The Northcott Society and its controlled entities

ABN 87 302 064 152

General Purpose Financial Report

For the year ended 30 June 2023

Contents

Directors' Report

The directors present their report together with the consolidated financial statements of the Group comprising of The Northcott Society (the Company or The Society), and its subsidiaries for the financial year ended 30 June 2023 and the auditor's report thereon.

1. Directors

The directors of the Society at any time during or since the end of the financial year are:

Name and qualifications	Northcott responsibilities	Experience and other directorships
Mr. Michael Briggs B Comm, ACA, AGIA, ACG (CGP), MBA Chair	Appointed 27 March 2003 Chair, The Northcott Society since 2009 Chair, Northcott Supported Living Director, Northcott Innovation Limited Member, Finance and Properties Committee Member, Nomination Committee Member, Remuneration Committee Member, Risk Committee	Business Advisor and Investor Chair, Antec Group Pty Limited Director of RLT International Ltd (UK) Director Guided Knowledge Ltd (UK)
Ms. Kirsten Armstrong M.Ec, M.PH, FIAA, GAICD	Appointed 7 January 2013 Chair, Risk Committee	Director, icare NSW Director, WIRES NSW Director of Impact Investing, Social Ventures Australia Fellow, Institute of Actuaries of Australia Graduate, Australian Institute of Company Directors
Mr. Richard Blaiklock B Comm, MBA	Appointed 19 November 2003 Chair, Nomination Committee Chair, Remuneration Committee	Chair, Baresque Australia Pty Ltd group and affiliated companies
Mr Ricky Casali BComm LLB	Appointed 1 November 2022	Partner, Corrs Chambers Westgarth
Ms. Tracey Corbin-Matchett BA (Welfare Studies) Dip Bus (Frontline Mgt)	Appointed 24 March 2022	CEO, Bus Stop Films Ltd Director, Deaf Sports Australia
Mr. Mathew Franklin B Comp Sci M Mgt PLDA (HBS) FGIA FRSA FIML GAICD	Appointed 24 March 2022	Managing Director, MF & Associates Graduate, Australian Institute of Company Directors

Directors' Report

Name and qualifications	Northcott responsibilities	Experience and other directorships
Dr. Christopher Janssen MB BS (Sydney), MBA (IMD), FAICD	Appointed 27 November 1986	Founder and Managing Director, GPC Electronics Pty Limited and affiliated companies Advisory Board Member, The Warren Centre for Advanced Engineering at the University of Sydney Member of Abbotsleigh School Council Registered (non-practising) Medical Practitioner Fellow of the Australian Institute of Company Directors
Mr Jeyan Jeevaratnam B Eng (Hons1) MBA, M Eng Sc, MAICD	Appointed 14 May 2020 Member, Finance and Properties Committee	General Manager, Enterprise Business, Microsoft Asia Member, Australian Institute of Company Directors Member, Young Presidents Organisation
Christine Kelly BEng-Electrical (Hons) Bcomm, GAICD	Appointed 15 December 2022 Member, Finance and Properties Committee	Graduate, Australian Institute of Company Directors
Ms. Debra Richards BA (Lib Studies), Graduate Diploma, MA, MAICD	Appointed 1 December 2012 Member Nomination Committee Member Remuneration Committee	Director, Production Policy APAC, Netflix Vice President, Communications & Media Law Association Director and Treasurer, International Institute of Communications, Aus Deputy Chief Adjudicator, Alcohol Beverages Advertising Code Adjudication Panel Member, Australian Film, Television & Radio School (AFTRS) Council Member NSW Film & Television Advisory Committee Member, Australian Institute of Company Directors

Directors' Report

Name and qualifications	Northcott responsibilities	Experience and other directorships
Ms. Liz Forsyth BA (Hons), BSW (Hons), Dip Mgmt,MAICD	Appointed 1 September 2020 Managing Director and Chief Executive Officer, Northcott Director, Northcott Innovation Limited Director, SpineCare Foundation Director, Montrose Therapy and Respite Services Member, Finance and Properties Committee Member, Nomination Committee Member, Remuneration Committee Member, Risk Committee	Member, Australian Institute of Company Directors Director of Ability First Australia
Mr. Hugh Wehby BEc (Hons), DipInvRel	Appointed 29 June 2018 Chair, Finance and Properties Committee	Group Executive Partners, Delivery and Risk, Transurban Director, Transurban Queensland Director, Transurban Chesapeake Director, Sydney Transport Partners
Mr. Christopher Willocks BComm/BScience	Appointed 24 February 2022 Member, Finance and Properties Committee	Co-Portfolio Manager, Alphinity Investment Management

In accordance with the Society's Constitution, after a 3-year term, the directors retire from the Board of Directors at the forthcoming Annual General Meeting of members and are eligible to offer themselves for re-election upon ratification by the Board.

Company Secretaries

Mr Alex Varley (B.Bus, GradDip Urban Studies), Head of Advocacy and Communications and Director of Creativity Inc. was appointed Company Secretary from 22 March 2018. Mr Andrew Kew (B.Bus, FCPA), Chief Operating Officer and Director of Montrose Therapy and Respite Services was appointed Company Secretary on 24 February 2022. Mr Abbas Alibai (MSc, CA, GAICD) was appointed Company Secretary on 23 June 2022 and resigned on the 31 August 2023.

