FAMILY SUPPORT NETWORK INCORPORATED

ABN 41 275 778 565

Financial Report For The Year Ended
30 June 2023

Family Support Network Incorporated

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FAMILY SUPPORT NETWORK INCORPORATED ABN: 41 275 778 565
REPORT OF THE COMMITTEE OF MANAGEMENT

The committee of management of Family Support Network Incorporated (ABN 41 275 778 565 (the "association"), submit their report for the association for the year ended 30 June 2023.

Directors

The names of the committee of management of the association in office during the financial year and until the date of this report are:

Iain Graham	Committee of Management Member & Chairperson
Andrea Brooks	Committee of Management Member & Vice Chairperson
Dale Campbell	Committee of Management Member & Treasurer
Lynne Austin	Committee of Management Member
Cathrine Napier	Committee of Management Member & Previous Chairperson
Airdre Grant	Committee of Management Member & Secretary
Patrick Deegan	(resigned 20/4/23)

The committee of management were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

Principal Activities

The principal activity of the association during the financial year was operation of a Government funded family support services in the Lismore region.

There has been no significant change in the nature of this activity during the year.

Objectives and Strategies

The associations' short term objectives are:

- Offer family support services for families in the Lismore region;
- Build an appropriate support service of key people to expand and improve programs; and
- Ensure facilities are expanded and maintained where required.

The associations' long term objectives are:

- To develop key partnerships to access professionals to enhance service delivery;
- Ensure current funding is secured and look for any new sources of funding; and
- Increase profile of organisation to attract and maintain key staff.

To achieve these objectives, the association has adopted the following strategies:

- Develop strategies to ensure consistency as to how the service is promoted and branded;
- Ensure key relationships with Funding Bodies are maintained and enhanced where possible; and
- Continue to seek specialist assistance in ensuring the service is delivering to its potential.

Information on Committee of Management

Iain Graham	—	Chairperson
Experience	—	Committee of Management Member since 26 October 2022.
Qualifications	—	Iain is an Emeritus Professor at Southern Cross University, formerly Professor of Healthcare Development, Dean and Head of School for Health and Human Sciences, and Director of Clinical Services. He has held and continues to hold honorary positions with universities in the UK, The USA and Australia. Previous roles include the Dean of Health at the Institute of Health and Community Studies, and Professor of Nursing, at Bournemouth University, UK. Iain's academic and clinical career has spanned roles across a spectrum of involvements, featuring mental health, primary care, and public health, currently he is working with a group at De Montfort University Leicester, England, looking at global health issues and reform.
Andrea Brooks	—	Vice Chairperson
Experience	—	Committee of Management Member for 10 Years
Qualifications	—	Andrea Brooks is a Women's Health Nurse
Dale Campbell	—	Treasurer
Experience	—	Committee of Management Member for 6 Years

Qualifications	—	Dale Campbell - He previously held the position of Operations Manager in the School of Health and Human Sciences at Southern Cross University. He has previously fulfilled the roles of Chief Executive Officer (CEO) and Chief Financial Officer (CFO) in not for profit organisations. Dale has previously served as the Treasurer of the NT Mental Health Coalition. Dale holds qualifications in Economics, Social Science and Accounting, and Governance
Lynne Austin	—	Committee of Management Member
Experience	—	Committee of Management Member for 20 Years
Qualifications	—	Lynne Austin is a mid wife and is our longest serving committee member with over 18 years of service on our committee.
Cathrine Napier	—	Previous Chairperson and Committee of Management Member
Experience	—	Committee of Management Member for 5 Years
Qualifications	—	Cath Napier has worked as a Social Worker and Educator in the community services & child protection sectors in Australia and internationally for more than 30 years. Cath is an accredited social worker & has post graduate qualifications in both education and communication
Airdre Grant	—	Secretary
Experience	—	Committee of Management Member and Secretary for 1 Year
Qualifications	—	Airdre is an academic at Southern Cross University. She currently works in the Teaching and Learning Centre with the Schools of Art and Social Sciences and Health and Human Sciences in her portfolio. She is a writer and author and has published in popular and academic press. Her current focus is on Thin Space and the transformational work of the healer. Her doctoral thesis was written on the connection between spirituality and health.

