Down Syndrome Victoria

Supporting Victorian families since 1978

Financial Report 2022-2023

Down Syndrome Association of Victoria Inc.
ABN 59 901 963 154

Financial Report

For the Year Ended 30 June 2023

CONTENTS

Down Syndrome Association of Victoria Inc.

ABN 59 901 963 154

Statement of Comprehensive Income
for the Year Ended 30 June 2023

	2023 $	2022 $
Income		
Activity Income	900,691	303,834
Fundraising Events & Donations	287,497	156,770
Club 21 Income	98,750	129,216
Philanthropic Grant Acquittal	55,748	108,928
Other NFP Covid Assistance	5,000	25,000
Government Funding	937,589	711,479
DSV Remuneration Reimbursement	7,639	11,886
Investment Income	76,793	56,082
Sundry Income – Other	3,652	11,821
Training Event Income	50,073	65,588
Total Income	**2,423,432**	**1,580,604**
Expenses		
Employee Benefits	(1,667,087)	(1,369,756)
Activity Expenses	(376,701)	(42,190)
Bank charges & Management fees	(9,374)	(4,867)
Professional and Consulting fees	(76,195)	(19,296)
Depreciation – PPE	(7,903)	(9,159)
Fundraising Expenses	(31,036)	(6,128)
General Admin	(107,883)	(54,880)
Grant Related Expenditure	-	(1,000)
IT, Internet and Telephone	(69,314)	(92,928)
Rental Expenses	(40,000)	(67,462)
Repairs & Maintenance	-	(702)
Total Expenses	**(2,385,493)**	**(1,668,368)**
Net surplus / (deficit) for the year	**37,939**	**(87,764)**
Other Comprehensive Income		
Items that will be reclassified subsequently to profit or loss when specific conditions are met:		
Fair value gains / (loss) on financial assets	14,482	(40,623)
Total comprehensive income / (loss)	**52,421**	**(128,387)**

The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.
ABN 59 901 963 154
Balance Sheet
As at 30 June 2023

	Note	2023 $	2022 $
Current Assets			
Cash and cash equivalents		880,264	794,143
Trade receivables and other debtors		49,163	103,344
Other assets		2,211	-
Total Current Assets		931,638	897,487
Non-Current Assets			
Financial assets	2	1,146,530	1,044,455
Property, Plant and Equipment	3	16,612	8,146
Total Non-Current Assets		1,163,142	1,052,601
Total Assets		**2,094,780**	**1,950,088**
Current Liabilities			
Trade creditors and other payables		17,998	12,567
Unearned revenue and grants	4	360,641	341,951
GST liability		18,360	18,210
Payroll liabilities		111,519	57,877
Employee provisions	6	115,430	96,795
Total Current Liabilities		623,948	527,400
Non-Current Liabilities			
Employee provisions	6	2,575	6,852
Total Non-Current Liabilities		2,575	6,852
Total Liabilities		**626,523**	**534,252**
Net Assets		**1,468,257**	**1,415,836**
Equity			
Financial assets reserve	5	90,423	75,941
Accumulated funds		1,377,834	1,339,895
Total Equity		**1,468,257**	**1,415,836**

The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.
ABN 59 901 963 154

Statement of Changes in Equity
For the Year Ended 30 June 2023

	Financial asset reserve $	Accumulated funds $	Total $
Balance at 1 July 2021	**116,564**	**1,427,659**	**1,544,223**
Deficit for the year	-	(87,764)	(87,764)
Other comprehensive income/(loss)	(40,623)	-	(40,623)
Balance at 30 June 2022	**75,941**	**1,339,895**	**1,415,836**
Surplus for the year	-	37,939	37,939
Other comprehensive income/(loss)	14,482	-	14,482
Balance at 30 June 2023	**90,423**	**1,377,834**	**1,468,257**

The accompanying notes form part of the financial statements

Down Syndrome Association of Victoria Inc.