Directors' Report

Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of Northcott during the financial year are:

	Board Meetings		Finance and Properties Committee		Nomination Committee		Remuneration Committee		Risk Committee	
	Attended	Held*	Attended	Held*	Attended	Held*	Attended	Held*	Attended	Held*
Mr M Briggs	9	10	5	8	1	1	1	1	4	4
Ms K Armstrong	8	10	-	-	1	1	1	1	4	4
Mr R Blaiklock	10	10	-	-	1	1	1	1	-	-
Mr R Casali	5	6	-	-	-	-	-	-	1	1
Ms Tracey Corbin-Matchett	9	10	-	-	-	-	-	-	-	-
Ms L Forsyth	9	10	6	8	1	1	1	1	4	4
Mr M Franklin	8	10	-	-	-	-	-	-	-	-
Dr C Janssen	10	10	-	-	-	-	-	-	-	-
Mr Jeyan Jeevaratnam	7	10	6	8	-	-	-	-	-	-
Ms Christine Kelly	5	5	3	3	-	-	-	-	-	-
Ms D Richards	9	10	-	-	1	1	1	1	-	-
Mr H Wehby	7	10	8	8	-	-	-	-	-	-
Mr C Willcocks	10	10	6	8	-	-	-	-	-	-

* Number of meetings held during the time the director held office during the year.

2. Environmental regulation

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

However, the Board believes that the Group has adequate systems in place for the management of its environmental requirements. The Group are not aware of any significant breaches during the period covered by their report.

3. Principal activities

The principal activities of the Group during the course of the financial year were the provision of individual and family support, respite, recreation and leisure programs, day programs, accommodation, employment, equipment and technology, specialist services and therapy services to people with disabilities in New South Wales, Queensland (Montrose) and the Australian Capital Territory.

There were no significant changes in the nature of the activities of the Group during the year.

The Society's long-term objective:

The Society's long-term objective is to help build an inclusive society where people can live the life they choose. This is achieved in partnership with our customers and stakeholders to ensure we provide services that are professional, customer-focused and designed to assist people with disabilities and their communities achieve their goals and aspirations.

In order to ensure we meet the long-term objectives, the Society will:

- Be innovative in our service delivery, to ensure service provision best meets the needs of our customers.
- Develop a recognised and respected brand to attract and retain customers and supporters.
- Strive to become a provider of choice for both current and prospective customers.
- Grow our services in areas of identified need, particularly regional NSW, the ACT and within Indigenous communities.
- Develop and maintain a skilled workforce to meet the needs of customers as we expand.
- Continue to focus on improving the quality and consistency of our services and measurement of customer outcomes.
- Develop mutual and long-term partnerships with our stakeholders, to ensure our customers have access to the best level of service delivery.

Directors' Report

- Develop our knowledge and expertise in person centred planning, which involves identifying what is important to our customers and acting upon it, as well as piloting some person centred services in new areas.
- Develop a number of mechanisms to encourage research and development, including a targeted and holistic program, which translates research into practice. This ensures the services we offer our customers are indicative of best practice and are validated and measured.
- Develop a customer consultation strategy, so that customers can be more meaningfully involved in planning services and evaluating what we do.
- Continually review our services to ensure viability for customers within their NDIS package or available funding.

The Society's short-term objectives:

The Society's shorter-term objectives are based on the organisation's Strategic Plan, which identifies 2 key priorities for Northcott:

a) Quality and Outcomes

A key strategic focus of Quality and Outcomes for our Customers, placing quality, safeguarding and customer outcomes at the forefront. While a driving focus is centred on quality for our customers, we also leverage this strategic priority of 'quality' to drive the transition of our workforce and organisation capabilities.

b) Growth and Evolution

To commence the foundational work that is required to provide a platform for sustainable growth, that is 'true to our purpose', and will evolve our capabilities in the key areas of customer, workforce and organisation. These foundations will ensure we can best serve our communities through innovative ideas and investment in models of support that will promote inclusion for all. This includes a strategy for indigenous Australians along with a Reconciliation Action Plan.

A key principle of Consistency and Simplicity

Now that the NDIS is well established, The Northcott Society believes that it's time for a focus on consistency of service delivery and simplicity across its organisation. This principle will underpin all our strategic planning and business planning activities.

4. Review of operations and results of those operations

Overview of the Group

These financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

Operating results

The operating results for the year ended 30 June 2023 resulted in a consolidated deficit of $12,239 thousand (2022: $10,998 thousand) driven by an operating deficit of $19,462 thousand (2022: $4,493 thousand) and a non-operating surplus of $7,223 thousand (2022: $4,299 thousand). Contributing factors in the operating result are mainly derived from the expensing of IT system development costs $3,394 thousand (2022: nil), and in the non-operating result the gain on acquisition of Montrose Therapy & Respite Services $2,460 thousand (2022: nil).

5. Significant changes in the state of affairs

During the year the Society acquired 100% of Montrose Therapy & Respite Services which is a not-for-profit organisation which provides respite, community access, social and recreational to people with disability in the Queensland area.

Apart from the above, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

6. Distributions

Distributions paid or declared by the Group to members since the start of the financial year were $nil (2022: $nil).

Directors' Report

7. Events subsequent to reporting date

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

8. Likely developments

Information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

9. Indemnification and insurance of officers and auditors

Indemnifications

The Society has agreed to indemnify the current and former directors of the Society and its controlled entities against all liabilities to another person (other than the Society or a related body corporate) that may arise from their position as directors of the Society and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Society will meet the full amount of any such liabilities, including costs and expenses.

Insurance premiums

The Society has paid insurance premiums in respect of directors' and officers' liability and legal expenses insurance contracts, for current and former directors and officers, including executive officers of the Society and directors and executive officers and secretaries of its controlled entities. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a willful breach of duty or improper use of information or position to gain a personal advantage. Under the terms of the contract of insurance, further details of the insurance cover are not permitted to be disclosed.

10. Members' Guarantee

The Northcott Society is incorporated as a company limited by guarantee. In the event of the Company being wound up, each member undertakes to contribute a maximum of $1 for payment of the Company's liabilities. At 30 June 2023 there were 84 members (2022: 82 members) and the amount of capital that could be called up in the event of the Company being wound up is $84 (2022: $82).