Meetings of Committee of Management

During the financial year, 10 ordinary meetings of the committee of management were held.
Attendances by each committee of management member during the year were as follows:

	Committee of Management Meetings	
	Number eligible to attend	Number attended
Iain Graham	7	7
Andrea Brooks	10	9
Dale Campbell	10	8
Lynne Austin	10	5
Cathrine Napier	10	6
Airdre Grant	10	9
Patrick Deegan	6	5

Auditor's Independence Declaration

An independence declaration has been provided to the Committee of Management by the auditor of Family Support Network Incorporated , MF Partners Chartered Accountants, and is attached to the Committee of Management report.

Signed in accordance with a resolution of the Committee of Management.

IGraham
Iain Graham (Oct 5, 2023 11:18 GMT+11)

Iain Graham
Chairperson

Dale Campbell
Dale Campbell (Oct 5, 2023 13:54 GMT+10)

Dale Campbell
Treasurer

Signed at Family Support Network Lismore
28th September 2023

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF FAMILY SUPPORT NETWORK INCORPORATED
ABN: 41 275 778 565

In relation to our audit of the financial report of Family Support Network Incorporated for the year ended 30 June 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of APES 110 Code of Ethics for Professional Accountants or any applicable code of professional conduct.

MF Partners Chartered Accountants

Mark Charter
Partner

28th September 2023

FAMILY SUPPORT NETWORK INCORPORATED ABN 41 275 778 565
PROFIT AND LOSS AND STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		$	$
Grant Income	2	1,003,893	954,912
Interest Received	2	27,420	922
Fee for Service	2	15,918	125,283
Other income	2	386,742	266,797
Depreciation and amortisation expense	3	(105,686)	(31,624)
Employee benefits expense	3	(748,870)	(837,705)
Other expenses	3	(207,090)	(241,989)
Profit before income tax		372,326	236,596
Income tax expense		-	-
Profit for the year		372,326	236,596
Other comprehensive income:			
Other comprehensive income for the year		-	-
Impairment of Land and Buildings		(231,735)	
Total comprehensive income for the year		(231,735)	-
Profit attributable to members of the entity		140,591	236,596
Total comprehensive income attributable to members of the entity		140,591	236,596

The accompanying notes form part of these financial statements.

FAMILY SUPPORT NETWORK INCORPORATED ABN 41 275 778 565

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,341,759	984,383
Trade and other receivables	5	-	27,672
Other assets	6	28,618	22,730
TOTAL CURRENT ASSETS		1,370,378	1,034,785
NON-CURRENT ASSETS			
Property, plant and equipment	7	103,672	438,682
Intangible assets	8	3,660	5,760
Right of use assets	9	17,156	22,313
TOTAL NON-CURRENT ASSETS		124,488	466,756
TOTAL ASSETS		1,494,865	1,501,541
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	87,529	141,250
Borrowings	11	15,456	6,475
Short term provisions	12	102,534	109,964
TOTAL CURRENT LIABILITIES		205,519	257,689
NON-CURRENT LIABILITIES			
Borrowings	11	7,512	14,949
Long term provisions	12	7,260	15,174
TOTAL NON-CURRENT LIABILITIES		14,772	30,123
TOTAL LIABILITIES		220,291	287,812
NET ASSETS		1,274,574	1,213,728
EQUITY			
Retained earnings		1,274,574	1,133,983
Reserves		-	79,745
TOTAL EQUITY		1,274,574	1,213,728

The accompanying notes form part of these financial statements.

