



**Audited Financial
Statements
2022 - 2023**

BEAUCARE INCORPORATED
ABN 93 959 100 658
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

BEUCARE INCORPORATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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BEAUCARE INCORPORATED
COMMITTEE MEMBERS' REPORT
FOR THE YEAR ENDED 30 JUNE 2023

The Committee Members present their report on Beaucaire Incorporated ("the Association") for the financial year ended 30 June 2023.

Committee Members

The names of Committee Members in office at any time during or since the end of the year are:

Mr David Bryant	President
Ms Pamela Ryan	Vice-President
Mr Scott Dorries	Treasurer
Ms Lynne Rule	Board Member
Ms Caroline Hennessy	Secretary
Ms Nicole Ireland	Board Member (Resigned 26 October 2022)
Ms Vivien Bampton	Board Member
Ms Sophie Walker	Casual Board Member (Appointed 1 July 2022 – 26 October 2022)
	Board Member (Appointed 26 October 2022)
Ms Dafni Brown	Casual Board Member (Appointed 14 March 2023)

The Committee Members 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 the Association during the financial year was a not-for-profit community organisation providing economic, social and community development to the aged care, social services and emergency and relief sectors in the Scenic Rim area.

Operating Results

The surplus of the Association during the financial year was \$81,723 (2022: \$116,086 surplus).

Significant Changes in State of Affairs

No significant changes in the Association's state of affairs occurred during the financial year.

After Balance Date Events

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 in future years.

Meetings

During the financial year, 11 meetings of Committee Members were held (in addition to the annual general meeting). The number of meetings attended by each Committee Member during the year is stated as follows:

BEAUCARE INCORPORATED
COMMITTEE MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023


Meetings (Continued)

Committee Member	Committee Members' Meetings	
	Number Eligible to Attend	Number Attended
Mr David Bryant	11	11
Ms Pamela Ryan	11	11
Mr Scott Dorries	11	11
Ms Lynne Rule	11	10
Ms Caroline Hennessy	11	11
Ms Nicole Ireland	4	2
Ms Vivien Bampton	11	9
Ms Sue Wainwright	11	9
Ms Sophie Walker	11	9
Ms Dafni Brown	2	2

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required by Australian Professional Ethical Standards is set out on page 4.

Signed in accordance with a resolution of the Committee Members.



Mr David Bryant

President
 18 September 2023
 Beaudesert



Mr Scott Dorries

Treasurer
 18 September 2023
 Beaudesert



accountants + auditors

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60.40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012
TO THE COMMITTEE OF BEAUCARE INCORPORATED.**

In accordance with the requirements of section 60-40 of the *Australian Charities and Not for Profits Commission Act 2012*, as lead auditor for the audit of Beucare Incorporated for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in 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.

MGI Audit Pty Ltd

S C Greene
Director

Brisbane

18 September 2023

BEAUCARE INCORPORATED

**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
Revenue	3	6,866,308	6,250,696
Employee benefit expenses	4	(5,534,557)	(5,019,874)
Equipment, repairs and maintenance costs		(72,209)	(95,802)
IT expenses		(120,036)	(122,549)
Motor vehicle costs		(97,791)	(80,060)
Subscriptions, memberships & licences		(38,807)	(38,773)
Other expenses	4	(180,466)	(159,694)
Client costs		(430,625)	(331,636)
Telephone, photocopying, postage, and stationery		(90,842)	(108,346)
Insurance costs		(37,048)	(31,167)
Grant expenses		(31,785)	(31,938)
Professional fees		(49,811)	(38,065)
Finance costs		(10,809)	(4,115)
Operating surplus for the year		<u>171,522</u>	<u>188,677</u>
Depreciation	7(a)	(89,799)	(72,591)
Surplus before income tax		<u>81,723</u>	<u>116,086</u>
Income tax benefit / (expense)	1(a)		-
Surplus for the Year		<u><u>81,723</u></u>	<u><u>116,086</u></u>
Surplus attributable to Members of the Association		<u><u>81,723</u></u>	<u><u>116,086</u></u>