11. Proceedings on behalf of the Company

There are no current proceedings on behalf of the Company.

12. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 10 and forms part of the Directors report for the financial year ended 30 June 2023.

Directors' Report

13. Rounding off

The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial report and Directors report have been rounded off to the nearest thousand dollars, unless otherwise stated.

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

M. Briggs
Chairman

Dated at Sydney on 28 September 2023.

Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the Directors of The Northcott Society and its controlled entities

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2023 there have been:

i. no contraventions of the auditor independence requirements as set out in 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.

KPMG

KPMG

Cameron Roan

Partner

Sydney

28 September 2023

Statements of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
REVENUE FROM OPERATIONS					
Revenue from NDIA participant funding		189,233	182,400	179,319	182,385
Revenue from NDIA grants funding		22,335	20,519	22,335	20,519
Revenue from other government funding		297	7,474	297	7,474
Revenue from fundraising and donations		2,775	1,472	1,627	1,345
Revenue from other operating revenue		2,762	5,077	11,104	5,163
TOTAL REVENUE FROM OPERATIONS	2	217,402	216,942	**214,682**	216,886
EXPENSES FROM OPERATIONS					
Cost of sales	3	(62)	(43)	(62)	(43)
Client programme expenses		(206,856)	(195,661)	(206,826)	(195,413)
Fundraising expenses		(701)	(931)	(701)	(931)
Corporate support expenses		(29,245)	(27,007)	(25,880)	(26,517)
TOTAL EXPENSES FROM OPERATIONS		(236,864)	(223,642)	**(233,469)**	(222,904)
DEFICIT FROM OPERATIONS		(19,462)	(6,700)	(18,787)	(6,018)
NON - OPERATING REVENUE					
Revenue from estates and bequests	4	700	354	565	354
Profit from sale of non-current assets		328	435	328	435
Gain on acquisition through business combination	23	2,460	-	-	-
Finance income	5	4,103	-	3,619	-
TOTAL NON - OPERATING REVENUE		7,591	789	4,512	789
NON - OPERATING EXPENSES					
Estates and bequests expenses	4	(44)	(42)	(44)	(42)
Finance expense	5	(324)	(5,045)	(88)	(4,220)
TOTAL NON - OPERATING EXPENSES		(368)	(5,087)	(132)	(4,262)
DEFICIT FOR THE YEAR		(12,239)	(10,998)	(14,407)	(9,491)
TOTAL COMPREHENSIVE INCOME		(12,239)	(10,998)	(14,407)	(9,491)

Statements of Financial Position

As at 30 June 2023

	Note	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	36,018	8,024	32,234	7,085
Trade and other receivables	7	5,904	11,307	9,467	10,980
Financial assets at fair value through profit or loss		34,922	72,910	32,162	70,037
Prepayments		2,812	2,023	2,672	2,022
TOTAL CURRENT ASSETS		79,656	94,264	76,535	90,124
NON-CURRENT ASSETS					
Intangible assets	8	3,647	3,749	3,647	3,749
Property, plant and equipment	9	28,864	25,649	23,569	25,649
TOTAL NON-CURRENT ASSETS		32,511	29,398	27,216	29,398
TOTAL ASSETS		112,167	123,662	103,751	119,522
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	10	5,035	6,319	14,062	16,093
Employee benefits	11	35,947	31,930	35,947	31,930
Provisions	12	1,221	692	1,067	692
Lease liability	13	2,142	2,190	1,378	2,190
Other current liabilities	14	6,310	7,742	5,692	7,101
TOTAL CURRENT LIABILITIES		50,655	48,873	58,146	58,006
NON-CURRENT LIABILITIES					
Employee benefits	11	864	670	864	670
Provisions	12	290	536	290	536
Lease liability	13	1,102	2,088	636	2,088
TOTAL NON-CURRENT LIABILITIES		2,256	3,294	1,790	3,294
TOTAL LIABILITIES		52,911	52,167	59,936	61,300
NET ASSETS		59,256	71,495	43,815	58,222
EQUITY					
General accumulated funds		59,256	71,495	43,815	58,222
TOTAL EQUITY		59,256	71,495	43,815	58,222

Statements of Changes in Equity

For the year ended 30 June 2023

	Consolidated	The Society
	$000	$000
BALANCE AT 1 JULY 2021	82,493	67,713
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		
Deficit for the year	(10,998)	(9,491)
BALANCE AT 30 JUNE 2022	71,495	58,222
BALANCE AT 1 JULY 2022	71,495	58,222
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		
Deficit for the year	(12,239)	(14,407)
BALANCE AT 30 JUNE 2023	59,256	43,815

Statements of Cash Flows

For the year ended 30 June 2023

	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from NDIA participant funding	195,076	184,863	176,546	184,765
Cash receipts from NDIA grants and other government funding	23,463	27,993	23,486	27,993
Cash receipts from estates and bequests	700	354	565	354
Cash receipts from other revenue sources	5,537	6,422	3,638	6,508
Cash paid to suppliers and employees	(236,295)	(226,205)	(217,455)	(225,606)
CASH (USED IN) OPERATIONS	(11,519)	(6,573)	(13,220)	(5,986)
Interest and distributions received	48	(156)	12	(130)
NET CASH (USED IN) OPERATING ACTIVITIES	(11,471)	(6,729)	(13,208)	(6,116)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment and intangible assets	282	1,321	456	1,321
Acquisition of property, plant and equipment and intangible assets	(4,408)	(3,157)	(3,581)	(3,157)
Proceeds from/(acquisition of) managed fund investments	42,848	7,119	41,482	7,044
Acquisition of Montrose, net of cash acquired	743	-	-	-
NET CASH FROM INVESTING ACTIVITIES	39,465	5,283	38,357	5,208
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	27,994	(1,446)	25,149	(908)
Cash and cash equivalents at beginning of financial year	8,024	9,470	7,085	7,993
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	36,018	8,024	32,234	7,085

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 Accounting Policies

Reporting Entity

The Northcott Society (the 'Society' or 'Company') is limited by guarantee and domiciled in Australia. The Group's and Company's registered office is at The Northcott Building, 1 Fennell St, North Paramatta, NSW - 2151.

