

NSW Reconciliation Council Incorporated

ABN: 58 375 952 794

Financial Statements

For the Year Ended 30 June 2023

NSW Reconciliation Council Incorporated

ABN: 58 375 952 794

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For the Year Ended 30 June 2023

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NSW Reconciliation Council Incorporated

ABN: 58 375 952 794

Responsible Entities' Report

30 June 2023

The Responsible Entities of NSW Reconciliation Council Incorporated present their Report together with the financial statements for the financial year ended 30 June 2023 and the Independent Audit Report thereon.

General information

Responsible Entities

The names of the Responsible Entities in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Joshua Gilbert	Indigenous Chair	
Anne Tennant	Non-Indigenous Chair	
Nancy An	Treasurer	Appointed on 5 December 2022
Steven Collins	Indigenous Member	Appointed on 5 December 2022
Carly Bush	Non-Indigenous Member	Appointed on 5 December 2022
Catherine Keenan	Non-Indigenous Member	Appointed on 5 December 2022
Joshua Staines	Secretary	Resigned on 5 December 2022
	Indigenous Member	Appointed on 5 December 2022
Amy Maguire	Non-Indigenous Member	Appointed on 17 March 2023
	Indigenous Member	Resigned on 5 December 2022
Nattlie Smith	Secretary	Appointed on 5 December 2022
Deborah Soler	Treasurer	Resigned on 5 December 2022
Daniel Creasey	Non-Indigenous Member	Resigned on 5 December 2022
Rowena Falzon	Non-Indigenous Member	Resigned on 5 December 2022
Kayla White	Indigenous Member	Resigned on 5 December 2022

Responsible Entities have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activities of NSW Reconciliation Council Incorporated during the financial year were to raise awareness and understanding of reconciliation and Indigenous issues, to advocate for social justice, equality and Indigenous rights and to grow and support the people's movement for reconciliation.

No significant changes in the nature of the Association's activity occurred during the financial year.

Operating results and review of operations for the year

Operating result

The operating result for the year ended 30 June 2023 was a deficit of \$ (14,300) (2022 Surplus: \$ 11,255). Total Revenue from grant, donation and fundraising activities during the year was \$416,255 compared to \$425,037 in the year ended 30 June 2022. The operating result has been influenced by the recognition of grant revenue under the current accounting standard as explained in Note 2(a) which can result in fluctuating surpluses and deficits from year to year, along with variances on operating and program costs.

NSW Reconciliation Council Incorporated

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Responsible Entities' Report

30 June 2023

Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Association during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Future developments and results

Likely developments in the operations of the Association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Association.

Environmental issues

The Association's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Members' liabilities

The Association is incorporated under the Associations Incorporation Act 2009 (New South Wales) and is a charity registered with the Australian Charities and Not-for-profits Commission (ACNC). If the Association is wound up, the Constitution states that the liability of a member of the Association to contribute towards the payment of the debts and liabilities of the Association or the costs, charges and expenses of the winding up of the Association is limited to the amount, if any, unpaid by the members in respect of membership. At 30 June 2023, there was no outstanding unpaid membership.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2023 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Responsible Entities:

Responsible Entity:

Joshua Gilbert

Responsible Entity:

Anne Tennant

Dated this18..... day ofSeptember..... 2023



NSW Reconciliation Council Incorporated

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Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Members of the Committee of NSW Reconciliation Council Incorporated

I declared that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

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

A handwritten signature in blue ink that reads "Byrons".

Byrons Audit Pty Ltd

A handwritten signature in blue ink that reads "Irene".

Irene Wang
Director

22 September 2023

Sydney NSW 2000

NSW Reconciliation Council Incorporated

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
NSW government grant	270,000	270,000
Other grants and donations	141,255	155,037
Merchandise sale	49,493	13,616
Commission and consultancy	11,314	5,040
Government subsidies received - COVID 19	-	40,536
Membership	26,025	11,805
Other income	38,228	4,738
Total revenue	536,315	500,772
Stock costs	(13,768)	(15,664)
Project and event costs	(63,005)	(60,574)
Media and communications	(6,361)	(24,086)
Depreciation	(1,562)	(1,387)
Equipment and IT related expenses	(5,883)	(5,369)
Insurance	(11,366)	(8,930)
Audit fees	(2,500)	(1,200)
Consultant fees, contractors and training	4 (26,060)	(19,873)
Employee benefits expense	4 (396,164)	(334,277)
Other administration expenses	(23,946)	(18,157)
Total expenses	(550,615)	(489,517)
(Deficit)/Surplus from ordinary activities	(14,300)	11,255
Other comprehensive income from ordinary activities	-	-
Total comprehensive (deficit)/surplus for the year	(14,300)	11,255

The accompanying notes form part of these financial statements.

