



Neuroscience Research Australia Foundation

ABN 57 008 429 961

General Purpose Financial Report

For the year ended 31 December 2023

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This annual report is for Neuroscience Research Australia Foundation ("the Trust"). Its registered office and principal place of business is:

Neuroscience Research Australia
Margarete Ainsworth Building
139 Barker Street
Randwick, NSW 2031

Statement of Profit or Loss

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
REVENUE			
Donations and Fundraising	2	8,747,046	5,905,860
TOTAL REVENUE		8,747,046	5,905,860
EXPENSES			
Personnel Expense	3	(867,751)	(1,166,062)
Donations to Neuroscience Research Australia	4	(11,542,993)	(3,746,752)
Other Expenses	5	(650,278)	(801,629)
TOTAL EXPENSES		(13,061,022)	(5,714,443)
(LOSS)/PROFIT FROM OPERATIONS		(4,313,976)	191,417
Finance Income	6	1,240,562	675,722
Finance Cost	6	(295,887)	(1,901,791)
NET FINANCE INCOME/(COST)		944,675	(1,226,069)
LOSS FOR THE YEAR		(3,369,301)	(1,034,652)
TOTAL COMPREHENSIVE LOSS		(3,369,301)	(1,034,652)

Statement of Financial Position

As at 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	7	120,637	544,621
Trade and Other Receivables	8	-	5,007,205
Other Financial Assets	9	14,057,127	11,794,572
TOTAL CURRENT ASSETS		14,177,764	17,346,398
TOTAL ASSETS		14,177,764	17,346,398
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	10	222,384	21,717
TOTAL CURRENT LIABILITIES		222,384	21,717
TOTAL LIABILITIES		222,384	21,717
NET ASSETS		13,955,380	17,324,681
TRUST FUNDS			
Trust Capital	11	10	10
Retained Surplus		13,955,370	17,324,671
TOTAL TRUST FUNDS		13,955,380	17,324,681

Statement of Changes in Trust Funds

For the year ended 31 December 2023

	Trust Capital	Retained Surplus	Total Trust Funds
	\$	\$	\$
Balance at 1 January 2022	10	18,359,323	18,359,333
(Loss)/Profit	-	(1,034,652)	(1,034,652)
Total Comprehensive Income	-	(1,034,652)	(1,034,652)
Balance at 31 December 2022	10	17,324,671	17,324,681
(Loss)/Profit	-	(3,369,301)	(3,369,301)
Total Comprehensive Income	-	(3,369,301)	(3,369,301)
Balance at 31 December 2023	10	13,955,370	13,955,380

Statement of Cash Flows

For the year ended 31 December 2023

	2023	2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from donations and fundraising	8,747,046	5,905,860
Interest received	584,102	2,665
Net payments to Neuroscience Research Australia	(6,336,947)	(4,325,042)
Payments to suppliers and employees	(1,523,926)	(2,063,183)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	1,470,275	(479,700)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net movement in other financial assets	(1,894,259)	751,405
NET CASH FROM INVESTING ACTIVITIES	(1,894,259)	751,405
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the year	544,621	272,916
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	120,637	544,621

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Material Accounting Policies

REPORTING ENTITY

Neuroscience Research Australia Foundation (the 'Trust') is domiciled in Australia. The Trust's registered office is at Margarete Ainsworth Building, 139 Barker St, Randwick, NSW, 2031.

The Trust is a not-for-profit entity and is primarily involved in the conduct of fundraising appeals to raise money for medical research and the development of medical research facilities at Neuroscience Research Australia. The Trust commenced trading as the Neuroscience Research Australia Foundation on 1 January 2011. The financial statements of the Trust are as at and for the year ended 31 December 2023.

BASIS OF PREPARATION

a) Statement of Compliance

These financial statements are general purpose financial statements for distribution to the members. They have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Australian Charities and Not-for-Profits Commission Act 2012.

These financial statements were authorised for issue by the Board of Trustees as of the date of the Trustees Declaration.

b) Basis of measurement

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) Functional and presentation currency and rounding

These financial statements are presented in Australian dollars, which is the Trust's functional currency. There is no rounding in the financial statements.

d) Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Trust's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Details of the specific judgement, estimates and assumptions that have the most significant effects on the amounts recognised in the financial statements are summarised in the Notes.

