

# **Victorian Alcohol and Drug Association Inc.**

**ABN 19 039 293 679**

## **Financial Statements**

**For the Year Ended 30 June 2024**

**Victorian Alcohol and Drug Association Inc.**

ABN 19 039 293 679

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**For the Year Ended 30 June 2024**

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**LEAD AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SUBDIVISION 60-C OF THE  
AUSTRALIAN CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT 2012**

To the Committee of Victorian Alcohol and Drug Association Inc.

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2024 there have been:

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

LDAssurance  
Chartered Accountants

Stephen O'Kane  
Partner



Dated this 1st day of October 2024  
At 330 Collins Street, Melbourne.

# Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Revenue</b>			
Grant Revenue - Commonwealth	5	452,996	543,163
Grant revenue - State	5	2,092,981	1,486,328
Biennial conference income		-	395,687
Interest income		138,637	88,385
Membership fees		32,636	31,669
Other events		23,862	19,104
Other income		678	3,169
<b>Total revenue</b>		<b>2,741,790</b>	<b>2,567,505</b>
<b>Expenses</b>			
Employee benefits expense		(1,424,667)	(1,321,317)
Amortisation		(46,611)	(46,274)
Depreciation - motor vehicles		(13,562)	-
Computer expenses		(77,808)	(97,722)
Accounting & audit fees		(15,480)	(13,380)
Finance expenses		(6,321)	(4,163)
Meeting expenses		(161,175)	(405,469)
ADRIA research grant		(693,622)	(231,234)
Administration expenses		(109,822)	(140,525)
Consulting fees		(121,882)	(97,407)
Occupancy expenses		(68,540)	(3,297)
Other expenses		954	(4,910)
Board governance expenses		(28,929)	(13,706)
Professional development		(57,065)	(22,899)
<b>Total expenses</b>		<b>(2,824,530)</b>	<b>(2,402,303)</b>
<b>Profit/(loss) for the year</b>		<b>(82,740)</b>	<b>165,202</b>
Other comprehensive income	8	155,570	111,310
<b>Total comprehensive income for the year</b>		<b>72,830</b>	<b>276,512</b>

The accompanying notes form part of these financial statements.

# Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

## Statement of Financial Position

As At 30 June 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	2,126,411	3,231,534
Trade and other receivables	7	3,203	4,216
Prepayments		36,185	9,498
TOTAL CURRENT ASSETS		2,165,799	3,245,248
NON-CURRENT ASSETS			
Financial assets	8	1,318,197	1,162,627
Motor vehicles		40,687	-
Right-of-use assets	9	12,497	104,875
TOTAL NON-CURRENT ASSETS		1,371,381	1,267,502
TOTAL ASSETS		3,537,180	4,512,750
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	91,419	181,228
Financial liabilities		18,163	-
Lease liabilities	9	49,362	47,148
Make-good provision		20,000	-
Employee benefits	12	221,823	244,174
Income in advance	11	981,634	1,927,034
TOTAL CURRENT LIABILITIES		1,382,401	2,399,584
NON-CURRENT LIABILITIES			
Lease liabilities	9	12,685	62,251
Employee benefits	12	33,428	37,540
Other financial liabilities		22,463	-
TOTAL NON-CURRENT LIABILITIES		68,576	99,791
TOTAL LIABILITIES		1,450,977	2,499,375
NET ASSETS		2,086,203	2,013,375
<b>EQUITY</b>			
Investment Fluctuation Reserve		370,689	215,119
Retained Earnings		1,715,514	1,798,256
TOTAL EQUITY		2,086,203	2,013,375

The accompanying notes form part of these financial statements.

## Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

### Statement of Changes in Equity For the Year Ended 30 June 2024

#### 2024

	Retained Earnings	Investment Fluctuation Reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2023</b>	<b>1,798,255</b>	<b>215,119</b>	<b>2,013,374</b>
Loss for the year	(82,740)	-	(82,740)
Other comprehensive income	-	155,570	155,570
<b>Balance at 30 June 2024</b>	<b>1,715,515</b>	<b>370,689</b>	<b>2,086,204</b>

#### 2023

	Retained Earnings	Investment Fluctuation Reserve	Total
	\$	\$	\$
<b>Balance at 1 July 2022</b>	1,736,863	-	1,736,863
Restatement due to adoption of AASB 9	(103,809)	103,809	-
<b>Balance at 1 July 2022 restated</b>	1,633,054	103,809	1,736,863
Profit for the year	165,202	-	165,202
Other comprehensive income	-	111,310	111,310
<b>Balance at 30 June 2023</b>	<b>1,798,256</b>	<b>215,119</b>	<b>2,013,375</b>

The accompanying notes form part of these financial statements.

## Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

### Statement of Cash Flows For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from grants	1,761,768	2,180,751
Payments to suppliers and employees	(3,007,448)	(2,499,161)
Other income	62,895	511,011
Interest received	138,637	88,385
Net cash provided by/(used in) operating activities	16 (1,044,148)	280,986
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of finance lease liabilities	(13,623)	-
Payment of lease liabilities	(47,352)	(42,757)
Net cash provided by/(used in) financing activities	(60,975)	(42,757)
Net increase/(decrease) in cash and cash equivalents held	(1,105,123)	238,229
Cash and cash equivalents at beginning of year	3,231,534	2,993,305
Cash and cash equivalents at end of financial year	6 2,126,411	3,231,534

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

The financial report covers Victorian Alcohol and Drug Association Inc. as an individual entity. Victorian Alcohol and Drug Association Inc. is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Victorian Alcohol and Drug Association Inc. is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

These special purpose financial statements do not comply with all the recognition and measurement requirements in Australian Accounting Standards (Refer Note 2(a) below). The material accounting policies adopted in the special purpose financial statements are set out in note 2 and indicate how the recognition and measurement requirements in Australian Accounting Standards have not been complied with.

Note 2(a) Revenue and other income.

Some grant income has been deferred upon receipt and not recognised as revenue until the related expenses are incurred, and has not been assessed for compliance with the recognition and measurement requirements in AASB 1058 *Income of Not-for-Profit Entities*.

#### 2 Summary of Material Accounting Policies

##### (a) Revenue and other income

###### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Association are:

###### Grant income

Unspent grant income received in relation to specific projects and events is not brought to accounts as revenue in the current year but deferred as a liability in the financial statements until spent for the purpose received without assessing whether enforceable performance obligations exist.

###### Interest income

Interest income is recognised in respect of cash and cash equivalent balances. Interest income is recognised as it accrues.

##### (b) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.



## Notes to the Financial Statements

### For the Year Ended 30 June 2024

## 2 Summary of Material Accounting Policies (Continued)

### (c) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification*

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

#### *Fair value through other comprehensive income*

##### Equity instruments

The Association has a number of strategic investments in managed funds over which they do not have significant influence nor control. The Association has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

#### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2024**

#### **2 Summary of Material Accounting Policies (Continued)**

##### **(c) Financial instruments (Continued)**

###### **Financial assets (Continued)**

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

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

##### **(d) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

##### **(e) Leases**

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Association has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

###### **Lessee accounting**

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 2 Summary of Material Accounting Policies (Continued)

**(e) Leases (Continued)**

lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**(f) Employee benefits**

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

**(g) Adoption of new and revised accounting standards**

The Association has adopted all standards which became effective for the first time at 30 June 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

#### 3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 3 Critical Accounting Estimates and Judgments (Continued)

##### Key estimates - grant income

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements

#### 4 Change in Accounting Policy

The association elected to apply a change in accounting policy to its investments in the U Ethical Enhanced Income Trust portfolio. Upon initial investment, the portfolio had significant cash holdings included, which resulted in the asset being classified as cash and cash equivalents. In the past two years, the underlying investments in the portfolio mix has changed, resulting in a change of recognition of the asset.

