

**Muscular Dystrophy Association of  
New South Wales**

**ABN 11 774 587 436**

**Financial Report  
For the Year Ended 30 June 2023**

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
**ABN 11 774 587 436**

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**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN 11 774 587 436**

**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023**

Your directors present their report on the entity for the financial year ended 30 June 2023.

**Short-term and Long-term Objectives**

The entity's short-term objectives are to:

- attract and retain employees of high calibre, and provide a safe and productive work environment for them
- provide high quality services and programs that its clients value, whether funded through National Disability Insurance Scheme (NDIS) packages or otherwise
- increase the funds raised both to maintain the sustainability of our services and to expand them to meet the needs of a greater proportion of the neuromuscular community

The entity's long-term objectives are to:

- empower, connect and support people living with neuromuscular conditions, their families and carers
- maintain a strong governance and continuous improvement culture
- position it as the leading whole of life provider of choice of specialised services and expert information for people affected by neuromuscular conditions
- fund more research relevant to the needs of the neuromuscular community
- ensure it remains a suitably accredited provider to the NDIS
- facilitate greater national collaboration among other similar State-based neuromuscular community-focused organisations
- continue to develop and deliver relevant and meaningful client services and programs as the needs of the neuromuscular community evolve over time

**Strategies for achieving the objectives**

To achieve these objectives, the entity is currently focused on the following strategies:

- implementation of a new fundraising strategy, which aims to broaden its donor base
- achieving the anticipated benefits from a recent internal restructure
- on-going engagement with the neuromuscular community to ensure our current and proposed services are adequately and appropriately meeting their existing and emerging needs and priorities

**Principal Activities**

The principal activities of the entity during the financial year, in implementing its strategies, were the delivery of children's camps, sibling support, peer support programs, retreats, skill development programs, the Duke of Edinburgh Award and representative advocacy. The entity also raises awareness and provides specialised information through its e-news, web presence and by hosting its annual neuromuscular information and research day.

**How those activities assist in achieving the objectives**

The entity's services are targeted to meet the needs and priorities of the neuromuscular community and continue to be well-supported by it.

**How our performance is measured**

During the year, the entity continued to engage in its principal activities, the financial results of which are disclosed in the attached financial statements. The profit for the year ended 30 June 2023 amounted to \$289,807 (2022: \$875,277).

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**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023**  
**(continued)**

Some services have been able to re-commence following a COVID-related hiatus, e.g., the first children's summer camp since 2019 was held during December 2022.

An NDIS audit of the entity was conducted during the latter months of the financial year and since then, with the entity retaining its accredited provider status.

Preliminary discussions have been held with another State-based neuromuscular-focused organisation about the potential for collaborative provision of some services.

**Directors**

The names of the directors in office during or since the end of the financial year are:

Ms. Zannie Abbott	Appointed 8th July 2022, resigned 8th June 2023
Mr. Richard Arnheim	Resigned 16th June 2023
Mr. Anthony Ball	Resigned 03 October 2023
Ms. Michelle Ball	
Mr. Harvey Blackney	Appointed 3rd October 2023
Dr. Alastair Corbett	
Dr. Michelle Anne Er	
Mr. Robert Fraser	Appointed 21st December 2022
Mr. Tait Royce Jenkins	
Mr. Mark Leigh McCoy	
Ms. Susanna Montrone	Appointed 3rd October 2023
Ms. Laura Sheridan Mouton	Resigned 9th June 2023
Mr. Nathan Teong	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Meetings of Directors**

During the financial year, 7 meetings of directors were held. Attendances by each director during the financial year were as follows:

	<i>Number eligible to attend</i>	<i>Number attended</i>
Mr. Anthony Ball	7	6
Dr. Alastair Corbett	7	5
Mr. Tait Royce Jenkins	7	7
Mr. Richard Arnheim	7	3
Ms. Michelle Ball	7	6
Mr. Nathan Teong	7	7
Ms. Laura Sheridan Mouton	7	5
Dr. Michelle Anne Er	7	6
Mr. Mark McCoy	7	7
Mr. Robert Fraser	4	4
Ms. Zannie Abbott	7	6

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**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023**  
**(continued)**