These financial statements comprise the Company ("the Society") and its subsidiaries (together referred to as the 'Group').

The Group and Company is a not-for-profit entity and is primarily involved in the provision of individual and family support, respite, recreation and leisure programs, day programs, accommodation, employment, equipment and technology, specialist services and therapy services to people with disabilities in New South Wales, Queensland and the Australian Capital Territory.

Basis of Preparation

a) Statement of compliance

These consolidated and parent 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 Act 2012. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

These consolidated and parent financial statements were authorised for issue by the Board of Directors as of the date of the Directors Declaration.

b) Basis of measurement

These consolidated and parent financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

c) Functional and presentation currency and rounding

These consolidated and parent financial statements are presented in Australian dollars, which is the Company's functional currency. The Group and Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the consolidated and parent financial statements and directors' report have been rounded to the nearest thousand, unless otherwise indicated.

d) Use of judgements and estimates

In preparing these consolidated and parent financial statements, management has made judgements and estimates that affect the application of the Group's and Company'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.

i. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated and parents' financial statements is included in the following notes:

- lease term: whether the Group and Company is reasonably certain to exercise extension options;
- revenue recognition: whether revenue from when control of a promised good or service is passed to the customer at an amount which reflects the expected consideration is recognised over time or at a point in time.

Notes to the Financial Statements

For the year ended 30 June 2023

Significant accounting policies

The Group and Company has consistently applied the following accounting policies to all periods presented in these consolidated and parent financial statements, except if mentioned otherwise.

Basis of Consolidation

a) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified reassessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expenses as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group ‘controls’ an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

c) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Revenue from Contracts with Customers

a) Revenue recognition policy for revenue from contracts with customers (AASB 15)

Revenue from contracts with customers is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue is recognised and measured at the fair value of the consideration or contributions received, net of goods and services tax ("GST") or similar taxes, to the extent it is probably that the economic benefits will flow to the Group and Company and the revenue can be reliably measured.

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 Group and Company have any significant financing terms as there is less than 12months between receipt of funds and satisfaction of performance obligations.

i. Goods sold and services rendered

Revenue from the sale of goods is recognised in the consolidated income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in the consolidated income statement in proportion to the stage of completion of the transaction at the reporting date.

The stage of completion is assessed by reference to estimates of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably, there is a risk of return of goods or there is continuing management involvement with the goods.

ii. Rental and accommodation

Revenue from rental and accommodation is recognised in the consolidated and parent income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

iii. Funding from the National Disability Insurance Agency

1. Revenue from NDIA grants funding

Reciprocal NDIA grants funding is recognised initially as deferred income at fair value when there is reasonable assurance that they will be received, and the Group and Company will comply with the conditions associated with the grant and are then recognised in the statements of profit or loss as other income on a systematic basis in the same periods in which the expenses are recognised. Revenue from non-reciprocal grants is recognised when the Group or Company obtains control of the funds.

2. Revenue from NDIA participant funding

Revenue from NDIA participant funding comprises funding for ongoing services and specific purposes. This funding comprises mainly the receipts from NDIA. The remaining funds are individually insignificant and are received from various government associations. These are recognised as income in the statements of profit or loss in the period to which the funding relates to the extent that expenditure has been incurred in accordance with the terms and conditions attached to the funding.

The revenue is recognised once the services have been provided.

3. Funding from acquisition

Funding has also been received as part of the agreement to acquire Northcott Supported Living (NSL). This funding is to provide specified services at pre-agreed houses in various locations. Revenues are recognised when the services are performed.

Where funding in a period exceeds related expenditure, unspent amounts are either:

- Deferred and recognised as unearned income in the Statement of Financial Position if they are repayable to related government bodies under the terms and conditions of the funding; or
- Deferred and recognised as unearned income in the Statement of Financial Position if amounts are not repayable but related expenditure has not yet been incurred in accordance with the terms and conditions of the funding; or
- Recognised as income if the amounts are not repayable and no obligation exists to incur expenditure in accordance with specified terms and conditions. Amounts deferred are presented within "Current liabilities – Other".

b) Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

i. Grant income

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but maybe property which has been donated or sold to the Group or Parent at significantly below its fair value.

Once the asset has been recognised, the Group or Company recognises any related liability amounts (e.g. provisions, financial liabilities).Once all assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

ii. Capital grants

Capital grants received under an enforceable agreement to enable the Group and company to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the Group or Parent (once complete) are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Group or company.

iii. Disposal of non-current assets

The net gain on disposal of non-current assets is recognised as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

iv. Donations

Monetary donations are recognised as the Group or Company obtains control, normally on receipt.

Non-monetary donations include pro-bono services and other contributed goods that are recognised at fair value of the goods or services received, once the Group or Company gains control of the contribution and if the fair value can be measured reliably.

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

v. Estates and bequests

Estates and bequests received are recognised as income by the Group or Company when it obtains a legal right and therefore control of the bequeathed items.

vi. Managed fund income distributions

Managed fund income distributions are recognised in the period in which they are receivable.

Income Tax

The Group and Parent is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

Property Plant & Equipment

a) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Any property, plant and equipment donated to the group or company or acquired for significantly below market value are recognised at fair value at the date the company obtains control of the assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

b) Subsequent Expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group and Company. Ongoing repairs and maintenance are expensed as incurred.

c) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write-off the cost of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Land is not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Buildings	40 years
Leasehold improvements	3 years
Plant and equipment	4 - 10 years
ECEI assets	3 years (term of agreement)
Motor vehicles	4 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Leases

At inception of a contract, the Group and Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group and Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group and Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group and Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group or Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group or Company will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s and Company's incremental borrowing rate. Generally, the Group or Company uses its incremental borrowing rate as the discount rate.

