account and term deposits with maturity periods of less than three months from acquisition.

## **(f) Short term deposits**

Short term deposits refers to term deposits with maturity periods of three months or greater from acquisition date.

For the purpose of presentation in the statement of cash flows, cash and short term deposits include cash at bank and on hand, deposits held at call with banks or financial institutions and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **(g) Property, plant and equipment**

### **Bases of measurement of carrying amount**

Fixed assets valued at \$1,000 or above are measured at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to BreastScreen Victoria Inc. and the cost of the item can be measured reliably. All other repairs and maintenance are charged in the statement of comprehensive income during the reporting period in which they are incurred.

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

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## Impairment

At each reporting date, the carrying values of fixed assets are reviewed to determine whether there is any indication that those assets have been impaired. If such an indication exists and where the carrying values exceed the recoverable amount, the asset is written down to the recoverable amount. Recoverable amount is measured at the higher of depreciated replacement cost and fair value less cost to sell.

## Depreciation

The depreciable amounts of all furniture, equipment and vehicles are depreciated on a straight-line basis over their estimated useful life to BreastScreen Victoria Inc. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of assets are:

Asset Class	Depreciation Rate as %
Computer Equipment.....	33%
Furniture and Fittings.....	10%
Leasehold Improvements.....	20%
Motor Vehicles.....	33%
Office Equipment.....	20%
Mobile Van Screening Equipment .....	20%
Medical Equipment.....	20%
Digital Mammography Project Equipment.....	16%

## Make Good Provisions

Provision for make good obligation is recognised when a legal or constructive obligation as a result of past events exists, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provision is measured at the present value of management's best estimate of the expenditure required to settle the obligation at the end of the reporting period.

## (h) Intangible assets

### IT development and software

Costs incurred in developing systems and costs incurred in acquiring software licenses that will contribute to future periodical financial benefits through revenue generation and/or cost reduction or service potential are identified as capital to software systems and databases. Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on development and enhancement of the assets. These intangible assets have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis over periods generally ranging from two to six years.

Currently BreastScreen Victoria Inc. has developed a database that is amortised on a straight-line basis. Further, BreastScreen Victoria Inc. acquired software licenses that are also amortised on a straight-line basis.

Asset Class	Amortisation Rate as %
Database Development .....	20%
Software & Licenses .....	16.67% - 50%

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

### Impairment

At each reporting date, the carrying values of intangible assets are reviewed to determine whether there is any indication that those assets have been impaired. If such an indication exists and where the carrying values exceed the recoverable amount, the asset is written down to the recoverable amount. Recoverable amount is measured

at the higher of depreciated replacement cost and fair value less cost to sell.

## (i) Employee benefits

### (i) Short-term obligations

Liabilities for salaries and wages, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables. Contributions to employees' superannuation funds are made by BreastScreen Victoria Inc. and charged as expense when incurred.

### (ii) Other long-term employee benefit obligations

The liability for long service leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salary and wages levels, experience of employee, departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Employee benefit on-costs are included in employee benefits and the total recognised as a liability.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## **(j) Incorporation**

BreastScreen Victoria Inc. was incorporated on 2 September 1992 under the *Association's Incorporation Act 1981*.

BreastScreen Victoria Inc. was formerly called Victorian Breast Screening Coordination Unit Inc., and the name was changed on 19 October 1998.

BreastScreen Victoria Inc. was registered by the Australian Charities and Not for Profit Commission on 22 April 2016 as a Health Promotion Charity.

## **(k) Public liability/General insurance**

BreastScreen Victoria Inc. is insured through Victorian Managed Insurance Authority (VMIA) under the auspices of the Victorian Department of Health.

## **(l) Tax status**

BreastScreen Victoria Inc. is a charitable institution for the purposes of Australian taxation legislation and from 22 April 2016 has been endorsed to access charity tax concessions including income tax, GST and FBT exemptions. BreastScreen Victoria Inc. was also endorsed as a deductible gift recipient on 22 April 2016.