**Information about Directors**

<i>Name, qualifications and independence status</i>	<i>Experience, special responsibilities and other directorships</i>
Ms. Zannie Abbott BA Independent	Head of Communications and Content, eBay Australia Co-Founder, ReelStory.co
Mr. Richard Arnheim CFP, FFPA, CA ANZ, BCom <i>Treasurer (to June 2023)</i> Independent	Lived with a neuromuscular condition Member of Institute of Chartered Accountants in Aus & NZ Authorised Representative and Principal of Shadforth Financial Group (until February 2023)
Mr Anthony Ball BEc Grad Cert Pub Aff <i>President (to February 2023)</i> Independent	General Manager, Government and Industry Relations ANZ/APAC, Aristocrat Leisure. Director, Gaming Technologies Association
Ms Michelle Ball BMedSc <i>Vice-President</i> Independent	Regional HR Executive APAC Talent and Learning Bank of America Board member, NSW Power Football Director since December 2018
Mr Harvey Blackney BAppSc (P&O) Independent	Prosthetist Life Member, The Australian Orthotic Prosthetic Association
Dr. Alastair Corbett MBChB, MD, FRACP, FAAN Independent	Neurologist, Consultant Emeritus and Honorary Visiting Medical Officer, RGH Concord Clinical Associate Professor, University of Sydney Director since April 2022
Dr. Michelle Anne Er MBBS FRACP PhD Independent	Associate Professor in Pediatric Neurology, UNSW Specialist Child Neurologist, Sydney Children's Hospital Director since June 2021
Mr. Robert Fraser BEc LLB (Hons) <i>President (since February 2023)</i> Independent	Principal, Taylor Collison Chairman, ARB Corporation Chairman, Magellan Asset Management Director, MFF Capital Investments Director, FFI Holdings
Mr. Tait Royce Jenkins BCom (ProfAccg) Independent	Director, Muscular Dystrophy Foundation Australia Financial Analyst Operations Finance, Commonwealth Bank Lives with a neuromuscular condition Director since June 2021
Mr. Mark McCoy BCom, MBA, FCA, FFin FGIA, FCG, FAICD <i>Treasurer (since June 2023)</i> Independent	Director, Nucleus Software Australia Pty Limited Director since April 2022

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2023**  
**(continued)**

**Information about Directors (continued)**

<i>Name, qualifications and independence status</i>	<i>Experience, special responsibilities and other directorships</i>
Ms. Susanna Montrone BA (Hons) JD GAICD FGIA Independent	Public policy and advocacy consultant
Ms. Laura Sheridan Mouton BA (Hons) JD GAICD FGIA Independent	Executive General Manager - Legal and Governance Anglican Community Services
Mr. Nathan Teong BCom, GradDipAppFin Independent	Parent of George who lives with a neuromuscular condition. Director since February 2018

**Members' Guarantees**

The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the entity is wound up, its Constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the company. At 30 June 2023, the total amount the members of the entity are liable to contribute if the entity were wound up is \$2,520 (2022: \$3,360).

**Auditor's Independence Declaration**

As required under section 307C of the *Corporations Act 2001*, a copy of the auditor's independence declaration for the year ended 30 June 2023 has been received and can be found attached to this report.

Signed in accordance with a resolution of the Board of Directors:

DocuSigned by:  
  
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.....  
**Robert Fraser**

President                      27 October 2023

Dated this                      day of October 2023



**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012  
TO THE DIRECTORS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**


In accordance with section 60-40 of the *Australian Charities and Not-for-Profits Commission Act 2012*, we are pleased to provide the following declaration of independence to the directors of Muscular Dystrophy Association of New South Wales.

