

# **Shakespeare under the stars Inc.**

**ABN: 84 846 369 370**

## **Financial Statements**

**For the Year Ended 31 December 2022**

# Shakespeare under the stars Inc.

ABN: 84 846 369 370

## Contents

### For the Year Ended 31 December 2022

	Page
<b>Financial Statements</b>	
Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012	1
Statement of Profit or Loss and Other Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Responsible Persons' Declaration	17
Independent Audit Report	18



**JESSUPS**

## INDEPENDENCE DECLARATION

TO THE MANAGEMENT COMMITTEE OF  
SHAKESPEARE UNDER THE STARS INC  
FOR THE YEAR ENDED 31 DECEMBER 2022

We declare that, to the best of our knowledge and belief, in relation to the audit of Shakespeare under the stars Inc for the year ended 31 December 2022, there have been:

- 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*; and
- no contraventions of any applicable code of professional conduct.

**Jessups**

**Paul Sapelli**  
Partner

Dated: 16 February 2023

**Shakespeare under the stars Inc.**

ABN: 84 846 369 370

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 31 December 2022**

		<b>2022</b>	<b>2021</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
Revenue and other income	3	<b>582,839</b>	719,673
Employee benefits expense		<b>(348,390)</b>	(289,643)
Depreciation		<b>(89,120)</b>	(43,926)
Other expenses	4	<b>(220,207)</b>	(256,768)
<b>Profit/(loss) before income tax</b>		<b>(74,878)</b>	129,336
Income tax expense	2(b)	-	-
<b>Profit/(loss) for the year</b>		<b>(74,878)</b>	129,336
<b>Other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year</b>		<b>(74,878)</b>	129,336

The accompanying notes form part of these financial statements.

## Shakespeare under the stars Inc.

ABN: 84 846 369 370

### Statement of Financial Position

As At 31 December 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	5	359,627	465,568
Trade and other receivables	6	-	9,902
TOTAL CURRENT ASSETS		<u>359,627</u>	<u>475,470</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	193,731	180,535
Right-of-use assets	8	433,815	463,664
TOTAL NON-CURRENT ASSETS		<u>627,546</u>	<u>644,199</u>
TOTAL ASSETS		<u>987,173</u>	<u>1,119,669</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	9	16,498	14,653
Grant contract liabilities		-	59,000
Lease liabilities	8	54,032	49,220
Employee benefits	10	15,870	7,520
TOTAL CURRENT LIABILITIES		<u>86,400</u>	<u>130,393</u>
NON-CURRENT LIABILITIES			
Lease liabilities	8	395,491	424,052
Employee benefits	10	14,936	-
TOTAL NON-CURRENT LIABILITIES		<u>410,427</u>	<u>424,052</u>
TOTAL LIABILITIES		<u>496,827</u>	<u>554,445</u>
NET ASSETS		<u>490,346</u>	<u>565,224</u>
<b>EQUITY</b>			
Retained earnings		<u>490,346</u>	<u>565,224</u>
TOTAL EQUITY		<u>490,346</u>	<u>565,224</u>

The accompanying notes form part of these financial statements.

**Shakespeare under the stars Inc.**

ABN: 84 846 369 370

**Statement of Changes in Equity**  
**For the Year Ended 31 December 2022**

**2022**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2022</b>	<b>565,224</b>	<b>565,224</b>
Profit/(loss) for the year	<b>(74,878)</b>	<b>(74,878)</b>
<b>Balance at 31 December 2022</b>	<b>490,346</b>	<b>490,346</b>

**2021**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2021</b>	435,888	435,888
Profit/(loss) for the year	129,336	129,336
<b>Balance at 31 December 2021</b>	<b>565,224</b>	<b>565,224</b>

The accompanying notes form part of these financial statements.

## Shakespeare under the stars Inc.

ABN: 84 846 369 370

### Statement of Cash Flows For the Year Ended 31 December 2022

	2022	2021
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	568,688	705,556
Payments to suppliers and employees	(562,288)	(582,494)
Interest received	180	189
Interest paid	(16,304)	(9,974)
Net cash provided by/(used in) operating activities	<u>(9,724)</u>	<u>113,277</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(45,242)	(138,756)
Net cash provided by/(used in) investing activities	<u>(45,242)</u>	<u>(138,756)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of lease liabilities	(50,975)	(22,526)
Net cash provided by/(used in) financing activities	<u>(50,975)</u>	<u>(22,526)</u>
Net increase/(decrease) in cash and cash equivalents held	(105,941)	(48,005)
Cash and cash equivalents at beginning of year	465,568	513,573
Cash and cash equivalents at end of financial year	5 <u><u>359,627</u></u>	<u><u>465,568</u></u>

The accompanying notes form part of these financial statements.

