

# Annual Financial Report

For the year ended 30 June 2024



**Barnardos**  
**Australia**

Because **every child**  
needs a champion



**Barnardos Australia acknowledges the Traditional Custodians of the land on which we live and work.**

We acknowledge Elders past and present who have walked and managed these lands for many generations and recognise their ongoing contribution. We acknowledge the children who are our hope for a brighter future.

**Our vision**

To empower every child in Australia to reach their full potential.

**Our purpose**

We support vulnerable children to recover and thrive. Together, we ensure they reach their brightest future.

Barnardos Australia is here because every child needs a champion.

We listen, we act, and we advocate for the safety of children at risk of abuse and neglect, providing family support programs and services that empower children to reach their full potential.

When it comes to protecting vulnerable children from abuse, we never give up. Barnardos unites around a child, because they should never have to overcome their challenges alone. We are dedicated to the prevention of trauma in children, and support families to be the best parents they can be. We help children to recover and thrive, and we find safe homes for them through foster care and open adoption where there is a risk of abuse.

**Our values**

We never give up

We speak up

We aim higher

We stand with you

We do what's right

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# Directors' report

Barnardos Australia (Barnardos/Company) is a non-for-profit organisation incorporated as a Company limited by guarantee in accordance with the *Corporations Act 2001 (Cth)*. Barnardos operates under a Constitution approved by the members of the Company in 2015, as amended from time to time. As required by the Constitution, all Directors of Barnardos are non-executive directors and receive no remuneration for performing their role as Director. Some expenses incurred by Directors in carrying out their duties as Directors in attending the Company meetings are reimbursed on a cost only basis.

Barnardos is a registered charity with the Australian Charities and Not-for-profits Commission. Barnardos has Deductible Gift Recipient status and is a public benevolent institution under Australian Tax law.

Barnardos conducts its operations in accordance with applicable laws, its Constitution, a Board approved Board Governance Charter that includes the role of the Board and Directors, the Code of Conduct for Directors, and the role of the Chief Executive Officer.

Barnardos currently has over 100 members, who are all of the same class and include all its Directors and committee members. There is no limit on the number of members allowed under the Constitution. In the event of winding up of Barnardos, the members undertake to contribute an amount not exceeding \$10 each towards the payment of the debts and liabilities incurred before they ceased to be a member and the costs of winding up of Barnardos.

During the year the Board held 5 meetings, with the various Board Committees meeting in accordance with their respective Charters.

## CORPORATE GOVERNANCE STATEMENT

Barnardos has a number of specialist Committees which meet on a regular basis and report to the Board.

**Finance and Audit Committee**

The main objectives of the Finance and Audit Committee are to: review the effectiveness of internal financial controls and the external audit program; ensure internal controls and financial risk management structures are appropriate; review and endorse the draft annual financial reports; review recommendations, if any, of the internal and external auditors and any changes in accounting practices or policies; and oversee internal and external program compliance audits, including those conducted by regulators (and those material operational program audits as nominated by the Chair of the Finance and Audit Committee following consultation with the CEO as may be deemed appropriate from time to time).

The Committee is empowered to examine any matter in relation to its objectives as it sees fit and has the right to obtain independent advice relating to their duties subject to prior consultation with the Chair of Barnardos.

**Governance Committee**

The main objectives of the Governance Committee are to: provide advice to the Board on the adequacy of governance arrangements for the Board and the organisation; monitor the governance activities and performance of the organisation; communicate to the employees of Barnardos Australia the governance principles, policies and practices and give them opportunities to provide feedback on issues of concern; and to benchmark the governance performance of Barnardos against appropriate good governance practice. It is also responsible to review the Board Governance Charter, manage the Board succession process and Board review process.

The Committee is empowered to examine any matter in relation to its objectives as it sees fit and has the right to obtain independent advice relating to their duties subject to prior consultation with of the Chair of Barnardos.



Risk Committee

The Risk Committee monitors and provides recommendations on all risks within Barnardos, and oversees the Risk Management Strategy and the Risk Management Framework and monitors the alignment of Barnardos risk profile and controls with its risk appetite (as may be defined in the Risk Appetite Statements that have been adopted by the Board).

The main objectives of the committee are to: provide an independent and objective review, advice and assistance in developing Board policy; monitor activity within the risk area and make recommendations to the Board for resolution; and identify and ensure that sufficient resources are dedicated to risk management.

The Committee has authority to engage independent risk, actuarial, insurance or other consultants to advise it or assist in the conduct of risk related issues subject to prior consultation with the Chair of Barnardos.

Service Excellence and Safety Committee

The Service Excellence and Safety Committee was established to consider and provide strategic advice on the appropriateness of the organisation’s continuous service quality improvement framework and system, including the promotion of practice excellence and child safety in children’s social care.

The main objectives of the Committee are to: ensure Barnardos maintains and enhances its commitment to evidence based and evidence informed practice, focused on positive life outcomes for vulnerable children and young people; drive Barnardos continuous service quality improvement framework and associated systems; promote and support an organisational learning and knowledge sharing culture in children’s social care practice and receive reports on Barnardos Safeguarding system and mechanisms, including reportable conduct.

The Committee is empowered to examine any matter in relation to its objectives as it sees fit and has the right to obtain independent advice relating to their duties subject to prior consultation with the Chair of Barnardos.

Technology Council

The Technology Advisory Council is a specialist group established to support the Board and Executive Management by providing independent technical expertise, ideas and insights on key technical initiatives across the business.

The Council will provide independent review and advice at key stages of information technology projects to the Board. The Council can be engaged on an ad hoc basis by the Board or Executive Management to support Barnardos in any initiative where the external technology advisory skills are deemed beneficial.

The main objectives of the Council is to: provide strategic guidance on technology projects; provide detailed progress reports to the Board; assist with industry connections beneficial to Barnardos and advise on technological changes and opportunities which may be beneficial to Barnardos.

Barnardos is grateful for the valuable contributions of the following external advisors who volunteered their advice and support during the course of the year:

- Anita Paddock (Risk Committee)
- Gareth Chegwiddden (Risk Committee)

DIRECTORS DETAILS

The names of the Directors who have held office during the year and until the date of this report are:

Name	Particulars
Janett Milligan	<b>Chair and Director</b> <b>Director since October 2016</b>
Qualifications and experience	Janett held senior executive appointments in government for 25 years in housing, aged care, disability services, culture, and sport, and currently provides advisory services in policy and strategy development and governance. She is currently a Commissioner of the NSW Independent Planning Commission and was previously a Trustee of the NSW Responsible Gambling Fund and Board member of Venues NSW and the Western Sydney Parklands Trust.  Qualifications: Bachelor of Social Science (Hons) (University of New England), Master of Business Administration (University of Sydney), Graduate of the Australian Institute of Company Directors
Responsibilities	Board Chair and Member of the Governance Committee
Andrew Bacon	<b>Director</b> <b>Director from February 2022 until 13 February 2024</b>
Qualifications and experience	Andrew was appointed to the Board on 18 February 2022.  Andrew is a Governance, Risk and Compliance specialist with University Infrastructure at Sydney University and is the Managing Director of Adina Consulting Service.  Andrew is a Non-Executive Director for Friends with Dignity and also the Chair of their Audit and Risk Committee and their Governance Committee. He is Co-Chair Gawura Strategic Planning Committee (St Andrew’s Cathedral School), Committee Member Reconciliation Action Plan Committee (St Andrew’s Cathedral School) and a Lived Experience Corporate Indigenous Speaker for the Black Dog Institute. He has an extensive level of professional work experience having held senior roles in government, investment banking, commercial insurance and insurance sectors.  Qualifications: Bachelor of Commerce (Murdoch University), Master of Business Administration (University of Western Australia), Lead Internal/External Auditor Certificate (Australian Organisation for Quality), Observership Program (AICD), Mental Health First Aider Certificate (Mental Health First Aid Australia) and an Applied Suicide Intervention Skills Training (ASIST) Certificate (Living Works)
Responsibilities	Member of the Governance Committee, the Risk Committee and Board Visitor to Penrith Children’s Family Centre