Notes to the Financial Statements

For the year ended 31 December 2023

CHANGES IN MATERIAL ACCOUNTING POLICIES

A number of new standards are effective from 1 January 2023 but they did not have a material effect on the Company's financial statements.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is recognised and measured at the fair value of the consideration or contributions received, net of goods and services tax ("GST") or similar taxes, to the extent it is probably that the economic benefits will flow to the Trust and the revenue can be reliably measured.

REVENUE

Donations and fundraising

Revenue from donations and fundraising is recognised in profit or loss when the Trust gains control of the contribution or the right to receive the contribution.

INCOME TAX

The company is a registered charity and is exempt from income tax under s50-5 of the Income Tax Assessment Act 1997.

FINANCIAL INSTRUMENTS

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at Financial assets at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements

For the year ended 31 December 2023

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Trust may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets in the “at amortised cost” category particularly include trade accounts receivable (not including factoring), cash and cash equivalents and other receivables.

Cash equivalents are short-term, extremely liquid financial investments that can be converted to cash at any time and that are only subject to insignificant risks of changes in value.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

iii. Derecognition

Financial assets

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Trust enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

EMPLOYEE BENEFITS

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Notes to the Financial Statements

For the year ended 31 December 2023

ii. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Trust has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii. Other long-term employee benefits

The Trust's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in surplus or deficit in the period in which they arise. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Trust's obligations.

GOODS AND SERVICES TAX (GST)

Revenues, 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 taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

TRADE AND OTHER RECEIVABLES

Trade receivables are recognised initially at the transaction price (i.e. cost). Most sales are made on the basis of normal credit terms and do not bear interest. Receivables are not discounted to present value.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. Debts are written off once attempts at recovery of the debt have ceased.

FINANCE INCOME AND FINANCE COSTS

Finance income comprises interest income on funds invested, dividend income and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in surplus or deficit using the effective interest method. Dividend income is recognised in surplus or deficit on the date on which the Trust's right to receive payment is established.

Notes to the Financial Statements

For the year ended 31 December 2023

	2023	2022
	\$	\$
Note 2 Donations and Fundraising		
Bequests	1,835,347	541,203
Major gifts	3,953,658	2,471,589
Other	2,958,041	2,893,068
TOTAL DONATIONS AND FUNDRAISING	8,747,046	5,905,860

	2023	2022
	\$	\$
Note 3 Personnel Expense		
Wages, salaries, and other personnel expenses	787,223	1,066,200
Contributions to superannuation funds	80,528	99,862
TOTAL PERSONNEL EXPENSE	867,751	1,166,062

Note 4 Related Parties

Key management services

All key management personnel are compensated by Neuroscience Research Australia, and services performed in relation to the Trust are re-charged by Neuroscience Research Australia to the Trust.

Identity of related parties

The Trust has a related party relationship with its trustee (Neuroscience Research Australia Foundation), its ultimate parent entity (Neuroscience Research Australia), and with its key management personnel.

	2023	2022
	\$	\$
Other related party transactions		
Related party (payable)/receivable – Neuroscience Research Australia	(198,842)	5,007,205
Donations	11,542,993	3,746,752

On 12 December 2013, Neuroscience Research Australia Foundation entered into a loan facility as lender with Neuroscience Research Australia. In December 2023 the year's interest income of \$262,484 was received. The loan facility balance at the end of the year is \$0.

	2023	2022
	\$	\$
Note 5 Other Expenses		
Other expenses	650,278	801,629
TOTAL OTHER EXPENSES	650,278	801,629

Notes to the Financial Statements

For the year ended 31 December 2023

	2023	2022
	\$	\$
Note 6 Net Finance Income		
FINANCE INCOME		
Interest Income	318,667	30,794
Intercompany loan interest income	265,435	181,384
Dividend income	330,971	441,038
Foreign exchange gains	35,930	22,506
Unrealised gain from financial assets recognised through surplus or deficit	289,559	-
TOTAL FINANCE INCOME	1,240,562	675,722
FINANCE COST		
Bank charges	7,723	9,571
Fund management fees	50,539	60,748
Realised loss from financial assets recognised through surplus or deficit	235,448	1,831,472
Foreign exchange losses	2,177	-
TOTAL FINANCE COST	295,887	1,901,791
TOTAL NET FINANCE INCOME/(COST)	944,675	(1,226,069)
	2023	2022
	\$	\$
Note 7 Cash and Cash Equivalents		
Cash on hand	500	500
Bank balances	120,137	544,121
TOTAL CASH AND CASH EQUIVALENTS	120,637	544,621
	2023	2022
	\$	\$
Note 8 Trade and Other Receivables		
Related party receivable - Neuroscience Research Australia	-	5,007,205
TOTAL TRADE AND OTHER RECEIVABLES	-	5,007,205

