



**McGrath
Foundation**

**Financial Report
for the year ended**

30 June 2023



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DIRECTORS' REPORT

The Directors present their report together with the financial statements of McGrath Foundation Limited ("the Foundation") for the year ended 30 June 2023 and the auditor's report thereon.

1 DIRECTORS

The Directors of the Foundation at any time during or since the end of the financial year are:

Name, Qualifications and Independence Status	Experience And Special Responsibilities
Mr John Conde AO Chairman Independent Non-Executive Director	<p>John provides pro-bono support to the Board, drawing on his experience at board level with public, private and not-for-profit organisations.</p> <p>John Conde is also the Chairman of Cooper Energy Limited, President of the (Commonwealth) Remuneration Tribunal and Chairman of the Dexus Wholesale Property Fund. He is a Member of the Independent Parliamentary Expenses Authority. He retired in September 2020 as a director of Dexus (ASX listed entity DXS). His other previous positions include Chairman of Bupa (Australia and New Zealand), Chairman of the Sydney Symphony Orchestra, Deputy Chairman of Whitehaven Coal Limited, Director of BHP Limited, Chairman of Ausgrid (formerly Energy Australia), Member of the Asian Football Confederation (AFC), Asian Cup Local Organising Committee and Chairman of the Australian Olympic Committee (NSW) Fundraising Committee.</p> <p>He has been a Director of the McGrath Foundation since 23 April 2012 and Chairman since 20 September 2013.</p>
Mr Glenn McGrath AM President Non-Executive Director	<p>Glenn is the co-founder and President who donates to the Foundation all of his time spent on Foundation business.</p> <p>Glenn McGrath has had a successful professional cricket career spanning 14 years. He is an Australian sporting icon and continues his contribution to cricket through his coaching activities and as a media commentator.</p> <p>A Director of the McGrath Foundation since 20 November 2007.</p>
Ms Tracy Bevan Foundation Ambassador Director	<p>Tracy helped set up the McGrath Foundation in 2005 with her best friend Jane McGrath. As a director and member of the staff of the McGrath Foundation, Tracy spends a great deal of her time travelling around the country speaking at different events to raise awareness about the vital role the McGrath Foundation plays in funding McGrath Breast Care Nurses in the community and encouraging greater breast health understanding.</p> <p>Tracy has been a Director of the McGrath Foundation since 11 December 2008.</p>
Mr Terry Brown Independent Non-Executive Director	<p>Terry is a pro-bono Director and donates all of his time spent on Foundation business.</p> <p>Terry has been a practising lawyer for over 35 years and is a fellow of the Australian and New Zealand College of Notaries. As a friend and professional advisor to the McGrath family, Terry was a co-founder of the Foundation. Terry also co-founded the Belle Property Group and presently sits on a number of Advisory Boards. He is Joint Managing Director of Tax Assure Pty Ltd.</p> <p>Terry has been a Director of the McGrath Foundation since 2 August 2005.</p>
Ms Glenys Beauchamp Independent Non-Executive Director	<p>Glenys is a pro-bono Director and has worked for over 35 years in the public service. She was Secretary in the Australian Public Service for nearly 10 years, leading three departments including the Department of Health. Glenys has a degree in Economics from the ANU and a Master of Business Administration from University of Canberra. She is Chair of the Australian Building Codes Board; Food Standards Australia New Zealand; and a member of the Industry Innovation and Science Australia Board. She is also a non-executive director of Health Metrics Pty Ltd and Chair of the advisory board for Region Group Pty Ltd. She is a National Fellow of the Australian Institute of Public Administration Australia and Member of the Centre for Strategy and Governance.</p> <p>Glenys has been a Director of the McGrath Foundation since 17 June 2020.</p>

Name, Qualifications and Independence Status

Experience And Special Responsibilities

Ms Christine Holman Independent Non-Executive Director

Christine is a pro-bono Director and is a professional company director and a Non-Executive Director at three ASX listed boards, Metcash Ltd, AGL Ltd and Collins Foods Ltd, one Federal Government Enterprise, the National Intermodal Corporation and one private company, Indara Pty Ltd.

In line with her passion for cricket, preserving the history and heritage of the game, and our country, Christine also sits on the Boards of The Bradman Foundation, and the State Library of NSW Foundation.

In her previous executive capacity, as both CFO & Commercial Director of Telstra Broadcast Services, Christine brings a deep understanding of legacy and emerging technologies. During her time in private investment management, Christine assisted management and the Board of investee companies on strategy development, mergers & acquisitions, leading due diligence teams, managing large complex commercial negotiations, and developing growth opportunities.

Christine has an MBA and Post-Graduate Diploma in Management from Macquarie University and is a Graduate of the Australian Institute of Company Directors. Christine is a member of Chief Executive Women (CEW) and the International Women's Forum.

Christine joined the Board of the McGrath Foundation on 1 July 2020 and is currently the Chair of the Risk, Investment and Audit Committee.

2 Company Secretary

Mr Michael Cussen joined the McGrath Foundation in 2017 and currently holds the position of CFO. Michael has been Company Secretary since 30 May 2018.

3 Directors' meetings

The number of directors' meetings (including meetings of committees, while holding the position of director) and number of meetings attended by each of the directors during the financial year are:

Director	Board Meetings		Risk, Investment & Audit Committee	
	A	B	A	B
Mr John Conde AO	4	4	1	4
Mr Glenn McGrath	4	4	-	-
Ms Tracy Bevan	4	4	-	-
Mr Terry Brown	4	4	5	5
Ms Glenys Beauchamp	4	4	5	5
Ms Christine Holman *	4	4	5	5

* Christine Holman is Chair of the Risk, Investment & Audit Committee.

