financial report

2023

St John Ambulance Australia (NSW)

Saving lives through first aid

St John Ambulance Australia (NSW) and controlled entity

ABN 84 001 738 370
Financial Report
For the year ended 31 December 2023

St John Ambulance Australia (NSW) and its controlled entity

ABN 84 001 738 370

General Purpose Financial Report

For the financial year ended 31 December 2023

St John Ambulance Australia (NSW) and its controlled entity
ABN 84 001 738 370

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Directors' Report

The Directors present their financial report for St John Ambulance Australia (NSW) ("the Company" or "St John Ambulance NSW") and its controlled entity, which are together referred to in this report as ("the Group"), for the financial year ended 31 December 2023.

The Company is an entity limited by guarantee with no share capital under the provisions of the Australian Charities and Not-for-profits Commission Act 2012.

OUR PURPOSE

St John Ambulance NSW has been saving lives and building safer, more resilient communities for over 135 years. We provide critical medical and first aid care in the community during emergencies and everyday events. Our training empowers Australians with the knowledge and confidence to care for each other in times of need and build community resilience. St John Ambulance NSW is inspired by our global mission to lead globally in in first aid and medical responses to community healthcare needs.

SERVING OUR COMMUNITIES

St John Ambulance NSW is constantly evolving and adapting to ensure we continue to best serve the NSW community. With the significant impact of COVID-19 receding we are again concentrating on our core business and focusing on how we can be ready to respond as the medical reserve. As natural disasters continue to affect the NSW community, the need for our services has never been greater, both in our traditional emergency response role, but also in supporting the health system and workplaces utilising our expertise in community health partnerships. Our focus in on how we can evolve to ensure we continue to meet the needs of the community and help NSW stay safe. Here are just some of the ways we have helped the community in 2023:

Emergency Response

We played a significant role in assisting our regional communities during floods and bushfires in 2023. Providing medical and emergency assistance, we worked alongside NSW Health, the SES and NSW Police to assist the community and emergency services. We responded directly to five different emergency sites across NSW in the Calendar year, providing comfort, first aid and medical services to combat agencies and the community.

Event Health Services

Our teams attended over 3,000 events in 2023. From school sporting matches to major festivals and events such as the City to Surf, Bathurst 1000, the Royal Easter Show and New Year's Eve celebrations. Our new Clinical Governance Framework underpins the trusted reputation of the St John brand which was again recognised in the top four trusted charity brands in Australia. Our volunteers contributed over 236,000 hours treating over 9,000 patients and recording 995 avoided ambulance transfers.

Health Services

Throughout 2023 our teams have worked closely with Local Health Districts all over the state including in regional and remote NSW. We are looking to continue these mutually-beneficial activities in 2024 having proved our expertise during the COVID-19 pandemic.

Community Engagement

In 2023 we focused on maximising our community reach. We partnered with government with both the revitalised Parliamentary Friends group and an MOU with NSW Ambulance, and we submitted our Reconciliation Action Plan to Reconciliation Australia. Youth is our future, and we increased our Youth volunteers by over 30% to 865 in 2023. In 2023, we continued to promote first aid knowledge through community events and media engagement, demonstrating first aid skills and CPR at many events throughout the year, including Bstreetsmart and Restart a Heart Day.

Directors' Report

Financial Results

In 2023 we continued our investment in IT systems while expanding our fleet to enhance both our capability and ability to be ready to respond in 2024 and beyond.

The 2023 financial result includes the expenditure for the implementation of a new customer relationship management (CRM) system, new website and customer portal and functionality in these areas continues to be the focus of targeted investment. Many expenses associated with enhancing these investments have been recognised in 2023 however the systems will support our organisations continued growth in future years.

Our investment in capability in 2023 included $1.4M for new vehicles, and $0.5M for operational equipment to ensure our members are able to support their communities and respond to natural disasters.

We continue to be committed to investing in our people and upgrading our operational fleet, equipment, and systems to ensure St John Ambulance NSW remains a capable and reliable partner supporting NSW communities and ready to respond when required.

Thank you

To all of our stakeholders, we thank you for your continued support of St John Ambulance in 2023.

To our staff and volunteers whose dedication has continued to keep communities right across NSW safe throughout 2023, thank you. We are incredibly proud of the work that you do, your commitment and service to the communities of NSW.

To our donors and supporters, we are honoured by your generosity. Your donations, grants and bequests directly support our community programs and volunteers, saving lives in communities across the state.

To our corporate partners, your support enables us to fulfil our goal of saving lives and building community resilience. Every time you engage St John Ambulance NSW to train staff in first aid, install a St John Ambulance NSW workplace first aid kit or defibrillator, engage St John Ambulance NSW corporate health services, make St John Ambulance products available for sale or support a St John Ambulance NSW division with goods or services, you directly help us to deliver a greater impact to the NSW community.

