

ACT Council of Social Service Incorporated

ABN 81 818 8 988

Financial Statements

For the Year Ended 30 June 2021

ACT Council of Social Service Incorporated

ABN 81 818 8 988

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For the Year Ended 30 June 2021

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ACT Council of Social Service Incorporated

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Board's Report

30 June 2021

The directors present their report on ACT Council of Social Service Incorporated for the financial year ended 30 June 2021.

General information

Committee Members

The names of the committee members throughout the year and at the date of this report are:

Frances Crimmins - Chair	YWCA
Andrew Rowe - Vice Chair	Associate Member
Bruce Papps - Treasurer	Associate Member
Beth Slatyer	Associate Member
Cathi Moore	Parentline ACT
	ACT Down Syndrome Association
Alicia Flack Kone	Associate Member
Dorji Tshering	CIT Student Association
Andrew Scotford	Health Care Consumers' Association
	Anglicare
Darlene Cox	Associate Member
Sarah Murdoch	Community Services #1
Elizabeth Samra	Associate Member
Amanda Tobler	Associate Member
Diane Bakon	Menslink
Glenda Stevens - Resigned Nov 2020	Associate Member
Martin Fisk - Resigned Nov 2020	Associate Member
Petrea Messent - Resigned Nov 2020	Communities@Work
Lee Maiden - Resigned Jun 2021	

Principal activities and significant changes in nature of activities

The principal activities of ACT Council of Social Service Incorporated during the financial year was to represent community based welfare and human service organisations in Canberra.

There were no significant changes in the nature of ACT Council of Social Service Incorporated's principal activities during the financial year.

Operating results and review of operations for the year

Operating result

The surplus / (deficit) of the Association for the financial year after providing for income tax amounted to \$ 195,494 (2020: 200,087).

Other items

Events after the reporting date

No 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.


ACT Council of Social Service Incorporated

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Board's Report

30 June 2021

Signed in accordance with a resolution of the Members of the Committee:

Director: 

Director: *Cathy Moore*

Dated this *30th* day of *October* 2021

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-Profits Act 2012 to the Directors of ACT Council of Social Service Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Phillip Miller

Partner

Canberra, 30 October 2021

ACT Council of Social Service Incorporated

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

		2021	2020
	Note	\$	\$
Grants	4	1,216,362	1,139,628
Other income	4	170,722	109,300
COVID-19 assistance		206,992	189,336
Finance Income		11,707	12,534
Total Revenue		1,605,783	1,450,798
Employee expenses		(1,199,771)	(1,089,623)
Accounting fees		(8,596)	(8,527)
Depreciation		(13,002)	(6,364)
External labour and consulting		(90,678)	(55,510)
Meeting and seminars		(16,582)	(8,448)
Publication costs		-	(1,314)
Rent		4,871	(21,921)
Other expenses		(86,531)	(59,004)
Total Expenditure		(1,410,289)	(1,250,711)
Surplus from Operations		195,494	200,087
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		195,494	200,087

The accompanying notes form part of these financial statements.

ACT Council of Social Service Incorporated

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Statement of Financial Position

As At 30 June 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	755,577	561,260
Trade and other receivables	6	11,830	3,250
Investments	5	269,828	119,411
Other assets	9	17,730	64,849
TOTAL CURRENT ASSETS		1,054,965	748,770
NON-CURRENT ASSETS			
Other financial assets	7	10,000	10,000
Property, plant and equipment	8	174,328	39,527
TOTAL NON-CURRENT ASSETS		184,328	49,527
TOTAL ASSETS		1,239,293	798,297
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	118,005	83,587
Provisions	12	74,526	63,853
Grants received in advance	11	170,272	72,468
TOTAL CURRENT LIABILITIES		362,803	219,908
NON-CURRENT LIABILITIES			
Lease liabilities		102,607	-
TOTAL NON-CURRENT LIABILITIES		102,607	-
NET ASSETS		773,883	578,389
EQUITY			
Reserves		322,688	322,688
Retained earnings		451,195	255,701
TOTAL EQUITY		773,883	578,389

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2021

2021

	Retained Earnings	Reserves	Total
	\$	\$	\$
Balance at 1 July 2020	255,701	322,688	578,389
Comprehensive income attributable to members	195,494	-	195,494
Balance at 30 June 2021	451,195	322,688	773,883