A = Number of meetings held during the time the Director held office during the year.

B = Number of meetings the Director attended.

DIRECTORS' REPORT (cont'd)

4 Principal Activities

The principal activities of the Foundation during the financial year were raising funds to provide McGrath Breast Care Nurses and increase breast health understanding in the Australian community. There was a continuing expansion in the provision of nurses during the current year.

Short and long-term objectives of the Foundation

The Foundation's short and long term objectives are to:

- Develop and implement strategies to facilitate the employment or engagement of appropriately qualified Breast Care Nurses servicing hospitals, health care agencies and communities throughout Australia, including provision of funding for this purpose
- Increase breast health understanding in the Australian community
- Undertake fundraising activities and the procurement of donations and contributions from the public for the purpose of promoting or supporting the fulfilment of the objectives of the Foundation.

Strategy for achieving these objectives

The Foundation intends to achieve these objectives through:

- Community fundraising activities and events including but not limited to sporting events
- Partnerships with corporate entities
- Sale of goods and branded merchandise
- Implementing breast health understanding programs
- Liaising with government at all levels.

Performance measures

The Foundation measures performance through monthly monitoring and oversight to:

- Assess the cost effectiveness of fundraising activities
- Assess control over the Foundation's administrative and other indirect costs
- Ensure that funds raised are directed effectively to the employment and engagement of appropriately qualified Breast Care Nurses and breast health understanding programs
- Assess the number of Australian families experiencing breast cancer who are supported by a Breast Care Nurse and the extent of such assistance.

5 Operating and financial review

The Foundation has continued to build and deliver on the success of the prior year, delivering an operating net surplus for the financial year amounting to \$4,436,139 (2022: \$8,393,303).

This accumulating surplus allows the Foundation to continue to be financially prudent and ensure its resources are utilised effectively and for its intended purpose, to support current and future nurse commitments enabling the Foundation to reach 250 nurses by 2025.

In the opinion of the Directors there were no significant changes in the state of affairs of the Foundation, other than those disclosed that occurred during the financial year under review.

DIRECTORS' REPORT (cont'd)

6 Members

Members' guarantee

In accordance with the Foundation's constitution, each member is required to contribute a maximum of \$10 in the event that the Foundation is wound up. The total amount that all 4 members of the Foundation would contribute is \$40.

7 Events subsequent to reporting date

As at the date of this report, the future impact of ongoing economic challenges on the domestic economy and the impact on the Foundation remains uncertain. The Foundation has and continues to monitor this situation.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Foundation, to affect significantly the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in future financial years.

8 Future developments

The Foundation will continue to pursue its charitable objectives described above.

9 Environmental regulations

The Foundation's operations are not subject to significant environmental regulations under either Commonwealth or State legislation.

10 Indemnification and insurance of Directors

During the year the Foundation paid a premium in respect of Directors' and officers' liability and legal expense insurance contracts for the year ended 30 June 2023. Such insurance contracts insure against certain liabilities for all directors of the Foundation.

11 Auditor's independence declaration

Deloitte Touche Tohmatsu (Deloitte) were appointed auditor for the Foundation on a pro-bono basis for three years. This is the second year of this appointment. The pro-bono arrangement was in recognition of in recognition of a former Deloitte partner's battle with breast cancer and their continued support of individuals and families experiencing breast cancer.

The auditor's independence declaration is set out on page 7 and forms part of the Directors' Report for the financial year ended 30 June 2023.

This report is made out in accordance with a resolution of the Directors:



Mr John Conde AO
Director

28 September 2023
Sydney, NSW

28 September 2023

Ms Christine Holman
Chair of the Risk, Investment and Audit Committee
McGrath Foundation Limited
c/o WeWork
50 Miller Street
North Sydney NSW 2060

Dear Christine,

Auditor's Independence Declaration to McGrath Foundation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of McGrath Foundation Limited.

As lead audit partner for the audit of the financial report of McGrath Foundation Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

JGorton

Joanne Gorton
Partner
Chartered Accountants

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue	4.1	38,259,868	39,767,880
Expenses			
Programme Expenses			
Foundation funded Breast Care Nurses programme expenses		8,797,605	6,191,959
Government funded Breast Care Nurses initiative expenses		15,133,036	14,270,723
Total programme expenses		23,930,641	20,462,682
Non-Programme Expenses			
Fundraising and marketing expenses		9,108,960	9,526,588
General and administration expenses		2,205,112	1,120,213
Total non-programme expenses		11,314,072	10,646,801
Total expenses		35,244,713	31,109,483
Finance income	4.1	1,428,789	(243,757)
Finance costs		(7,805)	(21,337)
Net finance income/(expense)		1,420,984	(265,094)
Net surplus for the year		4,436,139	8,393,303
Changes in fair value of financial instruments that will not be subsequently realised in surplus/ for the year		444,418	(1,197,057)
Other comprehensive income for the year		444,418	(1,197,057)
Total comprehensive income for the year		4,880,557	7,196,246