Directors' Report

DIRECTORS' DETAILS

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

Name and qualifications	Board & Committee Membership	Experience
SEAN MCGUINNESS CStj, Chair BCom (Acc/Fin), FCA, FAICD.	Chair of the Board Member of the Nomination and Awards Committee Director St John Ambulance Australia National Board	▪ Sean has more than 25 years' experience internationally as a CFO and finance leader spanning the domains of Energy and National Resources, Consumer Packaging, Health in the full profit, private equity and the profit for purpose sector. He has extensive M+A experience specialising in large scale domestic and international acquisition, integration, and divestment transactions creating value through collaboration and organisational level-engagement. Professionally he focusses on working with businesses to transform their finance functions while assisting boards to realise greater potential through both governance and cultural reform. ▪ Sean is a highly experienced profit for purpose sector leader having been a member of several innovative community focused boards that created meaningful change and impact within the communities of NSW. Sean also service as Director on the St John Ambulance Australia National Board where he provides leadership for the development of the St John brand, mission and purpose within Australia and the Asia Pacific region. ▪ A Commander with the Most Venerable Order of St John, Sean is also a Fellow of both the Australian Institute of Company Directors and the Institute of the Chartered Accountants Australia & New Zealand.

Directors' Report

MICK CAMPBELL BSc, GAICD	Independent Non-Executive Director Deputy Chair of the Board of Directors from August 2023 Chair of the Audit, Risk & Investment Committee	▪ Mick has more than 25 years' experience as a Chief Information Officer spanning multiple industries such as manufacturing, education, not for profits, healthcare, professional services, banking and finance and technology. He has extensive skills in change management, process management, enterprise risk management and end-user engagement. He also thrives on coaching people and organisations, specifically in relation to endurance, resilience, adversity, survival, adaptation, attaining huge growth and successfully managing change. ▪ He is the co-founder of the Krazy Kosci Klimb, an empowering event which has been running since 2013 and allows 20 teenagers with cerebral palsy, ably assisted with their respective support teams, to participate in a life-changing experience to summit Mt Kosciuszko (Australia's highest peak). Since its inception, nearly 150 participants with cerebral palsy have summited Mt Kosciuszko, simultaneously fundraising A$3M to date.
LARISSA COOK BA (Hons), LLB (Syd), FGIA, GAICD	Independent Non-Executive Director Chair of the Clinical Governance Committee Member of the Audit, Risk & Investment Committee	▪ Larissa brings to St John NSW nearly 30 years' experience as a strategic commercial and legal advisor and Non-Executive Director (NED) with extensive and diverse experience in-house and in private practice both in Australia and internationally. Of particular relevance to St John is her specialisation in health and medical law as well as acting for emergency services and volunteer organisations. ▪ As a Fellow of the Governance Institute of Australia (FGIA), a graduate of the Australian Institute of Company Directors (GAICD) and an experienced NED, Larissa has a comprehensive understanding of corporate governance and risk and compliance and has been involved in significant review and implementation processes in this area. She also spent nearly a decade on the Board of a profit for purpose public company in the education sector, serving as a NED, Deputy Chair and Chair. ▪ St John's long history and continuing mission to ensure that every person has access to healthcare and wellbeing support wherever needed resonates strongly with Larissa. She has had occasion to use her own St John First Aid training and is passionate that everyone should be empowered with the skills to assist others in their time of need.

Directors' Report

STEPHEN WOODHILL BA, MComm, FCCPA, AFAMI, MAICD, MPRIA, CPM	Independent Non-Executive Director Member of the Honours & Awards Committee Chair of the Honours & Awards Committee from November 2023 Member of the People & Culture Committee	▪ Stephen has extensive experience in Corporate Governance, Marketing, Stakeholder Management and Public Affairs and is currently the Chief Executive of an NFP industry association and advocacy group representing Chief Financial Officers. Stephen established the Annual Congress for CFOs and finance executives with The Australian Financial Review, as well as the annual political engagement session with key federal politicians. Stephen is an Ambassador for White Ribbon and is working on major fundraising projects for Save the Children.
ILAN LOWBEER BEng, MSc, GAICD, CStJ	Commissioner and Director Member of the Honours & Awards Committee Member of the People & Culture Committee Member of the Clinical Governance Committee	▪ A St John volunteer of 25yrs, Ilan currently serves as the Commissioner for St John NSW. Ilan began volunteering with Hornsby Kur-ring-gai Division in 1998 and soon joined the State Operations Team as Deputy State Operations Officer serving for several years before moving to the State Support Services Portfolio and then returning to take on the role of Superintendent of the Major Events and Incidents Group. ▪ Ilan served with St John in Singapore as a Zone Officer when he relocated with his family and built strong ties with the St John Singapore Responder Unit and wider St John network. Returning to Australia in 2018, Ilan took up the role of Deputy Commissioner, and in 2021 accepted the post of Commissioner for St John NSW. ▪ Through his time with St John, Ilan has deployed in a clinical and leadership capacity to numerous natural disasters including the Brisbane Floods and Cyclone Yasi, the 2019-2020 bushfires and the COVID-19 Pandemic. ▪ Ilan was awarded the Centenary Medal in 2001 for Service to St John Ambulance, and was Admitted to the Order of St John in 2010 and promoted to Commander in 2023. He was also awarded the National Emergency Medal for service contributed during the 2019-2020 Bushfires and also holds the Long Service Medal of the Order of St John awarded in 2010. ▪ Outside of St John, Ilan has a career in commodity trading and supply chain having worked in the oil and gas industry for over two decades.