The Group and Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group and Company is reasonably certain to exercise, lease payments in an optional renewal period if the Group and Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's and Company's estimate of the amount expected to be payable under a residual value guarantee, if the Group and Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised insubstance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group and Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statements of financial position.

b) As a lessor

At inception or on modification of a contract that contains a lease component, the Group and Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group and Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group and Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group and Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group and Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group and Company applies AASB 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract.

The Group and Company applies the derecognition and impairment requirements in AASB 9 Financial Instruments to the net investment in the lease. The Group and Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

Short-term leases and leases of low-value assets

The Group and Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group and Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Financial Instruments

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group and Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured 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. A trade receivable without a significant financing component is initially measured at the transaction price.

b) Classification and subsequent measurement

i. Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group and Company 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.

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

ii. Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest 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.

iii. 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. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest 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.

c) Derecognition

i. Financial assets

The Group and Company 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 Group and Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group and Company enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

ii. Financial liabilities

The Group and Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group and Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group and Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Intangibles

a) Recognition and measurement

Research and development

Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group and Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Intangible asset is a website developed by the Group and Company, which it anticipates will drive additional revenue streams.

Other development expenditure is recognised in profit or loss as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

b) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

c) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

Website	5 years
Buildings projects	40 years
Software	7 years

Employee Benefits

a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group and Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Defined contribution plans

Obligations for contributions to defined contribution plans are expenses as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

c) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group and Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Client programme expenses. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the statements of financial position represents the actual deficit or surplus in the Group’s and Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

d) Other long-term employee benefits

The Group's and Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

e) Termination benefits

Termination benefits are expenses at the earlier of when the Group and Company can no longer withdraw the offer of those benefits and when the Group and Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Provisions

A provision is recognised in the Statements of Financial Position when the Group and Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Finance Income and Finance Costs

The Group’s and Company's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL;

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit- impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Goods and services tax

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 taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

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

Fair Value Measurement

A number of the Group’s and Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Investment in equity securities
The fair value of financial instruments classified as fair value through profit and loss is their quoted bid price at the reporting date.

Impairment

a) Financial assets

Financial instruments and contract assets

The Group and Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost and contract assets.

The Group and Company also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

The Group and Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s and Company's historical experience and informed credit assessment, that includes forward-looking information.

The Group and Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and Company is exposed to credit risk.

Notes to the Financial Statements

For the year ended 30 June 2023

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group and Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

b) Non-financial assets

At each reporting date, the Group and Company reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of the other assets in the CGU on a pro rata basis.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Note 2 Revenue from operations

The Group generates revenue primarily from providing professional, customer-focused services to assist people with disabilities.

In the following table, revenue from contracts with customers (excluding revenue related to a discontinued operation) is disaggregated by major products and service lines and timing of revenue recognition.

	Consolidated	Consolidated	The Society	The Society
	2023	2022	2023	2022
Major products/service lines	$,000	$,000	$,000	$,000
Revenue from NDIA participant funding	189,233	182,400	179,319	182,385
Revenue from NDIA grants funding	22,335	20,519	22,335	20,519
Revenue from other government funding	297	7,474	297	7,474
Revenue from fundraising and donations	2,775	1,472	1,627	1,345
Revenue from other operating revenue	2,762	5,077	11,104	5,163
TOTAL REVENUE FROM OPERATIONS	217,402	216,942	**214,682**	216,886

Notes to the Financial Statements

For the year ended 30 June 2023

Timing of revenue recognition	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
Services rendered at a point in time	210,204	210,518	207,524	210,562
Products and services transferred over time	7,198	6,424	7,158	6,324
	217,402	216,942	**214,682**	216,886

Note 3 Expenses

Note 3 Expenses	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Cost of sales	62	43	62	43
Depreciation and amortisation expense	5,106	5,761	4,233	5,761
Employee benefits expenses	204,781	198,152	204,050	197,702
Travel expenses	3,783	2,752	3,498	2,718
Technology expenses	4,252	2,319	3,898	2,261
Fundraising expenses	701	931	701	931
Estates and bequests expenses	44	42	44	42
Other expenses	18,135	13,642	16,983	13,446
TOTAL EXPENSES	236,864	223,642	**233,469**	222,904

Note 4 Revenue from estates and bequests

Results of estates and bequests revenue	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Proceeds from estates and bequests	700	354	565	354
Less: Direct costs of obtaining estates and bequests funding	(44)	(42)	(44)	(42)
NET SURPLUS FROM ESTATES AND BEQUESTS	656	312	521	312

Notes to the Financial Statements

For the year ended 30 June 2023

Note 5 Net finance income/(expense)	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
FINANCE INCOME/(EXPENSE)-NET				
Interest income	12	(19)	12	7
Managed fund income distribution	2,846	2,309	2,469	1,472
Unrealised gain/(loss) from managed fund investments	1,196	(7,902)	1,105	(5,958)
Realised gain from managed fund investments	13	704	10	396
Lease related interest expense	(324)	(137)	(88)	(137)
Interest income other parties	36	-	23	-
TOTAL NET FINANCE INCOME/(EXPENSE)	3,779	(5,045)	3,531	(4,220)

Note 6 Cash and cash equivalents

Cash and cash equivalents in the statements of financial position and in the statements of cash flows comprises of below:

	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
Cash on hand	58	52	51	23
Cash at bank	35,960	7,972	32,183	7,062
TOTAL CASH AND CASH EQUIVALENTS	36,018	8,024	32,234	7,085