ABN 59 901 963 154

Statement of Cash Flows
For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Cash Flows from Operating Activities			
Grants received		966,468	790,487
Investment income		75,857	56,082
Government and NFP assistance regarding Covid-19		5,000	25,000
Other receipts		1,448,978	618,544
Payments to suppliers and employees		(2,306,220)	(1,649,731)
Lease liability interest expense		-	(205)
Net cash provided by/(used in) operating activities		**190,083**	**(159,823)**
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(16,369)	(3,564)
Net proceeds from/(payment for) financial assets		(87,593)	8,472
Net cash provided/(used in) by investing activities		**(103,962)**	**4,908**
Cash Flows from Financing Activities			
Payment of lease liabilities		-	(28,930)
Net cash provided by/(used in) financing activities		**-**	**(28,930)**
Net increase/(decrease) in cash held		**86,121**	**(183,845)**
Cash and cash equivalents at the beginning of the financial year		794,143	977,988
Cash and cash equivalents at the end of the financial year		**880,264**	**794,143**

The accompanying notes form part of the financial statements

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

The committee has prepared the financial statements on the basis that the association is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Reform Act 2012 (Victoria). The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the committee has determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Income Tax

The association is exempt from income tax under the provision of Section 50-5 of the Income Tax Assessment Act 1997.

(b) Property, Plant and Equipment

Property, plant, and equipment are carried at cost less, where applicable, accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cashflows that will be received from the asset's employment and subsequent disposal. The depreciable amount of all fixed assets is depreciated on a straight line method commencing from the time the assets is held ready for use.

The depreciation rates used for each class of assets are:

Furniture, Fixtures and Fittings	11.0 – 36.0%
Plant and Equipment	20.0 – 36.0%
Computer Software and Systems	20.0 – 36.0%

There has been no change to the depreciation rates from the previous years.

(c) Leases

The Association as a lessee

At inception of a contract, the association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the association uses the incremental borrowing rate.

Note 1: Summary of Significant Accounting Policies (continued)

(c) Leases (continued)

Lease payments included in the measurement of the lease liability are as follows:

– fixed lease payments less any lease incentives;
– variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
– the amount expected to be payable by the lessee under residual value guarantees;
– the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
– lease payments under extension options if lessee is reasonably certain to exercise the options; and
– payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the association anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the association commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial assets

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Note 1: Summary of Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred.
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the association no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

The association recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g., amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The association used the simplified approaches to impairment, as applicable under AASB 9. The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime always expected credit loss. In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the association recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Note 1: Summary of Significant Accounting Policies (continued)

(e) Impairment of Assets

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

Where it is not possible to estimate the recoverable amount of an individual asset, the association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. 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, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(g) Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(i) Revenue

When the association received operating grant revenue, donations, or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue, or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

When the association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

Note 1: Summary of Significant Accounting Policies (continued)

(i) Revenue (continued)
The association recognises income in the profit or loss when or as the association satisfies its obligations under the terms of the grant.

Interest income is recognised using the effective interest method.

The association recognises dividends in profit or loss only when the Entity's right to receive payment of the dividend is established.

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

(j) 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 Taxation office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(k) New and Amended Accounting Policies Adopted by the Association
Management's assessment indicates there are no new Australian Accounting Standards or interpretations that have been issued or are available for early adoption that are expected to have a material impact on the Association's financial report in the period of initial application.

(l) Critical accounting judgements, estimates and assumptions
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Employee benefits provision
As discussed in note 1(f), the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The association assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Estimation of useful lives of assets
The association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Down Syndrome Association of Victoria Inc.
ABN 59 901 963 154

Notes to the Financial Statements
For the Year Ended 30 June 2023

	2023 $	2022 $
Note 2: Financial Assets		
Available-for-sale financial assets	1,146,530	1,044,455

Note 3: Property, Plant and Equipment

	2023 $	2022 $
Furniture & Fittings - at Cost	-	9,655
Less accumulated depreciation	-	(9,655)
Total furniture & fittings	-	-
Office Equipment – at cost	34,684	18,315
Less accumulated depreciation	(18,072)	(10,169)
Total office equipment	16,612	8,146
Total property, plant and equipment	16,612	8,146

Movements in carrying amounts

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

	2023 $	2022 $
Furniture & Fittings		
Carrying amount at start of the year	-	4,090
Depreciation expense	-	(4,090)
Carrying amount at end of year	-	-
Office Equipment		
Carrying amount at start of the year	8,146	9,651
Acquisitions	16,369	3,564
Depreciation expense	(7,903)	(5,069)
Carrying amount at end of year	16,612	8,146