The association also elected to apply AASB 9 Financial Instruments to its equity held investments. As a result of this, any fluctuations between the market value and cost base of the U Ethical Enhanced Income trust and U Ethical Growth Portfolio in each period are now reflected in an Investment Fluctuation Reserve.

The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 30 June 2024 is as follows:

	Previously stated \$	30 June 2023 Adjustments \$	Restated \$
<b>Statement of Financial Position</b>			
Cash and cash equivalents	3,497,122	(265,588)	3,231,534
Other financial assets	897,039	265,588	1,162,627
Retained Earnings	2,013,375	(215,119)	1,798,256
Investment Fluctuation Reserve	-	215,119	215,119

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 5 Revenue

##### Grant revenue

	2024	2023
	\$	\$
<b>Grant Revenue - Commonwealth</b>		
- Murray PHN	62,500	60,000
- NW PHN Workforce	-	3,504
- WVPHN	-	25,780
- CCB	390,495	453,879
	<b>452,995</b>	<b>543,163</b>
<b>Grant Revenue - State</b>		
- ADRIA Operating	80,000	115,056
- ADRIA Research	693,622	231,234
- EDCLAN	26,835	26,835
- Elevate!	250,428	277,177
- Immunisation Project	96,000	-
- MHRC Project	128,572	185,000
- Family Violence AOD Sector Support	139,595	139,660
- AOD Traineeship Project	11,053	-
- Peaks Tripartite	60,000	60,000
- ECHO	97,458	-
- Service Providers Conference	50,000	56,000
- Youth Suicide Research Fund	12,000	-
- Operating	414,658	395,366
- MARRAM	32,760	-
	<b>2,092,981</b>	<b>1,486,328</b>
<b>Total Grant Revenue</b>	<b>2,545,976</b>	<b>2,029,491</b>

#### 6 Cash and Cash Equivalents

Cash at bank and on hand	2,126,411	3,231,534
	<b>2,126,411</b>	<b>3,231,534</b>

#### 7 Trade and other receivables

CURRENT		
Trade receivables	3,203	4,216
<b>Total current trade and other receivables</b>	<b>3,203</b>	<b>4,216</b>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

## Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 8 Financial Assets

##### (a) Financial assets at fair value through Other Comprehensive Income

	2024	2023
	\$	\$
NON-CURRENT		
Managed Funds - U Ethical Enhanced Income Trust	280,586	265,588
Managed Funds - U Ethical Growth Portfolio	1,037,611	897,039
<b>Total</b>	<b>1,318,197</b>	<b>1,162,627</b>

##### (b) Change in fair value of other financial assets through other comprehensive income

Managed Funds - U Ethical Enhanced Income Trust	14,998	8,817
Managed Funds - U Ethical Growth Portfolio	140,572	102,493
<b>Total</b>	<b>155,570</b>	<b>111,310</b>

#### 9 Leases

##### Association as a lessee

The Association has a lease for its office accommodation.

Information relating to the leases in place and associated balances and transactions are provided below.

##### Right-of-use assets

	Buildings
	\$
<b>Year ended 30 June 2024</b>	
Balance at beginning of year	104,875
Depreciation charge	(46,611)
Impairment of right-of-use assets	(45,767)
<b>Balance at end of year</b>	<b>12,497</b>

	Buildings
	\$
<b>Year ended 30 June 2023</b>	
Balance at beginning of year	186,445
Impairment of right-of-use assets	(81,570)
<b>Balance at end of year</b>	<b>104,875</b>

## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 9 Leases (Continued)

##### Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	\$	\$	\$	\$
<b>2024</b>				
Lease liabilities	50,739	12,747	63,486	62,047
<b>2023</b>				
Lease liabilities	49,744	63,486	113,230	109,399

#### 10 Trade and Other Payables

	2024	2023
	\$	\$
CURRENT		
Trade payables	28,839	45,811
GST payable	8,882	58,570
PAYG payable	24,565	43,896
Employee benefits	12,733	13,326
Accrued expenses	15,674	18,899
Other payables	726	726
	<b>91,419</b>	<b>181,228</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