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	5.1	20,180,064	16,180,305
Investments	5.2	112,992	105,509
Trade and other receivables	5.3	808,375	814,629
Prepayments		676,224	493,844
Inventories		5,574	6,114
Other financial assets		239,233	239,233
Total Current Assets		22,022,462	17,839,634
Non-current Assets			
Investments	5.2	21,678,155	20,270,185
Property, plant & equipment	5.5	196,642	542,819
Intangible assets	5.6	12,012	63,965
Total Non-current Assets		21,886,809	20,876,969
Total Assets		43,909,271	38,716,603
Current Liabilities			
Trade and other payables	5.4	4,385,584	3,513,622
Employee benefits		636,855	593,236
Deferred income	4.3	3,390,473	3,675,858
Lease liabilities	5.7	-	285,999
Total Current Liabilities		8,412,912	8,068,715
Non-current Liabilities			
Employee benefits		183,053	67,794
Provisions		-	147,345
Total Non-current Liabilities		183,053	215,139
Total Liabilities		8,595,965	8,283,854
Net Assets		35,313,306	30,432,749
Fair value reserve		722,445	278,027
Accumulated surplus		34,590,861	30,154,722
Total Equity		35,313,306	30,432,749

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Cash flow from operating activities			
Donations received		10,418,489	13,411,713
Proceeds from fundraising		8,713,349	9,001,755
Proceeds from corporate partners		4,199,329	2,738,013
Proceeds from grants		14,847,650	14,734,739
Payments to suppliers and employees		(34,071,308)	(32,338,056)
Interest received from cash accounts		331,688	1,501
Interest paid*		(7,805)	(21,338)
Net cash provided by operating activities	5.1	4,431,392	7,528,327
Cash flow from investing activities			
Payments for property, plant & equipment		(145,634)	(129,867)
Net cash used in investing activities		(145,634)	(129,867)
Cash flow from financing activities			
Payment of principal of lease liabilities**		(285,999)	(257,896)
Net cash used in financing activities		(285,999)	(257,896)
Net increase in cash held		3,999,759	7,140,564
Cash and cash equivalents at the beginning of the financial year		16,180,305	9,039,741
Cash and cash equivalents at the end of the financial year	5.1	20,180,064	16,180,305

* The Foundation has classified:

- Cash payments for the interest portion of lease payments as operating activities consistent with the presentation of interest payments.
- Short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of the lease liability within operating activities.

** The Foundation has classified cash payments for the principal portion of lease payments as financing activities.

The accompanying notes form part of these financial statements.

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

	Fair value reserve \$	Accumulated surplus \$	Total equity \$
Balance at 1 July 2021	1,475,084	21,761,419	23,236,503
Net surplus for the year		8,393,303	8,393,303
Other comprehensive income for the year:			
Changes in fair value of financial instruments that will not be subsequently realised in surplus for the year	(1,197,057)		(1,197,057)
Balance at 30 June 2022	278,027	30,154,722	30,432,749
Net surplus for the year		4,436,139	4,436,139
Other comprehensive income for the year:			
Changes in fair value of financial instruments that will not be subsequently realised in surplus for the year	444,418		444,418
Balance at 30 June 2023	722,445	34,590,861	35,313,306

The accompanying notes form part of these financial statements

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

1 Reporting entity

McGrath Foundation Limited (“the Foundation”) is a not-for-profit entity dedicated to raising funds for the provision of Breast Care Nurses and breast health understanding programs. The Foundation is an unlisted public company limited by guarantee which does not have any share capital. If the Foundation is wound up, the constitution states that each Member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Foundation. At 30 June 2023, the number of members was 4 (2022: 4).

The Foundation’s registered address and principal place of business is c/o WeWork, 50 Miller Street, North Sydney, NSW 2060.

2 Basis of preparation

These financial statements are general purpose financial statements for distribution to the Members and for the purpose of fulfilling the requirements of the Australian Charities and Not-for-profits Commission Regulation 2013. The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

The financial statements were authorised for issue by the Directors on 28 September 2023. Details of the Foundation’s accounting policies, including changes during the year, are included in Notes 2 to 6.

The financial statements have been presented in a style which attempts to make them less complex and more relevant to the users of the financial statements, such as the supporters of the Foundation. Note disclosures are grouped into five sections: ‘Basis of preparation’, ‘Changes in accounting policies’, ‘Operations of the Foundation’, ‘Operating assets and liabilities’ and ‘Other notes’. Each section sets out the accounting policies applied in producing the relevant notes, along with details of any key judgements and estimates used.

The purpose of this format is to provide readers with a clearer understanding of what drives financial performance of the Foundation and to provide commentary on each section, or note, in plain English.

In the opinion of the Directors, having regard to the not-for-profit nature of the Foundation, the terms used in the prescribed format of the Statement of Comprehensive Income are not appropriate. “Profit or Loss” in the prescribed format of the Statement of Comprehensive Income has been substituted by “Surplus or Deficit”.

Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Foundation’s functional currency.

Basis of measurement

The financial statements have been prepared on a going concern basis. The financial statements have been prepared on the historical cost basis except for investments, which are measured at fair value.

Current/non-current distinction

Current assets include assets held primarily for trading purposes, cash and cash equivalents, and assets expected to be realised in, or intended for sale or use within one year from the reporting date. All other assets are classified as non-current assets.

Current liabilities include liabilities held primarily for trading purposes and include those liabilities due within one year from the reporting date or where the Foundation does not have the right to defer settlement beyond 12 months. All other liabilities are classified as non-current liabilities.