Directors' Report

CORETTA BESSI BCom, MBA, GAICD	Independent Non-Executive Director Chair of the People & Culture Committee Member of the Audit, Risk & Investment Committee	▪ Coretta joined the Board in February 2018 and has since performed in the role of Chair for the Audit, Risk and Investment Committee and Chair of the People, Culture and Governance Committee in her first two terms. The expertise Coretta brings to the Board in complex negotiations, commercial deals, enterprise risk management and transformational change come from her corporate executive roles as Chief Operations Officer at RACGP, and Chief Procurement Officer at Westpac, nbn, BlueScope and Ausgrid. ▪ Coretta's earliest engagement with St John was volunteering as a cadet and she is a strong advocate of developing the youth of the organistion. Coretta is strongly committed to "profit for a purpose" enterprises that support our communities in health and education.
DR EVELYNE TADROS DHSc, MBehSc, BA, GAICD	Independent Non-Executive Director Member of the People & Culture Committee Member of the Clinical Governance Committee	▪ With a Doctorate degree in Health Science and a deep history of improving health and wellbeing across community services and government, Evelyne's career is underpinned by leading operations, strategic development, policy, advocacy and systemic improvements across a range of government and non-government programs. ▪ Evelyne brings a wealth of governance and risk and compliance, experience and is currently employed as the CEO with the Mental Health Coordinating Council (NSW) and is a Board Director for St Vincent de Paul Society (NSW) and Mental Health Australia.

Directors' Report

LOUISE PORTELLI BA, GAICD	Independent Non-Executive Director (appointed 11 December 2023)	▪ Louise brings deep leadership expertise in corporate strategy and risk, organisation wide change, customer experience, digital transformation, marketing, and employee engagement. ▪ With over 20 years' experience in Financial Services, as a Non-Executive Director, a Chief Customer Officer, and a KPMG Partner in the UK, Louise has lead customer and digital transformation practices for FSTE 100 Insurance clients. Louise has also held leadership roles in Government and Human Services. ▪ Louise is passionate about education, health, and human rights. Louise is a Lead Academic for Sydney University specialising in strategy, risk, change and leadership. In the UK, Louise served as a Non-Executive Board Director and Chair of the Strategy & Planning Committee with Ministry of Stories, founded by renowned author Nick Hornby, dedicated to building the confidence and literacy of under-privileged children.

Directors' Report

PETER KAYE AM, ESM	Independent Non-Executive Director (appointed 11 December 2023)	▪ As an influential driver of social capital and philanthropy, Peter currently serves the Duke of Edinburgh's International Award (Australia) as CEO and a member of its International Council. ▪ Skilled in leadership, strategy, business planning and relationship management, coupled with significant experience with profit-for-purpose, Peter has been volunteering for over 47 years with NSW SES, including over 40 years as Chief Inspector/Inspector (Unit Commander) where he received the SES Commissioners Commendation for Service Medal and the Emergency Services Medal. ▪ Peter co-founded an international consultancy specialising in corporate governance and has served on a number of company and charity boards including Chair of the Red Nose Foundation (SIDS & Kids), Deputy Chair of Community First Credit Union, Chair Australian Centre for Social & Ethical Accountability, Chair/MD of The Painting People, and Chair of FutureStaff. Peter is also a very active volunteer in establishing micro-finance in the South Pacific having established over 1000 in 11 South Pacific countries since 1992. ▪ Peter has served on the emergency services front lines in response to the many natural disasters across Australia, and is a Member (General Division) of the Order of Australia.

Directors' Report

SUE CAMPBELL-LLOYD AM, RN, CStJ	Independent Non-Executive Director (retired 27 July 2023) Chair of the Honours & Awards Committee Member of the Clinical Governance Committee	▪ Sue Campbell-Lloyd has over 30 years' of leadership experience in public health policy and program management at a state and national level, including financial, HR, governance and risk management skills. ▪ She was recognised in the Order of Australia Honours list in 2014 receiving an AM for significant service to public health through the promotion and implementation of nationwide immunisation programs; assisting with increasing the vaccination coverage rate of all NSW young children from 58% to 92% and introducing a program for St John volunteers to assist in NSW school-based vaccination programs. ▪ Sue has brought her extensive experience and knowledge of the health and education sectors to St John Ambulance NSW particularly in the areas of policy development and risk management. She has an extensive understanding of the company and is very committed to its values, purposes, objectives and its volunteers.
SCOTT MCDONALD BA, LLB, FAICD	Independent Non-Executive Director (retired 25 July 2023) Deputy Chair of the Board of Directors Member of the Audit, Risk & Investment Committee	▪ Scott is a commercial litigation and dispute resolution partner with Sparke Helmore Lawyers. He also sits as a part-time, Senior Member of the Consumer and Commercial Division of the NSW Civil and Administrative Tribunal (NCAT). Scott was made a Fellow of the Australian Institute of Company Directors (FAICD) in 2000 and became a Faculty Member in 2017. He currently facilitates the legal content modules of the AICD's Company Directors Course including 'Directors' Duties and Obligations' (Module 3) and 'The Legal Environment of the Board' (Module 4). ▪ In over 35 years as a disputes' lawyer, Scott has advised and acted for major corporations and their directors across a broad range of insolvency, compliance and governance issues. ▪ Scott has been a company director for over 30 years, sitting on the boards of small community organizations, not-for-profits, large Australian manufacturing companies, and national professional service firms.