#### 11 Income in advance

	2024	2023
	\$	\$
CURRENT		
Government grants - Commonwealth	1,330	5,004
Government grants - State	586,371	754,474
Government grants - State ADRIA Research fund	393,933	1,167,556
<b>Total</b>	<b>981,634</b>	<b>1,927,034</b>

## Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

### Notes to the Financial Statements For the Year Ended 30 June 2024

#### 12 Employee Benefits

	2024	2023
	\$	\$
Current liabilities		
Long service leave	81,456	99,687
Annual leave	140,367	144,487
	<u>221,823</u>	<u>244,174</u>
Non-current liabilities		
Long service leave	33,428	37,540

#### 13 Auditors' Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor		
- Audit and preparation of the financial statements (LDAssurance)	6,000	5,000
- Audit of CCB Acquittal (LDAssurance)	2,000	2,000
<b>Total</b>	<u>8,000</u>	<u>7,000</u>

#### 14 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2024 (30 June 2023:None).

#### 15 Related Parties

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

All board members of Victorian Alcohol and Drug Association act in an honorary capacity. No board member received or was entitled to receive a fee solely by virtue of their position as a board member.



## Notes to the Financial Statements

### For the Year Ended 30 June 2024

#### 16 Cash Flow Information

##### Reconciliation of result for the year to cashflows from operating activities

	2024	2023
	\$	\$
Profit/(loss) for the year	(82,740)	165,201
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	46,611	46,274
- depreciation	13,562	-
- impairment loss on termination of ROU	45,766	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	1,013	19,909
- (increase)/decrease in other assets	-	8,818
- (increase)/decrease in prepayments	(26,687)	14,127
- increase/(decrease) in trade and other payables	(89,809)	55,092
- increase/(decrease) in income in advance	(945,401)	(51,689)
- increase/(decrease) in provisions	(6,463)	31,471
- reclassification of cash to financial assets	-	(8,217)
Cashflows from operations	<u>(1,044,148)</u>	<u>280,986</u>

#### 17 Events Occurring After the Reporting Date

The Association signed a new 5 year lease for office accomdation in July 2024. At the date of this report, the commencement date was undecided, however it is expected to be occupied before October 2024.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could 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 Statutory Information

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

Victorian Alcohol and Drug Association Inc.  
211 Victoria Parade  
Collingwood VIC 3066

Victorian Alcohol and Drug Association Inc.

ABN 19 039 293 679

Responsible Persons Declaration

The responsible person declare that in their opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.

Chairperson .....  .....

Treasurer .....  .....

Dated 01/10/2024

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VICTORIAN ALCOHOL AND DRUG ASSOCIATION INC.**

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

#### **Opinion**

We have audited the accompanying financial report of Victorian Alcohol and Drug Association Inc. ('the Association'), which comprises the statement of financial position as at 30 June 2024, 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 material accounting policies and other explanatory notes and the responsible person's declaration.

In our opinion, the accompanying financial report of Victorian Alcohol and Drug Association Inc. has been prepared in accordance with Division 60 of the *Australian Charities and Not-For-Profit Commission Act 2012*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-For-Profit Commission Regulations 2022*.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Committee's APES 110 *Code of Ethics for Professional Accountants* ('the Code') that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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 to for the purpose of fulfilling the Association's financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### **Other Matter**

We draw attention to Note 2 (a) of the financial report, the Association has not complied with the recognition and measurement requirements of AASB 1058 *Income of Not-for-Profit Entities*. Our opinion is not modified in respect of this matter.

## Responsibilities of the Committee for the Financial Report

The Committee is 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 Accounting Standards and Division 60 of the *Australian Charities and Not for profits Commission Act 2012*. The Committee's responsibility also includes such internal control as it determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is 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 Committee either intends to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with 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 the Committee.
- Conclude on the appropriateness of the Committee'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.
- 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 the Committee 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.

LDAssurance  
Chartered Accountants



Stephen O'Kane  
Partner

Dated this 1<sup>st</sup> day of October 2024  
At 330 Collins Street, Melbourne