2020

	Retained Earnings	General Reserve	Total
	\$	\$	\$
Balance at 1 July 2019	55,614	322,688	378,302
Shares issued during the year	200,087	-	200,087
Balance at 30 June 2020	255,701	322,688	578,389

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and operating grants	1,840,479	1,591,231
Payments to suppliers and employees	(1,600,760)	(1,448,293)
Interest received	3,007	12,534
Interest paid	(3,212)	(188)
Net cash provided by operating activities	<u>239,514</u>	<u>155,284</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	(24,543)	(27,880)
Payments for investments	(123,261)	(979)
Net cash (used in) investing activities	<u>(147,804)</u>	<u>(28,859)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Lease Payments	<u>102,607</u>	(2,112)
Net cash provided by/(used in) financing activities	<u>102,607</u>	(2,112)
Net (decrease) in cash and cash equivalents held	194,317	124,313
Cash and cash equivalents at beginning of year	<u>561,260</u>	<u>436,947</u>
Cash and cash equivalents at end of financial year	5 <u>755,577</u>	<u>561,260</u>

The accompanying notes form part of these financial statements.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

The financial report covers ACT Council of Social Service Incorporated as an individual entity. ACT Council of Social Service Incorporated is a not-for-profit Association incorporated in the Australian Capital Territory under the *Australian Charities and Not-for-Profits Commission Act 2012*, and the *Associations Incorporation Act (ACT) 1991*.

The principal activities of the Association for the year ended 30 June 2021 was to represent community based welfare and human service organisations in Canberra.

The functional and presentation currency of ACT Council of Social Service Incorporated is Australian dollars.

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

Comparatives are consistent with prior years, unless otherwise stated.

The Association is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

2 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(c) Revenue and other income

Grant revenue

to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

ACT Council of Social Service Incorporated receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Other income

Other income is recognised on an accruals basis when the Association is entitled to it.

(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) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Office Equipment	10-50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. 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

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

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

In some circumstances, the Association renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Association does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

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
- 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.

The Association does not have derivatives designated as financial assets at fair value through profit or loss.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Financial instruments

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.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Association's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category. The Association does not currently hold any available-for-sale financial assets.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in the prior period statement of profit or loss and other comprehensive income resulting from the impairment of debt securities are reversed through the statement of profit or loss and other comprehensive income, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Impairment of financial assets

At the end of the reporting period the Association 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.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

2 Summary of Significant Accounting Policies

(f) Financial instruments

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.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(g) 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.

(h) 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.

Long service leave is paid to the ACT Long Service Leave Authority, which was established under the Long Service Leave (Portable Schemes) Act 2009 to administer portable long service leave benefit schemes for workers in the ACT engaged in the Community Sector. As such the Association does not have long service leave provisions.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

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 - impairment of property, plant and equipment

The Association assesses impairment at the end of each reporting period by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

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 collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Other Income

	2021	2020
	\$	\$
Government and grant funding:		
- Peak body program	677,603	624,009
- Gulanga	281,470	263,704
- Energised consumers	80,050	64,996
- CD Net	4,600	13,830
- CASP	78,796	77,329
- Other	93,843	95,400
- Total grant funding	<u>1,216,362</u>	<u>1,139,268</u>
- Other Income:		
- Seminars	44,518	35,647
- Membership	54,050	55,543
- Other revenue	72,154	18,110
- COVID-19 assistance	206,992	189,336
- Total Other Income	<u>377,714</u>	<u>298,636</u>
Total Revenue	<u>1,594,076</u>	<u>1,437,904</u>

5 Cash and Cash Equivalents

Cash at bank and in hand	755,577	561,260
Short-term deposits	269,828	119,411
	<u>1,025,405</u>	<u>680,671</u>

ACT Council of Social Service Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2021

6 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	11,830	3,250

7 Other Financial Assets

(a) Financial assets at fair value through profit or loss		
Investments - fair value	10,000	10,000