BEAUCARE INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash at bank	5	927,895	1,858,685
Trade and other receivables	6	308,011	285,651
Financial Assets		1,012,719	-
Other current assets		14,950	12,566
TOTAL CURRENT ASSETS		<u>2,263,575</u>	<u>2,156,902</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	795,797	824,396
TOTAL NON-CURRENT ASSETS		<u>795,797</u>	<u>824,396</u>
TOTAL ASSETS		<u>3,059,372</u>	<u>2,981,298</u>
CURRENT LIABILITIES			
Trade and other payables	8	306,415	268,952
Deferred revenue	9	26,564	151,631
Employee leave entitlements	10	272,362	188,407
TOTAL CURRENT LIABILITIES		<u>605,341</u>	<u>608,990</u>
NON-CURRENT LIABILITIES			
Employee leave entitlements	10	-	-
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>605,341</u>	<u>608,990</u>
NET ASSETS		<u>2,454,031</u>	<u>2,372,308</u>
MEMBERS FUNDS			
Retained earnings		2,454,031	2,372,308
ACCUMULATED FUNDS - END OF YEAR		<u>2,454,031</u>	<u>2,372,308</u>

BEAUCARE INCORPORATED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Restricted Reserves \$	Retained Earnings \$	Total \$
Balance at 1 July 2021	15,604	2,240,618	2,256,222
Surplus attributable to members	-	116,086	116,086
Transfer between reserves	(15,604)	15,604	-
Balance at 30 June 2022	-	2,372,308	2,372,308
Surplus attributable to members	-	81,723	81,723
Balance at 30 June 2023	-	2,454,031	2,454,031

BEAUCARE INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		6,979,043	5,986,183
Payments to suppliers and employees		(6,847,167)	(6,421,974)
Interest received		9,214	1,481
Net cash provided by operating activities		141,090	(434,310)
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		-	53,772
Purchase of property, plant and equipment		(71,880)	(147,981)
Payment for financial assets		(1,000,000)	-
Net cash used in investing activities		(1,071,880)	(94,209)
Cash flows from financing activities			
		-	-
Net increase/(decrease) in cash and cash equivalents		(930,790)	(528,519)
Cash and cash equivalents at beginning of year		1,858,685	2,387,204
Cash and cash equivalents at end of year	5	927,895	1,858,685

BEAUCARE INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Beucare Incorporated as an Incorporated Association ("the Association"). Beucare Incorporated is a registered entity under the *Associations Incorporation Act 1981* and is domiciled in Queensland, Australia.

Basis of Preparation

The Committee Members have prepared the financial statements on the basis that the Association is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Associations Incorporation Act 1981*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Associations Incorporation Act 1981* and the significant accounting policies disclosed below, which the Committee Members have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information and where otherwise noted in note 1, have been prepared on an accruals basis and are based on historical costs. The amounts presented in the financial statements are in Australian dollars and have been rounded to the nearest dollar.

The financial statements were authorised for issue on 23 August 2023 by the Committee Members of Beucare Inc.

Accounting Policies

(a) Income Tax

No provision for income tax has been raised as the Association is exempt from income tax under Section 50-5 of the *Income Tax Assessment Act 1997*.

(b) Revenue

Revenue from the sale of goods and services provided is recognised upon the delivery of goods or services to clients.

Grant income is recognised as income in the financial period in which it is received, except where this income relates to additional subsidies from an increased cost of service delivery for a specific financial year. In this scenario, revenue from these sources are accrued to match the costs incurred. If grant funds are not acquitted in the current financial year where possible they are carried forward for acquittal in a future financial year or refunded to the Grantor.

Donation income is recognised when the Association obtains control over the funds, which is generally at the time of receipt.

Interest income is recognised using the effective interest method.

During the 2023 financial year, HCP revenue was adjusted to be recorded on an accruals basis (formally recorded on receipt – which was always 1 month in arrears). The 2023 financial year therefore includes 13 months of revenue, being June 2022 – June 2023. This approach was taken instead of a restatement of comparatives, as the adjustment was not material to the 2023 audit.

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

BEAUCARE INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) 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 losses.

