



**THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND**

ABN 94 609 182 072

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

THE ARCHBISHOP OF SYDNEY'S
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ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

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THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
		\$	\$
Donations	3	2,920,449	2,520,631
Bequests	3(a)	-	620,046
Grants Received	3(b)	-	111,092
Interest		18,358	12,202
Other Income		4,063	-
Revenues from Ordinary Activities		<u>2,942,870</u>	<u>3,263,971</u>
Project Payments	4	(1,464,393)	(1,243,410)
Grants Paid	4(a)	(148,805)	(199,345)
Project Support Costs	5	(56,975)	(32,523)
Other Operating Expenses	5	(172,560)	(537,610)
Total Expenses		<u>(1,842,733)</u>	<u>(2,012,888)</u>
Result from Ordinary Activities		<u>1,100,137</u>	<u>1,251,083</u>
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		<u><u>1,100,137</u></u>	<u><u>1,251,083</u></u>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND**

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	<u>Notes</u>	<u>2024</u> \$	<u>2023</u> \$
Current Assets			
Cash and Cash Equivalents	6	2,993,796	1,716,689
Receivables	7	<u>163,708</u>	<u>339,635</u>
Total Current Assets		3,157,504	2,056,324
Non-Current Assets			
Total Non-Current Assets		<u>-</u>	<u>-</u>
Total Assets		<u>3,157,504</u>	<u>2,056,324</u>
Current Liabilities			
Provision for Annual Leave		24,851	24,429
Payables	8	<u>10,602</u>	<u>9,981</u>
Total Current Liabilities		35,453	34,410
Non-Current Liabilities			
Total Non- Current Liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>35,453</u>	<u>34,410</u>
Net Assets		<u>3,122,051</u>	<u>2,021,914</u>
Distributable Funds			
Funds Available for Distribution	9	3,121,951	2,021,814
Settlement Sum	10	<u>100</u>	<u>100</u>
Total Distributable Funds		<u>3,122,051</u>	<u>2,021,914</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
STATEMENT OF CHANGES IN DISTRIBUTABLE FUNDS
FOR THE YEAR ENDED 30 JUNE 2024

	<u>Funds</u> <u>Available for</u> <u>Distribution</u> \$	<u>Settlement</u> <u>Sum</u> \$	<u>Total</u> \$
At 30 June 2022	<u>770,731</u>	<u>100</u>	<u>770,831</u>
Result from Continuing Operations for the year	1,251,083	-	1,251,083
At 30 June 2023	<u>2,021,814</u>	<u>100</u>	<u>2,021,914</u>
Result from Continuing Operations for the year	1,100,137	-	1,100,137
At 30 June 2024	<u>3,121,951</u>	<u>100</u>	<u>3,122,051</u>

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
		\$	\$
Cash Flows from Operating Activities			
Donations received		2,920,449	2,520,631
Payments to suppliers and employees		(201,370)	(1,093,380)
Payments in respect of grants		(1,464,393)	(1,243,410)
Bequests received		-	620,046
Interest received		18,358	12,202
Other Income		4,063	111,092
Net Cash from Operating Activities	12(b)	<u>1,277,107</u>	<u>927,181</u>
Net Increase in Cash and Cash Equivalents		<u>1,277,107</u>	<u>927,181</u>
Cash and Cash Equivalents at the beginning of the year		<u>1,716,689</u>	<u>789,508</u>
Cash and Cash Equivalents at the end of the year	12(a)	<u>2,993,796</u>	<u>1,716,689</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

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THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1. Reporting Entity

The Archbishop of Sydney's Overseas Ministry Fund (the Fund) is a not-for-profit entity domiciled in Australia. The address of the Fund's principal office is Level 2, St Andrew's House, Sydney Square, George Street Sydney. The Fund's ABN is 94 609 182 072.