## **(m) Goods and services tax**

Revenues, expenses and assets are recognised net of amount of goods and services tax (GST). Receivables and payables are stated GST inclusive. The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as a current asset or current liability in the Balance Sheet, unless it is immaterial to be disclosed separately.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing activities, which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

## **(n) Functional and presentation currency**

The presentation currency of BreastScreen Victoria Inc. is the Australian dollar, which has also been identified as the functional currency of BreastScreen Victoria Inc.

## **(o) Receivables**

Receivables, are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment.

Collectability of receivables is reviewed on an ongoing basis. A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

## **(p) Payables**

Payables are carried at amortised cost and represent liabilities for goods and services provided to BreastScreen Victoria Inc. prior to the end of financial year, and arise when BreastScreen Victoria Inc. becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are paid within 30 days of recognition.

## **(q) Comparative figures**

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

## **(r) Reserves Policy**

In accordance with the BreastScreen Victoria Inc. policy on Reserves, the following Reserves are held:

### **(i) Contractual Liabilities Reserve**

BreastScreen Victoria Inc. maintains in reserves, funds for the winding down of the organisational structure if BreastScreen Victoria Inc. is dissolved. In addition, the Contractual Liabilities Reserve will provide, for meeting other liabilities including employee entitlements and any contractual liabilities.

### **(ii) Capital Replacement Reserves**

BreastScreen Victoria Inc. maintains in reserve, funds for the purpose of replacing BSV-owned capital equipment held on the asset register. Capital expenditure relating to public service providers is funded through the government's capital replacement programs and not by way of this reserve.

### **(iii) Special Project Reserve**

BreastScreen Victoria Inc. maintains in reserve, funds designated for special projects that progress strategic directions, as endorsed by the Finance and Audit Standing Committee and approved in line with the Delegations Manual. This includes projects that are externally funded, as well as those funded internally from accumulated cash reserves.

### **(iv) Reading and Assessment Services contingency fund**

BreastScreen Victoria Inc. maintains in reserve, funds for the winding down of Reading and Assessment Services. The amount of these reserves provides for an allocation of \$50,000 for each metropolitan service and \$25,000 for each rural service.

### **(v) Base Reserve**

BreastScreen Victoria Inc. maintains in reserve, funds to protect BreastScreen Victoria Inc. against unforeseen expenditure and to generate additional interest revenue to fund strategic initiatives including research projects. BreastScreen Victoria Inc. may hold a minimum of \$500,000 up to a maximum of \$2 million in this Reserve.

### **(vi) For any other agreed purpose**

BreastScreen Victoria Inc. maintains in reserve, for a specific purpose as agreed from time-to-time by Finance and Audit Standing Committee. Examples include to address anticipated shortfalls in government funding or to respond to a specific future issue.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## NOTE 3: CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

BSV has not applied any new accounting policies in FY 2022.

## NOTE 4: FINANCIAL INSTRUMENTS

### (a) Financial risk management objectives

BreastScreen Victoria Inc.'s activities expose it primarily to the financial risks of changes in interest rates. BreastScreen Victoria Inc. does not enter derivative financial instruments to manage its exposure to interest risk.

BreastScreen Victoria Inc. does not enter or trade financial instruments, including derivative financial instruments, for speculative purposes.

BreastScreen Victoria Inc. is not exposed to any foreign currency risk.

### (b) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

### (c) Net fair value

The aggregate net fair values and carrying amounts of financial assets and liabilities are disclosed in the balance sheet and in the notes to and forming part of the financial report.

	2022 \$	2021 \$
<b>NOTE 5: REVENUE</b>		
<b>REVENUE FROM CONTRACT WITH CUSTOMERS</b>		
DH - Screening and Cancer Prevention		
DH Funding - Screening component	37,896,533	35,931,980
DH Funding - BreastScreen Coordination Unit (BCU) component	11,948,428	11,714,145
Funding for Special Projects	1,826,352	527,136
Funding for Special Projects - Capital Income	866,782	-
NSW Screens	150,800	124,800
<b>Total</b>	<b>52,688,895</b>	<b>48,298,061</b>

### DH Funding - Screening

The Victorian Department of Health contract requires BSV to provide Screening, Reading and Assessment Services to the target population in the BreastScreen Australia Program.