As the lead audit partner for the audit of the financial report of Muscular Dystrophy Association of New South Wales for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Australian Charities and Not-Profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**Name of Firm:** MCCARTHY SALKELD  
AUDIT PTY LTD

**Name of Partner:**

  
\_\_\_\_\_  
Jane Perry FCA JP

**Address:** Ground Floor, Suite 3  
410 Church Street  
North Parramatta NSW 2151

**Dated this 30<sup>th</sup> day of October 2023**

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
**ABN 11 774 587 436**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023 \$	2022 \$
<b>REVENUE</b>			
Revenue from fundraising activities	2	1,180,395	1,534,796
Change in fair value – exchange traded funds		29,713	-
Financial and other income	2	886,037	941,022
Total income		2,096,145	2,475,818
<b>EXPENSES</b>			
Fundraising expenses - direct		272,170	225,729
Fundraising expenses- indirect		185,678	136,698
Client service provision expenses		1,059,136	973,656
Change in fair value – exchange traded funds		-	49,111
Administration expenses		272,127	190,629
Depreciation and amortisation expenses	3	17,227	24,718
Total expenses		1,806,338	1,600,541
Profit for the year	16	289,807	875,277
<b>Total comprehensive income for the year</b>		<b>289,807</b>	<b>875,277</b>

The accompanying notes form part of these financial statements



**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	2,459,401	2,362,134
Trade and other receivables	6	49,990	53,536
Financial assets	7	442,539	387,174
Other assets	8	65,889	67,102
<b>TOTAL CURRENT ASSETS</b>		3,017,819	2,869,946
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	9	11,546	13,480
Right of use assets	11	23,644	29,555
Intangible Assets	10	110,850	58,739
<b>TOTAL NON-CURRENT ASSETS</b>		146,040	101,774
<b>TOTAL ASSETS</b>		3,163,859	2,971,720
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	129,975	55,766
Provisions for employee entitlements	13	133,302	127,779
Lease liabilities	15	6,558	5,297
Other liabilities	14	80,230	273,562
<b>TOTAL CURRENT LIABILITIES</b>		350,065	462,404
<b>NON-CURRENT LIABILITIES</b>			
Provision for employee entitlements	13	56,772	37,421
Lease liabilities	15	19,579	24,258
<b>TOTAL NON-CURRENT LIABILITIES</b>		76,350	61,679
<b>TOTAL LIABILITIES</b>		426,415	524,083
<b>NET ASSETS</b>		2,737,444	2,447,637
<b>EQUITY</b>			
Retained earnings		2,737,444	2,447,637
<b>TOTAL EQUITY</b>		2,737,444	2,447,637

The accompanying notes form part of these financial statements

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR 30 JUNE 2023**

	<b>Business Development Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>Balance at 30 June 2021</b>	-	1,572,360	1,572,360
Transfers	300,000	(300,000)	-
Profit / (loss) attributable to members of the entity	(67,351)	942,628	875,277
<b>Balance at 30 June 2022</b>	232,649	2,214,988	2,447,637
Transfers	(232,649)	232,649	-
Profit attributable to members of the entity	-	289,807	289,807
<b>Balance at 30 June 2023</b>	-	2,737,444	2,737,444

The accompanying notes form part of these financial statements

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Receipt of grants		496,161	597,567
Receipts from bequests donations and clients		1,543,390	1,851,534
Payments to suppliers and employees		(1,907,197)	(1,543,410)
Interest received		56,898	3,373
Net cash flow from operating activities	<b>16</b>	189,253	909,064
<b>Cash flows from investing activities</b>			
Net purchases of plant and equipment		(6,717)	(14,588)
Purchase of intangibles		(54,775)	(52,500)
Proceeds from sale of plant and equipment		-	11,998
Purchase of financial assets at fair value through profit or loss		(25,651)	(20,996)
Net cash flow from investing activities		(87,144)	(76,086)
<b>Cash flows from financing activities</b>			
(Repayment)/ proceeds of lease liability		(4,842)	4,238
Net cash flow from financing activities		(4,842)	4,238
Net increase in cash and cash equivalents		97,267	837,216
Cash and cash equivalents at the beginning of financial year		2,362,134	1,524,918
Cash and cash equivalents at the end of financial year	<b>5</b>	2,459,401	2,362,134

The accompanying notes form part of these financial statements

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Summary of Significant Accounting Policies**

**Basis of Preparation**

The entity is incorporated under the Corporations Act 2001 as a company limited by guarantee.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act (2012)* and its regulations. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

These financial statements, except for the cash flow information, have been prepared on an accrual 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on October 2023 by the directors of the entity.

**Accounting Policies**

**a) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Division 50-5 of the *Income Tax Assessment Act 1997*.

**b) Plant and Equipment**

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

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in the profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1f) for details of impairment).