Use of estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate was revised and in any future periods affected.

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

2 Basis of preparation (cont'd)

Financial Instruments - non-derivative financial assets and liabilities

The Foundation's non-derivative financial assets comprise cash and cash equivalents, investments, trade and other receivables and other financial assets. Non-derivative financial liabilities comprise trade and other payables.

The Foundation initially recognises cash and cash equivalents and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

(i) Recognition and measurement of non-derivative financial assets

A financial asset is classified as fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in the Statement of Comprehensive Income as incurred. Financial assets at fair value through profit and loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in the Statement of Comprehensive Income.

A financial asset at amortised cost is initially recognised at fair value plus any directly attributable transaction costs, except for trade receivables which do not contain a significant financial component and are recognised at transaction price. Subsequent to initial measurement, they are measured at amortised cost using the effective interest rate method.

A financial asset is classified as fair value through other comprehensive income if contractual cash flows include only principal and interest in a business model where the assets are managed to collect contractual cash flows or for sale or for equity instruments where another comprehensive election is applied on initial recognition. Directly attributable transaction costs and dividend income are recognised in surplus/(deficit) as incurred. Financial assets through other comprehensive income are measured at fair value and changes therein are recognised in other comprehensive income.

(ii) Recognition and measurement of non-derivative financial liabilities

Financial liabilities are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, these liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the Statement of Comprehensive Income over the period of the borrowing on the effective interest basis.

(iii) De-recognition of non-derivative financial instruments

The Foundation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Foundation derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income tax

The Foundation is a registered charity and is exempt from income tax in accordance with Section 50-B of the Income Tax Assessment Act 1997. The Foundation holds deductible gift recipient status.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST.

Cash flows are included in the Statement of Cash Flows on a gross basis.

Employee benefits

(i) Short-term employee benefits

Short-term employee benefits include leave entitlements and other incentives recognised in respect of employees' services up to the end of the reporting period. These liabilities are measured at the amounts expected to be paid when they are settled and include related superannuation on-costs.

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

2 Basis of preparation (cont'd)

The employee related expense (including subcontractors) for the year was \$7,157,842 (2022: \$5,773,855). Within employee related expenses, \$608,286 (2022: \$461,962) in expenses relating to defined contribution plans (superannuation) was recognised.

(ii) Defined contribution plans

Obligations for contributions to defined contribution plans (superannuation) 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.

(iii) Other long-term employee benefits

Other long-term employee benefits include annual leave not expected to be wholly settled within the next 12 months and long service leave.

The Foundation's obligation is determined as the amount of future benefit that employees have earned in return for their service in the current and prior periods, applying probability assumptions, discounted to determine its present value. Reassessments are recognised in the Statement of Comprehensive Income in the period they arise.

(iv) Breast Care Nurses

Breast Care Nurses are employed by the relevant Local Health District. The Foundation hold contracts with the Local Health Districts to fund the Breast Care Nurses employment costs. Payments made to the Local Health District by the Foundation include salaries and wages and all employee benefits. As a consequence, no employee benefits are provided for in the financial statements of the Foundation. The Foundation's future commitments for Breast Care Nurses are disclosed in Note 4.2.

3 Changes in accounting policies

The Foundation has consistently applied the accounting policies set out in Notes 2 to 6 to all periods presented in these financial statements. No new or amended accounting standards or interpretations had a material impact on the Financial Statements.

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

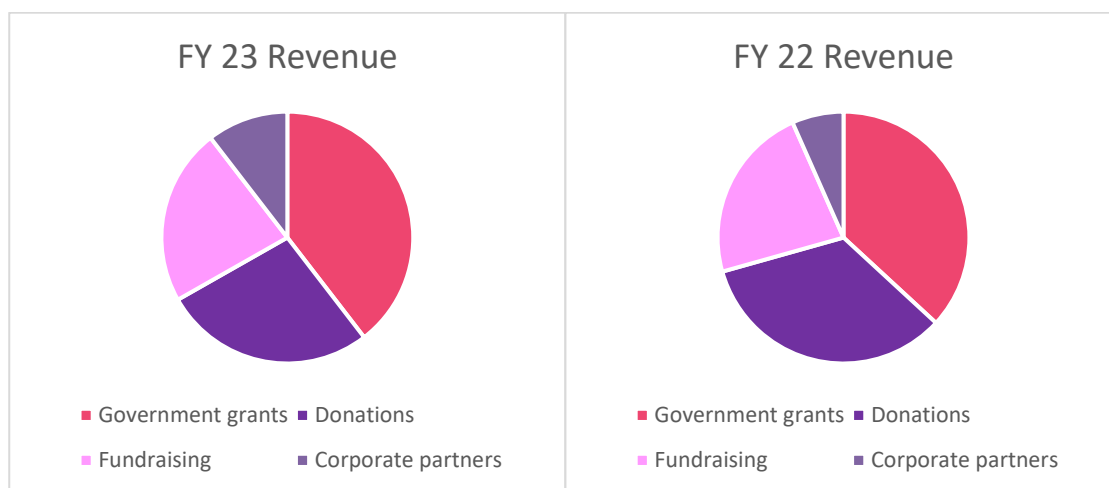
4 Operations of the Foundation

4.1 Revenue and finance income

	2023	2022
Revenue	\$	\$
Government grants	15,133,036	14,270,723
Donations	10,418,489	13,761,213
Fundraising	8,713,349	9,001,755
Corporate partners	3,994,994	2,734,189
	38,259,868	39,767,880

Fundraising activities conducted during the year

Major campaigns conducted during 30 June 2023 financial year included Sydney Pink Test, Pink Stumps Day and Pink Up Your Town, donations received through regular giving and major appeals (Tax Appeal and Christmas Appeal), Community Fundraising Events and Corporate Partnerships.