The Fund, was established in August 2000, and was set up for the purpose of providing assistance for ministry training and development in overseas countries. Donations to the Fund are not tax deductible. In April 2021, the Overseas Ministry Fund established THE ARCHBISHOP OF SYDNEY'S OVERSEAS MINISTRY FUND - SCHOOL BUILDING FUND which has tax deductible status and is established to provide the capital costs of construction, renovation and development of theological colleges approved by the School Building Fund Committee.

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 (ACNC) Act 2012. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board.

These financial statements were authorised for issue by the Fund's board of directors on 29 August 2024.

2. Summary of Material Accounting Policies

(a) Basis of Measurement

The financial statements have been prepared under the historical cost basis except where stated.

Going concern basis

The financial report has been prepared on a going concern basis.

Critical accounting estimates

The preparation of financial statements in conformity with AASB requires the use of certain critical accounting estimates. There were no areas involving a higher degree of judgement or complexity, or where assumptions and estimates are material to the financial statements requiring separate disclosure.

Functional and presentation currency

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

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

2. Summary of Material Accounting Policies (Cont'd)

(b) Use of judgements and estimates

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

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

There are no significant judgements or estimates recognised.

(c) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash on call and short term deposits with banks or other financial institutions.

(d) Revenue Recognition

Income is brought to account on an accruals basis.

Donations and bequests are recognised as revenue when the Fund gains control of the contribution or the right to receive the contribution, it is probable that economic benefits will flow to the Fund and amounts can be measured reliably. Donations and bequests are recognised at a point in time when received in the absence of any specific performance attached to the donation and bequest.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

Interest income is recognised as it accrues, taking into account the interest rates applicable to the financial asset. Income on loans is recognised in accordance with the terms of the relevant agreement.

(e) Administration Expenses

Administrative costs, classified as Fund Management Services, are paid to the Archbishop's of Sydney's Anglican Aid. The Fund Management Services charges have been apportioned equitably to each of the three Funds administered by the Archbishop of Sydney's Anglican Aid.

(f) Income Tax

The Archbishop of Sydney's Overseas Ministry Fund is exempt from income tax as it is an income tax exempt charity under section 50-5 of the Income Tax Assessment Act 1997.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST. Except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO), it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Summary of Material Accounting Policies (Cont'd)

(h) Financial Instruments

(i) Recognition and initial measurement

The Fund initially recognises Receivables on the date on which they are originated. All other financial assets and financial liabilities are initially recognised when the Fund becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at Fair Value Through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value Through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

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

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

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

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

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

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Summary of Material Accounting Policies (Cont'd)

(h) Financial Instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, if it is a derivative or it is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised on profit or loss. Other financial liabilities are subsequently measured at amortised costs using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

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

Financial liabilities

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

(i) Receivables

These amounts represent donation income recorded in the books and records of the Fund prior to the end of the financial period which are not yet received.

(j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Fund prior to the end of the financial period which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
3. Donations		
Donations Received - Designated Purposes	1,460,796	1,673,141
Donations Received - School Building Fund	1,270,949	755,956
Donations Received - General Purposes	188,704	91,534
	<u>2,920,449</u>	<u>2,520,631</u>

Designated purpose donations are those donations made to a specific program. The Fund has a right to allocate donations to projects of a similar nature.

3(a) Bequests	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Bequests	-	620,046

3(b) Grants Received	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Grants Received from Anglican Aid	-	111,092

No grants were received from Anglican Aid for the transfer of projects during the year.

4. Project Payments	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Projects Paid - Community Leadership Training	135,971	66,978
Projects Paid - Ministry Support	202,854	63,176
Projects Paid - Education and Training	155,322	431,230
Projects Paid - School Building	964,967	674,792
Direct Project Support Costs	5,279	7,234
Total Project Payments	<u>1,464,393</u>	<u>1,243,410</u>

4(a) Grants Paid	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Grants Paid to ORAF	148,805	199,345

Grants were paid to ORAF for the transfer of projects during the year.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