Name	Particulars
<b>Gareth Chegwidzen</b>	<b>Director</b> <b>Director since August 2024</b>
Qualifications and experience	<p>Gareth has over 20 years of experience in business strategy, transformation, and delivery execution. He is currently the General Manager of the Group Delivery Practice Area at the Commonwealth Bank of Australia, where he leads the delivery workforce, frameworks and standards for the Group. Prior to this, Gareth held senior positions at Telstra, AMP and Deloitte, where he led business and technology transformations, driving organisational change and delivering measurable outcomes.</p> <p>Qualifications: Executive MBA (University of Technology Sydney), BSc - Computer Science and Statistics (Macquarie University)</p>
Responsibilities	Member of the Technology Advisory Council
<b>Julia-Anne Davenport</b>	<b>Director</b> <b>Director since May 2019</b>
Qualifications and experience	<p>Julia has served on boards and committees for not-for-profit and social impact agencies, private companies in the engineering, manufacturing, professional services and environmental sectors, local government and industry/membership-based associations. With over 30 years’ experience in strategy, marketing and brand management, business development and communications, Julia’s executive and consulting career was forged leading growth and transformational change. Julia is currently a non-executive director of Everhard Industries and a former director of Lyndsay Dynan Consulting Engineers, ICON (the professional services marketing association of Australasia), and the Children’s Book Council of Australia. She is a passionate champion for abused and neglected children and women.</p> <p>Qualifications: Bachelor of Arts (Information Science) (University of Technology), Graduate of the Australian Institute of Company Directors</p>
Responsibilities	Chair of the Governance Committee, Board Visitor to Sydney Metro Children’s Family Centre
<b>Sam George Garland</b>	<b>Deputy Chair and Director</b> <b>Director since May 2017</b>
Qualifications and experience	<p>Sam has over 15 years’ experience in financial reporting, risk management and governance as a company auditor and professional adviser. Sam is currently a partner and Banking and Capital Markets leader at PwC Australia, leading the statutory and regulatory audits of complex financial institutions. Sam also advises on regulatory matters, risk management, controls and organisational governance. Sam has experience auditing and working with a number of not-for-profit organisations, including in the education and medical sector.</p> <p>Qualifications: Bachelor of Arts, Business Economics (University of Leeds), Member Chartered Accountants of Australia and New Zealand, registered external auditor (ASIC)</p>
Responsibilities	Chair of the Risk Committee

Name	Particulars
<b>Wendy Glasglow</b>	<b>Director</b> <b>Director since March 2021</b>
Qualifications and experience	<p>Wendy has over 20 years’ experience leading Product, Data and Technology teams at large and diverse international organisations. Wendy has a keen interest in organisational transformation and has proven experience in developing business strategy and driving commercial outcomes through global products, platforms, and services. Wendy is currently the Chief Technology Officer at GROW Inc and has global experience at Microsoft, Google and Canva. Wendy has experience establishing high performing teams and developing strong organisational culture, as well as establishing diversity, inclusion and equality practices.</p> <p>Qualifications: Bachelor of Laws (Queensland University of Technology), Graduate Certificate in Law (Queensland University of Technology), Bachelor of Information Technology, Information Systems (Queensland University of Technology), Graduate of the Australian Institute of Company Directors</p>
Responsibilities	Chair of the Technology Advisory Council, Member of the Risk Committee, the Service Excellence and Safety Committee and Board Visitor to OOHCS NSW (Homebush, Wyong, Broadmeadow, Shellharbour)
<b>Professor Susan Heward-Belle</b>	<b>Director</b> <b>Director since February 2024</b>
Qualifications and experience	<p>Susan has a sustained track record of research, teaching, advocacy and social work practice at the intersections of the family violence, law and child protection systems. Her work is concerned with improving legal, policy and practice responses that centre dignity for victims-survivors and accountability for people who use violence and coercive control. She is engaged in providing interdisciplinary education for judicial officers, family law practitioners, police, child protection, medical and allied health practitioners. Susan leads multiple large research projects that contribute to knowledge for improved policy and practice responses to survivors of domestic, family and sexualised violence. Susan is currently a Professor of Social Work and Director of the Master of Social Work (Qualifying) (MSW [Q]) program at the University of Sydney.</p> <p>Qualifications: PhD, BSW, MSW, Graduate Certificate in Advanced Higher Education Teaching, Fellow UK Higher Education Academy</p>
Responsibilities	Member of the Governance Committee, the Service Excellence and Safety Committee and Board Visitor to Penrith Children’s Family Centre and the Auburn Children’s Family Centre

Name	Particulars
<b>Racheal Kellaway</b>	<b>Director</b> <b>Director since October 2021</b>
Qualifications and experience	Racheal has extensive corporate experience and is currently the Chief Financial Officer at the Bank of Queensland. Racheal has over 20 years’ experience, working predominately in Financial Institutions including over a decade within the Commonwealth Bank of Australia. Racheal is currently a Director on a number of subsidiaries of the Bank of Queensland, is a Member of the Finance, Audit and Risk Committee at the Australian Banking Association and a Member of Chief Executive Women Australia.
Responsibilities	Qualifications: Bachelor of Commerce, CPA Australia, Graduate of the Australian Institute of Company Directors  Chair of the Finance and Audit Committee and Board Visitor to South Coast Children’s Family Centre
<b>Associate Professor Rick Macourt</b>	<b>Director</b> <b>Director since February 2022</b>
Qualifications and experience	Rick is Associate Professor of Practice and Associate Dean, First Nations Strategy and Services in the Faculty of Medicine & Health at the University of Sydney. He is also the founder and Managing Director of First Nations Economics. Rick was previously Director, First Nations Expenditure and Outcomes at NSW Treasury having previously worked in Federal and local government as well as the private and NGO sectors. Rick is currently a Board Member of Black Rainbow and an Indigenous Advisory Committee Member at Siemens Australia. He has published a number of reports, articles and a children’s book on First Nations matters and is committed to supporting the self-determination of First Nations peoples.
Responsibilities	Qualifications: Bachelor of Laws (Bond University), Graduate Diploma in Legal Practice (ANU), Indigenous Human Rights Program (Columbia University, NY USA). Admitted to the Supreme Court of NSW in 2015  Chair of the Service Excellence and Safety Committee, Member of the Finance and Audit Committee and Board Visitor to Western NSW

