

National ELT Accreditation Scheme Limited (NEAS Australia)

ABN 29 003 980 667

Financial Statements

For the Year Ended 30 June 2023

National ELT Accreditation Scheme Limited (NEAS Australia)

ABN 29 003 980 667

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National ELT Accreditation Scheme Limited (NEAS Australia)

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Directors' Report

30 June 2023

The directors present their report on National ELT Accreditation Scheme Limited (NEAS Australia) for the financial year ended 30 June 2023.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Ms Chloe Tanner	MProfCert, MCurMusStu
Qualifications	Independent Director
Appointed	13 October 2022
Mr David Riordan	Dip Teaching, BA, MEd, Grad Cert Mgmt
Qualifications	Independent Director
Appointed	13 October 2022
Ms Katherine Olston	BVA (Hons), MLearnSciTech, IDTLM, MFA, CELTA
Qualifications	Elected Director / Centre for English Teaching University of Sydney
Mr David Yoo	Cert IV Assessment and Training, BAgEc (Hons), GradCert Accounting, MEd, JP
Qualifications	Elected Director / Australian Pacific College
Professor Tanya Buchanan	BA (Hons), BSc, MBA, PhD, MAICD
Qualifications	Independent Director
Dr James Langridge	BBus, GradDipTertEd, MEdAdmin, DBA, FAICD
Qualifications	Independent Director
Dr Pamela Humphreys	BA (Hons), DipTEFLA, MA, GradCert, PhD
Qualifications	Elected Director / Macquarie University College
Ms Christine Bundesen AM	BA, MA, MACE, MAICD
Qualifications	Independent Director
Resigned	4 August 2022

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

Principal activities

The principal activity of National ELT Accreditation Scheme Limited (NEAS Australia) during the financial year was providing quality assurance services to colleges, education agents, service organisations and English language teaching professionals and monitoring them for the maintenance of quality assurance in English Language Teaching.

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

National ELT Accreditation Scheme Limited (NEAS Australia)

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Directors' Report

30 June 2023

2. Operating results and review of operations for the year

Operating results

The deficit of the Company amounted to \$111,873 (2022: surplus of \$13,068)

Review of operations

A review of the operations of the Company during the financial year and the results of those operations show that the revenue for the year has increased with the annual conference being held, however the increase in expenses resulted in a deficit for the year.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year other than as already noted.

Matters or circumstances arising after the end of the year

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 Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental matters

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

National ELT Accreditation Scheme Limited (NEAS Australia)

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Directors' Report

30 June 2023

Company secretary

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

Dr Patrick Pheasant has been the CEO and Company Secretary since October 2016.

Meetings of directors


During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:


	Board Meetings		Finance, Audit and Investment Committee		Board Recruitment and Selection Committee		CEO Performance Review Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Ms Chloe Tanner	4	4	-	-	-	-	-	-
Ms Christine Bundesen AM	1	-	-	-	-	-	-	-
Mr David Riordan	6	5	2	2	-	-	-	-
Ms Katherine Olston	6	6	-	-	-	-	1	1
Mr David Yoo	6	6	2	2	-	-	-	-
Professor Tanya Buchanan	6	6	2	1	-	-	1	1
Dr James Langridge	6	6	2	2	-	-	1	1
Dr Pamela Humphreys	6	6	-	-	-	-	-	-

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of National ELT Accreditation Scheme Limited (NEAS Australia).

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

Director: 
.....
Professor Tanya Buchanan

Director: 
.....
Mr David Yoo

Dated 23 October 2023

National ELT Accreditation Scheme Limited (NEAS Australia)

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	4	1,161,295	1,151,677
Audit and accounting		(56,131)	(61,149)
Advertising		(46,801)	(45,703)
Board fees		(61,997)	(54,210)
Conference expenses		(261,324)	(265,240)
Employee benefits expense		(690,866)	(597,841)
Bad debt expense		(39,842)	(29,889)
Travel and accommodation		(57,360)	(29,228)
Other expenses	5	(58,847)	(55,349)
(Deficit)/surplus before income tax		(111,873)	13,068
Income tax expense		-	-
(Deficit)/surplus for the year		(111,873)	13,068
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(111,873)	13,068

The accompanying notes form part of these financial statements.

