

St. Catherine's Hostel Wangaratta Inc.

ABN 94 626 363 306

Financial Statements

For the year ended 30 June 2023

CONTENTS

Statement of profit or loss and other comprehensive income	2
Statement of financial position	3
Statement of changes in equity	4
Statement of cash flows	5
Notes to and forming part of the financial statements	6
Statement by members of the committee	16
Auditor's independence declaration	17
Independent auditor's report to the members	18

St. Catherine's Hostel Wangaratta Inc. ABN 94 626 363 306

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue	2	8,346,027	7,128,887
Expenses			
Employee related expenses		5,711,689	5,259,844
Depreciation & Amortisation	3	585,083	584,552
Repairs, Maintenance and Replacement		112,991	133,112
Residents' expenses		744,356	624,251
Finance Costs	3	25,828	35,976
Other expenses		671,047	722,533
		<u>7,850,994</u>	<u>7,360,268</u>
Surplus/(Deficit) before income tax		495,033	(231,381)
Income tax expense	1(e)	-	-
Net surplus/(deficit) for the year		<u>495,033</u>	<u>(231,381)</u>
Other comprehensive income		-	-
Total comprehensive result for the year		<u>495,033</u>	<u>(231,381)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

For the year ended as at 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	2,576,760	4,346,117
Trade and other receivables	5	124,661	238,382
Investments	6	17,865,846	16,943,149
Other	7	299,649	129,528
Total current assets		<u>20,866,916</u>	<u>21,657,176</u>
Non-current assets			
Property, plant and equipment	8	10,588,546	9,401,012
Intangible assets	9	28,924	43,386
Total non-current assets		<u>10,617,470</u>	<u>9,444,398</u>
Total assets		<u>31,484,386</u>	<u>31,101,574</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	527,739	641,751
Employee provisions	11	981,482	917,017
Other Liabilities	13	17,383,998	17,450,631
Total current liabilities		<u>18,893,219</u>	<u>19,009,399</u>
Non-current liabilities			
Employee provisions	12	134,764	130,805
Total non-current liabilities		<u>134,764</u>	<u>130,805</u>
Total liabilities		<u>19,027,983</u>	<u>19,140,204</u>
Net assets		<u>12,456,403</u>	<u>11,961,370</u>
EQUITY			
Retained surplus		12,456,403	11,961,370
Total equity		<u>12,456,403</u>	<u>11,961,370</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

St. Catherine's Hostel Wangaratta Inc. ABN 94 626 363 306

Statement of changes in equity

For the year ended 30 June 2023

	2023	2022
	\$	\$
Retained surplus at the beginning of the financial year	11,961,370	12,192,751
Net surplus/(deficit) for the year	495,033	(231,381)
Other comprehensive income	-	-
Retained surplus at the end of the financial year	<u>12,456,403</u>	<u>11,961,370</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from operations		7,799,173	6,784,896
Payments to suppliers and employees		<u>(7,353,305)</u>	<u>(6,675,712)</u>
		445,868	109,184
Donations and Bequests received		5,470	25,700
Interest received		629,916	55,191
Interest Paid		<u>(25,828)</u>	<u>(35,976)</u>
Net cash inflow (outflow) from operating activities		<u>1,055,426</u>	<u>154,099</u>
Cash flows from investing activities			
Payments for property, plant & equipment		<u>(1,774,995)</u>	<u>(2,585,875)</u>
Net cash inflow (outflow) from investing activities		<u>(1,774,995)</u>	<u>(2,585,875)</u>
Cash flows from financing activities			
Residents entry contributions/Daily accommodation payments received		4,283,008	6,460,616
Residents entry contributions/Daily accommodation payments refunded		<u>(4,404,977)</u>	<u>(5,951,216)</u>
Net resident trust monies received/(expended/refunded)		<u>(5,122)</u>	<u>(7,162)</u>
Net Cash provided by (used in) Financing Activities		<u>(127,091)</u>	<u>502,238</u>
Net increase (decrease) in cash and cash equivalents held		<u>(846,660)</u>	<u>(1,929,538)</u>
Cash and cash equivalents at the beginning of the financial year		21,289,266	23,218,804
Cash and cash equivalents at the end of the financial year	4	<u>20,442,606</u>	<u>21,289,266</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the financial statements