Screening of clients is a distinct performance obligation in the contract as both of the following criteria are met:

a) BSV can deliver screening services on its own accord or

via Screening and Reading and Assessment Service providers

b) BSV's promise to deliver number of screens is separately identifiable from other promises in the contract.

Under AASB 15 Revenue from Contracts with Customers, the performance obligation (or promise) is the provision of minimum number of screens in any given year. The obligation is satisfied when the screening

is performed. The transfer of service also occurs when the screening is performed.

Given the ongoing challenges and collective impact of COVID-19 on services, \$1.7 million has been carried forward as unearned income into 2022-2023. The unspent screening funds are to only be allocated in 2022-2023 with Department of Health approval.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

## DH Funding – BreastScreen Coordination Unit (BCU)

The Victorian Department of Health contract requires BSV to undertake specific activities to improve service delivery, capacity and program effectiveness.

Screening services development or BreastScreen Coordination Unit funding is a distinct performance obligation in the contract as both of the following criteria are met:

- a) BSV has a separately identifiable obligation from other promises in the contract.
- b) BSV's obligation to report against agreed deliverables.

Under AASB 15 Revenue from Contracts with Customers, the performance obligation (or promise) is the provision of specific activities to improve service delivery, capacity and program effectiveness. The obligation is satisfied when the agreed deliverables are performed/met. The transfer of service also occurs when coordination of the program activities is performed.

Coordination unit funding is recognised as revenue progressively during the financial year up to 30 June 2022.

## Funding for Special Projects

BSV enters into contracts to deliver special projects. All performance obligations are distinctly listed in the contract as both of the following criteria are met:

- a) BSV to deliver on each deliverable
- b) Each deliverable is separately identifiable from other promises in the contract.

In the contracts performance obligation (or promise) is listed by milestones to be achieved by due date. The obligation is satisfied when these deliverables are achieved. The transfer of service also occurs when these activities listed are performed and are reported in the agreed form.

BSV's performance obligation is satisfied when a deliverable is met.

## NSW Screens

BSV is required to provide screening services to the women of NSW (from listed post codes).

Screening of NSW clients is a distinct performance obligation in the contract as both of the following criteria are met:

- a) BSV can deliver screening services on its own accord or via screening and Reading and Assessment Service providers
- b) BSV's promise to deliver screens to clients with NSW postcodes is separately identifiable from other promises in the contract.

In the contract performance obligation (or promise) is the provision of minimum number of screens in any given year. The obligation is satisfied when the screening is performed. The transfer of service also occurs when the screening is performed.

BSV's performance obligation is satisfied when screening is performed for clients with NSW postcode. Cumulative revenue of number of screens performed should be recognised as revenue up to 30 June 2022.

	2022 \$	2021 \$
<b>NOTE 6: OTHER INCOME</b>		
Interest received	72,109	63,046
Other Income	245,507	105,214
Donation	-	1,135
Profit from disposal of non-current assets	5,830	-
<b>Total</b>	<b>323,446</b>	<b>169,395</b>