The composition of revenue is from the sources outlined in the chart above.

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

4.1 Revenue and finance income (cont'd)

Accounting policy

Detail on the nature of revenue and cash flows is included below:

AASB 15 - Revenue from Contracts with Customers

Revenue stream	Nature	Recognition criteria
Corporate partners	Partnerships with third party companies for fundraising activities and involve a contract. For example, donations from the corporate partner based on sales of their product and revenue received as part of the contractual agreements.	Revenue is recognised over time as the service is rendered and performance obligations satisfied.
Government grant income	The Foundation's Breast Care Nurse Programme receives support from Australian Government bodies. The Foundation must comply with the conditions associated with the Grants, otherwise the funding is repayable to the Government. See Note 4.2, 4.3 and 5.3 for further details of the Grants.	Where the Foundation must comply with conditions associated with the grant and there are sufficiently specific performance obligations, the revenue is recognised over time as the performance obligations to the grant are fulfilled.

AASB 1058 - Income of not-for-profit entities

Donations, fundraising, bequests and other grants

Other grants such as donations, bequests and legacies and funding agreements which are not enforceable and do not contain sufficiently specific performance obligations are recognised at their fair value when the asset is received. These assets are generally cash, but may be property which has been donated or sold to the Foundation at significantly below its fair value. Fundraising includes amounts paid to the Foundation from supporters of the Foundation where the donor is involved in a Foundation event, such as the Pink Stumps Day.

Once the asset has been recognised, the Foundation recognises any related liability amounts. Income is then recognised for any difference between the recorded asset and liability.

Finance income

Finance income relates to interest and dividends received on funds invested. It accrues using the effective interest method. Fair value movements relates to the change in market value of investments, refer Note 5.2 for details of investments.

	2023	2022
Finance income	\$	\$
Fair value gain/(loss) on investments	130,854	(1,217,680)
Interest income	380,341	1,501
Dividend income	917,594	972,422
Finance income	1,428,789	(243,757)

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

4.2 Breast Care Nurse commitments

Commonwealth Government of Australia Funded Breast Care Nurses

The Foundation receives support from the Commonwealth Government of Australia to fund Breast Care Nurses and fulfil the Foundation's mission.

On 27 June 2023, The Foundation signed a new contract with the Commonwealth for a period of three years, from 1 July 2023 to 30 June 2026. This secured funding is for increasing the number of Breast Care Nurses for up to 114 by 2025-2026.

The number of nurse positions filled under the Government contract at 30 June 2023 was 100 (2022: 93).

The commitments included in this note only include committed amounts associated with the employment costs of the Commonwealth funded Breast Care Nurses, this does not include other costs permitted under the funding agreement such as a recruitment costs, training costs, etc. as these costs are not deemed to be committed.

The total undiscounted future minimum payments under Commonwealth Government of Australia Funded Breast Care Nurses fall due for payment as follows:

	2023	2022
Undiscounted future minimum payments	\$	\$
Within one year	10,147,202	8,584,524
Greater than one year but not later than five years	20,418,088	1,400,928
Total (excluding GST)	30,565,290	9,985,452

State Government Funded Breast Care Nurses

During the year, the Foundation received support from the State Governments to fund Breast Care Nurses.

Government of New South Wales

On 1 November 2019, the Foundation entered into an agreement with the New South Wales Ministry of Health to fund 8 nurse positions and their recruitment and professional development costs. The funding agreement is effective from 1 September 2019 to 31 August 2023.

The number of nurse positions filled under the agreement at 30 June 2023 was 8 (2022: 8).

The commitments included in this note only include committed amounts associated with the employment costs of the Breast Care Nurses, this does not include recruitment and professional development costs permitted under the funding agreement as these costs are not deemed to be committed.

The total undiscounted future minimum payments under the Government of New South Wales Funded Breast Care Nurses fall due for payment as follows:

	2023	2022
Undiscounted future minimum payments	\$	\$
Within one year	155,031	720,232
Greater than one year but not later than five years	-	86,850
Total (excluding GST)	155,031	807,082

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

4.2 Breast Care Nurse commitments (cont'd)

Government of Queensland

On 28 September 2020, the Foundation entered into an agreement with Queensland Health to fund 7 nurse position and their recruitment and professional development costs. The funding agreement is effective from 1 July 2020 to 30 June 2023. On 19 June 2023, a new agreement was signed to fund the 7 nurses for the period of 1 July 2023 to 30 June 2025.

On 21 April 2021, the Foundation signed a variation on the agreement which secured funding for another 13 nurse positions for the period of 1 July 2021 to 30 June 2025.

The number of nurse positions filled under the agreement at 30 June 2023 was 20 (2022: 17).

The commitments included in this note only include committed amounts associated with the employment costs of the Breast Care Nurses, this does not include recruitment and professional development costs permitted under the funding agreement as these costs are not deemed to be committed.