Note 4: Unearned Revenue and Grants

	2023 $	2022 $
Employment Connections	23,000	-
My Time Coalition Revenue	11,760	21,760
Betterstart	-	6,182
Income in advance	-	10,189
William Angliss	-	1,000
Collier Foundation	-	15,000
DET Grant	-	50,000
Information for Life	114,330	-
DJPR Access All Activities	19,871	53,174
Providing a Voice	5,130	20,990
Building Knowledge	29,814	90,775
Prog-Path to Indep/Inclusive Communication	55,650	18,019
MyTime transition Funding	-	8,975
PRC MyTime Training Funding	10,560	-

	2023 $	2022 $
Note 4: Unearned Revenue and Grants (continued)		
NAB Community Grant	10,000	-
Club 21 Expansion	30,526	-
Other Donations	50,000	-
Marion & EH Flack	-	1,250
ILC Economic Incl	-	11,719
Bank of Melb Foundation	-	21,818
AMAZE	-	5,000
EACH	-	6,000
General	-	100
Total unearned revenue	360,641	341,951

Note 5: Financial Asset Reserve

Non-Current

	2023 $	2022 $
Financial asset reserve	90,423	75,941

Note 6: Provisions

Current

	2023 $	2022 $
Provision for annual leave and long service leave	115,430	96,795

Non-Current

	2023 $	2022 $
Provision for long service leave	2,575	6,852

Note 7: Events Occurring After the Reporting Date

No significant events have occurred since the reporting date which would impact on the financial position of the association disclosed in the balance sheet as at 30 June 2023 or on the results and cash flow of the association for the year ended on that date.

Note 8: Association Details

The principal place of business of the Association is:

Down Syndrome Association of Victoria Inc.
552 Victoria Street
North Melbourne VIC 3051

Note 9: COVID-19

The impacts of COVID-19 on the association’s staff, operations, revenue, and costs, are being monitored by the Committee. Management continues to provide the Committee with regular reporting and where necessary, mitigation plans, to ensure the safety and well-being of all staff, as well as the ongoing ability of the organisation to provide continuity of service for all contracts and stakeholders.

Note 10. Contingent liabilities

The Association had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 11. Commitments

The Association had no commitments for expenditure as at 30 June 2023 and 30 June 2022.

Down Syndrome Association of Victoria Inc.
ABN 59 901 963 154

Statement by the Committee

In the committee's opinion:

- the association is not a reporting entity because there are no users dependent on general purpose financial statements. Accordingly, as described in note 1 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001 requirements to prepare and distribute financial statements to the members of Down Syndrome Association of Victoria Inc.;

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards as described in note 1 to the financial statements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the association's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the committee

Brendan Edwards President	Wendy McNabb Treasurer

Signed in Melbourne, this 16 day of October 2023

McLean Delmo Bentleys
THINKING AHEAD

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DOWN SYNDROME ASSOCIATION OF VICTORIA INC.

Opinion
We have audited the financial report of Down Syndrome Association of Victoria Inc., being a special purpose financial report, which comprises the balance sheet as at 30 June 2023, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the statement by the Committee Members.

In our opinion, the financial report of Down Syndrome Association of Victoria Incorporated is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporations Reform Act 2012 (VIC)*, including:

(a) giving a true and fair view of the Entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Emphasis of Matter – Basis of Accounting
We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporations Reform Act 2012 (VIC)* and for distribution to members for the purpose of fulfilling the Committee Members' financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee Members for the Financial Report
The Committee Members of the Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporations Reform Act 2012 (VIC)* and is appropriate to meet the needs of the members. The Committee Members' responsibility also includes such internal control as the Committee Members determine is necessary to enable the preparation of a 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, Committee Members are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Committee Members either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DOWN SYNDROME ASSOCIATION OF VICTORIA INC. (CONT'D)

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 Australian Auditing Standards, we exercise professional judgment 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.
- Conclude on the appropriateness of the Committee Members' 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 Entity'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 Entity to cease to continue as a going concern.
- 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.

McLean Delmo Bentleys Audit Pty Ltd

McLean Delmo Bentleys Audit Pty Ltd

John Delmo
Partner

Hawthorn
16 October 2023