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from interest earnings may support operating activities.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 7: NET RESULT FROM CONTINUING OPERATIONS</b>		
Surplus/(deficit) for the year has been arrived at after charging the following items:		
Depreciation of property, plant and equipment	689,807	575,269
Amortisation of intangible assets	69,274	150,070
Depreciation on right of use assets	346,308	443,557
Interest on lease payments	223,530	136,299
<b>NOTE 8: CASH AND SHORT TERM DEPOSITS</b>		
Cash on hand	-	300
Cash at bank	8,097,785	6,075,856
Short term deposits	18,000,000	16,000,000
<b>Total</b>	<b>26,097,785</b>	<b>22,076,156</b>
Short term deposits refers to term deposits with maturity periods of three months or less from acquisition date.		
BreastScreen Victoria Inc.'s exposure to interest rate risk is discussed in Note 4.		
<b>NOTE 9: RECEIVABLES AND OTHER ASSETS</b>		
CURRENT		
Trade receivables	27,483	83,815
Accrued revenue	46,041	19,576
Sundry debtors	7,000	7,000
Prepayments	353,478	600,988
GST receivable	401,054	444,014
<b>Total</b>	<b>835,056</b>	<b>1,155,393</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 10: PROPERTY, PLANT AND EQUIPMENT</b>		
Computer equipment – at cost	6,306,330	4,988,283
Accumulated depreciation	(4,665,813)	(4,093,285)
<b>Written down value</b>	<b>1,640,517</b>	<b>894,998</b>
Motor Vehicles – at cost	84,940	84,940
Accumulated depreciation	(84,940)	(84,940)
<b>Written down value</b>	<b>-</b>	<b>-</b>
Office equipment – at cost	571,155	536,990
Accumulated depreciation	(437,357)	(428,783)
<b>Written down value</b>	<b>133,798</b>	<b>108,207</b>
Furniture and fittings – at cost	156,092	134,072
Accumulated depreciation	(117,175)	(109,495)
<b>Written down value</b>	<b>38,917</b>	<b>24,577</b>
Leasehold improvement – at cost	1,300,532	1,300,532
Make good cost (i)	318,000	78,000
Accumulated depreciation	(1,331,402)	(1,327,323)
<b>Written down value</b>	<b>287,130</b>	<b>51,209</b>
Mobile screening van equipment – at cost	813,565	813,565
Accumulated depreciation	(706,886)	(661,057)
<b>Written down value</b>	<b>106,679</b>	<b>152,508</b>
Digital project equipment (pilot) – at cost	222,170	222,170
Accumulated depreciation	(222,170)	(222,170)
<b>Written down value</b>	<b>-</b>	<b>-</b>
Medical equipment – at cost	2,415,624	2,401,382
Accumulated depreciation	(2,313,346)	(2,298,498)
<b>Written down value</b>	<b>102,278</b>	<b>102,884</b>
<b>Total written down value property, plant and equipment</b>	<b>2,309,319</b>	<b>1,334,383</b>

(i) BreastScreen Victoria renegotiated the lease agreement for its Carlton South premises in May 2022 for a five year period. As per the agreement, BreastScreen Victoria is required to restore the premises to the value of \$282,600 increased annually by 3% at the end of the lease term. An amount of \$318,000 has been capitalised and a corresponding provision can be found in Note 15.

### Movements in carrying amounts

Movement in carrying amounts for each class of fixed assets between the beginning and the end of the financial year.

2022	Opening net book amount	Additions	Disposals	Depreciation/ (transfer)	Closing net book amount
Computer equipment	894,998	1,324,242	(2,426)	(576,297)	<b>1,640,517</b>
Motor vehicles	-	-	-	-	-
Office equipment	108,207	66,665	-	(41,074)	<b>133,798</b>
Furniture and fittings	24,577	22,020	-	(7,680)	<b>38,917</b>
Leasehold improvement	51,209	240,000	-	(4,079)	<b>287,130</b>
Mobile screening van equipment	152,508	-	-	(45,829)	<b>106,679</b>
Digital project equipment (pilot)	-	-	-	-	-
Medical equipment	102,884	14,242	-	(14,848)	<b>102,278</b>
<b>Total</b>	<b>1,334,383</b>	<b>1,667,169</b>	<b>(2,426)</b>	<b>(689,807)</b>	<b>2,309,319</b>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 11: INTANGIBLE ASSETS</b>		
Database development – at cost	1,933,735	1,933,735
Accumulated amortisation	(1,848,072)	(1,803,378)
<b>Written down value</b>	<b>85,663</b>	<b>130,357</b>
Software and licenses	2,507,744	2,363,430
Accumulated amortisation	(2,262,226)	(2,237,646)
<b>Written down value</b>	<b>245,518</b>	<b>125,784</b>
<b>Total written down value intangible assets</b>	<b>331,181</b>	<b>256,141</b>

## Movements in carrying amounts

2022	Opening net book amount	Additions	Disposals	Amortisation	Closing net book amount
Database development	130,357	–	–	(44,694)	<b>85,663</b>
Software and licenses	125,784	144,314	–	(24,580)	<b>245,518</b>
<b>Total</b>	<b>256,141</b>	<b>144,314</b>	<b>–</b>	<b>(69,274)</b>	<b>331,181</b>

	2022 \$	2021 \$
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## NOTE 12: LEASES

### (a) Right of use Assets

BSV is party to a number of leases, the main one being, Pelham Street, Carlton South premises.