Property

Beaucare Inc. is a special purpose Association and as such has adopted the policy of expensing the acquisition of plant & equipment as equipment in the applicable statement of profit or loss and other comprehensive income in the year of purchase in order to acquit any capital funds supplied to purchase those assets.

In accordance with prior years' policy, motor vehicles are recorded on the statement of financial position at cost and are depreciated over their useful life. Depreciation expense is recorded in the statement of profit or loss and other comprehensive income.

Buildings have been recorded in these financial statements at cost and there has been no depreciation calculated on the buildings. Expenditure incurred in relation to building alterations or improvements have been expensed in these financial statements in the year incurred.

Depreciation

All motor vehicles are depreciated on a straight-line basis over the useful lives of the assets to the Association commencing from the time the asset is held ready for use. Motor vehicles are depreciated over 5 years. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

(d) Leases

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

(e) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the balance date. Employee benefits expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled plus related on-costs. Employee benefits relating to Long Service Leave are recognised after 7 years of service at the employee's current hourly pay rate. Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

BEAUCARE INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Provisions

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

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except for:

- when the GST incurred on a purchase of goods and services is not recoverable from the Australian Taxation Office; in which case the GST is recognised as part of the cost of acquisition of the asset or part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the cash flow statement on a gross basis and the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Taxation Office, are classified as operating cash flows.

Commitments and contingencies are disclosed inclusive of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

(i) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(j) Trade and Other Payables

Trade and other payables represent liabilities for goods and services received by the Association that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Impairment of Assets

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

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

BEAUCARE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Comparative Figures

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

(m) Key Estimates and Judgements

Provision for impairment of trade and other debtors

The Committee assess the recoverability of trade and other debtors at each reporting date. There was no impairment of trade and other debtors for the financial year (2022: \$nil).

Depreciation

Motor vehicles are depreciated over their useful life, which the Committee have assessed as 5 years.

(n) Statement of Mortgages, Charges and Securities

At balance date there were no mortgages, charges or securities of any description affecting any property of the Association.

(o) Restricted Reserves

Restricted reserves are determined by the Committee to protect restricted funds of the Association from general retained earnings.

(p) Financial Assets

Financial assets include funds invested with fund managers as part of a diversified portfolio of equity, bonds and cash. The investments can be liquidity within 2-3 business days and therefore classified as a current asset. Gain/losses in financial assets are recorded through the profit and loss statement and included in note 3.

NOTE 2: EVENTS AFTER THE REPORTING PERIOD

There are no events subsequent to the balance sheet date that have impacted on the values disclosed in the financial statements.

BEAUCARE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 3: REVENUE AND OTHER INCOME

	2023	2022
	\$	\$
Revenue		
Recurrent funding	2,131,644	1,943,822
Grant income	31,785	23,938
Emergency relief funding	38,250	34,000
Client income	4,000,234	3,721,947
Levies – Educators	80,348	56,220
Levies – Family	523,063	345,727
Proceeds on sale of assets	-	53,772
Gains on financial assets	1,366	-
Other income	59,388	71,270
Total Revenue	<u>6,866,308</u>	<u>6,250,696</u>

NOTE 4: EXPENSES

Employee Benefit expenses

Wages & salary costs	4,514,467	4,212,406
Superannuation	469,700	414,207
Work-cover	76,565	72,711
Other employee benefit costs	473,826	320,550
Total Employee Benefit expenses	<u>5,534,557</u>	<u>5,019,874</u>

Other Expenses

Rent	20,667	25,750
Food costs	14,772	14,273
Promotional costs	11,526	49,975
Electricity, gas and rates	18,405	17,822
ER expenses	38,250	34,000
Project costs	48,332	-
Miscellaneous expenses	28,514	17,874
Total Other Expenses	<u>180,466</u>	<u>159,694</u>

NOTE 5: CASH AND CASH EQUIVALENTS

Cash on hand	550	550
Cash at bank	927,345	1,858,135
	<u>927,895</u>	<u>1,858,685</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