FAMILY SUPPORT NETWORK INCORPORATED ABN 41 275 778 565
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	Retained Earnings	Reserves	Total
	$	$	$
Balance at 1 July 2021	897,387	-	897,387
Profit (Loss) attributable to the entity	236,596	79,745	316,341
Total other comprehensive income for the year	-	-	-
Balance at 30 June 2022	1,133,983	79,745	1,213,728
Profit (Loss) attributable to the entity	372,326	-	372,326
Total other comprehensive income for the year	(231,735)	-	(231,735)
Revaluation of Land and Buildings	-	(79,745)	(79,745)
Balance at 30 June 2023	1,274,574	-	1,274,574

The accompanying notes form part of these financial statements.

FAMILY SUPPORT NETWORK INCORPORATED ABN 41 275 778 565

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from customers		430,332	364,693
Payments to suppliers and employees		(1,047,005)	(1,099,986)
Reciepts from Grant Funding		1,003,893	954,912
Interest received		27,420	922
Finance costs		-	-
Net cash provided by/(used in) operating activities	17(b)	414,640	220,541
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		(50,996)	-
Payment for property, plant and equipment		-	-
Net cash provided by/(used in) investing activities		(50,996)	-
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(32,146)	(28,503)
Increase in borrowings		25,878	22,213
Net cash provided by/(used in) financing activities		(6,268)	(6,290)
Net increase/(decrease) in cash held		357,377	214,251
Cash and cash equivalents at the beginning of the financial year		984,383	770,132
Cash and cash equivalents at the end of the financial year	17(a)	1,341,759	984,383

The accompanying notes form part of these financial statements.

FAMILY SUPPORT NETWORK INCORPORATED ABN 41 275 778 565
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The financial statements are for Family Support Network Incorporated as an individual association, incorporated and domiciled in Australia. Family Support Network Incorporated is an incorporated association.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are a general purpose financial report that has been prepared in accordance with Australian Accounting Standards' Simplified Disclosure of the Australian Accounting Standards Board and requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Family Support Network Incorporated is a not-for profit association.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Revenue

Revenue generated by the association is categorised into the following segments:

- The operation of government funded family support services; and
- The operation of fee for service support services.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Government Grants

Non-reciprocal grant revenue is recognised in profit or loss when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the association is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

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

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

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair values as indicated, less, where applicable, accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair cost less subsequent depreciation for buildings.

Note 1 Summary of Significant Accounting Policies

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the statement of comprehensive income.

As the revalued buildings are depreciated the difference between depreciation recognised in the statement of comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued recognised at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by committee of management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the association commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Buildings	2.50%
Plant and Equipment	20% to 33%
Motor Vehicles	10% - 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Asset classes 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 comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Leases

At inception of a contract, the association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the association uses the incremental borrowing rate.

Note 1 Summary of Significant Accounting Policies

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the association anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(d) Income Tax

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

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the association commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transactions costs except where the instrument is classified ‘at fair value through profit or loss’ in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.16.

Classification and Subsequent Measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The *effective interest method* is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Note 1 **Summary of Significant Accounting Policies**

A financial liability is held for trading if:
- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in a effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair values (and if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:
- the amount of loss allowance determined in accordance with AASB 9.3.25.3; and
- the amount initially recognised less the accumulative amount of income recognised in accordance with the revenue recognition policies.

Financial assets

Financial assets are subsequently measured at:
- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:
- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:
- the financial asset is managed solely to collect contractual cash flows; and
- interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The association initially designates a financial instrument as measured at fair value through profit or loss if:
- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as an “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings is documented appropriately, so that the performance of the financial liability that is part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

Note 1 Summary of Significant Accounting Policies

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the association made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the association's accounting policy.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:
- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the association no longer controls the asset (ie it has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The association recognises a loss allowance for expected credit losses on:
- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amounts due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:
- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The association uses the following approaches to impairment, as applicable under AASB 9:
- the general approach
- the simplified approach
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

Note 1 Summary of Significant Accounting Policies

General approach

Under the general approach, at each reporting period, the association assesses whether the financial instruments are credit-impaired, and:

- if the credit risk of the financial instrument has increased significantly since initial recognition, the association measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- if there is no significant increase in credit risk since initial recognition, the association measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables is used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered credit-impaired (not on acquisition or origination), the association measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the association assumes that the credit risk has not increased significantly since initial recognition and accordingly it can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such a determination that the financial asset has low credit risk, the association applies its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term;
- adverse changes in economic and business conditions in the longer term may, but not necessarily will, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a risk of default lower than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the association recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Note 1 Summary of Significant Accounting Policies

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

Assets measured at fair value through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(f) Impairment of Assets

At the end of each reporting period, the association reviews the carrying values 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 asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the statement of comprehensive income.

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs of disposal and value in use, to the asset’s carrying amount. Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(g) Employee Benefits

Short-term employee benefits

Provision is made for the association’s obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Note 1 Summary of Significant Accounting Policies

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The association's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Contributions are made by the association to an employee superannuation fund and are charged as expenses when incurred.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in

(j) Intangibles

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between 2 and 3 years. It is assessed annually for impairment.

(k) Provisions

which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(l) Comparative Figures

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

When an association applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

Note 1 Summary of Significant Accounting Policies

(m) Trade and Other Payables

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

(n) Critical accounting estimates and judgments

The committee of management evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the association.

Key Estimates

Impairment

At 30 June 2023 the committee of management reviewed the debtors outstanding and determined no provision for impairment was required.

At 30 June 2023 the committee of management reviewed the carrying value of the land and building which was damaged by floods in March 2022. Given the state of the building a decision was made to impair the building down to the land value per the NSW Valuer General at 30 June 2023.

(o) Economic Dependence

Family Support Network Incorporated is dependent on the current funding arrangement with government departments. The association is dependent on the continued availability of similar funding.

(q) New and Amended Accounting Policies Adopted by the association

There has been no material impact on prior year comparatives from the adoption of new or amended accounting standards.

Note 2 Revenue and Other Income

	Note	2023	2022
		$	$
Revenue			
— Fee for Service		15,918	125,283
— Donations		-	3,150
— Interest Received		27,420	922
— Gain on Sale of Assets		-	-
— Job Keeper, Job Saver and Parental Leave		14,624	48,090
— Insurance Recoveries		372,027	215,000
— Membership Fees		-	10
— Grants - Targeted Early Intervention		681,035	592,158
— Grants - Intensive Family Support & Preservation		310,065	274,671
— Grants - Other		16,170	15,480
— SACS ERO		-	72,603
— Unexpended Grants		(3,378)	-
— Sundry		91	547
Total Revenue and Other Income		1,433,973	1,347,914

Note 3 Profit for the Year

		2023	2022
		$	$
(a)	**Expenses**		
	Depreciation and Amortisation		
	— Buildings	7,253	7,268
	— Motor Vehicles	8,228	9,360
	— Office Equipment	24,205	2,683
	— Plant & Equipment	34,840	4,080
	— Right of Use Assets	29,060	6,133
	— Amortisation of Intangibles	2,100	2,100
	Total Depreciation and Amortisation	105,686	31,624
	Auditor Remuneration		
	— audit services	7,056	6,372
	Total Audit Remuneration	7,056	6,372
	Advertising	1,043	1,892
	Annual Leave	11,873	(4,115)
	Bank Charges	7	213
	Catering Expenses	2,043	9,251
	Computer Expenses	8,765	4,582
	Consulting & Professional Fees	45,958	45,833
	Electricity	2,826	3,103
	Equipment < $5,000	588	-
	Insurance	15,700	13,005
	Interest	315	156
	IT Expenses	30,332	32,075
	Long Service Leave	(27,218)	(771)
	Management Committee and Governance	4,533	3,454
	Motor Vehicle	6,773	8,750
	Office Supplies & Consumables	1,605	1,090
	Postage	251	633
	Printing & Stationery	5,856	2,841
	Program Expenses	33,635	73,149
	Rates	2,743	2,737
	Rent	9,244	1,348
	Repairs & Maintenance	6,628	4,275
	Salaries & Wages	699,228	767,469
	Security Costs	2,673	455
	Staff Training	5,353	818
	Subscriptions	360	5,207
	Sundry Expenses	-	195
	Superannuation Contributions	64,987	75,121
	Telephone & Fax	4,306	3,973
	Travel	100	466
	Workers Compensation	8,397	16,115
	Total Expenses	1,061,647	1,111,318
(b)	**Significant Revenue and Expenses**		
	Property, Plant and Equipment		
	Proceeds on disposal	-	-
	Disposals at costs	-	-
	Net gain on disposal as at 30 June 2023	-	-