**Depreciation**

The depreciable amount of all fixed assets, including plant and equipment, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of fixed Asset</b>	<b>Depreciation Rate</b>
Plant and Equipment	10.0 – 50.0%
Motor Vehicles	8.33 – 12.50%
Right of Use Asset	20.0%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**b) Property, Plant and Equipment (continued)**

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit and loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**c) Intangible Assets**

**Software**

The organisation has developed two online portals to facilitate donations and utilises other software. The portals and other software are initially recognised at cost. These assets will be amortised for five years and are carried at cost less any accumulated amortisation and impairment losses.

The directors will assess impairment for software on annual basis and make the required adjustments based on reliable evidence. Where software is acquired at no cost, or for a nominal cost, the cost is its fair value, as at the date of acquisition.

**d) Leases**

**The Entity as lessee**

At inception of a contract, the entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the entity where the entity is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the entity uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**e) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit and loss immediately.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and (iv) less any reduction for impairment.

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

*(i) Financial assets at fair value through profit and loss*

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in [profit or loss. Not appropriate if held for investment rather than trading]

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

*(iii) Financial liabilities*

Non derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

**Fair Value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**e) Financial Instruments (continued)**

**Impairment**

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the profit and loss.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**f) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**g) Employee Benefits**

**Short-term employee benefits**

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

The entity's obligations for short-term employee benefits such as wages, salaries, time-off-in-lieu and sick leave are recognised as part of short-term provisions in the statement of financial position.

**Other long-term employee benefits**

The entity classifies employees' long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the entity's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**g) Employee Benefits (continued)**

discounted at rates determined by reference to market yields at the end of the reporting period on 10-year Australian government bonds that have maturity dates that approximate the terms of the obligations. Any re-measurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

**h) Provisions**

Provisions are recognised when the entity 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 recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**i) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

**j) Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**k) Revenue**

**Revenue recognition**

*Operating Grants, Donations and Bequests*

When the entity earns or receives operating grant funding, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers*.

When both these conditions are satisfied, the entity:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**k) Revenue (continued)**

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the entity recognises income in profit or loss when or as it satisfies its obligations under the contract.

Membership subscriptions revenue comprises revenue from membership fees derived and relating to the financial year.

Donations are recognised as revenue when received.

Bequest amounts are recognised as revenue when received, unless there are unsatisfied conditions attaching to the bequest, in which case it is recognised as income as or when the respective condition(s) are satisfied.

Specific or tagged bequests are recognised as income when the appropriate program or research expenses as approved by the board are incurred.

Revenue from fundraising events is recognised in the year in which the event is held.

Interest income is recognised using the effective interest rate method.

Revenue from the rendering of a service is recognised upon the delivery of the service to customers.

Other revenue is recognised when the right to receive the revenue has been established.

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

**l) Prepaid Membership Subscriptions**

Membership subscriptions received during the year but relating to the following financial year are included in unearned income.

**m) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
**ABN 11 774 587 436**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**n) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

**Key estimates**

- i) Useful lives of plant & equipment*  
As indicated in note 1(b), the entity reviews the estimated useful lives of plant and equipment at the end of each annual reporting period.
- ii) Useful lives of intangible assets*  
As indicated in note 1(c), the entity reviews the estimated useful lives of intangible assets at the end of each annual reporting period.

**Key judgements**

- i) Performance obligations under AASB 15*  
To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/ type, cost/ value, quantity and the period of transfer related to the goods or services promised.
- ii) Lease term and Option to Extend Under AASB 16*  
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 going to be exercised is a key management judgement that the entity will make. The entity determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.
- iii) Provision for employee benefits*  
For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the entity expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month period that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 1: Statement of Significant Accounting Policies (continued)**

**o) Economic Dependence**

The entity is dependent on donations, bequests and special events for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe these revenue sources will not continue to support the entity.

**p) Fair Value of Assets**

The entity measures some of its assets at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

“Fair value” is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset (ie the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

**q) New Accounting Standards Adopted by the Entity**

*AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*

The Entity adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

*AASB 2021-7a: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*

AASB 2020-7a makes various editorial corrections to a number of standards effective for reporting periods beginning on or after 1 January 2022. The adoption of the amendment did not have a material impact on the financial statements.