8 Property, plant and equipment

Office equipment		
At cost	24,175	18,899
Accumulated depreciation	(14,829)	(12,366)
Total office equipment	9,346	6,533
Compuer equipment		
At cost	45,134	33,364
Accumulated depreciation	(24,626)	(18,541)
Total office equipment	20,508	14,823
Computer software		
At cost	10,575	10,575
Accumulated depreciation	(3,167)	(1,052)
Total computer software	7,408	9,523
Electrical equipment		
At cost	43,754	36,273
Accumulated depreciation	(34,451)	(32,128)
Total Electrical equipment	9,303	4,145
Leased assets		
At cost	150,673	6,504
Accumulated depreciation	(22,910)	(2,001)
Total Leased assets	127,763	4,503
Total property, plant and equipment	174,328	39,527

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

8 Property, plant and equipment

(a) Movements in Carrying Amounts

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

	Office Equipmen t \$	Computer Equipmen t \$	IT developm ent \$	Leased assets \$	Electric equipment \$	Total \$
Year ended 30 June 2021						
Balance at the beginning of year	6,533	14,823	9,523	4,503	4,145	39,527
Additions	5,275	11,770	-	144,169	7,481	168,695
Depreciation expense	(2,462)	(6,085)	(2,115)	(20,909)	(2,323)	(33,894)
Balance at the end of the year	9,346	20,508	7,408	127,763	9,303	174,328

9 Other Assets

	2021 \$	2020 \$
CURRENT		
Prepayments	16,959	13,654
Accrued income	771	51,195
	17,730	64,849

10 Trade and Other Payables

Current		
Trade payables	754	8,802
GST payable	29,096	22,942
Accrued expenses	18,086	17,178
Other payables	70,069	34,665
	118,005	83,587

11 Other Financial Liabilities

CURRENT		
Amounts received in advance	170,272	72,468

12 Employee Benefits

Current liabilities		
Long service leave	6,778	6,463
Other employee benefits	67,748	57,390
	74,526	63,853

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

13 Reserves

(a) General reserve

The general reserve records funds set aside three months of operating expenses for ACT Council of Social Service Incorporated.

14 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of ACT Council of Social Service Incorporated during the year are as follows:

	2021	2020
	\$	\$
Short-term employee benefits	469,919	371,771
Long-term benefits	-	4,659
Superannuation contribution	39,086	31,860
	<u>509,005</u>	<u>408,290</u>

15 Contingencies

In the opinion of the Directors, the Association did not have any contingencies at 30 June 2021 (30 June 2020: None).

16 Related Parties

(a) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The membership of the ACT Council of Social Service Incorporated include delegates from participating organisations and associations; these are deemed related parties.

Other than the receipt of membership subscriptions, and key management personnel, no related party transactions arose in the year (2020: nil).

Key management personnel - refer to Note 14.

ACT Council of Social Service Incorporated

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Notes to the Financial Statements

For the Year Ended 30 June 2021

17 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which 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 Statutory Information

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

ACT Council of Social Service Incorporated
Weston Community Hub
1/6 Gritten Street
WESTON ACT 2611

ACT Council of Social Service Incorporated

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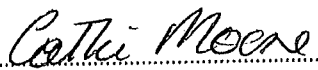
Statement by Members of the Board

In the opinion of the committee the financial report as set out on pages 3 to 21:

- Present fairly the financial position of ACT Council of Social Service Incorporated as at 30 June 2018 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
- At the date of this statement, there are reasonable grounds to believe that ACT Council of Social Service Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

President 

Director 

Dated 30 October 2021

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ACT COUNCIL OF SOCIAL SERVICE INCORPORATED

Opinion

We have audited the financial report of ACT Council of Social Service Incorporated (the Association), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and statement by the board of Directors.

In our opinion, the accompanying financial report of ACT Council of Social Service Incorporated is in accordance with the *Incorporated Associations Act 1991* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including;

- a) gives a true and fair view of the Association's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- b) complying with the Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and 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.

Responsibilities of Those Charged with Governance for the Financial Report

Those charged with governance of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and *Incorporated Associations Act 1991* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

Those charged with governance's responsibility also includes such internal control as those charged with governance determines is necessary to enable to 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, those charged with governance are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless those charged with governance either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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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 this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Vincent's

Phillip Miller
Director
Canberra, ACT

Dated: 30 October 2021