Notes to the Financial Statements

For the year ended 31 December 2023

	2023	2022
	\$	\$
Note 9 Other Financial Assets		
Financial assets recognised through fair value through profit or loss	14,057,127	11,794,572
TOTAL OTHER FINANCIAL ASSETS	14,057,127	11,794,572

Note 10 Trade and Other Payables

	2023	2022
	\$	\$
Trade payables	1,551	11,377
Other payables and accrued expense	21,991	10,340
Related party payables- Neuroscience Research Australia	198,842	-
TOTAL TRADE AND OTHER PAYABLES	222,384	21,717

	2023	2022
	\$	\$
Note 11 Trust Capital		
Settled Sum	10	10

There were no movements in trust capital during the year.

Note 12 Auditors Remuneration

	2023	2022
	\$	\$
AUDIT SERVICES		
Audit of financial statements	8,883	7,980
Audit of Foundation Public Ancillary Fund Compliance	3,135	2,655
TOTAL FEES FOR AUDIT SERVICES	12,018	10,635
NON - AUDIT SERVICES		
Compilation of financial statements	4,703	4,145
Charitable Fundraising Act Procedure	3,135	4,435
TOTAL FEES FOR NON-AUDIT SERVICES	7,838	8,580

Notes to the Financial Statements

For the year ended 31 December 2023

Note 13 Fundraising Appeals Conducted During The Financial Period By The Neuroscience Research Australia Foundation

During the period, fundraising appeals conducted by the Neuroscience Research Australia Foundation for the acceptance of donations.

RESULTS OF FUNDRAISING APPEALS	2023	2022
	\$	\$
Gross proceeds from fundraising	6,911,699	5,364,657
Less: Direct cost of fundraising	(1,427,896)	(1,858,995)
NET SURPLUS OBTAINED FROM FUNDRAISING APPEALS	5,483,803	3,505,662
This surplus was allocated to:		
Expenditure on research	11,542,993	3,301,535
Transfer of accumulated funds for future research expenditure	(6,059,190)	204,127
TOTAL ALLOCATION	5,483,803	3,505,662

Note 14 Trustee Details

The Trustee is Neuroscience Research Australia Foundation, a public company limited by guarantee. The registered office of the Trustee is 139 Barker Street, Randwick NSW 2031.

Directors:

The names and details of directors of the Trustee in office at any time during or since the end of the financial period are:

Colin Tate AM - Chair

Colin Tate was appointed Director in October 2021. Colin is Founder and Chief Executive of publishing company Conexus Financial. He resigned in October 2023.

Damien Mu

Damien Mu was appointed a Director in September 2022. He is CEO and Managing Director of AIA Australia. He resigned in October 2023

Felicity Nicholson

Felicity Nicholson was appointed Director in June 2022. She is Senior Executive, Head of Marketing at La Trobe Financial.

Notes to the Financial Statements

For the year ended 31 December 2023

Dave Sharma

Dave Sharma was appointed Director in February 2023. He is a former Member of Parliament, Ambassador and company director. He resigned in November 2023

Steve Tucker - Chair

Steve Tucker was appointed Director in August 2022. He is Chair and Founding Partner at Koda Capital. He was appointed Chair in November 2023.

Lee Valentine

Lee Valentine was appointed Director in May 2019. Lee is Head of Strategy and Growth for Firefly Future.

DIRECTORS' MEETINGS

The number of Trustee Directors' Meetings and number of meetings attended by each of the directors during the financial period are:

DIRECTOR	A	B
Mr. Colin Tate AM	3	2
Mr. Damien Mu	3	2
Ms. Felicity Nicholson	4	4
Mr. Steve Tucker	4	2
Mr. Dave Sharma	4	4
Mr. Lee Valentine	4	4

A - Number of meetings held during the time the director held office during the period

B - Number of meetings attended

Notes to the Financial Statements

For the year ended 31 December 2023

COMPANY SECRETARY

Felicity Forsyth was appointed Company Secretary in November 2022.

FINANCE, RISK, AUDIT AND COMPLIANCE (FRAC) COMMITTEE

The FRAC Committee is a Board Committee and oversees all financial, risk, audit, and compliance aspects of NeuRA. This committee provided oversight of the activities of the Company, Neuroscience Research Australia, and its subsidiaries, Neuroscience Research Australia Foundation, and the Schizophrenia Research Institute. The members of the FRAC Committee during the year were: Jennifer Alexander (Chair), Stephen Blackman, Barry Shepherd, and Peter Ricketts.