NSW Reconciliation Council Incorporated

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		298,233	501,434
Trade and other receivables	5	320,182	6,000
Prepayments		6,543	3,744
TOTAL CURRENT ASSETS		<u>624,958</u>	<u>511,178</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	2,678	2,514
TOTAL NON-CURRENT ASSETS		<u>2,678</u>	<u>2,514</u>
TOTAL ASSETS		<u><u>627,636</u></u>	<u><u>513,692</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	4,843	27,377
Current tax liabilities	9	51,136	32,395
Employee benefits		25,328	23,834
Payment received in advance	8	400,543	270,000
TOTAL CURRENT LIABILITIES		<u>481,850</u>	<u>353,606</u>
REPRESENTING TOTAL LIABILITIES		<u>481,850</u>	<u>353,606</u>
NET ASSETS		<u><u>145,786</u></u>	<u><u>160,086</u></u>
Accumulated Funds			
Accumulated Surplus		<u>145,786</u>	<u>160,086</u>
TOTAL ACCUMULATED FUNDS		<u><u>145,786</u></u>	<u><u>160,086</u></u>

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 30 June 2023

2023

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2022	160,086	160,086
(Deficit) for the year	(14,300)	(14,300)
Balance at 30 June 2023	145,786	145,786

2022

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2021	148,831	148,831
Surplus for the year	11,255	11,255
Balance at 30 June 2022	160,086	160,086

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from grants, donations and other activities	222,133	532,758
Payments to suppliers and employees	<u>(423,608)</u>	<u>(482,533)</u>
Net cash (used in)/provided by operating activities	12 <u>(201,475)</u>	<u>50,225</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(1,726)</u>	<u>(1,335)</u>
Net cash (used in) investing activities	<u>(1,726)</u>	<u>(1,335)</u>
Net (decrease)/increase in cash and cash equivalents held	(203,201)	48,890
Cash and cash equivalents at beginning of year	<u>501,434</u>	<u>452,544</u>
Cash and cash equivalents at end of financial year	<u><u>298,233</u></u>	<u><u>501,434</u></u>

The accompanying notes form part of these financial statements.

NSW Reconciliation Council Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

NSW Reconciliation Council Incorporated is an Association incorporated under the Associations Incorporation Act 2009 (New South Wales) and is a charity registered with the Australian Charities and Not-for-profits Commission (ACNC) under the Australian Charities and Not-for-profits Commission Act 2012. The Association is a not-for-profit entity for financial reporting purpose under Australian Accounting Standards.

The financial statements have been prepared on the basis that the Association is not a reporting entity because there are no users dependent on a general purpose financial report. The financial statements are therefore special purpose financial statements that have been prepared in order to satisfy the financial reporting requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2009 (New South Wales).

The financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, and the Australian Charities and Not-for-profits Commission Act 2012. The accounting policies have been consistently applied, unless otherwise stated.

The functional and presentation currency of NSW Reconciliation Council Incorporated is Australian dollars.

The financial report was authorised for issue by the Responsible Entities on 18.09.23.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

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.

The special purpose financial statements have been prepared in accordance with the significant accounting policies presented below and do not comply with any Australian Accounting Standards unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue comprises revenue from grants, donations, fundraising activities, membership fees, interest, sale of goods, commissions and consultancy. The Association recognises revenue as follows:

Grants

A number of the Association's programs are supported by grants received from the state and local governments, and other grantors.

Grants arise from non-exchange transactions where the Association does not directly give approximately equal value to the grantor. Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the Association to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 - Revenue from Contracts with Customers. In this case, revenue is initially deferred (as deferred income) and recognised as or when the performance obligations are satisfied. Otherwise, the grant is accounted for under AASB 1058 - Income of Not-for-Profit Entities, whereby revenue is recognised upon receipt of the grant funding, except from special purpose capital grants received to construct non-financial assets to be controlled by the Association. The Association has a number of grant arrangements with the government that relate to funding of activity-based services. Most of these arrangements have been identified as having sufficiently specific performance obligations under enforceable grant agreements.

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Notes to the Financial Statements For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (cont'd)

(a) Revenue and other income (cont'd)

Donations and income from fundraising activities

Monies received from fundraising activities and donations collected, including cash and goods for resale, are recognised as revenue when the Association gains control, economic benefits are probable and the amounts can be measured reliably.

Revenue from sale of goods and services

Revenue is recognised at an amount that reflects the consideration to which the Association is expected to be entitled in exchange for transferring goods or services to a customer. The Association recognises revenue in a manner that depicts that transfer to the customer of the goods or services promised.

Interest and other income

Interest and other income are recognised when received or receivable.

(b) Income tax

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

(c) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

(d) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

(e) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(f) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (cont'd)

(f) Property, plant and equipment (cont'd)

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

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

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	2-3 years
Office Equipment	2-3 years
Computer Equipment	2-3 years

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

(g) Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (cont'd)

(g) Financial instruments (cont'd)

Financial assets (cont'd)

and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

- the financial assets is more than 90 days past due.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(h) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies (cont'd)

(h) Impairment of non-financial assets (cont'd)
loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Employee benefits

Provision is made for the Association's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(k) Economic dependence

The Association is dependent upon the ongoing receipt of State Government grants and community and corporate donations to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue in the financial year ended 30 June 2023.