The total undiscounted future minimum payments under the Government of Queensland Funded Breast Care Nurses fall due for payment as follows:

	2023	2022
Undiscounted future minimum payments	\$	\$
Within one year	2,309,265	2,039,592
Greater than one year but not later than five years	2,224,261	2,592,996
Total (excluding GST)	4,533,526	4,632,588

McGrath Foundation Funded Breast Care Nurses

The Foundation funds all other nurses through the support of the community. The Foundation currently supports 75 (2022: 56) Breast Care Nurse positions that are committed as at 30 June 2023 as a result of contracts executed with health care providers usually with a 3-year duration. The Foundation's goal is to fund the expansion of Breast Care Nurse positions into the future through fundraising appeals.

The total undiscounted future minimum payments under McGrath Foundation Breast Care Nurses fall due for payment as follows:

	2023	2022
Undiscounted future minimum payments	\$	\$
Within one year	8,086,006	4,566,892
Greater than one year but not later than five years	10,183,713	3,794,957
Total (excluding GST)	18,269,719	8,361,849

4.3 Deferred income

	2023	2022
Deferred income	\$	\$
Government grant - Commonwealth of Australia (contract liability)	2,501,507	2,678,031
Government grant - New South Wales (contract liability)	154,167	154,167
Government grant - Queensland (contract liability)	734,799	843,660
Total deferred income	3,390,473	3,675,858

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

4.3. Deferred income (cont'd)

Government grant - Commonwealth Government of Australia

Funding received in the year ended 30 June 2023 amounted to \$12,563,993 (incl. GST) (2022: \$11,000,000). Funding is conditional on being used for the provision of training to, assistance with the recruitment of, and funding of employment costs of, Commonwealth funded McGrath Foundation Breast Care Nurses under the initiative and administration activities performed by McGrath Foundation Limited to implement the initiative. The funding is received in instalments over the period of the funding agreement and is initially recognised as deferred income. Any residual unspent grant at 30 June 2023 is payable to the Commonwealth Government and presented within Deferred income.

Revenue recognised in relation to the government grant for the year ended 30 June 2023 amounted to \$11,598,336 (2022: \$11,011,138). Revenue is released to the income statement when costs that fulfil the conditions of the funding agreement relating to the Commonwealth-funded McGrath Foundation Breast Care Nurses initiative are incurred.

See Note 4.2 for details of future commitments for Commonwealth funded McGrath Foundation Breast Care Nurses as at 30 June 2023.

Government grant - Government of New South Wales

Funding received in the year ended 30 June 2023 amounted to \$1,017,500 (incl. GST) (2022: \$1,017,500) and was conditional on the funding being used for the recruitment and professional development of McGrath Breast Care Nurses in New South Wales, and funding of employment costs of 8 (2022: 8) McGrath Foundation Breast Care Nurses. The funding is received in instalments over the period of the funding agreement and is initially recognised as deferred income. Any residual unspent grant at 30 June 2023 is payable to the Government of New South Wales and presented within Deferred income.

Revenue recognised in relation to the government grant for the year ended 30 June 2023 amounted to \$925,000 (2022: \$925,000). Revenue is released to the income statement when costs that fulfil the conditions of the funding agreement are incurred.

See Note 4.2 for details of future commitments for Government of New South Wales funded McGrath Foundation Breast Care Nurses as at 30 June 2023.

Government grant - Government of Queensland

Funding received in the year ended 30 June 2023 amounted to \$2,750,923 (incl. GST) (2022: \$2,618,180) and was conditional on the funding being used for the recruitment and professional development, and employment costs of 20 (2022: 20) McGrath Foundation Breast Care Nurses. The funding is received in instalments over the period of the funding agreement and is initially recognised as deferred income. Any residual unspent grant at 30 June 2023 is payable to the Government of Queensland and presented within Deferred income.

Revenue recognised in relation to the government grant for the year ended 30 June 2023 amounted to \$2,609,700 (2022: \$1,536,504). Revenue is released to the income statement when costs that fulfil the conditions of the funding agreement are incurred.

See Note 4.2 for details of future commitments for Government of Queensland funded McGrath Foundation Breast Care Nurses as at 30 June 2023.

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

5 Operating assets and liabilities

5.1. Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash balances, call deposits with a maturity of less than or equal to three months from the date of acquisition. The carrying value of cash and cash equivalents is considered to approximate fair value.

	2023	2022
	\$	\$
Cash at bank and on hand	20,180,064	16,180,305
Total	20,180,064	16,180,305

Reconciliation of net surplus for the year to cash flow from operations:

	2023	2022
	\$	\$
Net surplus	4,436,139	8,393,303
Non-cash items		
Depreciation and amortisation	542,090	512,170
Loss on write-off of fixed assets	1,674	-
Revaluation of investments	(971,036)	325,594
Changes in operating assets and liabilities		
Trade and other receivables	6,254	(448,853)
Prepayments	(182,380)	(269,972)
Inventories	540	14,437
Trade and other payables	883,497	46,385
Deferred income	(285,386)	(1,044,737)
Net cash provided by operating activities	4,431,392	7,528,327

5.2. Investments

Accounting policy

Investments in equity instruments are measured at fair value through other comprehensive income on a recurring basis using Level 1 inputs. All investments measured at fair value through other comprehensive income have been designated as such on initial recognition. Investments in debt instruments are measured at fair value through profit and loss. Investments are segregated in the respective funds and subject to regular review under the terms of the Foundation's investment policies.

Investments comprise of both equity and debt instruments.