For the year ended 30 June 2023

1. Summary of significant accounting policies

(a) Basis of preparation of accounting

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not for Profits Commission Act 2012*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Under Australian Accounting Standards, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Reporting Standards (IFRS) requirements. The Association has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently, where appropriate the Association has elected to apply options and exemptions within the accounting standards which are applicable to not-for-profit entities.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated. Comparative information has been reclassified where appropriate to enhance comparability. The following is a summary of the material accounting policies adopted by St. Catherine's Hostel (Wangaratta) Inc. ("the Association") in the preparation of the financial report. The accounting policies have been consistently applied to all years presented.

(b) Revenue

Revenue from Government subsidies, resident fees and daily accommodation payments, are recognised overtime as the performance obligations are met being as the related services are provided. Where performance obligations are sufficiently specific and have not been satisfied at year end, these amounts have been deferred and recorded as Grants in Advance at Note 13. These monies will be recognised as performance obligations are satisfied.

Donation and fundraising revenue is recognised as revenue upon receipt.

Interest revenue is recognised as it is earned.

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

(c) Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes deposits at call, which are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of any outstanding bank overdrafts.

(d) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision is raised based on an expected credit loss method in accordance with AASB 9: *Financial Instruments*.

Notes to and forming part of the financial statements

For the year ended 30 June 2023

1. Summary of significant accounting policies (continued)

(e) Income Tax

The Incorporated Association is not subject to income tax.

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(g) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost is measured as the fair value of the assets given up, liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition. The purchase method of accounting is used for all acquisitions of assets.

The carrying amounts of property, plant and equipment are reviewed annually by the Committee to ensure they are not in excess of the recoverable amount from those assets.

Items with a cost in excess of \$1,000 are included in the asset's 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 the Association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

The depreciable amount of all fixed assets, including buildings is depreciated over their useful lives commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant & Equipment at cost	5% – 33.33%

An asset's carrying amount is written down to its recoverable amount, if the assets carrying amount is greater than its recoverable amount (refer note (i)).

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 and forming part of the financial statements

For the year ended 30 June 2023

1. Summary of significant accounting policies (continued)

(h) Land

Legal title to the land which St Catherine's Hostel Wangaratta Inc. occupies is held by the Roman Catholic Trusts Corporation for the Diocese of Sandhurst (Trusts Corporation). By convention, the Trusts Corporation holds legal title on behalf of and for the use of the Diocese of Sandhurst and its associated organisations, including St Catherine's Hostel Wangaratta Inc.

St Catherine's Hostel Wangaratta Inc. uses the land for aged care and considers it is entitled to occupy the land indefinitely. However, in the absence of holding legal title, the Committee of Management of St Catherine's Hostel Wangaratta Inc. has adopted the policy for accounting purposes of nominally treating this arrangement as a right to occupy (refer to note 9).

(i) Impairment of Assets

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. As the Association is a not-for-profit entity, the value in use is the depreciated replacement cost of the asset.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year and which remain unpaid. The amounts are usually paid within 30 days of recognition.

(k) Employee entitlements

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Association's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on commonwealth bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements of obligations for other long-term employee benefits for changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the reporting date, in which case the obligations are presented as current provisions.

Notes to and forming part of the financial statements

For the year ended 30 June 2023

1. Summary of significant accounting policies (continued)

(l) Comparative Figures

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

(m) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Association commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction cost are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties.

(n) Adoption of the New and Revised Accounting Standards

A number of Australian Accounting Standards have been issued or amended during the current year which may be applicable to the association but are not yet effective. The Committee has noted the likely impact of these amendments and have determined they will have an immaterial, if any, impact on the Association. Consequently, they have not been adopted in the preparation of these financial statements.