## Shakespeare under the stars Inc.

ABN: 84 846 369 370

# Notes to the Financial Statements

## For the Year Ended 31 December 2022

The financial report covers Shakespeare under the stars Inc. as an individual entity. Shakespeare under the stars Inc. is a not-for-profit Entity, registered and domiciled in Australia.

The principal activities of the Entity for the year ended 31 December 2022 were the performance and production of live theatre, apprenticeship training programs and educational training activities for young people.

The functional and presentation currency of Shakespeare under the stars Inc. is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

In the opinion of those charged with Governance the Entity is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Entity expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Entity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.



## Shakespeare under the stars Inc.

ABN: 84 846 369 370

# Notes to the Financial Statements

## For the Year Ended 31 December 2022

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Entity are:

##### Grant Income

AASB 15 – Revenue from Contracts with Customers

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

The performance obligations are varied based on the agreement.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

##### Sponsorship Income

Sponsorships that have sufficiently specific and enforceable performance obligations are recognised as revenue when the specified performance obligations are met, either at a point in time or over time.

Revenue from sponsorships that do not have sufficiently specific performance obligations is recognised when the registered entity obtains control of the sponsorship or the right to receive the sponsorship.

##### Performance Income

Performance income is recognised as revenue as and when the performances are held.

##### Other Income

Other income is recognised on an accruals basis when the Entity is entitled to it.

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 2 Summary of Significant Accounting Policies

#### (a) Revenue and other income

##### **Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations**

The revenue recognition policies for the principal revenue streams of the Entity are:

##### **Grant Income**

AASB 1058 – Income of Not-for-Profit Entities

Amounts arising from grants in the scope of AASB 1058 (i.e. contracts which are either not enforceable or do not have sufficiently specific performance obligations) are recognised at the assets fair value when the asset is received. The Entity considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

##### **Other income**

Other income is recognised on an accruals basis when the Entity is entitled to it.

#### (b) Income tax

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

#### (c) 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.

#### (d) 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.

##### **Land and buildings**

Land and buildings are measured using the cost model.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2022**

#### **2 Summary of Significant Accounting Policies**

##### **(d) Property, plant and equipment**

###### **Land and buildings**

Leasehold improvements are measured using the cost model.

###### **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 Entity, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

##### **(e) Financial instruments**

Financial instruments are recognised initially on the date that the Entity 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 Entity classifies its financial assets into the following categories, those measured at:

- amortised cost (the Entity only has financial assets in this category)
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 2 Summary of Significant Accounting Policies

#### (e) Financial instruments

##### Financial assets

###### *Amortised cost*

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

###### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

Credit losses are measured as the present value of the difference between the cash flows due to the Entity in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

###### *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 Entity 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 Entity 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.

###### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2022**

#### **2 Summary of Significant Accounting Policies**

##### **(e) Financial instruments**

###### **Financial liabilities**

The Entity 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 Entity comprise trade payables, bank and other loans and lease liabilities.

##### **(f) Impairment of non-financial assets**

At the end of each reporting period the Entity 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 loss.

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

##### **(g) 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.

##### **(h) Leases**

At inception of a contract, the Entity assesses whether a lease exists.

At the lease commencement, the Entity recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Entity believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2022**

#### **2 Summary of Significant Accounting Policies**

##### **(h) Leases**

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Entity's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Entity's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### *Exceptions to lease accounting*

The Entity has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Entity recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

##### **(i) Employee benefits**

Provision is made for the Entity'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.

##### **Defined contribution schemes**

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

## Shakespeare under the stars Inc.

ABN: 84 846 369 370

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 3 Revenue and Other Income

	2022	2021
	\$	\$
Casting service	7,144	16,813
Grant funding	178,474	221,891
Jobkeeper & cashflow boost	-	21,900
Performance income	217,530	183,858
Sponsorship/Philanthropic income	114,165	229,317
Sundry income	1,888	189
Training income	63,639	45,704
	<b>582,839</b>	<b>719,673</b>

#### 4 Other Expenses

	2022	2021
	\$	\$
Booking fees	3,994	-
Electricity and water	8,304	12,893
Insurance	10,388	11,026
Interest expense	16,304	9,974
Lease Allen St	-	36,364
Lease Cottel St	20,608	31,805
Marketing	15,476	17,025
Production costs	111,448	108,483
Repairs and maintenance	6,147	-
Sundry expenses	15,744	18,119
Technical expense	5,436	4,765
Training programs	4,486	1,900
Travel expense	139	2,771
Vehicle cost	1,734	1,645
	<b>220,207</b>	<b>256,768</b>

