

Victorian National Parks Association

Contents

For the Year Ended 30 June 2024

	Page
Financial Statements	
Council Member's Report	1
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Statement by Members of Council	17
Independent Audit Report	18

Victorian National Parks Association

Council Member's Report
30 June 2024

The council members present their report, together with the financial statements, on the incorporated association for the financial year ended 30 June 2024.

Council members

The following persons were council members of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

David Nugent	President
Marilyne Crestias	Vice President
Askin Morrison	Treasurer
Chris Harvey	Secretary
Dr Jan Hendrik Brueggemier	
Dr Michael Feller	Deceased 22 January 2024
Dr Doug Robinson	
Dianne Marshall	
Dr Bruce McGregor	
Gerard McPhee	
Lara Bickford	
Michael Young	
Andrew Norman	Appointed 7 December 2023

Principal activities

Victorian National Parks Association Inc is an independent, non-profit, membership-based group, which exists to support and protect Victoria's unique natural environment and biodiversity through the establishment and effective management of national parks, conservation reserves and other measures.

The Association is classified as a Tier 3 association under the Associations Reform Act 2012 in that its annual revenue exceeds \$1 million and as such is required to have its financial report audited. From 2022, the Association is also now classified as a medium sized charity in that its annual revenue exceeds \$500,000 but under \$3 million.

Operating result

The surplus from operations for the 2024 financial year amounted to \$1,017,860 (2023: \$139,215).

Internally the council continues to monitor reserve funds by maintaining a Safeguard Reserve (Crosbie Morrison Fund) aimed at safeguarding liabilities, operations, its cash flow variations and future strategic development. Detailed principles have been documented to ensure that the Association can meet six months of core operating expenses taking into account the evolving nature of its activities.

On behalf of the council members

President:

David Nugent

Treasurer:

Askin Morrison

Dated 18 October 2024

Victorian National Parks Association

Statement of Comprehensive Income For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	2	4,011,013	2,484,328
Employee benefits expense		(2,120,787)	(1,782,508)
Depreciation and amortisation expense		(79,012)	(86,864)
Insurance costs		(18,037)	(15,159)
Occupancy costs		(25,093)	(20,647)
Campaigns, projects, activities and education		(430,360)	(217,158)
Office and administrative costs		(169,962)	(156,067)
Printing, publications and online costs		(136,443)	(124,747)
Interest expenses - right-of-use asset		(37,462)	(4,462)
Surplus from operations		993,857	76,716
Realised gains on disposal of other financial assets		24,003	62,499
Surplus/(deficit) for the year		1,017,860	139,215
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		1,017,860	139,215

The accompanying notes form part of these financial statements.

Victorian National Parks Association

Statement of Financial Position

As At 30 June 2024

	2024	2023
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3 2,686,525	1,735,647
Trade and other receivables	4 88,443	115,976
Other financial assets	5 485,728	454,253
Other assets	6 18,345	12,729
TOTAL CURRENT ASSETS	<u>3,279,041</u>	2,318,605
NON-CURRENT ASSETS		
Property, plant and equipment	7 34,684	43,495
Right-of-use assets	8 279,062	81,080
TOTAL NON-CURRENT ASSETS	<u>313,746</u>	124,575
TOTAL ASSETS	<u>3,592,787</u>	2,443,180
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	9 113,122	111,758
Lease liabilities	8 52,347	71,625
Employee benefits	11 313,831	240,495
Other liabilities	10 139,295	304,308
TOTAL CURRENT LIABILITIES	<u>618,595</u>	728,186
NON-CURRENT LIABILITIES		
Lease liabilities	8 257,495	18,301
Employee benefits	11 37,676	35,532
TOTAL NON-CURRENT LIABILITIES	<u>295,171</u>	53,833
TOTAL LIABILITIES	<u>913,766</u>	782,019
NET ASSETS	<u>2,679,021</u>	1,661,161
EQUITY		
Accumulated surplus	1,258,626	416,269
Reserves	1,420,395	1,244,892
TOTAL EQUITY	<u>2,679,021</u>	1,661,161

The accompanying notes form part of these financial statements.