National ELT Accreditation Scheme Limited (NEAS Australia)

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	143,930	83,824
Trade and other receivables	8	156,063	215,927
Other financial assets	9	724,156	806,362
Other assets	10	6,029	35,715
TOTAL CURRENT ASSETS		<u>1,030,178</u>	<u>1,141,828</u>
TOTAL ASSETS		<u>1,030,178</u>	<u>1,141,828</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	81,892	102,366
Employee benefits	13	82,313	68,514
Other financial liabilities	12	54,910	48,012
TOTAL CURRENT LIABILITIES		<u>219,115</u>	<u>218,892</u>
TOTAL LIABILITIES		<u>219,115</u>	<u>218,892</u>
NET ASSETS		<u>811,063</u>	<u>922,936</u>
EQUITY			
Retained earnings		<u>811,063</u>	<u>922,936</u>
TOTAL EQUITY		<u>811,063</u>	<u>922,936</u>

The accompanying notes form part of these financial statements.

National ELT Accreditation Scheme Limited (NEAS Australia)

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

2023

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2022	922,936	922,936
Deficit for the year	(111,873)	(111,873)
Balance at 30 June 2023	811,063	811,063

2022

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2021	909,868	909,868
Surplus for the year	13,068	13,068
Balance at 30 June 2022	922,936	922,936

The accompanying notes form part of these financial statements.

National ELT Accreditation Scheme Limited (NEAS Australia)

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,134,331	939,996
Payments to suppliers and employees	(1,210,807)	(1,140,923)
Dividends received	19,779	43,525
Interest received	129	477
Other receipts from Cashflow Boost and Jobkeeper	-	60,129
Net cash (used in) operating activities	15 <u>(56,568)</u>	<u>(96,796)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from the sale of investments	<u>116,674</u>	21,475
Net cash provided by/(used in) investing activities	<u>116,674</u>	<u>21,475</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	60,106	(75,321)
Cash and cash equivalents at beginning of year	<u>83,824</u>	<u>159,145</u>
Cash and cash equivalents at end of financial year	7 <u><u>143,930</u></u>	<u><u>83,824</u></u>

The accompanying notes form part of these financial statements.

National ELT Accreditation Scheme Limited (NEAS Australia)

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

The financial report covers National ELT Accreditation Scheme Limited (NEAS Australia) as an individual entity. National ELT Accreditation Scheme Limited (NEAS Australia) is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of National ELT Accreditation Scheme Limited (NEAS Australia) is Australian dollars.

The financial report was authorised for issue by the Directors on 23 October 2023.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Directors opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Going concern

The financial report has been prepared on the going concern basis. This basis has been adopted as the Directors of the Company are confident that the future budgets of the business which forecast cashflow positive results are achievable and therefore consider the Company will be able to meet its liabilities as and when they fall due.

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

National ELT Accreditation Scheme Limited (NEAS Australia)

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

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

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

Application of accreditation and assurance fees

The accreditation and assurance application fees are recognised as revenue on receipt of the application and commencement of the assessment process.

Annual accreditation assurance fees

Annual accreditation fees are recognised as revenue when the annual renewal becomes due. Fees received in advance of the renewal date are carried forward in the statement of financial position as deferred income.

Membership fees

The membership subscription year runs from when the annual assurance renewal becomes due, and is included in the annual assurance fee. Membership fees are recognised as revenue in the month following when they are invoiced on the basis that the performance obligations have all been met at this stage. Membership fees received in advance of the period to which they relate are carried forward in the statement of financial position as deferred income.

Interest revenue

Interest is recognised using the effective interest method.

Dividend revenue

Dividends are recognised when the entity's right to receive payment is established.

(c) Income Tax

The Company is exempt from Income Tax under Section 50-5 of the Income tax Assessment Act 1997. It is noted that Company is also a charity registered with the ACNC.

National ELT Accreditation Scheme Limited (NEAS Australia)

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

2 Summary of Significant Accounting Policies

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) 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.

(f) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company 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

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Company's trade and other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future

National ELT Accreditation Scheme Limited (NEAS Australia)

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

2 Summary of Significant Accounting Policies

(f) Financial instruments

- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. Although the Company uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

The Company's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

(g) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between one and three years.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

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

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Leases

At inception of a contract, the Company 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 Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company 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.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Employee benefits

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

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

3 Critical Accounting Estimates and Judgments

The directors 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.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectable. The impairment provision is based on the best information at the reporting date.