*AASB 2022-3: Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*

AASB 2022-3 amends the Australian illustrative examples for not-for-profit entities accompanying AASB 15 Revenue from Contracts with Customers to illustrate how AASB 15 applies to the recognition and measurement of upfront fees. The amendments do not change the requirements of AASB 15.

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
**ABN 11 774 587 436**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 2: Revenue and Other Income</b>			
Revenue from fundraising activities			
Revenue from events		195,107	246,808
Donations (*)		858,161	342,548
Non-government grants		39,236	31,137
Bequests		87,891	914,303
Total revenue		<u>1,180,395</u>	<u>1,534,796</u>
Change in fair value – exchange traded funds		29,713	-
Financial and Other Income			
Financial income	4	81,180	44,594
Membership fees		2,520	3,373
Grants received			
JobSaver and JobKeeper		-	76,972
COVID-19 business support		-	16,109
Other government grants		456,925	473,349
Revenue from providing NDIS-funded services		345,412	295,721
Other Income		-	30,904
Total financial and other income		<u>886,037</u>	<u>941,022</u>
Total income		<u>2,096,145</u>	<u>2,475,818</u>

(\*) Donations includes amounts received as cash through collection boxes totalling \$8,580 (2022: \$10,936).

**Note 3: Profit for the year**

The profit for the year includes the following expenses:

**Depreciation and Amortisation**

Plant & Equipment	7,844	9,846
Motor Vehicles	808	6,357
Intangibles Amortisation Expense	2,664	2,664
Right of Use Assets	5,911	5,851
	<u>17,227</u>	<u>24,718</u>

**Other expenses**

Scholarship Grants	3,681	-
	<u>3,681</u>	<u>-</u>

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 4: Financial Income</b>			
Interest income		56,898	3,373
Distributions – exchange traded funds		17,697	33,321
Imputation credits – exchange traded funds		6,585	7,900
		81,180	44,594
<b>Note 5: Cash and cash equivalents</b>			
Cash at bank		364,690	258,381
Cash on deposit		2,094,711	2,103,753
		2,459,401	2,362,134
<b>Note 6: Trade and other receivables</b>			
Trade receivables		2,112	18,750
Accrued Income		40,324	29,455
Net GST receivable		7,554	5,331
		49,990	53,536
<b>Note 7: Financial assets</b>			
Financial assets at fair value through profit or loss	<b>7(a)</b>	442,539	387,174
		442,539	387,174
(a) Financial assets at fair value through profit or loss			
Held for trading - Australian managed fund units		442,539	387,174
Securities in managed funds are held for trading purposes to generate income through the receipt of distributions and, ultimately, capital gains.			
<b>Note 8: Other Assets</b>			
Franking credits from receipt of dividends		6,585	7,900
Prepayments		57,982	57,358
Other current assets		1,322	1,844
		65,889	67,102

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 9: Plant and equipment</b>			
Plant and equipment			
At cost		33,949	27,009
Less: Accumulated depreciation		(22,403)	(14,337)
Total plant and equipment		11,546	12,672
Motor vehicles			
At cost		58,180	58,180
Less: Accumulated depreciation		(58,180)	(57,372)
Total motor vehicles		-	808
Total plant and equipment		11,546	13,480

**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.

	Plant and Equipment \$	Motor Vehicles \$	Equipment Leased \$	Total \$
<b>2023</b>				
Balance at the beginning of the year	12,672	808	29,555	43,035
Additions at cost	6,718	-	-	6,718
Disposals	-	-	-	-
Depreciation expense	(7,844)	(808)	(5,911)	(14,563)
Carrying amount at the end of year	11,546	-	23,644	35,190
<b>2022</b>				
Balance at the beginning of the year	18,425	7,501	24,574	50,500
Additions at cost	4,267	-	29,555	33,822
Disposals	(175)	(336)	(18,723)	(19,234)
Depreciation expense	(9,485)	(6,357)	(5,851)	(22,053)
Carrying amount at the end of year	12,672	808	29,555	43,035

	Note	2023 \$	2022 \$
<b>Note 10: Intangibles</b>			
Software – at cost		120,595	65,820
Accumulated amortisation		(9,745)	(7,081)
Total intangibles		110,850	58,739

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 10: Intangibles (continued)</b>			
Balance at the beginning of the year		58,739	8,903
Additions		54,755	52,500
Disposals		-	-
Amortisation expense		(2,664)	(2,664)
		110,850	58,739

**Note 11: Right of Use Assets**

The entity's lease portfolio includes printer equipment. The lease has a lease term of 5 years.