Note 7 Trade and other receivables	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
Trade receivables	3,839	2,717	3,249	2,586
Other receivables	2,065	8,590	1,909	8,371
Trade receivables due from related parties	-	-	4,309	23
TOTAL TRADE AND OTHER RECEIVABLES	5,904	11,307	9,467	10,980

Notes to the Financial Statements

For the year ended 30 June 2023

Note 8 Intangible assets

a) Reconciliation of carrying amount

	Consolidated			
	Right of use- building projects	Website	Software	Total
	$000	$000	$000	$000
COST				
BALANCE AT 1 JULY 2022				
Gross carrying amount	4,920	132	1,396	6,448
Accumulated depreciation	(1,171)	(132)	(1,396)	(2,699)
NET CARRYING AMOUNT AT 1 JULY 2022	3,749	-	-	3,749
AMORTISATION				
Amortisation for the year	(102)	-	-	(102)
Disposals	-	-	-	-
NET CARRYING AMOUNT AT 30 JUNE 2023	3,647			3,647
BALANCE AT 30 JUNE 2023				
Gross carrying amount	4,920	-	-	4,920
Accumulated depreciation	(1,273)	-	-	(1,273)
NET CARRYING AMOUNT AT 30 JUNE 2023	3,647	-	-	3,647

Notes to the Financial Statements

For the year ended 30 June 2023

	The Society			
	Right of use-building projects	Website	Software	Total
	$000	$000	$000	$000
COST				
BALANCE AT 1 JULY 2022				
Gross carrying amount	4,920	132	1,396	6,448
Accumulated depreciation	(1,171)	(132)	(1,396)	(2,699)
NET CARRYING AMOUNT AT 1 JULY 2022	3,749	-	-	3,749
AMORTISATION				
Amortisation for the year	(102)	-	-	(102)
Disposals	-	-	-	-
NET CARRYING AMOUNT AT 30 JUNE 2023	3,647			3,647
BALANCE AT 30 JUNE 2023				
Gross carrying amount	4,920	-	-	4,920
Accumulated depreciation	(1,273)	-	-	(1,273)
NET CARRYING AMOUNT AT 30 JUNE 2023	3,647	-	-	3,647

The Company has completed two building projects, one at Wagga Wagga and another at Mount Hutton in previous years. The building projects are utilised for disability housing. The Company was awarded grants from the NSW government in the total amount of $4,494 thousand to enable construction. Under the agreement, the Company has a right to continued use of the properties for their intended purpose until such time as the Company believes it is unable to continue to provide those services. The terms of the agreement establish that at such time, when either the property is sold or no longer used for its intended purpose, the government has a caveat that provides a 100% equitable interest. Accordingly, the government has the right to take title of the land and the proceeds associated with the sale at such time. The total amount of $4,494 thousand has been recognised as capital grants income in previous years and the cost of the project has been recognised as an intangible asset in previous years ($4,983 thousand). The intangible asset is written off over the estimated period Northcott expects to provide services at these locations.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 9 Property, plant and equipment

a) Reconciliation of carrying amount

	Consolidated							
	Freehold land	Buildings	Leasehold improvements	Capital work in progress	Early child early intervention	Plant and equipment	Right of use asset	Total
	$000	$000	$000	$000	$000	$000	$000	$000
COST								
BALANCE AT 1 JULY 2022								
Gross carrying amount	3,855	20,474	4,573	521	911	14,078	12,477	56,889
Accumulated depreciation	-	(8,186)	(3,288)	-	(911)	(10,523)	(8,332)	(31,240)
NET CARRYING AMOUNT AT 1 JULY 2022	3,855	12,288	1,285	521	-	3,555	4,145	25,649
DEPRECIATION								
Depreciation charge for the year	-	(584)	(460)	-	-	(1,142)	(2,920)	(5,106)
Additions	378	842	1,185	383	-	360	1,260	4,408
Disposals	-	-	122	-	-	(76)	-	46
Acquisition of Montrose Therapy & Respite Services	1,000	2,100	-	-	-	-	1,334	4,434
Lease modifications	-	-	-	-	-	-	(567)	(567)
NET CARRYING AMOUNT AT 30 JUNE 2023	5,233	14,646	2,132	904	-	2,697	3,252	28,864
BALANCE AT 30 JUNE 2023								
Gross carrying amount	5,233	23,416	5,880	904	911	14,362	14,504	65,210
Accumulated depreciation	-	(8,770)	(3,748)	-	(911)	(11,665)	(11,252)	(36,346)
NET CARRYING AMOUNT AT 30 JUNE 2023	5,233	14,646	2,132	904	-	2,697	3,252	28,864

Notes to the Financial Statements

For the year ended 30 June 2023

	The Society							
	Freehold land	Buildings	Leasehold improvements	Capital work in progress	Early child early intervention	Plant and equipment	Right of use asset	Total
	$000	$000	$000	$000	$000	$000	$000	$000
COST								
BALANCE AT 1 JULY 2022								
Gross carrying amount	3,855	20,474	4,573	521	911	14,078	12,477	56,889
Accumulated depreciation	-	(8,186)	(3,288)	-	(911)	(10,523)	(8,332)	(31,240)
NET CARRYING AMOUNT AT 1 JULY 2022	3,855	12,288	1,285	521	-	3,555	4,145	25,649
DEPRECIATION								
Depreciation charge for the year	-	(514)	(558)	-	-	(1,137)	(2,024)	(4,233)
Additions	-	170	1,408	383	-	360	1,260	3,581
Disposals	-	-	(54)	-	-	(80)	-	(134)
Lease modifications	-	-	-	-	-	-	(1,294)	(1,294)
NET CARRYING AMOUNT AT 30 JUNE 2023	3,855	11,944	2,081	904		2,698	2,087	23,569
BALANCE AT 30 JUNE 2023								
Gross carrying amount	3,855	20,644	5,927	904	911	14,438	12,443	59,122
Accumulated depreciation	-	(8,700)	(3,846)	-	(911)	(11,740)	(10,356)	(35,553)
NET CARRYING AMOUNT AT 30 JUNE 2023	3,855	11,944	2,081	904	-	2,698	2,087	23,569