Notes to and forming part of the financial statements

For the year ended 30 June 2023

2. Revenue

	2023	2022
	\$	\$
Continued operations		
Revenue from contracts with customers	7,538,521	6,927,251
Other sources of income	807,506	201,636
	<u>8,346,027</u>	<u>7,128,887</u>
Revenue from contracts with customers		
Resident Fees	1,942,960	1,694,723
Government Aged Care Subsidies	5,235,495	4,771,897
Daily Accommodation Contributions/ Payment	321,897	289,800
Grant Funding	38,169	170,831
	<u>7,538,521</u>	<u>6,927,251</u>
Other sources of income		
Donations and funding	5,470	25,700
Interest	706,209	88,610
Other income	95,827	87,326
	<u>807,506</u>	<u>201,636</u>

3. Profit

Net gains and expenses

Profit before income tax expense includes the following expenses:

Expenses

Depreciation and Amortisation		
Buildings	304,192	342,961
Plant and Equipment at cost	266,429	227,129
Amortisation on Right of Occupancy	14,462	14,462
Total Depreciation and Amortisation	<u>585,083</u>	<u>584,552</u>

Finance costs

Interest expense on bond refunds	24,650	35,019
Bank charges	1,178	956
Total Finance costs	<u>25,828</u>	<u>35,976</u>

Loss on disposal of Property, Plant and Equipment

Disposals at costs	(16,840)	(40,412)
--------------------	----------	----------

Notes to and forming part of the financial statements

For the year ended 30 June 2023

4. Current assets – Cash and cash equivalents

	2023 \$	2022 \$
Petty Cash	2,500	2,500
NAB Operating Account	961,460	1,326,144
Diocesan Development Fund - Operating Account	97,232	58,601
Entry Contribution Account	1,267,122	2,713,439
Appeal Account	247,468	245,433
WAW Business saver account	978	-
	<u>2,576,760</u>	<u>4,346,117</u>

The above figures are reconciled to the cash flow statement as follows:

- Balance above	2,576,760	4,346,117
- Investments (Note 6)	17,865,846	16,943,149
	<u>20,442,606</u>	<u>21,289,266</u>

5. Current assets – Trade and other receivables

Sundry Receivables	44,135	102,641
Residents Fees in Arrears	21,000	8,630
GST Receivable	33,226	46,746
Government Personal Care Subsidy in Arrears	26,300	80,365
	<u>124,661</u>	<u>238,382</u>

6. Current assets – Investments

Donations Account Term Deposit	2,365,846	2,336,740
Bond/RAD Term Deposits	11,500,000	12,000,000
St Catherine's Term Deposits	4,000,000	2,606,409
	<u>17,865,846</u>	<u>16,943,149</u>

7. Current assets – Other

Accrued Income	187,972	35,384
Prepayments	111,677	94,144
	<u>299,649</u>	<u>129,528</u>

Notes to and forming part of the financial statements

For the year ended 30 June 2023

8. Non-current assets – Property, plant and equipment

	2023 \$	2022 \$
Buildings		
Buildings at cost	12,352,596	10,904,218
Less: accumulated depreciation	(5,228,408)	(4,924,216)
	<u>7,124,188</u>	<u>5,980,002</u>
Plant & equipment at cost		
Plant & equipment	2,913,147	2,435,342
Less: accumulated depreciation	(989,436)	(778,254)
	<u>1,923,711</u>	<u>1,657,088</u>
Work in Progress	1,540,647	1,763,922
Total property, plant & equipment	<u>10,588,546</u>	<u>9,401,012</u>