Name	Particulars
<b>Gillian McFee</b>	<b>Director</b> <b>Director from November 2020 until 21 November 2023</b>
Qualifications and experience	Gillian is Managing Director of Gillian McFee and Associates, providing consulting, advisory and mentoring services in a range of community service sectors. Gillian is currently with the Business Council of Co-operatives and Mutuals where she is the Program Director of the Care Together Program, a Commonwealth funded program to support the sustainability of social care services in regional, rural and remote areas through co-operative and mutual enterprises. Gillian’s recent board roles include Child and Youth Mutual Ltd (trading as Kudos Services) (SA), Stride Mental Health Ltd, and as a Board adviser to Common Equity Housing, Victoria (CEHL). Prior to board roles, Gillian held CEO and senior executive roles in the non-government and public sectors including: UnitingCare NSW.ACT (now Uniting), NSW Departments of Family and Community Services, Ageing Disability and Home Care, Housing NSW and Premier and Cabinet (NSW Office on Ageing).
Responsibilities	Qualifications: BSocStud (Sydney University). Diploma Urban & Regional Studies (Macquarie University) MBA (Exec) (UNSW), Graduate and Fellow of the Australian Institute of Company Directors  Member of the Governance Committee, the Service Excellence & Safety Committee and Board Visitor to the Auburn Children’s Family Centre
<b>Dr Stephen Mills</b>	<b>Director</b> <b>Director since September 2019</b>
Qualifications and experience	Stephen is an honorary senior lecturer in the School of Social and Political Sciences at the University of Sydney. His previous experience is as a journalist and editor with Fairfax newspapers, political adviser (speechwriter) to Prime Minister Hon R J L Hawke, and corporate affairs adviser in the financial services sector. He is the former Chair of Australian Business Foundation and former director of ShareGift Australia.
Responsibilities	Qualifications: Bachelor of Arts (Hons) (University of Melbourne); Master of Public Administration, (John F Kennedy School of Government, Harvard University); Doctor of Philosophy, (University of Sydney)  Member of the Finance and Audit Committee, the Risk Committee and Board Visitor to ACT and Queanbeyan Family Centre, ACT Together

Name	Particulars
Professor Emerita Fran Waugh	<b>Director</b> <b>Director from May 2014 until 21 November 2023</b>
Qualifications and experience	Fran was an academic in the Social Work and Policy Studies programs at the University of Sydney for 20 years until 2020. During this time, she assumed a number of leadership roles including Chair of Social Work, interim Dean, interim Head of School, Associate Dean International and Associate Dean Learning and Teaching. Fran’s practice research has included a focus on child emotional abuse, child protection and domestic violence. Prior to her academic appointment Fran has over 20 years professional experience as a registered nurse and then social worker in community health and child welfare positions. She is currently a member of International House Council, the University of Sydney, and chairs the Social Work Program Reference Group, the University of Wollongong.
Responsibilities	Qualifications: Graduate Certificate in Educational Studies (Higher Education) with merit (University of Sydney), Doctor of Philosophy, Department of Social Work (University of Sydney), Bachelor of Social Work (Honours class 1) (University of New South Wales)  Chair of the Service Excellence & Safety Committee and Board Visitor to South Coast Children’s Family Centre. Since retiring from the Board, Fran serves as an External Advisor on the Service Excellence and Safety Committee

COMPANY SECRETARY

The following person held the position of Company Secretary at the end of the financial year:

Name	Particulars
Marie-lyse Eliatamby	<b>Company Secretary</b> <b>Company secretary since July 2023</b>
Qualifications and experience	Bachelor of Laws LL.B (Hons); Master of Laws LL.M; Solicitor of the Supreme Court of New South Wales; Member of the Australian Institute of Company Directors  Marie-lyse has over 20 years of experience as General Counsel and Company Secretary in the financial services sector and more recently in the not-for-profit sector.

MEETING ATTENDANCE

BOARD AND COMMITTEE ATTENDANCE

1 July 2023 – 30 June 2024

BOARD

	1/08/2023	12/10/2023	13/2/2024	23/4/2024	18/6/2024	TALLY
Janett Milligan (Chair)	✓	✓	✓	✓	✓	5/5
Andrew Bacon** (Resigned 13/02/24)	x	x	–	–	–	0/2
Julia Davenport	✓	✓	✓	✓	✓	5/5
Sam Garland	✓	✓	✓	✓	✓	5/5
Wendy Glasgow**	✓	x	✓	✓	✓	4/5
Susan Heward-Belle	–	–	–	✓	✓	2/2
Racheal Kellaway	✓	✓	✓	✓	✓	5/5
Rick Macourt	x	✓	✓	✓	✓	4/5
Gillian McFee** (Resigned 21/11/23)	✓	x	–	–	–	1/2
Stephen Mills**	✓	✓	✓	x	x	3/5
Fran Waugh (Resigned 21/11/23)	✓	✓	–	–	–	2/2

\*Appointed 13 February 2024

\*\*Board Approved Leave of Absence

FINANCE AND AUDIT COMMITTEE

	3/10/23	16/11/23	3/4/24	30/5/24	TALLY
Racheal Kellaway (Chair)	✓	✓	✓	✓	4/4
Stephen Mills**	x	✓	✓	x	2/4
Rick Macourt	✓	✓	✓	✓	4/4
Anita Paddock*/**	–	–	–	x	0/1

\*Appointed 13 February 2024 formalised April 2024

\*\*Board Approved Leave of Absence

GOVERNANCE COMMITTEE

	20/7/23	18/9/23	16/4/24	TALLY
Julia Davenport (Chair)	✓	✓	✓	3/3
Andrew Bacon** (Resigned 13/02/24)	x	✓	–	1/2
Susan Heward-Belle*	–	–	✓	1/1
Gillian McFee** (Resigned 21/11/23)	x	x	–	0/2
Janett Milligan**	✓	x	✓	2/3

\*Appointed 13 February 2024

\*\*Board Approved Leave of Absence

RISK COMMITTEE

	8/8/23	17/10/23	25/3/24	3/6/24	TALLY
Sam Garland (Chair)	✓	✓	✓	✓	4/4
Wendy Glasgow	✓	✓	✓	✓	4/4
Stephen Mills**	✓	✓	✓	x	3/4
Andrew Bacon ** (Resigned 13/02/24)	x	✓	–	–	1/2
Anita Paddock (Appointed to Finance and Audit committee 13/02/24)  External Advisor	✓	✓	–	–	2/2
Gareth Chegwiddden** (Appointed to Technology Advisory Council 13/02/24)  External Advisor	x	✓	–	–	1/2

\*\*Board Approved Leave of Absence

SERVICE EXCELLENCE AND SAFETY COMMITTEE

	18/7/23	24/10/23	6/2/24^	14/5/24	TALLY
Fran Waugh (Chair until 21/11/23)  (Retired as a Director on 21/11/23 and was appointed as an External Advisor on 13/02/24)	✓	✓	–	✓	3/3
Rick Macourt (Chair effective 13/02/24)	✓	✓	–	✓	3/3
Gillian McFee** (Resigned 21/11/23)	x	x	–	–	0/2
Wendy Glasgow*	–	–	–	✓	1/1
Susan Heward-Belle*/**	–	–	–	x	0/1

^Meeting not held

\*Appointed 13 February 2024

\*\*Board Approved Leave of Absence

Key Management Personnel

Deirdre Cheers – Chief Executive Officer

Deirdre Cheers joined Barnardos as CEO in July 2015. She has a Bachelor of Social Studies Honours (University of Sydney), Graduate Diploma in Counselling (Charles Sturt University), Master of Social Work Research (University of Sydney), Master of Public Administration (University of Sydney), and is a Member Australian Association of Social Workers and a Graduate Australian Institute of Company Directors.

Melissa Bell—Executive Leader – Practice Quality

Melissa Bell joined Barnardos in February 2012. She holds a Bachelor of Social Work (Hons) (University of NSW).

Rita D’Arcy—Executive Leader – People & Culture (to May 2024)

Rita D’Arcy (CFAHRI, FCIPD) joined Barnardos in August 2020. She holds a Bachelor of Commerce (Western Sydney University), Master of Organisational Development and Strategic Human Resources Management (University of New England), Master of Leadership (University of New England), Graduate Australian Institute of Company Directors and Certificate IV Training, Assessment and Evaluation (TAFE NSW).

Dr Rosa Flaherty—Executive Leader – Children & Families (December 2023 onwards)

Dr Rosa Flaherty joined Barnardos in December 2023. She holds a Bachelor of Social Science (University of New England), Graduate Diploma of Counselling (Charles Sturt University), Graduate Certificate of Business Administration (Southern Cross University), Doctor of Philosophy – Psychology (University of South Australia).