Note 4 Cash and Cash Equivalents

	Note	2023 $	2022 $
CURRENT			
Operating Accounts		1,341,759	984,383
Cash on Hand		-	-
	18	1,341,759	984,383

Note 5 Trade and Other Receivables

	Note	2023 $	2022 $
CURRENT			
Trade receivables		-	27,060
Provision for impairment	5(i)	-	-
		-	27,060
Other receivables		-	612
Total current trade and other receivables	18	-	27,672

(i) Provision for Impairment of Receivables

Current trade receivables are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items. Movement in the provision for impairment of receivables is as follows:

	$
Provision for impairment as at 1 July 2021	-
- Charge for year	-
- Written off	-
Provision for impairment as at 30 June 2022	-
- Charge for year	-
- Written off	-
Provision for impairment as at 30 June 2023	-

Credit risk - Trade and Other Receivables

The association does not have any material credit risk exposure to any single receivable or group of receivables.

The following table details the association’s trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as ‘past due’ when the debt has not been settled within the terms and conditions agreed between the association and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the association.

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

			Past due but not impaired (days overdue)				
2023	Gross Amount $	Past due and impaired $	<30 $	31 – 60 $	61 – 90 $	>90 $	Within initial trade terms $
Trade and term receivables	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Note 5 Trade and Other Receivables

			Past due but not impaired (days overdue)				
2022	Gross Amount $	Past due and impaired $	<30 $	31 – 60 $	61 – 90 $	>90 $	Within initial trade terms $
Trade and term receivables	27,060	-	-	-	-	12,300	27,060
Other receivables	612	-	-	-	-	-	612
Total	27,672	-	-	-	-	12,300	27,672

The association does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

Note 6 Other Assets

	2023	2022
	$	$
CURRENT		
Prepayments	28,618	22,730
	28,618	22,730

Note 7 Property, Plant and Equipment

	2023	2022
	$	$
Plant & Equipment		
Land & Buildings	118,108	429,588
Less: Accumulated depreciation	(34,108)	(26,855)
Plant & Equipment	47,539	20,749
Less: Accumulated Depreciation	(47,539)	(12,699)
Office Equipment	72,806	48,601
Less: Accumulated Depreciation	(72,806)	(48,601)
Motor Vehicles	61,818	61,818
Less: Accumulated Depreciation	(42,146)	(33,918)
Total plant & equipment	103,672	438,682

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:

	Land & Buildings $	Plant and Equipment $	Office Equipment $	Motor Vehicles $	Total $
2023					
Balance at the beginning of the year	402,733	8,050	-	27,899	438,682
Additions at cost	-	26,791	24,205	-	50,996
Revaluation	(79,745)	-	-	-	(79,745)
Impairment	(231,735)	-	-	-	(231,735)
Disposals	-	-	-	-	-
Depreciation expense	(7,253)	(34,840)	(24,205)	(8,228)	(74,527)
Carrying amount at end of year	84,000	-	-	19,672	103,672

The property at 30 Whyrallah Road East Lismore was valued at $410,000 on 9/8/21. EastPoint Valuations undertook the engagement as a registered valuer. In March 2022 the building sustained significant damage with the Lismore floods. The insurance claim has been finalised at 30 June 2023, with the decision made to write down the value of the property to the land value only as per the NSW Valuer General.