Victorian National Parks Association

Statement of Changes in Equity

For the Year Ended 30 June 2024

	Note	Accumulated Surplus \$	Financial Asset Revaluation Reserve \$	Safeguard Reserve \$	Specific Donation Reserve \$	National Parks Community Fund Reserve \$	Total \$
Balance at 1 July 2023		416,269	15,392	956,000	273,500	-	1,661,161
Surplus for the year		1,017,860	-	-	-	-	1,017,860
Transfer from/(to) reserves		(175,503)	24,003	100,000	51,500	-	-
Balance at 30 June 2024	12	1,258,626	39,395	1,056,000	325,000	-	2,679,021
Balance at 1 July 2022		521,750	(19,888)	771,469	250,163	31,884	1,555,378
Surplus for the year		139,215	-	-	-	-	139,215
Transfer from/(to) reserves		(243,148)	35,280	184,531	23,337	-	-
NPCF retained earnings adjustment		(1,548)	-	-	-	(31,884)	(33,432)
Balance at 30 June 2023	12	416,269	15,392	956,000	273,500	-	1,661,161

The accompanying notes form part of these financial statements.

Victorian National Parks Association

Statement of Cash Flows
For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from appeals, donations and bequests	3,417,627	2,057,373
Receipts from membership fees	85,837	87,208
Receipts from grants and sponsorships	142,233	371,892
Receipts from sales and activities	201,155	86,928
Interest received	33,721	17,490
Interest paid	(37,462)	(4,462)
Payments to suppliers and employees	(2,835,689)	(2,314,003)
Net cash provided by/(used in) operating activities	13 <u>1,007,422</u>	<u>302,426</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(17,045)	(20,170)
Payments for investments	(8,278)	(191,906)
Net cash provided by/(used in) investing activities	<u>(25,323)</u>	<u>(212,076)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of lease liabilities	(31,221)	(68,293)
Net cash provided by/(used in) financing activities	<u>(31,221)</u>	<u>(68,293)</u>
Net increase/(decrease) in cash and cash equivalents held	950,878	22,057
Cash and cash equivalents at beginning of year	<u>1,735,647</u>	<u>1,713,590</u>
Cash and cash equivalents at end of financial year	3 <u><u>2,686,525</u></u>	<u><u>1,735,647</u></u>

The accompanying notes form part of these financial statements.

Victorian National Parks Association

Notes to the Financial Statements

For the Year Ended 30 June 2024

The financial statements cover Victorian National Parks Association (the 'association') as an individual entity. Victorian National Parks Association is a not-for-profit association incorporated in Victoria under the *Association Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*. ('the Act').

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the Act.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Comparatives are consistent with prior years, unless otherwise stated.

1 Material Accounting Policy Information

(a) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Income is earned from provision of services when performance obligations are either satisfied over time or at a point in time. 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.

Appeals, donations and bequests are recognised as revenue when received.

Revenue from the membership fees is recognised when membership benefits are provided over time.

Grants or sponsorship income is recognised when performance obligations are satisfied under the terms of the funding or sponsorship agreement.

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

Investment income is recognised as revenue when received.

Other income in relation to rendering of services as the service is performed.

All revenue is stated net of the amount of goods and services tax (GST).

(b) Expenses from transactions

Employee benefits expenses include salaries and wages (including associated on-costs), leave expenses, termination payments, superannuation expenses (i.e. employer contributions), fringe benefits tax, Workcover premiums and other employee related expenses. Employee benefits expenses have been allocated to respective cost centres.

Notes to the Financial Statements For the Year Ended 30 June 2024

1 Material Accounting Policy Information

(b) Expenses from transactions

Other expenses are recognised as expenses in the reporting period in which they incurred.

All expenses are stated net of the amount of goods and services tax (GST).

(c) Income Tax

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

(d) Cash and cash equivalents

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

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

(e) Trade and other receivables

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. No interest is charged on trade receivables.

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

Receivables are stated inclusive of GST.

(f) Property, plant and equipment

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

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

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

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

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

Fixed asset class	Depreciation rate
Plant and Equipment	10-50%

Notes to the Financial Statements

For the Year Ended 30 June 2024

1 Material Accounting Policy Information

(f) Property, plant and equipment

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

(g) Financial instruments

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

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

Financial assets

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

Classification

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

- amortised cost
- fair value through profit or loss - FVTPL

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

Amortised cost

The association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

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

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in statement of comprehensive income.