Directors' Report

MEETINGS OF DIRECTORS'

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Group during the financial year are:

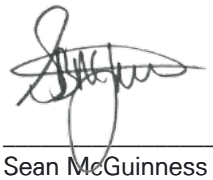
	Board Meetings		Clinical Governance Committee		People & Culture Committee	
Directors	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
Sean McGuinness	9	9	-	-	-	-
Scott McDonald	5	4	-	-	-	-
Mick Campbell	9	9	-	-	-	-
Ilan Lowbeer	9	9	5	5	3	2
Coretta Bessi	9	9	-	-	3	3
Larissa Cook	9	9	5	5	-	-
Evelyne Tadros	9	9	5	5	3	3
Stephen Woodhill	9	6	-	-	3	3
Sue Campbell-Lloyd	6	5	2	1	-	-

	Audit, Risk & Investment Committee		Honours & Awards Committee	
Directors	Eligible to Attend	Attended	Eligible to Attend	Attended
Sean McGuinness	-	-	2	2
Scott McDonald	3	1	-	-
Mick Campbell	4	4	-	-
Ilan Lowbeer	-	-	2	2
Coretta Bessi	4	4	-	-
Larissa Cook	4	4	-	-
Evelyne Tadros	-	-	-	-
Stephen Woodhill	-	-	2	1
Sue Campbell-Lloyd	-	-	1	1

Directors' Report

EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or affairs of the Group in future financial years.



Sean McGuinness
Chair

Mick Campbell
Director

Dated at Sydney this 19th day of March 2024.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Note	2023 $'000	2022 $'000
REVENUE			
Product sales revenue		11,134	10,923
Training course fees revenue		8,653	7,859
Medical support services		1,774	5,213
Event fees revenue		2,661	2,657
Donations and bequests		478	199
Government grants	4	7,080	3,574
Other revenue	5	1,185	1,646
GROSS PROFIT		32,965	32,071
OTHER INCOME			
Gain on sale of property, plant & equipment		2	-
EXPENSES			
Administration expenses		(3,657)	(3,123)
Contribution to St John Ambulance Australia (National Office)		(414)	(428)
Depreciation and amortisation	6	(2,295)	(2,224)
Distribution expenses		(5,997)	(5,535)
Employee expenses		(17,826)	(15,782)
Finance expenses	7	(92)	(118)
Marketing expenses		(643)	(278)
Property expenses		(868)	(907)
Training expenses		(657)	(508)
Transport expenses		(1,008)	(1,170)
Volunteer service expenses		(834)	(810)
Other expenses		(2,278)	(1,514)
DEFICIT FROM OPERATIONS		(3,602)	(326)
DEFICIT FOR THE FINANCIAL YEAR		(3,602)	(326)
OTHER COMPREHENSIVE INCOME			
Changes in the fair value of equity instruments		1,639	(3,974)
TOTAL COMPREHENSIVE INCOME		(1,963)	(4,300)

Consolidated Statement of Financial Position

As at 31 December 2023

	Note	2023 $'000	2022 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	5,055	17,414
Trade and other receivables	9	2,767	2,330
Financial assets	10	165	162
Inventories	11	1,799	2,609
Other assets		1,325	1,060
TOTAL CURRENT ASSETS		11,111	23,575
NON-CURRENT ASSETS			
Financial assets	10	21,627	19,682
Property, plant and equipment	12	5,804	3,817
Intangibles	13	130	204
Right-of-use asset	14	1,483	2,453
TOTAL NON-CURRENT ASSETS		29,044	26,156
TOTAL ASSETS		40,155	49,731
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	3,342	3,533
Employee entitlements	16	928	882
Provisions	17	815	535
Lease liabilities	14	950	1,396
Other liabilities	18	1,620	8,198
TOTAL CURRENT LIABILITIES		7,655	14,544
NON-CURRENT LIABILITIES			
Employee entitlements	16	286	305
Lease liabilities	14	760	1,463
Other liabilities	18	10	10
TOTAL NON-CURRENT LIABILITIES		1,056	1,778
TOTAL LIABILITIES		8,711	16,322
NET ASSETS		31,444	33,409
EQUITY			
Reserves	19	1,239	(400)
Accumulated funds		30,205	33,809
TOTAL EQUITY		31,444	33,409

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

	OCI Reserve	Accumulated Funds	Total
	$'000	$'000	$'000
BALANCE AS AT 1 JANUARY 2022	3,574	34,135	37,709
Deficit for the year	-	(326)	(326)
Other comprehensive deficit	(3,974)	-	(3,974)
Total comprehensive income	(3,974)	(326)	(4,300)
BALANCE AS AT 31 DECEMBER 2022	(400)	33,809	33,409
BALANCE AS AT 1 JANUARY 2023	(400)	33,809	33,409
Deficit for the year	-	(3,602)	(3,602)
Other comprehensive surplus	1,639	-	1,639
Total comprehensive income	1,639	(3,602)	(1,963)
Movement in retained earnings	-	(2)	(2)
BALANCE AS AT 31 DECEMBER 2023	1,239	30,205	31,444