(l) Going concern

Whilst forecasting the future is currently uncertain, the members of the management committee have an expectation that business operations will continue to be at a level so that the Association can operate effectively. If unexpected significant market events were to materially affect the operations of the Association, the members of the management committee are confident that the Association could take actions to limit exposures and liabilities, and continue to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. Accordingly, the financial statements have been prepared on the basis that the Association is a going concern. No adjustments have been made to the financial report relating to the recoverability or classification of recorded assets and classification of liabilities that may be necessary should the Association not continue as a going concern.

(m) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

NSW Reconciliation Council Incorporated

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Notes to the Financial Statements For the Year Ended 30 June 2023

3 Critical Accounting Estimates and Judgments

The preparation of the financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may be substantially different. In preparing the financial report, the significant judgements made by management in applying the Association's accounting policies and key sources of estimation uncertainty were the same as those that applied to the financial report for the previous financial year.

4 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Consulting fees, contractors and training expenses		
Consultant fees & intern costs	23,503	19,848
Training and development	2,557	25
	<u>26,060</u>	<u>19,873</u>
Employee expenses		
Salaries and wages	355,522	281,333
Superannuation	37,330	27,604
Leave entitlements, allowances & others	3,312	25,340
	<u>396,164</u>	<u>334,277</u>
5 Trade and Other Receivables		
CURRENT		
Trade receivables	320,182	6,000
Total current trade and other receivables	<u>320,182</u>	<u>6,000</u>
6 Property, Plant and Equipment		
Computer equipment		
At cost	11,603	9,877
Accumulated depreciation	(8,925)	(7,363)
Total computer equipment	<u>2,678</u>	<u>2,514</u>
Total property, plant and equipment	<u>2,678</u>	<u>2,514</u>

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Notes to the Financial Statements For the Year Ended 30 June 2023

7 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Payable to suppliers	4,843	15,640
Superannuation payable	-	11,737
	<u>4,843</u>	<u>27,377</u>

8 Payment received in advance

CURRENT		
Payments received in advance	400,543	270,000

9 Tax Liabilities

GST liabilities	44,238	27,235
PAYGW payable	6,898	5,160
Current tax liabilities	<u>51,136</u>	<u>32,395</u>

10 Contingencies

In the opinion of the Responsible Entities, the Association did not have any contingencies at 30 June 2023 (30 June 2022:None).

11 Related Parties

There were no transactions conducted with related parties during the financial year.

NSW Reconciliation Council Incorporated

ABN: 58 375 962 794

Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
(Deficit)/Surplus for the year	(14,300)	11,255
Non-cash flows in profit:		
- depreciation	1,562	1,387
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(314,182)	(125)
- (increase)/decrease in prepayments	(2,799)	2,444
- (increase)/decrease in inventories	-	1,716
- increase/(decrease) in income in advance	130,543	-
- increase/(decrease) in trade and other payables	(22,532)	10,999
- (increase)/decrease in other payables	-	3,857
- increase/(decrease) in tax and other tax liabilities	18,741	(5,141)
- increase/(decrease) in employee benefits	1,492	23,833
Cashflows from operations	<u>(201,475)</u>	<u>50,225</u>

13 Events After the End of the Reporting Period

The financial report was authorised for issue on 18,09,23 by the Responsible Entities.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

14 Statutory Information

The principal place of business of the association is:

NSW Reconciliation Council Incorporated
Gadigal Country
Ground Floor 27/31 Cope St
Redfern NSW 2016

NSW Reconciliation Council Incorporated

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Responsible Entities' Declaration

In the opinion of the Responsible Entities:

1. The financial statements and notes to the financial statements of NSW Reconciliation Council Incorporated are set out on pages 4 to 15: in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the Associations Incorporation Act 2009 (NSW), including
 - a. Giving a true and fair view of its financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - b. Complying with the Australian Accounting Standards outlined in Note 2 to the financial statements and the Australian Charities and Not-for-profits Commission Act 2012, and the Associations Incorporation Act 2009 (NSW); and
2. At the date of this statement, there are reasonable grounds to believe that NSW Reconciliation Council Incorporated will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Responsible Entities.

Responsible Entity

.....

Joshua Gilbert

Responsible Entity

.....

Anne Tennant

Dated 13.09.2023

15.09.2023

NSW Reconciliation Council Incorporated

ABN 58 375 952 794

Independent Audit Report to the members of NSW Reconciliation Council Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of NSW Reconciliation Council Incorporated (the Association), which comprises the statement of financial position as at 30 June 2023, the 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 the statement by the members of the committee.

In our opinion, the accompanying financial report of the Association is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the ACNC Act, which has been given to the members of the committee of the Association, would be in the same terms if given to the members of the committee as at the time of this auditor's report.

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

Other Matter

The financial report of NSW Reconciliation Council Incorporated for the year ended 30 June 2022 was audited by Brian R Taylor from Horwood Audit Services Pty Ltd with unmodified opinion issued on 28 November 2022.

Responsibilities of the Association for the Financial Report

The responsible entities of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the directors determine is necessary to enable the preparation of financial report that is free from material misstatement whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease



to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the responsible entities with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Byrons Audit Pty Ltd

Irene Wang
Director

22 September 2023

Sydney NSW 2000