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	WDV at 1 July 2022	Additions	Disposals	Depreciation	Transfers/ Write-offs	WDV at 30 June 2023
	\$	\$	\$	\$	\$	\$
Buildings	5,980,002	-	-	(304,192)	1,448,378	7,124,188
Plant & equipment	1,657,088	231,197	(16,840)	(266,429)	318,695	1,923,711
Work in progress	1,763,922	1,543,798	-	-	(1,767,073)	1,540,647
	<u>9,401,012</u>	<u>1,774,995</u>	<u>(16,840)</u>	<u>(570,621)</u>	<u>-</u>	<u>10,588,546</u>

9. Current assets – Intangible assets

Right of Occupancy – Ryley Street Land

For accounting purposes the Committee of Management has adopted the policy of accounting for its arrangement in respect to the land which it occupies as an intangible asset titled 'Right of Occupancy'. Refer to note 1(h) for further information on this arrangement. The nominal right to occupy is being amortised over 25 years commencing 1 July 2000.

Right of Occupancy	361,545	361,544
Accumulated amortization	(332,621)	(318,158)
	<u>28,924</u>	<u>43,386</u>

10. Current liabilities – Trade and other payables

Trade creditors	184,548	368,037
Accrued expenses	199,143	118,505
PAYG Withholding Tax	68,872	70,679
Residents' Fees in Advance	75,176	84,530
	<u>527,739</u>	<u>641,751</u>

Notes to and forming part of the financial statements

For the year ended 30 June 2023

11. Current liabilities – Employee provisions

	2023	2022
	\$	\$
Provision for annual leave	387,644	383,721
Provision for long service leave	593,838	533,296
	<u>981,482</u>	<u>917,017</u>

12. Non-current liabilities – Employee provisions

Provision for long service leave	<u>134,764</u>	<u>130,805</u>
----------------------------------	----------------	----------------

13. Current liabilities – Other Liabilities

Accommodation bonds and Resident accommodation deposits (RAD's) held (i)	17,295,518	17,447,050
Residents' Trust Monies	(1,541)	3,581
Grants in advance	90,021	-
	<u>17,383,998</u>	<u>17,450,631</u>

(i) Accommodation bonds and RAD's held are represented by:

Opening balance	17,447,050	16,968,706
Add: new RAD's received	4,283,008	6,460,616
Less: bonds/RAD's refunded	(4,404,977)	(5,951,216)
Less: DAP's offset against RAD's held	(29,563)	(31,056)
Closing balance	<u>17,295,518</u>	<u>17,447,050</u>

14. Contingent Liabilities and Contingent Assets

The Committee is not aware of any contingent liabilities or contingent asset that may exist as at 30 June 2023.

15. Commitments

(a) Capital Commitments

Funds committed for the Hostel refurbishment;		
Within one year	1,551,341	452,816
Between one and five years	3,228,078	-
	<u>4,779,419</u>	<u>452,816</u>

(b) Operating commitments

Commitments for operating costs payable as follows:

Within one year	69,000	120,684
Between one and five years	96,600	182,828
	<u>165,600</u>	<u>303,512</u>

Notes to and forming part of the financial statements

For the year ended 30 June 2023

16. Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, entry contributions repayable and resident trust funds.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

		2023	2022
		\$	\$
(i) Financial Assets			
Cash on hand	4	2,576,760	4,346,117
Trade and other receivables	5	91,435	191,636
Investments	6	17,865,846	16,943,149
Accrued income	7	187,972	35,384
Total Financial Assets		20,722,013	21,516,286
(ii) Financial Liabilities			
Trade and other payables	10	458,867	571,072
Entry contributions repayable	13	17,292,517	17,447,050
Resident trust funds	13	(1,541)	3,581
Total Financial Liabilities		17,749,843	18,021,703

17. Events occurring after balance date

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Association, the results of those operations, or the state of affairs of the Association in future financial years.

18. Segment Reporting

The Association operates in one business and geographical segment, being the provision of Residential Aged Care facilities in Wangaratta Victoria

19. Association Details

The registered office and principal place of business for the association is:

St Catherine's Hostel Wangaratta Inc.