	<u>2024</u>	<u>2023</u>
	\$	\$
5. Operating Expenses and Program Support Costs		
Fundraising Costs	23,783	51,179
Audit Fee	8,904	7,295
Depreciation on Property, Plant and Equipment	7,787	23,512
Interest expenses on lease liabilities	2,634	6,820
Other Operating Expenses	29,130	92,212
Personnel Costs	156,621	388,900
Bank Fees	676	215
Operating Expenses	<u>229,535</u>	<u>570,133</u>
Project Support Costs	<u>(56,975)</u>	<u>(32,523)</u>
Total Operating Expenses and Program Support Costs	<u>172,560</u>	<u>537,610</u>
The Fund Management Service Fee	<u>(189,129)</u>	<u>181,018</u>
<p>Fund Management Service Fees represent disbursements and or management costs recharged by The Archbishop of Sydney's Anglican Aid, as Trustee of the Fund and management costs charged to The Archbishop of Overseas Relief and Aid Fund for the provision of administration, marketing and staffing support. The fee is applied proportionally on the basis of the income of the Funds.</p> <p>Project Support Costs are those costs (including Personnel Costs) directly associated with the delivery of programs. The total project support costs were \$56,975.</p>		
	<u>2024</u>	<u>2023</u>
	\$	\$
6. Cash and Cash Equivalents		
Deposits at Call	<u>2,993,796</u>	<u>1,716,689</u>
	<u>2,993,796</u>	<u>1,716,689</u>
7. Receivables		
Interest Receivables	205	-
The Archbishop of Sydney's Anglican Aid	<u>163,503</u>	<u>339,635</u>
	<u>163,708</u>	<u>339,635</u>
8. Payables		
ATO BAS Payable	7,322	7,231
Superannuation Payable	<u>3,280</u>	<u>2,750</u>
	<u>10,602</u>	<u>9,981</u>

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

			<u>2024</u>	<u>2023</u>	
			\$	\$	
9. Funds Available for Distribution					
Balance at beginning of period			2,021,814	770,731	
Result from Continuing Operations			1,100,137	1,251,083	
Balance at end of period			<u>3,121,951</u>	<u>2,021,814</u>	
	Designated Purpose \$	School Building Fund \$	General Purpose \$	<u>Total 2024 \$</u>	<u>Total 2023 \$</u>
Balance at beginning of period	1,849,514	41,579.00	130,721	2,021,814	770,731
Donations	1,460,796	1,270,949	188,704	2,920,449	2,520,631
Interest	-	-	18,358	18,358	12,202
Bequest Income	-	-	-	-	620,046
Other Income	-	-	4,063	4,063	111,092
Total Income	<u>1,460,796</u>	<u>1,270,949</u>	<u>211,125</u>	<u>2,942,870</u>	<u>3,263,971</u>
Less:					
Projects Paid	(480,390)	(964,968)	(19,035)	(1,464,393)	(1,236,176)
Project Support Costs	(61,695)	-	(559)	(62,254)	(39,852)
Expenses	-	-	(316,086)	(316,086)	(736,860)
Transfer in/out General Funds	(36,505)	-	36,505	-	-
Overhead Contribution	(128,525)	(63,547)	192,072	-	-
Total Outgoing	<u>(707,115)</u>	<u>(1,028,515)</u>	<u>(107,103)</u>	<u>(1,842,733)</u>	<u>(2,012,888)</u>
Balance at end of period	<u>2,603,195</u>	<u>284,013</u>	<u>234,743</u>	<u>3,121,951</u>	<u>2,021,814</u>

General purpose funds are available for the use of operation and management of the Fund.

10. Settlement Sum

The Fund was established with a Settlement Sum of \$100 as detailed in the Trust Deed.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

11. Related Parties

The Overseas Ministry Fund is governed by a Board comprising nine members. Three members are appointed by the Archbishop of Sydney and six members are elected by the Synod of the Sydney Diocese of the Anglican Church. The Archbishop of Sydney's Anglican Aid provides administration and staffing for the Fund and is also the Trustee for the Fund.