Other financial assets measured at amortised cost

Notes to the Financial Statements

For the Year Ended 30 June 2024

1 Material Accounting Policy Information

(g) Financial instruments

Financial assets

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

Financial liabilities

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

The financial liabilities of the association comprise trade payables, bank and lease liabilities.

(h) Leases

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

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

Right-of-use asset

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

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

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

Lease liability

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

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

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

Notes to the Financial Statements For the Year Ended 30 June 2024

1 Material Accounting Policy Information

(h) Leases

Exceptions to lease accounting

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

(i) Trade and other payables

The association's financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

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

Payables are stated inclusive of GST.

(j) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using the 30 June 2024 wage inflation and discount rates published by the Department of Treasury and Finance with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(k) Funding contract liabilities

Income from funding with sufficiently specific performance obligations are recognised in the statement of comprehensive income when the Association has satisfied the performance obligations under the terms of the funding. The Association exercises judgement over whether the performance obligations have been met, on a funding by funding basis. The performance obligations for activity-based funding are the number of services provided or program objectives achieved in accordance with terms and conditions agreed to with the funding providers.

Revenue is recognised when a service provision is completed or a program objective is achieved. The performance obligations have been selected as they align with funding conditions set out in the agreements issued by the funding providers.

(l) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Notes to the Financial Statements

For the Year Ended 30 June 2024

1 Material Accounting Policy Information

(l) Goods and services tax (GST)

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

(m) Adoption of new and revised accounting standards

The association has adopted all standards which became effective for the first time at 30 June 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the association

Victorian National Parks Association

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Revenue

	2024	2023
	\$	\$
Appeals and donations	1,558,679	1,255,709
Bequests	1,858,948	601,664
Membership fees	78,034	79,280
Grants and sponsorships	275,970	430,382
Publication sales, events, outdoor activities and sundry income	201,155	86,928
Interest and investment distributions	38,227	30,365
	<u>4,011,013</u>	<u>2,484,328</u>

3 Cash and Cash Equivalents

Cash at bank and in hand	2,093,077	924,225
Short-term deposits	593,448	811,422
	<u>2,686,525</u>	<u>1,735,647</u>

4 Trade and Other Receivables

CURRENT		
Trade receivables	57,879	84,858
GST receivable	16,507	14,095
Interest and franking credit receivables	14,057	17,023
	<u>88,443</u>	<u>115,976</u>

5 Other Financial Assets

Financial assets at fair value through profit or loss

CURRENT

Managed investment fund	485,728	454,253
Total	<u>485,728</u>	<u>454,253</u>

National Parks Community Fund

The National Parks Community Fund is an endowment fund held in trust and managed by the Australian Communities Foundation with Victorian National Parks Association as the sole beneficiary of the funds.

The value of the National Parks Community Fund as at 30 June 2024 is \$416,661 (2023: \$201,548).

6 Other non-financial assets

CURRENT

Prepayments	18,345	12,729
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Notes to the Financial Statements

For the Year Ended 30 June 2024

7 Property, plant and equipment

	2024	2023
	\$	\$
Office equipment		
At cost	178,044	160,999
Accumulated depreciation	<u>(143,360)</u>	<u>(117,504)</u>
Total office equipment	<u>34,684</u>	43,495
Website		
At cost	56,307	56,307
Accumulated depreciation	<u>(56,307)</u>	<u>(56,307)</u>
Total website	<u>-</u>	<u>-</u>
Total property, plant and equipment	<u><u>34,684</u></u>	<u>43,495</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Office Equipment \$
Year ended 30 June 2024	
Balance at the beginning of year	43,495
Additions	17,045
Depreciation expense	<u>(25,856)</u>
Balance at the end of the year	<u><u>34,684</u></u>

8 Right-of-Use Assets and Lease Liabilities

The amounts recognised in the statement of financial position relating to lease are shown below:

Right-of-use assets	531,546	324,321
Accumulated depreciation	<u>(252,484)</u>	<u>(243,241)</u>
	<u>279,062</u>	81,080
Current lease liabilities	52,347	71,625
Non-current lease liabilities	<u>257,495</u>	<u>18,301</u>
	<u>309,842</u>	89,926

The amounts recognised in the statement of comprehensive income relating to lease are shown below:

Interest expense on lease liabilities	37,462	4,462
Depreciation of right-of-use assets	53,155	64,865