Right of use assets – cost at recognition	3,118,955	3,561,910
Accumulated depreciation	(83,861)	(887,118)
<b>Written down value</b>	<b>3,035,094</b>	<b>2,674,792</b>

## Movements in carrying amounts

2022	Opening net book value	Additions to right to use assets	Derecognition of right to use assets	Depreciation	Closing net book value
Right of use assets	2,674,792	2,914,533	(2,207,113)	(346,308)	<b>3,035,904</b>
<b>Total</b>	<b>2,674,792</b>	<b>2,914,533</b>	<b>(2,207,113)</b>	<b>(346,308)</b>	<b>3,035,904</b>

At inception of a contract, BSV assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. All leases are accounted for by recognising a right of use asset and a lease liability except for leases of low value assets and leases with a duration of 12 months or less. Lease payments associated with these leases are recognised as an expense in the Income Statement over the lease term.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease
- Initial direct costs incurred.

Right of use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 12: LEASES (CONTINUED)</b>		
<b>(b) Lease liabilities</b>		
Current	231,992	442,759
Non-current	2,844,003	2,419,533
<b>Total</b>	<b>3,075,995</b>	<b>2,862,292</b>
<b>Reconciliation of lease liability</b>		
Balance at 1 July 2021	2,862,292	
Additions	2,914,533	
Derecognition of lease liability	(2,395,423)	
Interest expense	223,530	
Lease payments	(528,937)	
<b>Balance at 30 June 2022</b>	<b>3,075,995</b>	

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease or, if that rate cannot be readily determined, BSV's incremental borrowing rate for similar amount and term of borrowings. This rate is used as the discount rate and is obtained from BSV's financial institution. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments such as outgoings are expensed in the period to which they relate. Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

### Extension options

Some property leases contain extension options exercisable by BSV. BSV assesses at lease commencement date whether it is reasonably certain to exercise the extension options. BSV reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. There are no leases that contain options for extension that are not included in the lease calculation as at 30 June 2022.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 13: PAYABLES</b>		
Trade Creditors	3,573,001	4,248,880
Accruals and other creditors	434,345	908,709
GST, superannuation and other payables	925,663	440,564
<b>Total</b>	<b>4,933,009</b>	<b>5,598,154</b>
The average credit period on trade creditors is 30 days. No interest is charged.		
<b>NOTE 14: OTHER LIABILITIES</b>		
Contract liability	13,068,883	9,100,064
<b>Total</b>	<b>13,068,883</b>	<b>9,100,064</b>
The contract liability balance as at 30 June 2022 relates largely to funds received from the Victorian Department of Health and Primary Health Networks for services not yet performed.		
<b>NOTE 15: PROVISIONS</b>		
<b>CURRENT</b>		
Employee benefits – annual leave	639,597	675,481
Employee benefits – long service leave	614,895	645,110
<b>Total</b>	<b>1,254,492</b>	<b>1,320,591</b>
<b>NON-CURRENT</b>		
Employee benefits – long service leave	236,766	236,043
Make good provision	318,000	78,000
<b>Total</b>	<b>554,766</b>	<b>314,043</b>
<b>NOTE 16: RESERVES</b>		
Contractual liabilities reserve	2,770,756	2,085,119
Capital replacement reserve	4,000,000	4,000,000
Special purpose reserve *	13,014,062	8,933,595
Base reserve	2,000,000	2,000,000
Reading and Assessment Services contingency funds	300,000	300,000
<b>Total</b>	<b>22,084,818</b>	<b>17,318,714</b>
* The special purpose reserve records funds set aside for committed activities as approved by Board over the next 12 months. Refer to Note 1(r) for nature and purpose of each reserve.		
<b>NOTE 17: ACCUMULATED SURPLUS (DEFICIT)</b>		
Accumulated surplus/(deficit) at the beginning of the financial year	(9,016,993)	(446,847)
Surplus/(deficit) for the year	1,419,567	74,732
Transfers from/(to) reserves	(4,766,104)	(8,644,878)
<b>Total</b>	<b>(12,363,530)</b>	<b>(9,016,993)</b>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 18: CASH FLOW INFORMATION</b>		
<b>Reconciliation of cash flow from operations with net result for the year</b>		
Net result for the year	1,419,567	74,732
<b>Non-cash flows in surplus/(deficit) for the year</b>		
Depreciation and amortisation	1,105,389	1,168,896
Net Loss/(Gain) on disposal of assets	(5,830)	653
Leases adjustment	(187,500)	(10,053)
<b>Changes in assets and liabilities</b>		
(Increase)/Decrease in receivables	29,867	35,144
(Increase)/Decrease in other current assets	290,470	(94,940)
(Decrease)/Increase in payables and accrued expenses	(638,200)	(530,939)
(Decrease)/Increase in contract liabilities	3,968,819	5,712,306
(Decrease)/Increase in provisions	174,624	134,172
<b>Net cash inflow from operating activities</b>	<b>6,157,205</b>	<b>6,489,971</b>
<b>NOTE 19: COMMITMENTS</b>		
<b>Operating lease commitments</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
not later than one year	22,200	23,148
later than one year but not later than five years	34,335	56,535
<b>Total</b>	<b>56,535</b>	<b>79,683</b>
The commitments in FY 2023 are in relation to low value and short term leases.		
<b>NOTE 20: SCREENING SERVICE PROVIDERS</b>		
Screening Service providers are paid to provide screening services only. Detailed below is the amount paid to all Screening Service providers that screen across the State of Victoria. Also included is the cost of screening by the Mobile Screening Service.		
Screening Service providers	13,087,070	11,702,127
Mobile Screening Service	798,109	808,941