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	2023	2022
	$'000	$'000
OPERATING ACTIVITIES		
Receipts from customers	20,646	37,176
Payment to suppliers and employees	(36,685)	(34,538)
Donations and grants received	7,557	3,773
Dividends received	915	1,461
Interest paid	(92)	(118)
NET CASHFLOW (USED IN)/FROM OPERATING ACTIVITIES	(7,659)	7,754
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(3,252)	(1,435)
Acquisition of intangibles	(7)	(63)
Reinvestment/drawdown of funds	(88)	6,179
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	(3,347)	4,681
FINANCING ACTIVITIES		
Payment of lease liabilities	(1,352)	(1,001)
NET CASH USED IN FINANCING ACTIVITIES	(1,352)	(1,001)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(12,358)	11,434
Cash and cash equivalents at the beginning of the period	17,413	5,979
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5,055	17,413

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 1 Reporting entity

The financial report includes the consolidated financial statements and notes of St John Ambulance Australia (NSW) ("the Company") and its controlled entity ("the Group"). The Group is registered as a Company limited by guarantee.

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

Note 2 Basis of preparation

a) Statement of compliance

These consolidated financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the Corporations Act 2001. They have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

The financial statements were authorised for issue by the Board of Directors on 19th March 2024.

b) Basis of measurement

The consolidated 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

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

d) Use of judgements and estimates

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

Details of the specific judgement, estimates and assumptions that have the most significant effects on the amounts recognised in the consolidated financial statements are summarised in the Notes.

e) Key estimates

i. Impairment - general

The Group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Notes to the Consolidated Financial Statements

Note 2 Basis of preparation (continued)

e) Key estimates (continued)

ii. Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience as well as manufacturers' warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

iii. Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

iv. Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

v. Lease make good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of consolidated financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

vi. Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

vii. Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 2 Basis of preparation (continued)

e) Key estimates (continued)

viii. Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the Group has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

f) Changes in material accounting policies

i. Material accounting policy information

The Company also adopted Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards (Amendments to AASB 1049, 1054 and 1060) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than "significant' accounting policies. The amendments also provide guidance on the application of materially to disclosures of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information on the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in notes below Material accounting policies (2023: Significant accounting policies) in certain instance in line with the amendments.

A number of other new accounting standards are also effective from 1 January 2023 but they do not have a material effect on the Company's financial statements.

Note 3 Material accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of consolidation

i. Controlled entities

The consolidated financial reports comprise of the financial statements of the Group and its subsidiaries. Subsidiaries are entities controlled by the Group. Control exists when the entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of controlled entities are included in the consolidated financial report from the date control commences until the date control ceases.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 3 Material accounting policies (continued)

a) Basis of consolidation (continued)

ii. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and other components of equity. Any resulting gain or loss is recognised in the profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expense 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 unrealized gains, but only to the extent that there is no evidence of impairment.

b) Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

c) Income tax

The Group are exempt institutions from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Group has deductible gift recipient (DGR) status.

d) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

e) Property plant & equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then 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 is recognised in profit or loss.

Land and buildings are carried at cost, less depreciation and impairment losses on buildings. The carrying amount of land and buildings is reviewed annually by the Directors to ensure that it is not in excess of the recoverable amount from those assets.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 3 Material accounting policies (continued)

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

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

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	20 – 30 years
Furniture and equipment	3 – 15 years
Motor vehicles	8 years

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

f) Leases

At inception of a contract, the Group 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 year of time in exchange for consideration.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group 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 has elected not to separate non-lease components and account for the lease of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group 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 by the end of the lease term or the cost of the right-of-use asset reflects that the Group 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.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 3 Material accounting policies (continued)

f) Leases (continued)

i. As a lessee (continued)

The estimated useful life used for each class of right-of-use assets is:

Leases of land and buildings	3 – 5 years
Leases of plant and equipment	3 – 5 years

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 incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group 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 is reasonable certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group 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 estimate of the amount expected to be payable under a residual value guarantee, if the Group 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.

ii. Short-term leases and leases of low-value assets

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

g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated statement of financial position.

Notes to the Consolidated Financial Statements

Note 3 Material accounting policies (continued)

h) Financial instruments

i. 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 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 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.

ii. Classification and subsequent measurement

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 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; 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.

Financial assets in the "at amortised cost" category particularly include trade accounts receivable (not including factoring), cash and cash equivalents and other receivables.

Cash equivalents are short-term, extremely liquid financial investments that can be converted to cash at any time and that are only subject to insignificant risks of changes in value.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level a because this best reflects the way the business is managed and information is provided to management. The information considered includes:

Notes to the Consolidated Financial Statements

Note 3 Material accounting policies (continued)

h) Financial instruments (continued)

ii) Classification and subsequent measurement (continued)

Financial assets - Business model assessment (continued)

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e. g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e. g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable- rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e. g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 3 Material accounting policies (continued)

h) Financial instruments (continued)

ii) Classification and subsequent measurement (continued)

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.

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.

Financial liabilities in the category "at amortised cost" are mainly liabilities (borrowings) to banks and trade accounts payables.

iii. Derecognition

Financial assets

The Group 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 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 enters into transactions whereby it transfers assets recognised in its consolidated 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.