Penny Hood—Executive Leader – Children & Families (to August 2023)

Penny Hood joined Barnardos in April 2018. She holds a Bachelor of Arts (University of NSW), Bachelor of Laws (University of NSW), Master of Policy Studies (University of NSW), Specialist Certificate, Implementation Science (University of Melbourne).

Oliver Parker—Executive Leader – Finance & Corporate

Oliver Parker joined Barnardos in May 2022. He holds a Bachelor of Business (University of Technology Sydney) and is a Member of the Institute of Chartered Accountants.

Sarah Spence—Executive Leader – Engagement & Giving

Sarah Spence joined Barnardos in June 2018. She holds a Bachelor of Education (University of Technology), CIV Training and Assessment (TAFE NSW), Masters in Adult Education and Business (University of Technology), Graduate Diploma in Marketing and Communications (Charles Sturt University) and a Master of Business Management (Charles Sturt University).



# Charitable Fundraising Act Declaration

Barnardos Australia

CHARITABLE FUNDRAISING ACT DECLARATION  
For the Year Ended 30 June 2024

Barnardos Australia

CHARITABLE FUNDRAISING ACT DECLARATION  
For the Year Ended 30 June 2024

I, Racheal Kellaway, Director and Chair of the Finance and Audit Committee of Barnardos, declare that in my opinion:

- a. The financial statements and notes thereto give a true and fair view of all income and expenditure of Barnardos with respect to fundraising appeals and licensing and event activities;
- b. The attached financial statements are in compliance with Australian Accounting Standards – Simplified Disclosure Requirements and the Corporations Regulations 2001 (Cth);
- c. The statement of financial position, statement of profit or loss and other comprehensive Income and notes thereto give a true and fair view of the state of affairs with respect to fundraising appeals and licensing and event activities;
- d. The provisions of the Charitable Fundraising Act 1991 (NSW) and its regulations, the Charitable Collections Act 1946 (WA) and the Charitable Collections Regulations 1947 (WA) and the conditions attached to the authority have been complied with; and
- e. The internal controls exercised by Barnardos are appropriate and effective in accounting for all income received and applied by the Company from all of its fundraising appeals.

On behalf of the Directors



Racheal Kellaway  
Director and Chair Finance and Audit Committee

Dated this 8<sup>th</sup> of November 2024

# Auditor's Independence Declaration



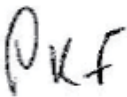
PKF(NS) Audit & Assurance Limited Partnership  
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Auditors' Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Directors of Barnardos Australia

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the under Section 60-40 of the 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.



PKF



KYM REILLY  
PARTNER

8 NOVEMBER 2024  
SYDNEY, NSW

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Statement of Profit or Loss and Other Comprehensive  
Income for the year ended 30 June 2024

CONTINUING OPERATIONS REVENUE	Note	2024 \$000's	Restated* 2023 \$000's
<b>Fundraising revenue</b>			
Fundraising	4	7,778	7,474
<b>Government grants</b>			
Federal		6,090	5,020
State – NSW		48,540	49,416
State – ACT		43,119	59,819
Local government and lead agencies		921	776
	4	98,670	115,031
<b>Other social care revenue</b>			
Other social care revenue		822	1,187
<b>Rental income</b>		649	93
<b>Recruitment services</b>	4	5,288	4,774
<b>Investment income</b>	5	350	245
<b>Other gains and losses</b>		8,746	359
<b>Total revenue</b>		122,303	129,163
<b>Deduct expenditure</b>			
<b>Social care centres</b>		(102,486)	(113,185)
<b>Fundraising</b>			
Fundraising – salaries and direct costs		(4,146)	(3,705)
Fundraising – administration and indirect costs		(1,222)	(884)
		(5,368)	(4,589)
<b>Property and administration</b>			
Administration and governance		(1,959)	(167)
Communication		(1,642)	(1,374)
		(3,601)	(1,541)
<b>Recruitment services</b>		(5,355)	(5,047)
<b>Finance costs</b>	5	(635)	(564)
<b>Total expenditure</b>		(117,445)	(124,926)
<b>Profit for the year</b>		4,858	4,237
Income tax expense		–	–
<b>Profit for the year</b>		4,858	4,237
Other comprehensive income for the year		–	–
<b>Total comprehensive income for the year</b>		4,858	4,237

\*\* Refer to Note 19 for details of the restatement

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2024

	Note	2024 \$000's	Restated* 2023 \$000's
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	7,543	5,631
Trade and other receivables	7	2,673	4,235
Non-current assets held for sale	10	–	394
Other financial assets	8	5,370	4,556
Other assets	11	1,906	1,974
<b>Total current assets</b>		17,492	16,790
<b>Non-current assets</b>			
Property, plant, and equipment	9	12,509	10,443
Investment properties	12	2,588	2,620
Right-of-use assets	13	8,913	8,391
<b>Total non-current assets</b>		24,010	21,454
<b>Total assets</b>		41,502	38,244
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	5,281	6,135
Contract liabilities	16	1,882	3,316
Provisions	15	6,148	6,274
Lease liabilities	13	2,256	2,954
<b>Total current liabilities</b>		15,567	18,679
<b>Non-current liabilities</b>			
Long-term provisions	15	3,250	2,173
Lease liabilities	13	7,152	6,717
<b>Total non-current liabilities</b>		10,402	8,890
<b>Total liabilities</b>		25,969	27,569
<b>Net assets</b>		15,533	10,675
<b>Equity</b>			
Reserves	17	73	73
Retained earnings		15,460	10,602
<b>Total equity</b>		15,533	10,675

\*\* Refer to Note 19 for details of the restatement

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the financial year ended 30 June 2024

	Donor reserve \$000's	Retained earnings \$000's	Total equity \$000's
Balance at 1 July 2023	73	10,602	10,675
Profit for the year	–	4,858	4,858
Balance at 30 June 2024	73	15,460	15,533
Balance at 1 July 2022	73	6,365	6,438
Profit for the year	–	4,237	4,237
Balance at 30 June 2023	73	10,602	10,675

The accompanying notes form part of these financial statements.

Statement of Cash flows for the financial year ended 30 June 2024

	Note	2024 \$000's	Restated 2023 \$000's
Cash flows from operating activities			
Receipts from customers, donors and government		113,494	128,469
Payments to suppliers and employees		(112,490)	(121,870)
Interest received		126	245
Interest paid		(635)	(809)
Net cash provided by operating activities		495	6,035
Cash flows from investing activities			
Proceeds from sale of plant and equipment		8,958	359
Payment for other financial assets		(814)	(219)
Purchase of property, plant and equipment		(3,723)	(790)
Net cash provided by investing activities		4,421	(650)
Cash flows from financing activities			
Lease payments		(3,004)	(2,868)
Net cash (used in) financing activities		(3,004)	(2,868)
Net increase in cash and cash equivalents held		1,912	2,517
Cash and cash equivalents at the beginning of the financial year		5,631	3,114
Cash and cash at bank at the end of the financial year	6	7,543	5,631

The accompanying notes form part of these financial statements.

Notes to the financial statements for the financial year ended 30 June 2024

The financial report covers Barnardos Australia as an individual entity. Barnardos Australia is a not-for-profit Company, registered and domiciled in Australia.

The functional and presentation currency of Barnardos Australia is Australian dollars.

The financial report was authorised for issue by the Directors on 8th November 2024.

Comparatives are consistent with prior years, unless otherwise stated

NOTE 1: GENERAL INFORMATION

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 *Australian Charities and Not-for-profits Commission Act 2012*.

Statement of Compliance

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are in Australian dollars, unless otherwise indicated.