59 Ryley Street Wangaratta

Wangaratta VIC 3677

Notes to and forming part of the financial statements

For the year ended 30 June 2023

20. Related Party Transactions

(a) Committee Members

The names of the people who were members of the Committee of Management at any time during the financial year were:

Father Nathan Verallo	Will Ivey	Michael Carlile (Resigned 25/10/2022)
Mary Garlick	Neville McCormick	Amie Meads (Resigned 14/02/2023)
Matt Byrne	Kym Leochel	Megan Wadley
Alecia Roman	Peter Versteegen	Mike Noble

(b) Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Association either directly or indirectly. The key management personnel of the Association comprise the Committee and senior management.

	2023	2022
	\$	\$
Aggregate remuneration paid to key management personnel for the year	470,755	453,176

The members of the Committee of Management act in an honorary capacity.

(c) Other transactions with members of the Committee of Management and related entities:

Closed family members of key management personnel who were employee by the association received total remuneration of \$52,817 during the year.

There were no other transactions with key management personnel or any other related entities during the year end 30 June 2023 (2022: Nil).

21. Remuneration of the Auditor

Audit of the Financial Statements	14,600	13,500
Other non-assurance services	1,500	1,500
	16,100	15,000

22. Economic Dependency

The Association is dependent on the ongoing receipt of funding from the Department of Health and Aged Care to fund the provision of its core services. At the time of signing of these financial statements the Committee of Management had no reason to believe that this government funding will not be ongoing.

Statement by members of the committee

For the year ended 30 June 2023

In the opinion of the members of the committee the financial statements as set out on pages 2 to 15:

1. Presents a true and fair view of the financial position of St. Catherine's Hostel Wangaratta Inc. as at 30 June 2023 and its performance for the year ended on that date in accordance with Australian Accounting Standards – Simplified Disclosure of the Australian Accounting Standards Board and the requirements of the *Australian Charities and Not for Profits Commission Act 2012*.
2. At the date of this statement, there are reasonable grounds to believe that St. Catherine's Hostel Wangaratta Inc. will be able to pay its debts as and when they fall due.

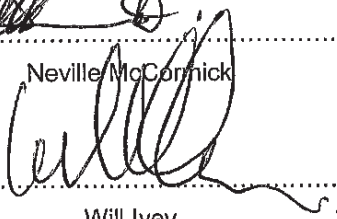
This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the Committee by:

Vice Chairperson



Neville McCormick

Treasurer



Will Ivey

Dated this

4th OCTOBER 2023

St. Catherine's Hostel Wangaratta Inc. ABN 94 626 363 306

Auditor's Independence Declaration under 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*

For the year ended 30 June 2023

As Auditor for the audit of St. Catherine's Hostel Wangaratta Inc. for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.

Johnsons MME
Chartered Accountants



Ryan Schischka
Director

Albury
4 October 2023

Independent auditor's report to the members of St. Catherine's Hostel Wangaratta Inc.

Opinion

We have audited the accompanying General Purpose – Simplified Disclosure financial statements of St. Catherine's Hostel Wangaratta Inc. ("the Association") which comprises the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes, and the statement by the members of the committee.

In our opinion, the financial statements of the Association are in accordance with 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 2023 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Simplified Disclosures and complying with the *Australian Charities and Not for Profits Commission Regulation 2022*.

Basis of 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 Statements* section of our report. We are independent of the Association in accordance with the auditor independence 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 statements 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.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Committee of Management's financial reporting responsibilities under the *Australian Charities and Not for Profits Commission Act 2012*. As a result, the financial statements may not be suitable for another purpose.

Independent auditor's report (continued)

Responsibilities of the Committee of Management for the Financial Statements

The Committee of Management of the Association is responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements which are appropriate to meet the requirements of the *Australian Charities and Not for Profits Commission Act 2012* and are appropriate to meet the needs of the members.

The Committee of Management is also responsible for such internal control as the Committee of Management determines necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee of Management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Johnsons MME
Chartered Accountants



Ryan Schischka
Director

Albury
4 October 2023