Financial liabilities

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

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 3 Material accounting policies (continued)

h) Financial instruments (continued)

iv. 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 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.

i) Impairment of assets

Other than trade receivables, assets that have an indefinite useful life which are not subject to amortisation are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Impairment losses are reversed through profit or loss when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

j) Non-current assets held for sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

k) Intangibles

i. Recognition and measurement

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses.

ii. 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.

iii. 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:

Software	3 - 10 years

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

Note 3 Material accounting policies (continued)

l) Employee benefits

i. Short- term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, annual leave and long service leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the consolidated statement of financial position.

ii. Other long- term employee benefits

The Group classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Group's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current liabilities in its consolidated statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

iii. Termination benefits

Superannuation contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

m) Revenue & other income

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 3 Material accounting policies (continued)

m) Revenue & other income (continued)

i. Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Other than grant and rental revenue, all revenue is recognised at a point in time when the goods are delivered or the courses/events have occurred.

ii. Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

iii. Training courses and events

Revenue from training courses and events is recognised at the point in time when the training course/event has occurred.

iv. Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

v. Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

vi. Dividend and other investment revenue

Dividends and other investment revenue are recognised when the right to receive payment is established.

vii. Donations and fundraising events

The timing of the recognition of donations, grants and fundraising depends upon the point in time at which control of these monies is obtained. Control would normally occur upon the earlier of the receipt of the monies or notification that the monies have been secured.

Notes to the Consolidated Financial Statements

Note 3 Material accounting policies (continued)

m) Revenue & other income (continued)

viii. Grants

The Group's activities are supported by grants received from the federal and state governments, and other parties. If grants are received for specific purposes and are considered enforceable, grant revenue is recognised as a liability and revenue is recognised as services are performed. If grant revenue is not for specific purposes or enforceable, it is recognised on receipt.

ix. Contributions in kind

Contributions in kind are recognised as income when control of the item of property, plant and equipment contributed passes to the Group at fair value at the date of the contribution.

x. Volunteer services

The Group has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

o) Goods and service tax (GST)

Revenues, 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, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

Note 3 Material accounting policies (continued)

p) Trade and other receivables

For all sources of recurrent income, trade receivables are recognised at cost value less provision for doubtful debts.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

q) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 4 Government grants	2023 $'000	2022 $'000
COMMONWEALTH GOVERNMENT		
Department of Infrastructure, Regional Development and Cities	360	360
	360	360
STATE GOVERNMENT		
NSW Ministry of Health	6,265	2,626
Communities & Justice	377	529
South Eastern Sydney Local Health District	78	59
	6,720	3,214
TOTAL GOVERNMENT REVENUE	7,080	3,574

Note 5 Other revenue	2023 $'000	2022 $'000
Rent received	2	1
Dividends and distributions received	915	1,461
Other operating revenue	216	169
Interest revenue	52	15
TOTAL OTHER REVENUE	1,185	1,646

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 6 Depreciation and amortisation	2023 $'000	2022 $'000
DEPRECIATION AND AMORTISATION		
Depreciation	2,214	2,175
Amortisation	81	49
TOTAL DEPRECIATION AND AMORTISATION	2,295	2,224
DEPRECIATION		
Buildings	312	223
Furniture and equipment	513	522
Motor vehicles	226	287
Right-of-use assets	1,163	1,143
TOTAL DEPRECIATION	2,214	2,175
AMORTISATION		
Intangible assets	81	49
TOTAL AMORTISATION	81	49

Note 7 Finance expenses	2023 $'000	2022 $'000
Interest expense	92	118
TOTAL FINANCE EXPENSES	92	118

Note 8 Cash and cash equivalents	2023 $'000	2022 $'000
Cash at bank and on hand	5,055	17,414
TOTAL CASH AND CASH EQUIVALENTS	5,055	17,414

Note 9 Trade and other receivables	2023 $'000	2022 $'000
Trade receivables	3,034	2,520
Allowance for expected credit losses	(267)	(190)
TOTAL TRADE AND OTHER RECEIVABLES	2,767	2,330

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 10 Financial assets	2023 $'000	2022 $'000
CURRENT		
Term deposits	165	162
TOTAL CURRENT	165	162
NON-CURRENT		
Managed funds	16,620	15,029
Australian listed securities	4,206	3,956
Pending settlements	801	697
	21,627	19,682

Note 11 Inventories	2023 $'000	2022 $'000
Stock on hand	2,176	3,149
Allowance for impairment	(377)	(540)
TOTAL INVENTORIES	1,799	2,609

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 12 Property, plant and equipment	Land	Buildings & improvements	Furniture & equipment	Motor vehicles	Capitalised work in progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000
AS AT 1 JANUARY 2023						
Cost	65	3,332	9,166	4,627	213	17,403
Additions	-	120	495	1,379	1,046	3,040
Disposals	-	-	(61)	-	-	(61)
Transfers (in/out)	-	-	-	-	-	-
GROSS CARRYING AMOUNT AS AT 31 DECEMBER 2023	65	3,452	9,600	6,006	1,259	20,382
AS AT 1 JANUARY 2023						
Accumulated depreciation	-	(2,011)	(7,982)	(3,594)	-	(13,587)
Depreciation charge for the year	-	(312)	(513)	(227)	-	(1,052)
Disposals	-	-	61	-	-	61
GROSS CARRYING AMOUNT AS AT 31 DECEMBER 2023	-	(2,323)	(8,434)	(3,821)	-	(14,578)
AS AT 31 DECEMBER 2023						
Cost	65	1,321	1,184	1,033	213	3,816
Accumulated depreciation	-	(192)	(18)	1,152	1,046	1,988
NET CARRYING AMOUNT AS AT 31 DECEMBER 2023	65	1,129	1,166	2,185	1,259	5,804