National ELT Accreditation Scheme Limited (NEAS Australia)

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

4 Revenue and Other Income

	2023	2022
	\$	\$
Fees received	789,786	823,223
ELT management conference income	227,133	193,171
Export Market Development Grant	90,000	120,175
	<u>1,106,919</u>	<u>1,136,569</u>
Finance income		
- Other interest received	129	478
- Dividend income	19,779	43,525
- Net gain/(loss) arising on financial assets designated as at FVTPL	34,468	(89,024)
	<u>54,376</u>	<u>(45,021)</u>
Other income		
- Cashflow Boost and Jobkeeper	-	60,129
	<u>-</u>	<u>60,129</u>
Total Revenue	<u>1,161,295</u>	<u>1,151,677</u>

5 Result for the Year

The result for the year includes the following specific expenses:

Other Expenses		
- Computer and IT Expenses	8,464	25,290
- Telecommunications	6,269	4,686
- Office and General Expenses	4,039	12,177
- Insurance	11,736	4,958
- Rent	14,983	5,876
- Legal Fees	13,356	2,362
	<u>58,847</u>	<u>55,349</u>

6 Auditors' Remuneration

Remuneration of the auditor of the entity, Bentleys Sydney Audit, for:

- auditing or reviewing the financial statements	<u>19,000</u>	<u>19,000</u>
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7 Cash and Cash Equivalents

Cash at bank and in hand	<u>143,930</u>	<u>83,824</u>
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National ELT Accreditation Scheme Limited (NEAS Australia)

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

8 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	179,405	218,450
Provision for impairment	(23,342)	(24,000)
Deposits	-	21,477
	<u>156,063</u>	<u>215,927</u>

9 Other Financial Assets

Financial assets at fair value through profit or loss.

CURRENT		
Listed shares	704,351	756,396
Other financial assets	19,805	49,967
	<u>724,156</u>	<u>806,363</u>

10 Other Assets

CURRENT		
Prepayments	6,029	35,715

11 Trade and Other Payables

CURRENT		
Trade payables	11,120	37,007
GST payable	15,026	16,021
Other payables and accrued expenses	55,746	49,338
	<u>81,892</u>	<u>102,366</u>

12 Other Financial Liabilities

CURRENT		
Deferred income	54,910	48,012

13 Employee Benefits

CURRENT		
Provision for long service leave	36,103	27,947
Provision for annual leave	46,210	40,567
	<u>82,313</u>	<u>68,514</u>

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

14 Related Parties

The following transactions occurred with related parties:

Any person(s) having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

Directors can be employees of the member organisations. These organisations paid their annual accreditation fees. The fees charged are on the same terms and conditions applicable to all other members.

The directors received fees totalling \$59,477 (2022:\$53,725) in the performance of their duties.

15 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
(Deficit)/surplus for the year	(111,873)	13,068
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- fair value movements on investments	(34,468)	89,024
Changes in assets and liabilities:		
- decrease/(increase) in trade and other receivables	53,835	(143,886)
- decrease/(increase) in other assets	35,714	(25,692)
- increase/(decrease) in income in advance	13,836	(66,274)
- (decrease)/increase in trade and other payables	(27,411)	24,271
- increase in employee benefits	13,799	12,693
Cashflows from operations	<u>(56,568)</u>	<u>(96,796)</u>

16 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the Company. At 30 June 2023 the number of members was 83 (2022: 83). The total number of members inclusive of Associate Members, Full Members, Endorsed Members and Life Members was 287 (2022: 263).

17 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2023 (30 June 2022: None).

National ELT Accreditation Scheme Limited (NEAS Australia)

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Notes to the Financial Statements

For the Year Ended 30 June 2023

18 Events Occurring After the Reporting Date

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

19 Company details

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

National ELT Accreditation Scheme Limited (NEAS Australia)
2/63 Dixon Street
Haymarket NSW 2000

National ELT Accreditation Scheme Limited (NEAS Australia)

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Directors' Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 16, are in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date and is in accordance with the accounting policy described in Note 2 of the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



Director
Professor Tanya Buchanan



Director
Mr David Yoo

Dated 23 October 2023

National ELT Accreditation Scheme Limited

Independent Audit Report to the members of National ELT Accreditation Scheme Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National ELT Accreditation Scheme Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commissions Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Financial Statement Preparation Basis

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 directors' financial reporting responsibilities under 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 Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view 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 Commissions Act 2012* and is appropriate to meet the needs of the members. The directors' responsibilities also include such internal control as the directors determine necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

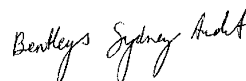
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 directors 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.



Michael Payne
Director
Sydney



BENTLEYS SYDNEY AUDIT PTY LTD
Chartered Accountants

Date: 23 October 2023