Currency and rounding of amounts

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency. The Company is a company to which ASIC Corporation Instrument 2016 / 191 applies. Under the option available to the Company under that Instrument, all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

Information about the Company

Barnardos is a not-for-profit company incorporated in Australia under the Corporations Act 2001. It is a company, limited by guarantee, operating as a Charity within Australia. Liability of each member in the event of winding up is \$10.00 (full amount). As at 30 June 2024 the number of members was 121 (2023: 121). The amount that is eligible to be called up in the event of and for the purpose of a winding up at 30 June 2024 was \$1,210 (full amount) (2023: \$1,210 (full amount)).

Principal place of business and registered office:

60–64 Bay Street

Ultimo NSW 2007

Tel: (02) 9218 2300

Notes to the financial statements for the financial year ended 30 June 2024

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION

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

a. Revenue recognition

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

**Bequests** – Bequests received are credited to income in the period in which they are received. Bequests and gifts received in the form of properties or investments are taken into account when received at their market value if they are listed shares or trusts and otherwise at cost, which is deemed to be their probate value. As the majority of bequests do not meet the enforceability and the 'sufficiently specific' criteria under AASB 15, they are recognised once the company controls the relevant asset.

**Donors and appeals** – Donations received are credited to income in the period in which they are received as they do not meet the enforceability and 'sufficiently specific' criteria under AASB 1058.

**Gifts in kind** – Gifts in kind including professional pro-bono services that can be reasonably valued are brought to account as revenue when the benefit of the service or control of the asset transfers to Barnardos.

The value of volunteer hours, including the time of the Board of Directors, volunteer mentors and fundraisers has not been brought into account because the fair value cannot be reliably determined. Donated goods that are distributed directly to clients have also not been brought into account as revenue and expenditure of the company. Pro-bono services from professional firms might have readily observable market prices. Such pro-bono services that would have been purchased if they were not donated are readily identifiable from the company's operational requirements. In such circumstances, the pro-bono service is measured and reported at fair value.

**Government funding agreements** – Government funding agreements are contracted agreements with the Government to provide a variety of Social Care program services in the community. They are received in the form of transfers of resources to the company in return for past or future compliance with certain conditions relating to the operating activities of the company. Revenue from a contract to provide Social Care services is recognised over time.

**Sale of goods and disposal of assets** – Revenue from the sale of goods and disposal of other assets is recognised when the company has transferred the significant risks and rewards of ownership of the goods or other assets to the buyer.

**Interest income** – Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Rental income** – Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term. The company properties held for rental purposes, are expected to generate rental yields of 0.1 % (2023: 0.1%) on an ongoing basis. All of the properties held have committed tenants with most significant property holding a lease contract for the next 3 years with a further 3 year option. All operating lease contracts contain market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

**Recruitment services income** – The company receives recruitment fees for staff placements and hire of specialist care workers. At contract inception, the company assessed the services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer that is distinct or a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer.



NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

b. Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and in banks and money-market investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

c. Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Defined contribution plans

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

d. Financial instruments

Financial instruments are recognised initially on the date that the Company 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 Company 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 Company changes its business model for managing financial assets.

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Amortised cost

The Company'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 profit or loss.

The Company's financial assets measured at FVTPL comprise investments in managed funds in the statement of financial position.

Impairment of financial assets

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

- financial assets measured at amortised cost

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

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets are more than 90 days past due.

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

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

d. Financial instruments (continued)

**Trade receivables**

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

**Other financial assets measured at amortised cost**

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

**Financial liabilities**

The Company 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 Company comprise trade payables and lease liabilities.

e. Fundraising

Fundraising costs are charged when expenses are incurred.

f. Goods and Services Tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

g. Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When the future economic benefits of the asset are not primarily dependent on the assets ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is the depreciated replacement cost of an asset. If the recoverable amount of an asset (cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

h. Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured at cost, including transaction costs. At date of transition, the fair value of the properties was deemed to be the cost at that date.

i. Income tax

Confirmation of endorsement as an income tax exempt charitable company under sub-division 50 of the *Income Tax Assessment Act 1997* was received on 8th July 2005.

j. Leases

i. Right-of-use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

j. Leases (continued)

ii. Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The Company as a Lessor

The Company enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Exceptions to lease accounting

The Company 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 Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

k. Going concern basis

As at 30 June 2024, the Company's statement of financial position reported current assets greater than current liabilities (a net current asset position) by \$1,925m (2023: net current asset deficiency position of \$1,889m). In assessing the Company's going concern, the Directors are satisfied that the Company will be able to pay its debts as and when they fall due, after considering the following;

- Included in current liabilities are employee provisions of \$4.6m (2023: \$4.5m), of this, it is anticipated that \$1.3m will not be disbursed in full in the next 12 months as it is recorded as it relates to long service leave.
- Included in current liabilities is income received in advance totaling \$1.8m (2023 \$2.4m), which relates to future contractual commitments that will be expended gradually over the next 12 months in a planned process;
- There are budgeted cash flows from future fundraising activities that will generate additional cash flows;
- There are a number of non-current assets, including investment properties, which can be realised should the need arise.

The financial report has been prepared on the basis of the Company being a going concern, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

l. Property, plant, and equipment

Land and buildings, plant and equipment, leasehold improvements and motor vehicles are stated at cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the item. Depreciation is calculated on a straight line or diminishing value basis to write off the net cost of each item of property, plant, and equipment (excluding land) over its expected useful life.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter. An item of property, plant, and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

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

Fixed asset class	Depreciation rate
Buildings	2 % per annum, using straight line method
Plant and Equipment, including Computer Equipment	15% to 25% per annum, using straight line method.
Motor Vehicles	18,5% using the diminishing value method.  Straight-line method. For lease term less than 10 years, the asset is depreciated for the duration of the lease.
Leasehold improvements	For the lease term equal to or greater than 10 years, the asset is depreciated on the basis of 10% per annum.

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

m. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured at the present value of management’s best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income.

n. Adoption of new and revised accounting standards

The Company 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 Company.

o. Statement of profit or loss presentation

Expenses in the statement of profit or loss are classified based on their function within the company. Barnardos’ policy is to allocate corporate costs including administrative support to all functions of the agency, including the provision of Social Care programs and fundraising.

p. Comparative figures

Prior year figures have been adjusted or reclassified where appropriate to conform to changes in presentation for the current financial year and enhance comparability.

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

q. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company’s accounting policies, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an annual basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

i. Leave provisions

Annual leave provisions as at balance sheet date for the majority of staff is expected to be used within 12 months of balance date. The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases have been taken into account.

ii. Estimate of property, plant and equipment, residual values, and depreciation method

Property, plant, and equipment are depreciated over their useful lives taking into account residual values. Future market conditions determine residual values. Depreciation and amortisation are calculated on either a straight line or diminishing value basis which may not represent the actual usage of the asset.

iii. Lease term and option to extend under AASB 16 - Leases

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also, periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably certain of being exercised represents a key management judgement that the Company has to make.

iv. Make good provisions

A provision has been made for the present value of anticipated costs of future restoration of leased premises. The calculation of this provision requires assumptions such as lease ending dates and cost estimates. The provision is periodically reviewed and updated based on the facts and circumstances available at the time.