Notes to the Financial Statements

For the year ended 30 June 2023

Note 10 Trade and other payables

	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
Trade payables	1,500	3,544	1,443	3,486
Other payables and accrued expenses	3,535	2,775	2,293	2,411
Trade payables due to related parties	-	-	10,326	10,196
TOTAL TRADE AND OTHER PAYABLES	5,035	6,319	14,062	16,093

Note 11 Employee benefits

	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
CURRENT				
Liability for long service leave	13,476	12,554	13,476	12,554
Liability for annual leave	16,057	15,256	16,054	15,256
Other wages payable	6,238	4,324	6,241	4,324
Recognised asset for defined benefit obligations	176	(204)	176	(204)
TOTAL CURRENT	35,947	31,930	35,947	31,930
NON-CURRENT				
Liability for long service leave	864	670	864	670
TOTAL NON-CURRENT	864	670	864	670

Note 12 Provisions

	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
CURRENT				
Provision of make good obligation	1,221	692	1,067	692
TOTAL CURRENT	1,221	692	1,067	692
NON-CURRENT				
Provision of make good obligation	290	536	290	536
TOTAL NON-CURRENT	290	536	290	536

Notes to the Financial Statements

For the year ended 30 June 2023

Note 13 Leases

a) Leases as lessee

Information about leases for which the Group is a lessee is presented below.

i. Lease liabilities	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Less than one year	2,401	2,341	1,482	2,341
Between one and five years	895	2,079	622	2,079
TOTAL UNDISCOUNTED LEASE LIABILITIES	3,296	4,420	2,104	4,420
Current	2,142	2,190	1,378	2,190
Non-current	1,102	2,088	636	2,088
TOTAL DISCOUNTED LEASE LIABILITIES IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3,244	4,278	2,014	4,278

ii. Amounts recognised in profit or loss	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Interest on lease liabilities	95	137	88	137
Expenses relating to short-term leases	-	172	-	172
Depreciation expense	2,920	2,873	2,024	2,873
TOTAL LEASE RELATED AMOUNTS RECOGNISED IN PROFIT OR LOSS	3,015	3,182	2,112	3,182

iii. Amounts recognised in consolidated statement of cash flows	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Total cash outflow for leases	4,689	3,002	3,536	3,002

iv. Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Notes to the Financial Statements

For the year ended 30 June 2023

b) Leases as lessor

The Group leases out its property consisting of its owned commercial properties as well as leased property. All leases are classified as operating leases from a lessor perspective.

Operating lease
The Group leases out part of its property under an operating lease. The future minimum lease payments under non-cancellable leases are as follows:

	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Less than one year	338	338	338	338
One to five years	1,014	1,352	1,014	1,352
TOTAL UNDISCOUNTED LEASE RECEIVABLE	1,352	1,690	1,352	1,690

During the financial year ended 30 June 2023, $1,027 thousand was recognised as rental income in the income statement (2022: $838 thousand).

Note 14 Other current liabilities

	Consolidated 2023 $,000	Consolidated 2022 $,000	The Society 2023 $,000	The Society 2022 $,000
Unearned income - government grants	4,185	5,115	3,567	4,969
Unearned income - other sources	2,125	2,627	2,125	2,132
TOTAL OTHER CURRENT LIABILITIES	6,310	7,742	5,692	7,101

Note 15 Financial instruments

a) Accounting classifications

The following table shows the carrying amounts of financial assets and financial liabilities:

	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
FINANCIAL ASSETS MEASURED AT AMORTISED COST				
Trade receivables	5,904	11,307	9,467	10,980
Cash and cash equivalents	36,018	8,024	32,234	7,085
	41,922	19,331	41,701	18,065
FINANCIAL LIABILITIES MEASURED AT AMORTISED COST				
Trade payables	5,034	6,319	14,062	16,093
	5,034	6,319	14,062	16,093

Notes to the Financial Statements

For the year ended 30 June 2023

Note 16 List of subsidiaries

Set out below is a list of material subsidiaries of the Company.

	2023	2022
Northcott Supported Living Pty Limited	100%	100%
Spinecare Foundation	100%	100%
Northcott Innovation Limited	100%	100%
Northcott Therapy ACT Pty Limited	100%	100%
Creativity Services Limited (formally Creativity Incorporated)	100%	100%
Montrose Therapy & Respite Services	100%	-

Note 17 Commitments

The consolidated and parent entity has issued bank guarantees with respect to its leased premises to the value of $587 thousand (2022: $343 thousand).

Note 18 Related parties

a) Parent and ultimate controlling party

The ultimate controlling party of the Group is The Northcott Society.

b) Transactions with key management personnel

i. Key management personnel compensation

Key management personnel compensation comprised short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits and share-based payments.

	Consolidated	Consolidated	The Society	The Society
	2023	2022	2023	2022
	$	$	$	$
Total key management personnel compensation	2,468,318	2,685,661	2,304,368	1,859,157

No directors in their capacity as directors received any compensation during the year.

ii. Key management personnel transactions

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel-related companies on an arm's length basis.

Notes to the Financial Statements

For the year ended 30 June 2023

c) Other related party transactions

From time to time directors of Northcott, or their director related entities, may purchase from or supply goods and services to Northcott. These dealings are on the same terms and conditions as those entered into by other Northcott employees, customers and suppliers. Apart from the items transacted within the Group which are detailed below, there were no other transactions with directors, director related entities or key management personnel of Northcott during the year.