11(a) The Archbishop of Sydney's Anglican Aid and the Archbishop of Sydney's Overseas Relief and Aid Fund

The Archbishop of Sydney's Overseas Ministry Fund acts as the service provider for the Archbishop of Sydney's Anglican Aid and the Archbishop of Sydney's Overseas Relief and Aid Fund which reimburse for expenses incurred at an agreed percentage of overall general costs. It pays Anglican Aid a sum as reimbursement of expenses incurred for the provision of administration for the fund.

During 2024, the Fund management charge to Anglican Aid was Nil (2023: \$181,018) and the Fund management charge received from ORAF was \$189,129 (2023: Nil).

11(b) The Board Members

The following persons were members of the Archbishop of Sydney's Overseas Ministry Fund Management Committee during the year.

The Rev Canon Malcolm Richards	The Rev Luther Symons
Ms Karen Andersen	The Rev Peter Sholl
Mrs Sally Bathgate	Dr Keith Walker
Mr Craig Lawn	Mr David Dennis
Mrs Michelle Chase	

11(c) Key Management Personnel Remuneration

The key management personnel's compensation for the year ended 30 June 2024 was \$186,733 (2023: \$176,324).

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2024 2023
\$ \$

12. Cash Flow Information

(a) Reconciliation of Cash and Cash Equivalents

Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Deposits at Call	<u>2,993,796</u>	<u>1,716,689</u>
Cash and Cash Equivalents	<u><u>2,993,796</u></u>	<u><u>1,716,689</u></u>

(b) Reconciliation of Net Cash from Operating Activities to the Result from Continuing Operations

Result from Continuing Operations	1,100,137	1,251,083
(Increase)/Decrease in trade and other receivables	175,927	(327,742)
Increase/(Decrease) in trade and other payables	621	(4,573)
Increase/(Decrease) in provisions and employee benefits	<u>422</u>	<u>8,413</u>
Net Cash from Operating Activities	<u><u>1,277,107</u></u>	<u><u>927,181</u></u>

13. Events After the Balance Sheet Date

There are no significant events that have occurred between the reporting date and the time the financial statements are authorised for issue.

THE ARCHBISHOP OF SYDNEY'S
OVERSEAS MINISTRY FUND
MEMBERS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2024

In the opinion of the Members of the Archbishop of Sydney's Overseas Ministry Fund:

- (a) the financial statements and notes that are set out on pages 3 to 16 are in accordance with the Australian Charities and Not For Profit Commission Act 2012, including:
- (i) giving a true and fair view of the Entity's financial position as at 30 June 2024 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 Profit Commission Regulations 2013; and
- (b) there are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable

Signed in accordance with a resolution of the Members:

Dated at Sydney 27th August 2024



Member



Member



Independent Auditor's Report

To the Synod of Anglican Church Diocese of Sydney

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report**, of the Archbishop of Sydney's Overseas Ministry Fund (the Fund).

In our opinion, the accompanying Financial Report of the Fund is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- i. giving a true and fair view of the Fund's financial position as at 30 June 2024, and of its financial performance and its cash flows for the year ended on that date; and
- ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)*.

The **Financial Report** comprises:

- i. Statement of financial position as at 30 June 2024.
- ii. Statement of profit or loss and other comprehensive income, Statement of changes in distributable funds, and Statement of cash flows for the year then ended.
- iii. Notes, including material accounting policies.
- iv. Declaration by the Members of the Fund.

Basis for opinion

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

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

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



Other information

Other Information is financial and non-financial information in the Archbishop of Sydney's Overseas Ministry Fund's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Members are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Members for the Fund for the Financial Report

The Members are responsible for:

- i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR.
- ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- iii. Assessing the Fund's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- ii. to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

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



We also:

- i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Fund's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members.
- iv. Conclude on the appropriateness of the Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Fund to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Members of the registered Fund 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.

KPMG

KPMG

Patrice Scott

Partner

Sydney

27 August 2024