NOTE 3: OTHER JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

a. Fair valuation of Investment Property

The Company has investment properties that are subsequently carried at fair value. The Directors have considered the fair valuation of these properties at year end in line with market related estimates and assumptions.

b. Residential leases

The Company has a number of short-term residential leases, which are taken out to support residential accommodation for clients. The terms of the leases are short-term and can be broken down by either party with little notice or insignificant penalty. The Directors have considered the agreements and consider they do not meet the definition of a lease for the purposes of AASB 16.

c. Provision of redress and historical claims

A provision has been recognised for estimated claims for and payments of redress relating to instances of harm experienced by past clients, including those received through the National Redress Scheme. This estimate requires the Company to make several key assumptions as explained further in note 18.

d. Revenue recognition

To determine if a grant contract should be accounted for under AASB 1058 the company has to determine if the contract is ‘enforceable’ and contains ‘sufficiently specific’ performance obligations. When assessing if the performance obligations are ‘sufficiently specific’, the company has applied significant judgement in this regard by performing a detailed analysis of the terms and conditions contained in the grant contracts, review of accompanying documentation (e.g. activity work plans) and holding discussions with relevant parties. Income recognition from grants received by Barnardos has been appropriately accounted for under AASB 1058 based on the assessment performed.

NOTE 4: REVENUE

REVENUE		2024	2023
Revenue from continuing operations	Note	\$000's	\$000's
Government grants	(a)	98,670	115,031
Fundraising revenue	(b)	7,778	7,474
Other social care revenue		822	1,187
Recruitment service income		5,288	4,774
Rental income		649	93
Investment income	5	350	245
Other gains	(c)	8,746	359
Total revenue		122,303	129,163

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated into revenue received over time and at a point in time, and the following table shows this breakdown:

At a point in time	23,633	14,132
Over time	98,670	115,031
Revenue from contracts with customers	122,303	129,163

A. GOVERNMENT GRANTS

	\$000's	\$000's
Grant income**	98,670	115,031

\*\* Grant income received in relation to the provision of services to children, youth and families in NSW and ACT OOHC (Out of Home Care) and for the safety and prevention for children at risk.

B. FUNDRAISING REVENUE

	\$000's	\$000's
Donors and appeals	5,909	5,856
Bequests	1,818	1,387
Peter Pan Committee	4	136
Peter Pan Opportunity P/L	47	95
Total fundraising revenue	7,778	7,474

C. OTHER GAINS

	\$000's	\$000's
Gain on disposal of property, plant, and equipment **	8,606	294
Net gain/(loss) on financial assets measured at fair value	140	65
Total Other gains	8,746	359

\*\*Included in gain/(loss) on disposal of property, plant and equipment is an amount of \$8.6m relating to the sale of the property at 18 Kerr Parade Auburn, which was settled on 12 March 2024.

NOTE 5: INVESTMENT REVENUE AND FINANCE COSTS

	2024 \$000's	2023 \$000's
<b>A. INVESTMENT REVENUE</b>		
<i>Interest on financial assets measured at amortised cost:</i>		
Interest – cash management / on call	126	23
Interest – term deposit / commercial bills	–	5
<b>Total interest revenue</b>	<b>126</b>	<b>28</b>
<i>Other investment revenue:</i>		
Distributions – Perpetual reserve fund	224	217
<b>Total investment revenue</b>	<b>350</b>	<b>245</b>
<b>B. FINANCE COSTS</b>		
	\$000's	\$000's
<i>Interest on financial liabilities measured at amortised cost:</i>		
Interest on obligations under leases	511	465
Bank charges	107	82
Perpetual charges	17	17
<b>Total finance costs</b>	<b>635</b>	<b>564</b>

NOTE 6: CASH AND CASH EQUIVALENTS

	2024 \$000's	2023 \$000's
<b>Cash and Cash Equivalents</b>		
Cash on hand	56	52
Cash at bank	5,540	2,364
Cash at bank – "gift fund"	1,947	3,215
	<b>7,543</b>	<b>5,631</b>

NOTE 7: TRADE AND OTHER RECEIVABLES

	Note	2024 \$000's	2023 \$000's
<b>TRADE AND OTHER RECEIVABLES</b>			
<b>Current</b>			
<b>Receivables</b>			
Trade receivables	(a)	2,639	2,601
Provision for impairment		(250)	(250)
Other receivables		284	1,884
		<b>2,673</b>	<b>4,235</b>
<b>Trade receivables ageing analysis</b>			
Current		1,002	14
30-60 days		1,089	761
60-90 days		79	1,586
90 days +		469	240
		<b>2,639</b>	<b>2,601</b>

NOTE 8: OTHER FINANCIAL ASSETS

	2024 \$000's	2023 \$000's
<b>OTHER FINANCIAL ASSETS</b>		
<b>Current</b>		
<b>Financial assets at fair value through profit or loss</b>		
Core fund - Perpetual Trustee Company Limited	2	2
Reserve fund - Perpetual Trustee Company Limited	4,509	4,259
Bequest fund - Ord Minnett Limited	553	–
	<b>5,064</b>	<b>4,261</b>
<b>Financial assets measured at amortised cost</b>		
Bank commercial bills, "gift fund"	306	295
<b>Total other financial assets</b>	<b>5,370</b>	<b>4,556</b>

NOTE 9: PROPERTY, PLANT, AND EQUIPMENT

PROPERTY, PLANT, AND EQUIPMENT	2023 \$000's	2022 \$000's
Freehold land:		
At cost		
	596	596
Buildings:		
At cost	4,492	4,504
Accumulated depreciation and impairment	(2,236)	(2,139)
	2,256	2,365
Plant and equipment:		
At cost	634	675
Accumulated depreciation and impairment	(518)	(456)
	116	219
Motor vehicles:		
At cost	7,260	7,764
Accumulated depreciation and impairment	(4,349)	(4,154)
	2,911	3,610
Leasehold improvements:		
At cost	5,964	5,857
Accumulated depreciation	(3,465)	(2,896)
	2,499	2,961
Capital Work in Progress		
At cost	4,131	692
Total property, plant, and equipment	12,509	10,443

a. 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:

DESCRIPTION	Land \$000's	Buildings \$000's	Plant & Equipment \$000's	Motor Vehicles \$000's	Leasehold Improvements \$000's	Capital Work in Progress \$000's	Total \$000's
Balance at the beginning of the year	596	2,365	219	3,610	2,961	692	10,443
Additions	–	12	–	165	107	3,439	3,723
Disposals	–	–	(12)	(200)	–	–	(212)
Depreciation expense	–	(121)	(91)	(664)	(569)	–	(1,445)
Balance at the end of the year	596	2,256	116	2,911	2,499	4,131	12,509

NOTE 10: NON-CURRENT ASSETS HELD FOR SALE

NON-CURRENT ASSETS HELD FOR SALE	2024 \$000's	2023 \$000's
CURRENT		
Non-current assets held for sale	-	394

The property at 18 Kerr Parade Auburn was reclassified as an asset held for sale at 30 June 2022. The Company entered into a contract for sale of the property in December 2022 for a sales price of \$9 million and it was settled in March 2024.

NOTE 11: OTHER ASSETS

OTHER ASSETS	2024 \$000's	2023 \$000's
CURRENT		
Prepayments	1,906	1,974

NOTE 12: INVESTMENT PROPERTIES

INVESTMENT PROPERTIES	2024 \$000's	2023 \$000's
Balance at beginning of the period	2,620	2,652
Depreciation expense	(32)	(32)
Balance at end of period	2,588	2,620

Barnardos currently holds two investment properties located in Shellharbour, NSW. One property is currently an income producing retail outlet, and the other property is held for capital appreciation and is currently being used as a Respite Accommodation facility for clients. The rent receivable for the retail outlet is at market rate and there is a six- month clause within the contract to end the agreement.

Based on the latest valuation on investment properties, the market value of the properties was above the net carrying value. No impairment loss is recognised.

NOTE 13: RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company has leases over land and buildings. The leases are for commercial office spaces utilised for both service delivery staff and office-based support staff, including Special Purpose Children’s Social Care.