#### 5 Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	359,627	465,568
	<b>359,627</b>	<b>465,568</b>

## Shakespeare under the stars Inc.

ABN: 84 846 369 370

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 6 Trade and Other Receivables

	2022	2021
	\$	\$
CURRENT		
GST receivable	-	9,902
	<u>-</u>	<u>9,902</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

#### 7 Property, Plant and Equipment

	2022	2021
	\$	\$
Plant and equipment		
At cost	98,032	98,032
Accumulated depreciation	(37,001)	(23,008)
Total plant and equipment	<u>61,031</u>	<u>75,024</u>
Leasehold Improvements		
At cost	151,994	106,751
Accumulated depreciation	(19,294)	(1,240)
Total leasehold improvements	<u>132,700</u>	<u>105,511</u>
<b>Total property, plant and equipment</b>	<u><b>193,731</b></u>	<u><b>180,535</b></u>

#### 8 Leases

##### Entity as a lessee

The Entity has a lease over its office premises.

##### *Terms and conditions of leases*

The office premises lease commenced on 1 June 2021 and expires on 31 May 2024. There are 2 x 3 year options available.



## Shakespeare under the stars Inc.

ABN: 84 846 369 370

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 8 Leases

##### Right-of-use assets

	Buildings \$	Total \$
<b>Year ended 31 December 2022</b>		
Balance at beginning of year	463,664	463,664
Depreciation charge	(57,074)	(57,074)
Additions	27,225	27,225
<b>Balance at end of year</b>	<b>433,815</b>	<b>433,815</b>

	Buildings \$	Total \$
<b>Year ended 31 December 2021</b>		
Additions for the year	495,799	495,799
Depreciation charge	(32,135)	(32,135)
<b>Balance at end of year</b>	<b>463,664</b>	<b>463,664</b>

##### Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1 - 5 years \$	> 5 years \$	Total undiscounted lease liabilities \$	Lease liabilities included in this Statement Of Financial Position \$
<b>2022</b>					
Lease liabilities	68,904	275,617	166,519	511,040	449,523
<b>2021</b>					
Lease liabilities	65,000	260,000	222,083	547,083	473,272

## Shakespeare under the stars Inc.

ABN: 84 846 369 370

### Notes to the Financial Statements For the Year Ended 31 December 2022

#### 9 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	5,742	-
GST payable	67	-
Superannuation payable	5,656	3,756
PAYG Payable	5,032	4,471
Other payables	-	6,424
	<u>16,498</u>	<u>14,653</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

#### 10 Employee Benefits

	2022	2021
	\$	\$
CURRENT		
Provision for annual leave	15,870	7,520
	<u>15,870</u>	<u>7,520</u>
NON-CURRENT		
Provision for long service leave	14,936	-
	<u>14,936</u>	<u>-</u>

#### 11 Contingencies

In the opinion of those charged with governance, the Entity did not have any contingencies at 31 December 2022 (31 December 2021:None).

#### 12 Events After the End of the Reporting Period

The financial report was authorised for issue on the date that the Responsible Persons' Declaration was signed by those charged with governance.

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

#### 13 Statutory Information

The registered office and principal place of business of the entity is:

Shakespeare under the stars Inc.  
22 Cottell Street  
Hyde Park 4812

**Shakespeare under the stars Inc.**

ABN: 84 846 369 370

**Responsible Persons' Declaration**

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

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

Responsible person .....  .....

Dated 16 February 2023



**JESSUPS**

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## INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF SHAKESPEARE UNDER THE STARS INC  
FOR THE YEAR ENDED 31 DECEMBER 2022

### Report on the Audit of the Financial Report

#### *Qualified Opinion*

We have audited the financial report of Shakespeare under the stars Inc. (the registered entity), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible person's declaration.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial report of the registered entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act), including:

- giving a true and fair view of the registered entity's financial position as at 31 December 2022 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### *Basis for Qualified Opinion*

It is not always practicable for the registered entity to establish control over all sources of income prior to receipt of these funds by the registered entity and accordingly, it is not possible for our examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the registered entity. Our audit report is thus qualified on the completeness of income.

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 registered entity in accordance with the ACNC Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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



**JESSUPS**

*Emphasis of Matter – Basis of Accounting*

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

*Responsibilities of the Committee for the Financial Report*

The committee members of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and is appropriate to meet the needs of the members. The committees' responsibility also includes such internal control as the committee members determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

*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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**Jessups**

**Paul Sapelli**

Partner

Level 1, 211 Sturt Street, Townsville, QLD 4810

Dated: 16 February 2023