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 13 Intangibles assets	2023 $'000	2022 $'000
SOFTWARE		
Movements in carrying amounts		
Opening net carrying amount	204	190
Additions	7	147
Disposals	-	-
Transfers to/(from) property, plant and equipment	-	(21)
Amortisation	(81)	(112)
CLOSING NET CARRYING AMOUNT	130	204
AT THE END OF THE FINANCIAL YEAR		
Cost	918	911
Accumulated amortisation	(788)	(707)
NET CARRYING AMOUNT	130	204

Note 14 Leases

a) Leases as Lessee

The Group leases land and buildings for its offices and training facilities under agreements of between three to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The Group also leases motor vehicles under agreements of between three to five years.

The Group leases office equipment under agreements of less than one year. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

i) Right-of-Use Assets	2023 $'000	2022 $'000
Balance at 1 January 2023	2,453	2,403
Additions to right-of-use assets	69	1,193
Depreciation charge for the year	(1,039)	(1,143)
BALANCE AT 31 DECEMBER 2023	1,483	2,453

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 14 Leases (continued)

a) Leases as Lessee (continued)

ii) Future Lease Payments

The total of future lease payments (including those lease payments that are not included in the measurement of the lease liability, e.g. for short-term leases and leases of low-value items) are disclosed for each of the following years.

	2023	2022
	$'000	$'000
Less than one year	870	1,259
One to five years	652	1,591
More than five years	-	-
	1,522	2,850

iii) Amounts Recognised in Profit or Loss	2023 $'000	2022 $'000
Interest expense on lease liabilities	80	110
Depreciation of right-of-use assets	1,039	1,143
	1,119	1,253

iv) Lease Liabilities	2023 $'000	2022 $'000
Current lease liabilities	950	1,396
Non-current lease liabilities	760	1,463
	1,710	2,859

Note 15 Trade and other payables	2023 $'000	2022 $'000
Trade payables	2,687	2,515
Other payables	655	1,018
TOTAL TRADE AND OTHER PAYABLES	3,342	3,533

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 16 Employee entitlements	2023 $'000	2022 $'000
CURRENT		
Annual leave	641	664
Long service leave	287	218
TOTAL CURRENT	928	882
NON-CURRENT		
Long service leave	286	305
TOTAL NON-CURRENT	286	305

Note 17 Provisions	2023 $'000	2022 $'000
Other provisions	815	535
TOTAL PROVISIONS	815	535

Note 18 Other liabilities	2023 $'000	2022 $'000
CURRENT		
Revenue received in advance - other	295	258
Revenue received in advance - government	1,325	7,940
TOTAL CURRENT	1,620	8,198
NON-CURRENT		
Scholarship endowment - Lady Galleghan Trust	10	10
TOTAL NON-CURRENT	10	10

Note 19 Reserves

Movement in the FVOCI reserve during the year is as follows:

	2023 $'000	2022 $'000
Balance at beginning of year	(400)	3,574
Changes in the fair value of equity instruments at FVOCI	1,639	(3,974)
BALANCE AT END OF THE YEAR	1,239	(400)

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income.

Note 20 Borrowings

Financing facilities

The Group has a bank overdraft facility of $500,000 (2022: $500,000) with a balance utilised at 31 December 2023 of $Nil (2022: $Nil) and a corporate business card facility of $300,000.

Security

The financing facilities are secured by a mortgage over the land and buildings at 9 St Johns Road, Blaxland NSW and a first registered charge over all of the assets of the Group.

Note 21 Company information

As at and throughout the financial year ended 31 December 2023, the parent entity of the Group was St John Ambulance Australia (NSW). St John Ambulance Australia (NSW Trust) Limited was a dormant entity throughout the financial year ended 31 December 2023, as there were no operations. Therefore, all balances presented throughout this financial report represent the parent entity.

Note 22 Controlled entities

		Percentage owned	
CONTROLLED ENTITIES CONSOLIDATED	Domiciled	2023	2022
PARENT ENTITY			
St John Ambulance Australia (NSW)	Australia	n/a	n/a
CONTROLLED ENTITY			
St John Ambulance Australia (NSW Trust) Limited	Australia	100%	100%

Note 23 Related parties

	2023	2022
Key management personnel compensation	$'000	$'000
Aggregate key management personnel compensation	1,905	1,366

Directors' remuneration

In accordance with the Group's Constitution (Item 10.16), a Director is not to be paid fees for acting as such except payment or reimbursement of reasonable disbursements relating to the business and activities of the Group or reasonable fees for professional or technical services to the Group previously approved by the Board. Purchases of first aid kits amounting to $312 (2022: $368) were made by Directors during the financial year on normal commercial terms. There were no other related party transactions during the financial year.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 24 Limitation of member's liability

The Group is registered as a Company limited by guarantee, and in accordance with the Constitution the liability of members of the Group in the event of the Company being wound up would not exceed $1.00 per member.