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$	2021 \$
<b>NOTE 21: READING AND ASSESSMENT SERVICES</b>		
Reading and Assessment Services are paid to provide reading, assessment and biopsy services. Provided below are the amounts paid to the Reading and Assessment Service providers.		
<b>Metro</b>		
Eastern Health	2,862,089	2,837,653
Monash Health	4,860,885	4,780,743
Melbourne Health	3,682,975	4,014,321
St Vincent's Hospital Melbourne	4,127,943	4,142,391
<b>Rural</b>		
Bendigo Health	1,688,777	1,463,307
Latrobe Regional Hospital	1,863,572	1,454,991
Ballarat Health Service	1,227,027	1,299,414
Lake Imaging	1,982,153	2,042,395
Other special purpose funding	25,908	28,092
<b>Total</b>	<b>22,321,329</b>	<b>22,063,307</b>
<b>NOTE 22: COORDINATION UNIT EXPENSES</b>		
<b>Operating</b>		
Salaries and on-costs	8,277,886	8,334,173
Depreciation and amortisation expense	1,105,389	1,168,896
Travel expenses	11,973	7,008
Office expenses	1,799,004	1,446,678
Communication expenses	384,734	334,566
Motor vehicle expenses	64,172	85,255
Rent and outgoings	346,644	296,676
Finance costs	223,530	136,299
Computer, equipment and support	1,089,751	1,122,670
Administration expenses	803,087	924,051
<b>Total - Operating</b>	<b>14,106,170</b>	<b>13,856,272</b>
<b>Special Projects</b>		
Salaries and on-costs	630,029	475,508
Travel expenses	1,715	705
Office expenses	79,754	19,596
Communication expenses	52,876	32,088
Motor vehicle expenses	3,082	5,872
Utilities	791	7,726
Computer, equipment and support	236,578	98,418
Administration expenses	550,788	115,582
Grants - screening and program coordination	522,592	15,523
<b>Total - Special Projects</b>	<b>2,078,205</b>	<b>771,018</b>
<b>Total - Operating and Special Projects</b>	<b>16,184,375</b>	<b>14,627,290</b>

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**NOTE 23: RELATED PARTIES**

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The names of persons who were Board members at any time during the year are set out in the Annual Report. There were no other transactions that require disclosure for the year ended 30 June 2022.