	Buildings \$000's	Total \$000's
<b>A. RIGHT-OF-USE ASSETS</b>		
<b>Year ended 30 June 2024</b>		
<b>Balance at the beginning of year</b>	<b>8,391</b>	<b>8,391</b>
Depreciation charge	(2,574)	(2,574)
Additions to right-of-use assets	2,089	2,089
Adjustments to make good provision	1,007	1,007
<b>Balance at end of year</b>	<b>8,913</b>	<b>8,913</b>

B. LEASE LIABILITIES

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

	< 1 year \$000's	1 - 5 years \$000's	> 5 years \$000's	Total undiscounted lease liabilities \$000's	Lease liabilities included in this Statement Of Financial Position \$000's
<b>2024</b>					
Lease liabilities	2,685	5,835	2,365	10,885	9,408

C. SHORT-TERM LEASES

The amount expensed in the statement of profit or loss in relation to short-term and low-value leases was \$625,000 (2023: \$460,000).

NOTE 14: TRADE AND OTHER PAYABLES

TRADE AND OTHER PAYABLES	2024 \$000's	2023 \$000's
<b>Current</b>		
Trade payables	2,515	2,432
Sundry creditors and accrued expenses	2,766	3,703
	<b>5,281</b>	<b>6,135</b>

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.

NOTE 15: PROVISIONS

PROVISIONS	Note	2024 \$000's	2023 \$000's
<b>Current</b>			
Lease incentive		4	4
Employee provision for annual leave		3,242	3,357
Employee provision for long service leave		1,338	1,169
Redress and historical claims		1,564	1,744
	<b>(b)</b>	<b>6,148</b>	<b>6,274</b>
<b>Non-current</b>			
Provision for long service leave		1,368	1,238
Provision for make good		1,882	935
	<b>(a)</b>	<b>3,250</b>	<b>2,173</b>

a. Provision for make good

The provision for make good represents the present value of the Directors’ best estimate of the future sacrifice of economic benefits that will be required to remove leasehold improvements from leased property.

b. Provision for redress and historical claims 30 June 2024

The Provision for Redress and Historical Claims represents an estimate of future payments to past clients. Barnardos (initially as a branch of Barnardos UK and, since July 1996 as Barnardos Australia) has operated a substantial number of residential and non-residential services over a long period of time, caring for vulnerable children and young people. Barnardos accepts that there are cases where clients may have experienced harm and that the possibility of future claims from past clients for compensation exists. This includes the potential for claims to be made through the National Redress Scheme that was established in response to the Royal Commission into Institutional Responses to Child Sexual Abuse. Barnardos, together with Barnardos UK, were accepted into the scheme in December 2019. The Redress Scheme allows for redress of up to \$150,000 for each individual claim. Where claims have been received by Barnardos, these have been assessed for their likely outcome and provision made as required. In addition, an estimate has been made of possible future claims payable both under the Redress Scheme and as legal settlements where a present obligation exists at 30 June 2024.

The Provision for Redress and Historical Claims is estimated by taking into account the following matters in determining the key assumptions:

- An acknowledgement by Barnardos and Barnardos UK, that despite the best intentions, there are instances where past practices have resulted in significant damage to clients,
- The guidelines of the Redress Scheme,
- The agreement between Barnardos UK and Barnardos, that Barnardos UK will meet any liability for matters prior to 1975. There is a contingent liability to Barnardos should Barnardos UK be unable to meet these claims,
- The total number of past clients and prior settlements,
- The various insurances against such matters maintained since the early 1970’s which would be likely to offset a significant amount of any potential liability.

Based on the above assumptions, the provision for Barnardos’ Historical Claims is \$1,564,277 (2023: \$1,743,693).



NOTE 16: CONTRACT LIABILITIES

CONTRACT LIABILITIES	2024 \$000's	2023 \$000's
Current		
Grants received in advance	1,791	2,146
Security deposits	91	–
Deposit received on Auburn property	–	900
	<b>1,882</b>	<b>3,316</b>

Grants received in advance is a current liability. It is income that Barnardos Australia received from Grant providers with future obligations to provide the service across NSW OOHC and ACT Together.

NOTE 17: RESERVES

RESERVES	2024 \$000's	2023 \$000's
Donor reserves*	<b>73</b>	<b>73</b>

Represented by:  
\* The donor reserve is made up of a number of bequests with specific terms.

NOTE 18: FINANCIAL RISK MANAGEMENT

FINANCIAL ASSETS	2024 \$000's	2023 \$000's
<b>Held at amortised cost</b>		
Cash and cash equivalents	7,543	5,631
Trade and other receivables	2,673	4,235
Other financial assets	<b>306</b>	<b>295</b>
<b>Fair value through profit or loss (FVTPL)</b>		
Other financial assets	<b>5,064</b>	<b>4,261</b>
<b>Total financial assets</b>	<b>15,586</b>	<b>14,422</b>
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised cost</i>		
Trade and other payables	5,281	6,135
Leases	9,408	9,671
<b>Total other financial assets</b>	<b>14,689</b>	<b>15,806</b>

NOTE 19: PRIOR PERIOD RESTATEMENT

The following restatements have been made to the comparative 2023 balances in the Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income:

- The right of use assets and lease liabilities were incorrectly presented due to the omission of several leases, including a material lease contract, being property at 26 Thynne Street, Bruce, ACT. The impact of the restatement increased right of use assets and leases liabilities by \$4.252 million.
- Interest expense on leases of \$392,000 has been reclassified from administration costs to finance costs.
- Non-current assets held for sale were presented at cost in 2023, accumulated depreciation has been reclassified from Property, Plant and Equipment to assets held for sale to the amount of \$258,000
- Provision for doubtful debts of \$250,000 has been reclassified from provisions to trade and other receivables.

The aggregate effect of the restatements on the annual financial statements for the year ended 30 June 2023 is as follows:

	30 June 2023 Reported \$000's	Adjustments \$000's	30 June 2023 Restated \$000's
<b>PRIOR PERIOD STATEMENT</b>			
<b>Statement of Profit or Loss</b>			
<b>Total revenue</b>	129,163	–	129,163
Social care centres	(113,185)	–	(113,185)
Fundraising	(4,589)	–	(4,589)
Finance costs	(172)	(392)	(564)
Property and administration	(1,766)	392	(1,374)
Recruitment services	(5,047)	–	(5,047)
Administration and governance	(167)	–	(167)
<b>Total profit or loss</b>	<b>4,237</b>	<b>–</b>	<b>4,237</b>
<b>Statement of Financial Position</b>			
Cash and cash equivalents	5,631	–	5,631
Trade and other receivables	4,485	(250)	4,235
Non-current assets held for sale	652	(258)	394
Other financial assets	4,556	–	4,556
Other assets	1,974	–	1,974
<b>Total current assets</b>	<b>17,298</b>	<b>(508)</b>	<b>16,790</b>
Property, plant and equipment	10,185	258	10,443
Investment properties	2,620	–	2,620
Right-of-use assets	4,139	4,252	8,391
<b>Total non-current assets</b>	<b>16,944</b>	<b>4,510</b>	<b>21,454</b>
<b>Total assets</b>	<b>34,242</b>	<b>4,002</b>	<b>38,244</b>

NOTE 19: PRIOR PERIOD RESTATEMENT (Continued)