The number of active members of St John Ambulance Australia (NSW) "the Organisation" at 31 December 2023 was 2,851 (2022: 2,776).

At 31 December 2023, applications had been received and approved from 405 members (2022: 427) of the Organisation to become members of the Group.

Note 25 Charitable fundraising activites

Fundraising income and expenditure	2023 $'000	2022 $'000
Gross proceeds from fundraising		
Donations	143	171
Bequests	335	25
Fundraising	-	2
TOTAL	478	198
Expenditure from fundraising appeals		
Fundraising	4	2
TOTAL	474	196

Fundraising income activities

Fundraising income activities carried out during the financial year were functions, appeals, raffles and social fundraising activities.

Expenditure of funds raised

Surplus funds from fundraising are utilised in delivering on the mission of the Group to save lives and build community resilience.

The surplus achieved from these operations and all of our commercial and fundraising activities goes directly to supporting our community programs, which include by way of example, free First Aid training for school students, youth development programs, leadership and personal development programs for our volunteers and providing crucial first responder and community health services supporting communities across NSW.

Directors' declaration

Made in accordance with a resolution of the Directors under the Charitable Fundraising Act 1991.

Notes to the Consolidated Financial Statements

For the financial year ended 31 December 2023

Note 26 Economic dependency

Certain community programs delivered by the Group are dependent on the ongoing receipt of financial assistance from State and Commonwealth governments.

The Group's COVID-19 Community Medical Support program is dependent on the ongoing receipt of financial assistance from the NSW Ministry of Health.

The Group's Norfolk Island Community First Response program is dependent on the ongoing receipt of financial assistance from the Commonwealth Department of Infrastructure, Regional Development and Cities.

Note 27 Contingent liabilities

The Group has been notified of potential future litigation by a number of former members of the organisation in relation to allegations of historical sexual abuse. The matters are still in the preliminary stage. The information required by AASB 137 Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it can be expected to prejudice the outcome of the litigation.

On 1 July 2018, in response to Royal Commission into Institutional Responses to Child Sexual Abuse, the National Redress Scheme was established. The National Redress Scheme provides support to people who experienced institutional child sexual abuse. The Group has joined the National Redress Scheme.

The Group does not know what liability, if any, it may incur in relation to any possible legal and other expenses as a result of its participation in the National Redress Scheme and any past events.

Note 28 Auditors' remuneration

	2023	2022
	$'000	$'000
ASSURANCE SERVICES		
Audit of financial statements	67	60
Preparation of financial statements	8	7
	75	67

Note 29 Subsequent events

Other than the matters detailed above, no other matters or circumstances have arisen which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations or affairs of the Group in future financial years.

Directors' Declaration

In the opinion of the Directors of St John Ambulance Australia (NSW) and its controlled entity (the "Group"):

a) The financial statements and notes that as set out on pages 14 to 41 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

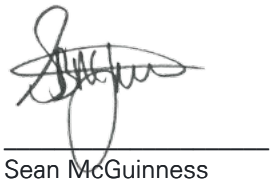
   i) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance, for the financial year ended on that date; and

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

b) There are reasonable grounds to believe that the Group 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 this 19th day of March 2024.



Sean McGuinness
Chair

Mick Campbell
Director

Directors' Declaration Under the Charitable Fundraising Act

In the opinion of the Directors of St John Ambulance Australia (NSW) and its controlled entity (the "Group"):

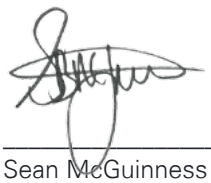
i) The consolidated financial statements and notes thereto give a true and fair view of all income and expenditure with respect to fundraising appeals conducted by the organisation for the year ended 31 December 2023;

ii) The statement of financial position as at 31 December 2023 give a true and fair view of the state of affairs of the Group with respect to fundraising appeals conducted by the organisation;

iii) The provisions of the *Charitable Fundraising Act 1991(NSW) and Charitable Fundraising Act 2021(NSW),* the regulations under that Act, and the conditions attached to the authority to fundraise have been complied with by the organisation; and

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

This declaration is made in accordance with a resolution of the Board of Directors.



Sean McGuinness
Chair

Mick Campbell
Director

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

To the Directors St John Ambulance Australia (NSW)

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 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

Cameron Roan

Partner

Sydney

19 March 2024

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Independent Auditor's Report

To the members of St John Ambulance Australia (NSW)

Opinion

We have audited the ***Financial Report***, of the St John Ambulance Australia (NSW) (the Company) and its controlled entity (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's financial position as at 31 December 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 2013 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The ***Financial Report*** comprises:

i. Consolidated statement of financial position as at 31 December 2023;

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

iii. Notes including a summary of material accounting policies; and

iv. Directors' declaration.

The Group consists of the (St John Ambulance (NSW)) and the entities it controlled at the year end or from time to time during the financial year.

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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.

Other information

Other Information is financial and non-financial information in the Group'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 Director's 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 Board Members 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. 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

iii. Assessing the Group'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 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 Director;

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

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 Group 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

Cameron Roan

Partner

Sydney
19 March 2024

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