	2023	2022
	\$	\$
Current		
Investments measured at fair value through profit and loss	112,992	105,509
Total	112,992	105,509
Non-current		
Investments measured at fair value through profit and loss	9,311,491	9,154,908
Investments measured at fair value through other comprehensive income	12,366,664	11,115,277
Total	21,678,155	20,270,185

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

5.3. Trade and other receivables

Accounting policy

Trade receivables are classified and measured as a financial asset at amortised cost. Financial assets at amortised cost are recognised at fair value. Credit terms are available to corporate partners with contracts for fundraising and a third party who manages merchandise sales. Timing differences may also occur between a Government grant funding due date and payment date which results in a receivable being recorded.

Estimates are used in determining the level of receivables that will not, in the opinion of the Directors, be collected. These estimates include such factors as historical experience and industry specific factors. A provision for impairment of trade receivables is established when there is sufficient evidence that the Foundation will not be able to collect all amounts due.

The carrying value of trade receivables is considered to approximate fair value.

	2023	2022
Value of trade receivables	\$	\$
Trade receivables	273,382	477,717
Provision for impairment	-	-
Total	273,382	477,717
Other receivables (sundry receivables, net GST receivable)	534,993	336,912
Total	808,375	814,629

The impairment expense recognised in the period is \$NIL (2022: \$NIL).

5.4. Trade and other payables

Accounting policy

Trade payables are recognised at the value of the invoice received from a supplier. The carrying value of trade payables is considered to approximate fair value.

	2023	2022
Value of trade payables	\$	\$
Trade payables	895,300	468,642
Other payables	9,200	6,534
Accrued expenses	3,481,084	3,038,446
Total	4,385,584	3,513,622

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

5.5. Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of these assets is the amount initially paid for them. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Foundation.

Depreciation is provided and is charged to the Statement of Comprehensive Income to reflect annual wear and tear and the reduced value of the asset over time. Depreciation is calculated by estimating the number of years the Foundation expects the asset to be used (useful economic life) and is expensed to the Statement of Comprehensive Income on a straight-line basis over the useful economic life. Major categories of property, plant & equipment are depreciated as follows:

Asset class	Depreciation policy
Leasehold improvements	Lease term
Furniture and fittings	5 years
Computer equipment	3 years
Right-of-use assets	Lease term

Property, plant and equipment that is subject to depreciation is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Indicators of impairment may include changes in technology.

Property, plant and equipment additions for the year total \$145,634 (2022: \$129,867).

The depreciation expense recognised in the year was \$490,138 (2022: \$457,842) of which \$233,508 (2022: \$233,508) related to the right of use assets.

	Right-of-Use assets	Leasehold improvements	Furniture and Fittings	Computer Hardware	Work in Progress	Total
Cost	\$	\$	\$	\$	\$	\$
Balance at 30 June 2022	934,032	737,199	54,979	476,465	18,000	2,220,675
Additions	-	-	-	127,634	18,000	145,634
Transfers	-	-	-	36,000	(36,000)	-
Disposals	-	-	-	(1,875)	-	(1,875)
Balance at 30 June 2023	934,032	737,199	54,979	638,224	-	2,364,434
Accumulated Depreciation / Amortisation						
Balance at 30 June 2022	700,524	544,892	52,750	379,690	-	1,677,856
Depreciation	233,508	192,307	2,229	62,094	-	490,138
Disposals	-	-	-	(202)	-	(202)
Balance at 30 June 2023	934,032	737,199	54,979	441,582	-	2,167,792
Carrying Amounts						
Balance at 30 June 2022	233,508	192,307	2,229	96,775	18,000	542,819
Balance at 30 June 2023	-	-	-	196,642	-	196,642

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

5.6. Intangible assets

Accounting policy

Intangible assets are recorded at cost less accumulated amortisation and impairment losses. Amortisation is charged on a straight-line basis over their estimated lives of 3 to 5 years. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Intangible additions for the year total \$Nil (2022: \$Nil).

The amortisation expense recognised in the year was \$51,953 (2022: \$54,328).

Cost	Computer Software	Website Costs	Total
	\$	\$	\$
Balance 1 July 2022	607,808	238,306	846,114
Additions	-	-	-
Balance 30 June 2023	607,808	238,306	846,114

Accumulated Amortisation			
Balance 1 July 2022	603,517	178,632	782,149
Amortisation	4,291	47,662	51,953
Balance 30 June 2023	607,808	226,294	834,102

Carrying Amounts			
At 30 June 2022	4,291	59,674	63,965
At 30 June 2023	-	12,012	12,012

5.7. Lease Liabilities

Accounting policy

At inception of a contract, the Foundation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Foundation uses the definition of a lease in AASB 16 *Leases* (AASB 16). At inception or on reassessment of a contract that contains a lease component, the Foundation allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Foundation leases assets including items of property. The Foundation recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term and adjusted for certain re-measurements of the lease liability or impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Foundation's incremental borrowing rate. It is remeasured (and a corresponding adjustment made to the related right-of-use asset) when there is a change in future lease payments arising from a change in an index rate, a change in the estimate of the amount expected to be payable under a residual guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

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

5.7. Lease Liabilities (cont'd)

	2023	2022
Lease liabilities	\$	\$
Current	-	285,999
Total lease liabilities	-	285,999
Future lease payments in relation to lease liabilities as at period end are as follows:		
Less than one year	-	293,804
	-	293,804

Following a review of the Foundations needs for office space, a decision was made to not continue its lease arrangements at the conclusion of the lease during the year. The Foundation has a relationship with WeWork that can be amended at short notice.