	30 June 2023 Reported \$000's	Adjustments \$000's	30 June 2023 Restated \$000's
<b>PRIOR PERIOD STATEMENT</b>			
<b>Liabilities</b>			
Trade and other payables	6,135	–	6,135
Contract liabilities	3,316	–	3,316
Provisions	6,274	–	6,274
Lease Liabilities	-	2,954	2,954
<b>Total current liabilities</b>	<b>15,725</b>	<b>2,954</b>	<b>18,679</b>
Long term provisions	2,423	(250)	2,173
Lease Liabilities	5,419	1,298	6,717
<b>Total non-current liabilities</b>	<b>7,842</b>	<b>1,048</b>	<b>8,890</b>
<b>Total Liabilities</b>	<b>23,567</b>	<b>4,002</b>	<b>27,569</b>
<b>Equity</b>			
Reserves	73	–	73
Retained earnings	10,602	–	10,602
<b>Total Equity</b>	<b>10,675</b>	<b>–</b>	<b>10,675</b>

NOTE 20: AUDITOR'S RENUMERATION

FINANCIAL ASSETS	2024 \$000's	2023 \$000's
<b>Remuneration of the auditor: PKF</b>		
• auditing or reviewing the financial statements	62,000	54,250
• fees for agreed-upon-procedures	–	8,500
• fees for grant acquittal procedures	21,200	–
	<b>83,200</b>	<b>62,750</b>

NOTE 21: CONTINGENCIES

As at 30 June 2024, the Commonwealth Bank has issued bank guarantees totaling \$671,001 (2023: \$596,796) to guarantee various commercial leases entered into by Barnardos. For Contingent liabilities in respect to Redress and legal claims please refer to note 15.

NOTE 22: KEY MANAGEMENT PERSONNEL DISCLOSURES

The remuneration paid to key management personnel of the Company is \$1,602,126 (2023: \$1,509,122).

NOTE 23: RELATED PARTIES

a. The Company's main related parties are as follows:

Key management personnel - refer to Note 22.

Directors - No Director has received or become entitled to receive any remuneration from the company in their capacity as a Director (2023: \$Nil). Any goods purchased by the Directors were acquired at commercial rates.

b. Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 24: EVENTS AFTER THE END OF THE REPORTING PERIOD

The financial report was authorised for issue on 30 October 2024 by the Directors. No matters or circumstances have arisen since the end of the financial which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future.

NOTE 25: INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991

INFORMATION TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991	2024 \$000's	2023 \$000's
<b>a. Details of aggregate gross income and total expenses of fundraising appeals</b>		
<b>Gross proceeds from fundraising appeals:</b>		
Mail appeals	3,967	4,502
Other appeals	1,942	1,346
Bequests	1,818	1,387
Auxiliaries	51	239
<b>Total gross proceeds from fundraising appeals</b>	<b>7,778</b>	<b>7,474</b>
<b>(Less): direct costs of fundraising appeals</b>	<b>(4,146)</b>	<b>(3,704)</b>
<b>Surplus obtained from fundraising appeals</b>	<b>3,632</b>	<b>3,770</b>
<b>(Less): administrative and indirect fundraising costs</b>	<b>(1,222)</b>	<b>(884)</b>
<b>Net surplus from fundraising</b>	<b>2,410</b>	<b>2,886</b>

**b. Accounting principles and methods adopted in the financial statements**

The accounting principles and methods adopted in the preparation of the Financial Statements are set out in Note 2 of the notes to the Financial Statements.

**c. Statement showing how funds received were applied to charitable statements**

The net surplus from fundraising appeals was \$2,410,000 (2023: \$2,886,000). This was applied to charitable purposes in the form of expenditure on direct social care services as set out in note 25 (a) to the financial statements.

**d. Fundraising appeals conducted during the financial year**

Mail appeals, other appeals, auxiliaries, and special events.

**e. Comparisons of certain monetary figures and percentages**

	2024 \$000's		2024 %	2023 \$000's		2023 %
	Direct cost	Gross income		Direct cost	Gross income	
Total direct cost of fundraising / gross income from fundraising	4,146	7,778	53%	3,704	7,474	50%
Surplus from fundraising / gross income from fundraising	3,632	7,778	47%	3,770	7,474	50%
Total cost of fundraising / gross income from fundraising	5,368	7,778	69%	4,589	7,474	61%
Net surplus from fundraising / gross income from fundraising	2,410	7,778	31%	2,886	7,474	39%
<b>Total expenditure</b>						
Total costs of services / total expenditure (excluding fundraising and merchandising expenditure)	102,486	112,077	91%	113,185	120,337	94%
<b>Total costs of services / total expenditure (excluding fundraising and merchandising expenditure)</b>	<b>102,486</b>	<b>112,077</b>	<b>91%</b>	<b>113,185</b>	<b>120,337</b>	<b>94%</b>

Responsible Person's Declaration


Barnardos Australia

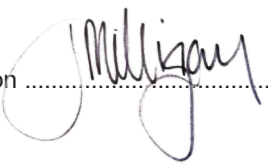
Responsible Persons' Declaration

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

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

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

  
Responsible person .....

  
Responsible person .....

Dated 08 November 2024



**PKF(NS) Audit & Assurance Limited Partnership**  
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INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BARNARDOS AUSTRALIA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Barnardos Australia (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other 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 material accounting policies and other explanatory information, and the declaration by the directors. In addition, we have audited Barnardos Australia's compliance with specific requirements of the Charitable Fundraising Act 1991.

In our opinion:

- a) The accompanying financial report of Barnardos Australia, has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:
  - i. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
  - ii. complying with Australian Accounting Standards – Simplified Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.
- b) the financial report agrees to the underlying financial records of Company, that have been maintained, in all material respects, in accordance with the Charitable Fundraising Act 1991 and its regulations for the year ended 30 June 2024;
- c) monies received by the Company, as a result of fundraising appeals conducted during the year ended 30 June 2024, have been utilised for and applied, in all material respects, in accordance with the Charitable Fundraising Act 1991 and its regulations.

We have obtained all the necessary information required in connection with our audit in respect of the financial year ended 30 June 2024.

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 and Compliance with Specific Requirements of the Charitable Fundraising Act 1991 section of our report.

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

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Independence

We are independent of the Company in accordance with the auditor independence requirements of the ACNC Act and the ethical requirements of the Accounting Professional & 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 and compliance with specific requirements of the Charitable Fundraising Act 1991 in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024 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, 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 Directors for the Financial Report, for compliance with the Australian Charities and Not-for-profits Commission Act 2012 and the Charitable Fundraising Act 1991

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view, in accordance with the Australian Accounting Standards – Simplified Disclosures and the ACNC Act and for compliance with the Charitable Fundraising Act 1991. The directors responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error and to enable compliance with the Charitable Fundraising Act 1991.

In preparing the financial report, directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report and Compliance with the Specific Requirements of the Charitable Fundraising Act 1991

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 the Company complied, in all material respects, with specific requirements of the Charitable Fundraising Act 1991, 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.





Auditor’s Responsibilities for the Audit of the Financial Report and Compliance with the Specific Requirements of the Charitable Fundraising Act 1991 (cont’d)

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 non-compliance with the specific requirements of the Charitable Fundraising Act 1991 and 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 Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company 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.

Because of the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance with the Charitable Fundraising Act 1991 may occur and not be detected. An audit is not designed to detect all weaknesses in Company’s compliance with the Charitable Fundraising Act 1991 as an audit is not performed continuously throughout the period and the tests are performed on a sample basis.

We communicate with the directors 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.



Auditor’s Responsibilities for the Audit of the Financial Report and Compliance with the Specific Requirements of the Charitable Fundraising Act 1991 (cont’d)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

A handwritten signature in black ink, appearing to read 'Kym Reilly', written over a faint, larger 'PKF' logo.

PKF

A handwritten signature in black ink, appearing to read 'Kym Reilly', written over a faint, larger 'PKF' logo.

KYM REILLY  
PARTNER

8 NOVEMBER 2024  
SYDNEY, NSW

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**barnardos.org.au**

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**Barnardos**  
**Australia**