Trade debtors	121,382	174,998
Accrued revenue - HCP	81,410	-
GST receivable	10,276	15,984
Accrued income - Other	94,943	94,669
	<u>308,011</u>	<u>285,651</u>

BEUCARE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 7: PROPERTY, PLANT AND EQUIPMENT	2023	2022
	\$	\$
Buildings at Cost	552,765	552,765
Less accumulated depreciation	<u>-</u>	<u>-</u>
	<u>552,765</u>	<u>552,765</u>
Motor Vehicles at Cost	466,263	412,408
Less accumulated depreciation	<u>(223,231)</u>	<u>(140,777)</u>
	<u>243,032</u>	<u>271,631</u>
Total Property, Plant and Equipment	<u>795,797</u>	<u>824,396</u>

(a) Movements in Carrying Amounts

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

2023	Buildings	Motor Vehicles	Total
Balance at beginning of year	552,765	271,631	824,396
Additions	-	71,880	71,880
Depreciation expense	-	(89,799)	(89,799)
Disposals	-	(10,680)	(10,680)
Carrying amount at end of year	<u>552,765</u>	<u>243,032</u>	<u>795,797</u>

	2023	2022
	\$	\$
NOTE 8: TRADE AND OTHER PAYABLES		
Trade and other payables	91,943	118,405
Accruals	163,640	100,670
PAYG payable	<u>50,832</u>	<u>49,877</u>
	<u>306,415</u>	<u>268,952</u>

NOTE 9: DEFERRED REVENUE

Government funding	-	67,556
Other funding received in advance	<u>26,546</u>	<u>84,075</u>
	<u>26,564</u>	<u>151,631</u>

NOTE 10: EMPLOYEE LEAVE ENTITLEMENTS

Analysis of employee provisions

Current:

Annual Service leave entitlements	200,712	169,080
Long Service leave entitlements	<u>71,650</u>	<u>19,327</u>
Total current employee provisions	<u>272,362</u>	<u>188,407</u>

BEAUCARE INCORPORATED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 10: EMPLOYEE LEAVE ENTITLEMENTS (Continued)

Non-current:

Long service leave entitlements

_____	-	_____	-
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Total non-current employee provisions

_____	-	_____	-
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NOTE 11: CONTINGENT LIABILITES

The Committee Members are not aware of any contingent liabilities that are likely to have a material effect on the results of the Association (2021: Nil).

NOTE 12: ENTITY DETAILS

The principal place of business is:

44 Tina Street
Beaudesert QLD 4285
Australia


**BEAUCARE INCORPORATED
STATEMENT BY MEMBERS OF THE COMMITTEE**

The Committee has determined that these special purpose financial statements should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial statements and notes as set out on pages 5 to 15:


- comply with Accounting Standards as described in Note 1 to the financial statements and the *Australian Charities and Not-for-profits Commission Act 2012*;
- give a true and fair view of the financial position as at 30 June 2023 and the performance of the Association for the year ended on that date of the Association in accordance with the accounting policies described in Note 1 of the financial statements; and
- at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

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


.....
Mr David Bryant
President

18 September 2023

Beaudesert


.....
Mr Scott Dorries
Treasurer
18 September 2023
Beaudesert

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BEAUCARE INC**

Report on the Audit of the Financial Report

Auditor's Opinion

We have audited the financial report of Beaucare Inc (the "Association"), which comprises the statement of financial position as at 30 June 2023 and the statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement by members of the Committee.

In our opinion, the accompanying financial report of Beaucare Inc is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Australian Charities and Not-for-profits Regulation 2022*.

Other Information

The Committee of the Association are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2023, 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 accordingly 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 report 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.

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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Association's 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.

Responsibility of the Committee of the Association for the Financial Report

The Committee of the Association are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members.

The Committee's responsibility also includes such internal control as the Committee determine 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 are 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 intend to liquidated the Association or to cease operations, or have no realistic alternative but to do so.

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

As part of an audit in accordance with the 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 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, internal 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 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 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.

Auditor's Responsibility for the Audit of the Financial Report (Continued)

- 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 the audit.

MGI Audit Pty Ltd



S C Greene

Director

18 September 2023

Brisbane