INVESTMENT COMMITTEE

The Investment Committee oversees and makes investment recommendations to the Boards of Directors to support NeuRA's research and associated infrastructure. This committee provided oversight of the activities of the Company, Neuroscience Research Australia, and its subsidiaries, Neuroscience Research Australia Foundation, and the Schizophrenia Research Institute. The members of the Investment Committee during the year were: Clyde McConaghy (Chair) and Steve Tucker.

NOMINATION & REMUNERATION COMMITTEE

The nomination committee reviews the balance of skills, experience and diversity of the Boards and Committees to ensure the Directors and members are of the highest value to the company. This committee provided oversight of the activities of Neuroscience Research Australia, and its subsidiaries, Neuroscience Research Australia Foundation, and the Schizophrenia Research Institute. The members of the Nomination Committee during the year were: James MacNevin (Chair), Kirsten O'Doherty, and Colin Tate.

NON-EXECUTIVE DIRECTORS

Non-executive directors were not paid any compensation during the period.

Note 15 Subsequent Events

There have been no events subsequent to balance date, which would have a material effect on the Trust's financial statements at 31 December 2023.

Trustees' Declaration

In the opinion of the Trustees of Neuroscience Research Australia Foundation (the "Trust"):

- a) the financial statements and notes, set out on pages 3 to 16, gives a true and fair view of the financial position of the Trust as at 31 December 2023 and of its performance for the financial period year on that date in accordance with Australian Accounting Standards - Simplified Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the Trust Deed dated 14 November 2007; and
- b) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Trustees.



Steve Tucker
Chairman
Date: 2 May 2024

Sydney



Prof Matthew Kiernan AM
Chief Executive Officer
Date: 2 May 2024

Sydney

Neuroscience Research Australia Foundation
ABN 57 008 429 961

Declaration by Responsible Officer in Respect of Fundraising Appeals

I, Matthew Kiernan, Chief Executive Officer and responsible officer of Neuroscience Research Australia Foundation, declare in my opinion that:

- a) the financial report gives a true and fair view of all income and expenditure of Neuroscience Research Australia;
- b) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities for the year ended 31 December 2023;
- c) the provisions of the Charitable Fundraising Act 1991 (NSW) and the conditions attached to the authority have been complied with for the year ended 31 December 2023; and
- d) the internal controls exercised by Neuroscience Research Australia Foundation are appropriate and effective in accounting for all income received and applied from any fundraising appeals.



Prof Matthew Kiernan AM
Chief Executive Officer
Date: 2 May 2024

Sydney



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the trustees of Neuroscience Research Australia Foundation

I declare that, to the best of my knowledge and belief, in relation to the audit of Neuroscience Research Australia Foundation for the financial year ended 31 December 2023 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.

KPMG

KPMG

Warwick Shanks

Partner

Sydney

2 May 2024



Independent Auditor's Report

To the members of Neuroscience Research Australia Foundation

Opinion

We have audited the **Financial Report**, of the Neuroscience Research Australia Foundation (the Trust).

In our opinion the accompanying Financial Report of the Trust is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

- i. giving a true and fair view of the Trust's financial position as at 31 December 2023, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- i. Statement of financial position as at 31 December 2023
- ii. Statement of profit or loss, Statement of changes in trust funds, and Statement of cash flows for the year then ended
- iii. Notes, including a summary of material accounting policies
- iv. Trustees' declaration
- v. Declaration by Responsible Officer in respect of the fundraising appeals of the Trust.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Trust in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Neuroscience Research Australia Foundation's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Trustees are responsible for the Other Information.

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. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Trustees for the Financial Report

The Trustees are responsible for:

- i. preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - *Simplified Disclosures Framework* and the *ACNC* and *ACNCR* and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- ii. implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iii. assessing the Trust's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. 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. They 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 judgement and maintain professional scepticism throughout the audit.

We also:

- i. 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.
- ii. 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 registered Trust's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust.
- iv. Conclude on the appropriateness of the Trust'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 registered Trust'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 registered Trust to cease to continue as a going concern.
- v. 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 Trustees of the registered Trust 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.

Kfma

KPMG

Warwick Shanks

Partner

Sydney

2 May 2024