6 Other notes

6.1. Auditor's remuneration

	2023	2022
Auditor's remuneration	\$	\$
Audit of statutory financial statements	-	-
Audit/review of Government Grant funding	-	-
Assistance with compilation of financial statements	-	-
Total auditor's remuneration	-	-

The Foundations current auditor is Deloitte Touche Tohmatsu (Deloitte). Deloitte have committed to deliver their services on a Pro Bono basis for the period of three years from FY22.

6.2. Related parties

The related parties identified by the Directors include key management personnel (the Foundation does not have any joint ventures, associated undertakings or direct equity investments). To enable users of our financial statements to form a view about the effects of related party relationships on the Foundation, we disclose the related party relationship when control exists, irrespective of whether there have been transactions between the related parties.

Key management personnel consist of McGrath Foundation Limited Executive and Non-executive Directors and the McGrath Foundation Chief Executive Officer.

Key management personnel compensation

Key management personnel compensation was \$637,761 (2022: \$630,706) for the year ended 30 June 2023. Non-Executive Directors do not receive any remuneration from the Foundation for their Director duties.

Transactions with key management personnel

The Directors of the Foundation and their related entities from time to time make donations to the Foundation under the same terms and conditions as donations received from members of the public and corporate organisations.

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. None of these entities transacted with the Foundation during the year ended 30 June 2023 (2022: \$nil).

6.3. Significant events after balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Foundation, to affect significantly the operations of the Foundation, the results of those operations, or the state of affairs of the Foundation, in future financial years.

DECLARATION OF CHIEF EXECUTIVE OFFICER IN RESPECT OF FUNDRAISING APPEALS

I, Holly Masters, Chief Executive Officer of McGrath Foundation Limited, declare that in my opinion:

The financial statements give a true and fair view of all income and expenditure of McGrath Foundation Limited with respect to fundraising appeal activities for the financial year ended 30 June 2023.

The statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeal activities as at 30 June 2023.

The provisions of the Charitable Collections (WA) Act 1946 and the conditions attached to the authority have been complied with for the financial year ended 30 June 2023;

The provisions of the Charitable Fundraising (NSW) Act 1991 and Regulations and the conditions attached to the authority have been complied with for the financial year ended 30 June 2023; and

The internal controls exercised by McGrath Foundation Limited are appropriate and effective in accounting for all income received and applied by McGrath Foundation Limited from any of its fundraising appeals.



Mrs Holly Masters
Chief Executive Officer
28 September 2023
Sydney, NSW

DIRECTORS' DECLARATION

In the opinion of the directors of McGrath Foundation Limited (the Foundation):

- (a) the Foundation is not publicly accountable;
- (b) the financial statements and notes that are set out on pages 8 to 24 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Foundation's financial position as at 30 June 2023 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (c) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Mr John Conde AO
Chairman
28 September 2023
Sydney, NSW

Independent Auditor's Report to the Board of Directors of McGrath Foundation Limited

Opinion

We have audited the financial report of McGrath Foundation Limited (the "Entity") which comprises the statement of financial position as at 30 June 2023, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the declaration by the Directors. In addition, we have audited the Entity's compliance with specific requirements of the *Charitable Fundraising Act 1991*.

In our opinion,

a) the accompanying financial report of the Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the "ACNC Act"), including:

- (i) giving a true and fair view of the Entity's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*;

b) the financial report agrees to the underlying financial records of the Entity, that have been maintained, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations for the year ended 30 June 2023; and

c) monies received by the Entity as a result of fundraising appeals conducted during the year ended 30 June 2023, have been utilised for, and applied, in all material respects, in accordance with the *Charitable Fundraising Act 1991* and its regulations.

We have obtained all the necessary information required in connection with our audit in respect of the financial year ended 30 June 2023.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report and Compliance with Specific Requirements of the Charitable Fundraising Act 1991* section of our report. We are independent of the Entity in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & 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 and compliance with specific requirements of the *Charitable Fundraising Act 1991* in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Entity's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Financial Report and for Compliance with the Charitable Fundraising Act 1991

The Directors of the Entity are responsible for compliance with the *Charitable Fundraising Act 1991* and the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described to the financial report is appropriate to meet the requirements of the ACNC Act and the *Charitable Fundraising Act 1991*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and to enable compliance with the *Charitable Fundraising Act 1991*.

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

Auditor's Responsibilities for the Audit of the Financial Report and Compliance with Specific Requirements of the Charitable Fundraising Act 1991

Our objectives are to obtain reasonable assurance about whether: the financial report as a whole is free from material misstatement, whether due to fraud or error; and the Entity complied, in all material respects, with specific requirements of the *Charitable Fundraising Act 1991*, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of non-compliance with the specific requirements of the *Charitable Fundraising Act 1991* and the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity 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.

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance with the *Charitable Fundraising Act 1991* may occur and not be detected. An audit is not designed to detect all weaknesses in the Entity's compliance with the *Charitable Fundraising Act 1991* as an audit is not performed continuously throughout the period and the tests are performed on a sample basis. Any projection of the evaluation of the compliance procedures to future periods is subject to the risk that the procedures, may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

JGorton

Joanne Gorton

Partner

Chartered Accountants

Sydney, 28 September 2023