Note 8 Intangible Assets

	2023	2022
	$	$
Software	10,500	10,500
Less: Accumulated Amortisation	(6,840)	(4,740)
	3,660	5,760

Note 9 Right of Use Assets

The association has leases for premises.

i) AASB 16 related amounts recognised on the balance sheet	2023	2022
NON CURRENT	$	$
Right of Use Assets	48,192	22,313
Less: Accumulated Depreciation	(31,036)	-
	17,156	22,313

ii) AASB 16 related amounts recognised in the profit and loss	2023
	$
Depreciation charged on right of use assets	29,060
Low Value lease expenses	9,244

Note 10 Trade and Other Payables

		2023	2022
		$	$
CURRENT			
Trade creditors & accruals		20,656	32,654
Accruals		37,605	40,903
Deposits Received		-	13,418
Unexpended Grants		-	5,157
Grants in Advance		-	16,170
GST		14,499	17,864
Employee benefits		14,769	15,085
	10(a)	87,529	141,250
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables			
— Total Current		87,529	141,250
— Total Non-Current		-	-
		87,529	141,250
Less deferred income		-	-
Less annual leave entitlements		-	-
Financial liabilities as trade and other payables	18	87,529	141,250

Note 11 Borrowings

	Note	2023 $	2022 $
CURRENT			
Lease liability	13	9,603	7,364
Credit Card		5,853	(889)
		15,456	6,475
NON-CURRENT			
Lease liability	13	7,512	14,949
		7,512	14,949
TOTAL BORROWINGS	18	22,968	21,424

Lease liabilities are in relation to right of use premises leases

Note 12 Provisions

CURRENT	2023 $	2022 $
Other Provisions	-	-
Short-term Employee Benefits		
Opening balance at start of year	125,138	130,023
Additional provisions raised during year	-	-
Amounts used	(15,344)	(4,886)
Balance at end of year	109,794	125,138

Analysis of Total Provisions	2023 $	2022 $
Current	102,534	109,964
Non-current	7,260	15,174
	109,794	125,138

Provision for Long-term Employee Benefits
A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 to this report.

Note 13 Capital and Leasing Commitments

(a) Non Capitalised Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable – minimum lease payments	2023 $	2022 $
— not later than 12 months	-	-
— later than 12 months but not later than 5 years	-	-
— greater than 5 years	-	-
	-	-

(b) Capitalised Operating Lease Commitments

Non-cancellable operating leases contracted for and capitalised in the financial statements

	2023	2022
Payable – minimum lease payments	$	$
— not later than 12 months	9,721	7,552
— later than 12 months but not later than 5 years	7,552	15,105
— greater than 5 years	-	-
	17,273	22,657
Less: interest	158	344
	17,115	22,313

Note 14 Contingent Liabilities and Assets

	2023	2022
	$	$

The committee of management are not aware of any contingent assets or liabilities at the date of signing this report.

Note 15 Events After the Reporting Period

No matter or circumstance has arisen which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Note 16 Related Party Transactions

	2023	2022
	$	$

The names of the committee of management who have held office during the financial year are:

Iain Graham	Committee of Management Member & Chairperson
Andrea Brooks	Committee of Management Member & Vice Chairperson
Dale Campbell	Committee of Management Member & Treasurer
Lynne Austin	Committee of Management Member
Cathrine Napier	Committee of Management Member & Previous Chairperson
Airdre Grant	Committee of Management Member & Secretary
Patrick Deegan	(resigned 20/4/23)

	2023	2022
Income received or due and receivable by all committee of management from the association and any related corporations:	-	-
$0 - $9,999	6	5
Retirement and superannuation payments:		
Amounts paid to committee of management on retirement from office or to prescribed superannuation funds for the provision of retirement benefits	-	-
Committee of management travel and reimbursed costs	-	-

The only related party transaction was an allowance paid to the secretary. The amount paid was $4,050 (2022 : $3,454).