During the year, The Northcott Society, the controlling entity, provided management, administrative and personnel services to SpineCare Foundation, for which fees of $17,962 (2022: $52,405) were charged based on the cost to The Northcott Society.

During the year, The Northcott Society, provided a cash donation to Northcott Innovation Limited for $100,000 (2022: $100,000). Furthermore, The Northcott Society recharged Northcott Innovation Limited for settlements of liabilities on behalf of Northcott Innovation Limited, for $431,893 (2022: $399,722) inclusive of GST.

During the year, The Northcott Society provided personnel services to Montrose Therapy & Respite, for which fees of $9,093 thousand (2022: $nil) were charged based on the cost to The Northcott Society.

Note 19 Contingencies

The Group had no known contingent liabilities as at 30 June 2023 (2022: nil).

Note 20 Auditors' remuneration

	2023 $	2022 $
Audit and review of financial statements - Group	155,000	121,720
Other services	19,000	17,580
	174,000	139,300

Note 21 Subsequent events

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

Note 22 Fundraising appeals conducted during the financial year

Fundraising appeals conducted during the financial year included various fundraising projects and general receiving of direct and indirect solicited donations. The total cash received from fundraising is $2,937 thousand (2022: $2,961 thousand). Cash received from fundraising is used to fund various Northcott projects and is recognised in revenue throughout the length of each project.

Results of fundraising	Consolidated 2023 $000	Consolidated 2022 $000	The Society 2023 $000	The Society 2022 $000
Gross proceeds from fundraising				
Monetary	1,725	1,472	1,627	1,345
Non-monetary	1,050	-	-	-
Less: Direct costs of fundraising appeals	(701)	(931)	(701)	(931)
NET SURPLUS OBTAINED FROM FUNDRAISING APPEALS	2,074	541	926	414

Notes to the Financial Statements

For the year ended 30 June 2023

Note 23 Business acquisition

On 1 July 2022, The Northcott Society acquired 100% of Montrose Therapy & Respite Services and thereby obtained control. Montrose Therapy & Respite Services is a not-for-profit organisation which provides respite, community access, social and recreational services to people with disability.

The acquisition was a no consideration acquisition. The Society measured the identifiable assets and liabilities at their acquisition-date fair values. The net assets acquired are recorded in the "consolidated statement of profit or loss and other comprehensive income".

	$000
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	743
Trade and other receivables	440
Financial assets at fair value through profit or loss	805
Other assets	76
TOTAL CURRENT ASSETS	2,064
NON-CURRENT ASSETS	
Right-of-use assets	1,334
Property, plant and equipment	3,100
TOTAL NON-CURRENT ASSETS	4,434
TOTAL ASSETS	6,498
LIABILITIES	
CURRENT LIABILITIES	
Trade and other payables	885
Employee benefits	645
Provisions	732
Lease liability	763
TOTAL CURRENT LIABILITIES	3,025
NON-CURRENT LIABILITIES	
Employee benefits	80
Lease liability	933
TOTAL NON-CURRENT LIABILITIES	1,013
TOTAL LIABILITIES	4,038
NET ASSETS	2,460
EQUITY	
General accumulated funds	2,460
TOTAL EQUITY	2,460

Declaration by Chief Executive Officer in respect of fundraising appeals

For the year ended 30 June 2023

I, Liz Forsyth, Chief Executive Officer of The Northcott Society and its controlled entities (the Group), declare that in my opinion:

a) The financial report gives a true and fair view of all income and expenditure of the Group and Company with respect to fundraising appeal activities for the financial year ended 30 June 2023;

b) The Statements of Financial Position gives a true and fair view of the state of affairs of the Group and Company with respect to fundraising appeal activities as at 30 June 2023;

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

d) The internal controls exercised by the Group and Company are appropriate and effective in accounting for all income received and applied by the Group and Company from any of its fundraising appeals.

Signed in accordance with a resolution of the directors:

Dated at Sydney on 28 September 2023.

____
Liz Forsyth
Chief Executive Officer

Directors' Declaration

In the opinion of the directors of The Northcott Society (the 'Company'):

a) The Group is not publicly accountable;

b) The financial statements and notes that as set out on pages 11 to 37 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

   i. giving a true and fair view of the Group's and Company's financial position as at 30 June 2023 and of its performance, for the financial year ended on that date; and

   ii. complying with Australian Accounting Standards - Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Dated at Sydney on 28 September 2023.

M. Briggs
Director

Independent Auditor's Report

To the members of The Northcott Society and its controlled entities

Opinion

We have audited the ***Financial Report***, of The Northcott Society (the Company) and its controlled entities (the Group).

In our opinion, the accompanying Financial Report of the Group is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

i. giving a true and fair view of the Group and Company's financial position as at 30 June 2023, 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)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The ***Financial Report*** comprises:

i. Statements of financial position as at 30 June 2023.

ii. Statements of profit or loss and other comprehensive income, statements of changes in equity, and statements of cash flows for the year then ended.

iii. Notes including a summary of significant accounting policies.

iv. Directors' declaration of the Group.

v. Declaration by the Chief Executive Officer of the Group.

The Group consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

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 Group 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.

We confirm that the independence declaration required by the ACNC Act 2012, which has been given to the Directors of the Company on 28 September 2023, would be in the same terms if given to the Directors as at the time of this Auditor's Report.

Other information

Other Information is financial and non-financial information in The Northcott Society's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report.

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 Directors for the Financial Report

The Directors 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 and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021;*

ii. Preparing the Financial Report in accordance with Section 24(2) of the Charitable Fundraising (NSW) Act 1991 and Regulations;

iii. 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; and

iv. Assessing the Group and Company'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 Group and Company 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 Group's internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

iv. Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Group and Company'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 Group and Company 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 Directors of the registered Company 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

Cameron Roan

Partner

Sydney

3 October 2023