Victorian National Parks Association

Notes to the Financial Statements For the Year Ended 30 June 2024

9 Trade and Other Payables

	2024	2023
	\$	\$
CURRENT		
Trade payables	30,957	10,763
GST payable	-	15,307
Sundry payables and accrued expenses	82,165	85,688
	<u>113,122</u>	<u>111,758</u>

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

10 Other Liabilities

CURRENT		
Funding contract liabilities	124,443	283,541
Membership received in advance	14,852	20,767
	<u>139,295</u>	<u>304,308</u>

11 Employee Benefits

Current liabilities		
Provision for long service leave	106,089	76,740
Provision for annual leave and time in lieu	207,742	163,755
	<u>313,831</u>	<u>240,495</u>
Non-current liabilities		
Provision for long service leave	37,676	35,532

Notes to the Financial Statements

For the Year Ended 30 June 2024

12 Reserves

(a) Financial asset revaluation reserve

Financial asset revaluation reserve records change in the market value of investments that are measured at fair value through profit and loss.

(b) Safeguard Reserve (Crosbie Morrison Fund)

This reserve is used to ensure the association has adequate resources to meet future obligations.

(c) Specific Donation Reserve

This reserve is used to recognise donations received for a specific purpose which are not yet spent.

(d) National Parks Community Fund reserve

National Parks Community Fund reserve records the donations and distributions received from National Parks Community Fund, a sub-fund of Australian Community Foundation in accordance with the donor's wishes.

13 Cash Flow Information

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

	2024	2023
	\$	\$
Surplus/(deficit) for the year	1,017,860	339,215
Cash flows excluded from surplus/(deficit) attributable to operating activities		
Non-cash flows in surplus:		
- depreciation	79,012	86,864
- fair value movements on investments	(15,725)	(62,499)
- distributions reinvested	(7,472)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	29,945	(3,778)
- (increase)/decrease in other assets	(5,616)	(5,960)
- increase/(decrease) in trade and other payables	(1,049)	44,213
- increase/(decrease) in contract liabilities	(165,013)	(119,707)
- increase/(decrease) in employee benefits	75,480	24,078
Cashflows from operations	<u>1,007,422</u>	<u>302,426</u>

Notes to the Financial Statements

For the Year Ended 30 June 2024

14 Financial Risk Management

Financial assets

Held at amortised cost

Cash and cash equivalents	2,686,525	1,735,647
Trade and other receivables	88,443	115,976

88,443	115,976
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Fair value through profit or loss (FVTPL)

Managed securities - current	485,728	454,253
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3,260,696	2,305,876
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Total financial assets

Financial liabilities

Held at amortised cost

Trade and other payables (1)	113,123	42,437
Current lease liabilities	52,347	71,625
Non-current lease liabilities	257,495	18,301

422,965	132,363
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Total financial liabilities

Note: (1) Financial liabilities - trade and other payables exclude non-contractual payables e.g. GST, PAYG and other statutory payables.

15 Auditors' Remuneration

- auditing the financial statements - Accru Melbourne (Audit) Pty Ltd	11,250	10,700
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16 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the association is \$ 638,750 (2023: \$ 413,857).

17 Contingencies

In the opinion of the Council, the association did not have any contingencies at 30 June 2024 (30 June 2023: None).

18 Events after the end of the Reporting Period

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

19 Statutory Information

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

Victorian National Parks Association
Level 3, 60 Leicester Street
Carlton VIC 3053


Victorian National Parks Association


Statement by Members of Council

The Council of the association declare that:

1. The financial statements and notes, as set out on pages 2 to 16, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the association.
2. In the Council's' opinion, there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Council.

President.....
David Nugent

Treasurer
Askin Morrison

Dated 18 October 2024

Victorian National Parks Association

Independent Audit Report to the members of Victorian National Parks Association

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Victorian National Parks Association (the Association), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of council.

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

- (i) giving a true and fair view of the Association's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) complying with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Council is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

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 and, in doing so, 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.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Council for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with the Association Incorporation Reform Act 2012, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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

Independent Audit Report to the members of Victorian National Parks Association

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

We communicate with the Council 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.



ACCRU MELBOURNE (AUDIT) PTY LTD



G D WINNETT
Director

18 October 2024