	2022	2021
	\$	\$

**NOTE 24: KEY MANAGEMENT AND DIRECTORS' REMUNERATION**

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Short term employee benefit	865,378	1,011,487
Superannuation	83,699	95,050
<b>Total</b>	<b>949,077</b>	<b>1,106,537</b>

**NOTE 25: REMUNERATION OF AUDITORS**

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Audit of the financial statements	37,800	37,000
Other services – Tax consulting	-	7,825
<b>Total</b>	<b>37,800</b>	<b>44,825</b>

**NOTE 26: ECONOMIC DEPENDENCY**

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A significant portion of income is received by way of recurrent and capital grants from the Victorian State Government.

**NOTE 27: CONTINGENCIES**

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BreastScreen Victoria Inc. have no contingent assets or liabilities as at 30 June 2022 (2021 : Nil).

**NOTE 28: EVENTS OCCURRING AFTER THE REPORTING PERIOD**

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No other matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect:

- (i) the operations of BreastScreen Victoria Inc.
- (ii) the results of these operations; or
- (iii) the state of affairs of BreastScreen Victoria Inc. in subsequent financial years.

**NOTE 29: MAKE GOOD PROVISION**

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BreastScreen Victoria Inc. has estimated a \$318,000 commitment to make good property at the end of the lease term for its Carlton South premises. Refer to Note 10 for more detail.

**NOTE 30: IMPACT OF COVID-19**

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COVID-19 continues to impact BSV's operations. BSV did not deliver as many screens in 2021-2022 due to the need to space out appointments to ensure physical distancing and enhance hygiene practices. BSV has recognised revenue in accordance with the number of screens it has delivered. This has resulted in \$1.7 million in unspent funding from 2021-2022 being held on the balance sheet until a decision is made on its use in 2022-2023.

## BOARD'S DECLARATION

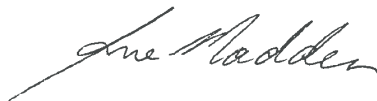
In the opinion of the Board:

- a) the financial report as set out on pages 1 to 21 satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - (i) comply with Australian Accounting Standards - Simplified disclosures, the *Associations Incorporation Reform Act 2012* and other mandatory professional reporting requirements,
  - (ii) give a true and fair view of BreastScreen Victoria Inc.'s financial position as at 30 June 2022 and of their performance for the financial year ended on that date.
- b) there are reasonable grounds to believe that BreastScreen Victoria Inc. will be able to pay its debts as and when they become due and payable.

This statement is made in accordance with the resolution of the Board:



**Dr Elisabet Wreme**  
Chair



**Sue Madden**  
Treasurer

4 October 2022

**Breast Screen Victoria Inc**  
**54 505 206 361**

**INDEPENDENT AUDITOR'S REPORT**  
**To the members of Breast Screen Victoria Inc.**

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of Breast Screen Victoria Inc the "Association", which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration of the Board of Management.

In our opinion the financial report of Breast Screen Victoria Inc has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) 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 Association in accordance with the auditor independence requirements of the *Australian Charities and Not for-profits Commission Act 2012* "ACNC Act" and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Those charged with governance are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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**Breast Screen Victoria Inc**  
**54 505 206 361**

**INDEPENDENT AUDITOR'S REPORT**  
**To the members of Breast Screen Victoria Inc.**

*Responsibilities of Responsible Entities and Those Charged with Governance for the Financial Report.*

The responsible entities of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *ACNC Act*, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the Association'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 responsible entities either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

*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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

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Breast Screen Victoria Inc  
54 505 206 361

**INDEPENDENT AUDITOR'S REPORT**  
**To the members of Breast Screen Victoria Inc.**

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

B POWERS  
Partner

PITCHER PARTNERS  
Melbourne

Date      04 October 2022

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Breast Screen Victoria Inc  
ABN: 54 505 206 361



**AUDITOR'S INDEPENDENCE DECLARATION**  
**To the members of Breast Screen Victoria Inc.**

In relation to the independent audit for the year ended 30 June 2022, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

A handwritten signature in black ink, appearing to read "B Powers".

B POWERS  
Partner

A handwritten signature in black ink, appearing to read "Pitcher Partners".

PITCHER PARTNERS  
Melbourne

Date: 04 October 2022



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