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

Note 17 Cash Flow Information

	Note	2023 $		2022 $
(a) Reconciliation of cash				
Cash at bank		1,341,759		984,383
	4	1,341,759		984,383
(b) Reconciliation of cash flow from operations with profit after income tax				
Profit after income tax		140,591		236,596
Non cash flows				
Depreciation and amortisation		76,627		25,491
Loss on sale of property, plant and equipment		231,735		-
Change in assets and liabilities				
(Increase)/decrease in trade and other receivables		27,672		(27,387)
Increase/(decrease) in trade and other payables		(53,722)		(8,087)
Decrease in other assets		(5,888)		(922)
Increase/ (decrease) in provisions		(15,344)		(4,886)
Increase/ (decrease) in borrowings		12,970	-	(264)
(Increase)/decrease in prepayments		-		-
		414,640		220,541

Note 18 Financial Risk Management

The association's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	**2023** **$**	**2022** **$**
Financial Assets			
Cash and cash equivalents	4	1,341,759	984,383
Receivables	5	-	27,060
Total Financial Assets		1,341,759	1,011,443
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	10	87,529	141,250
Borrowings	11	22,968	21,424
Total Financial Liabilities		110,497	162,675

Note 19 Association Details

The registered office of the association is:

Family Support Network Incorporated
1/73 Magellan Street
LISMORE NSW 2480

The principal place of business is:

Family Support Network Incorporated
1/73 Magellan Street
LISMORE NSW 2480

Note 20 Key Management Remuneration

The total of remuneration paid to key management personnel is as follows:

	2023	2022
	$	$
Short term employee benefits	234,308	112,625
Post employment benefits	24,431	11,263
	258,739	123,888

FAMILY SUPPORT NETWORK INCORPORATED ABN: 41 275 778 565
COMMITTEE OF MANAGEMENT DECLARATION

In accordance with a resolution of the Committee of Management of Family Support Network Incorporated, we state that:

In the opinion of the Committee of Management:

(a) the financial statements and notes of the association are in accordance with the Associations Incorporation Act 2009, 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;

  (ii) Complying with the Accounting Standards Simlpified Disclosure *and Australian Charities and Not-for-profits Commission Act 2012.*

(b) in the committee of managements' opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

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

Iain Graham (Oct 5, 2023 11:18 GMT+11)

Iain Graham
Chairperson

Dale Campbell
Dale Campbell (Oct 5, 2023 13:54 GMT+10)

Dale Campbell
Treasurer

Signed at Family Support Network Lismore
28th September 2023

FAMILY SUPPORT NETWORK INCORPORATED ABN 41 275 778 565
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FAMILY SUPPORT NETWORK INCORPORATED

Opinion
I have audited the financial report of Family Support Network Incorporated which comprises the statement of financial position as at 30 June 2023, the statement of 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 the committee of management declaration.

In my opinion the financial report of Family Support Network Incorporated has been prepared in accordance with Associations Incorporation Act 2009 and Australian Charities and Not-for-profit Commission Act 2012, including:

a) giving a true and fair view of the association's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards Simplified Disclosure and the Australian Charities and Not-for-profit Commission Act 2012.

Basis for my Opinion
I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the association in accordance with the ethical requirements of the Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants(the Code) that is relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion..

Responsibilities of the Committee of Management for the Financial Report

The commitee of management of the association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards Simplified Disclosure and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee of management are responsible for assessing the associations' 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 of management 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
My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

- Conclude on the appropriateness of the committee of managements 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 I conclude that a material uncertainty exists, I am required to draw attention in our my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

Name of Firm: **MF Partners Chartered Accountants**

M.T.Clt

Name of Partner: **Mark Charter**

Address: **Level 1, 95 Tamar Street, BALLINA NSW 2478.**

Dated this 28th September 2023.