The option to extend or terminate are contained in the equipment lease agreement. These clauses provide the entity opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the entity. The extension options or termination options which were probable to be exercised have been included in the calculation of the Right of use asset.

**i) AASB 16 related amounts recognised in the balance sheet**

**Right of use assets**

Leased Equipment	29,555	29,555
Accumulated Depreciation	(5,911)	-
Total Right of use asset	23,644	29,555

**Movement in carrying amounts:**

**Leased equipment:**

Opening balance	29,555	24,574
Additions	-	29,555
Lease Termination	-	(24,574)
Depreciation expense	(5,911)	-
Net Carrying Amount	23,644	29,555

**ii) AASB 16 related amounts recognised in the statement of profit or loss**

Depreciation Charge related to right-of-use assets	5,911	5,851
Interest expense on lease liabilities	1,423	-

**iii) Total future lease payments at the end of the reporting period**

No later than 1 year	6,720	6,720
Between 1 to 5 years	20,160	26,880
Total future lease payments	26,880	33,600

**Note 12: Trade and Other Payables**

Trade payables	11,116	9,724
Accrued expenses	92,530	15,113
Credit Cards	1,495	3,894
PAYG Withholding	12,526	22,904
Superannuation contributions liability	3,967	4,131
Other Payables	8,342	-
	129,975	55,766

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 13: Provisions for employee entitlements</b>			
Current:			
- Annual leave entitlements		102,951	96,838
- Time off in lieu entitlements		13,358	13,932
- Long service leave entitlements		16,992	17,009
Total current provisions for employee entitlements		133,302	127,779
Non-current:			
- Long service leave entitlements		56,772	37,421
Total non-current provision for employee entitlements		56,772	37,421
Analysis of total provisions			
Opening balance at 1 July		165,200	110,303
Additional provisions raised during the year		133,168	143,720
Amounts used during the year		(108,294)	(88,823)
Balance at 30 June		190,074	165,200

**Employee Entitlements**

Employee entitlements represent amounts accrued for annual leave, time-off in lieu and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes the amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service but have completed at least five years of service.

**Note 14: Other Liabilities**

Contract liabilities		37,608	231,939
NEWS funds held in trust		42,623	41,623
		80,230	273,562

**Note 15: Lease liabilities**

Amounts due within one year		6,558	5,297
Amounts due between one and five years		19,579	24,258
Minimum lease payments		26,136	29,555



**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 15: Lease liabilities (continued)</b>			
The entity entered into a new lease agreement during June 2023 for 3 Fuji Xerox Printers over a period of 60 months. The lease term will expire on 30 June 2027.			
<b>Note 16: Profit and cash flow reconciliation</b>			
Profit for the year		289,807	875,277
<b>Non-cash flows in profit</b>			
Net disposal of plant and equipment		-	(11,998)
Depreciation and amortisation expense		17,227	24,717
Interest paid		1,423	-
Unrealised (gain)/loss from investments		(29,713)	49,111
<b>Changes in assets and liabilities</b>			
(Increase)/decrease in other assets		1,213	(31,897)
(Increase)/decrease in trade and other receivables		3,546	(8,015)
Increase/(decrease) in trade and other payables		74,209	(43,027)
Increase/(decrease) in provisions		24,874	54,896
Increase/(decrease) in other liabilities		(193,333)	-
Net cash flow from operating activities		189,253	909,064

**Note 17: Events occurring after balance date**

The directors have decided, with effect from 01 July 2023, that the managed fund units (currently shown as 'financial assets through profit or loss') are held for investment purposes rather than trading purposes.

No other matters or circumstances have occurred subsequent to the end of the financial year that have significantly affected, or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

**Note 18: Key management personnel compensation**

Key Management Personnel (KMP) are person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

The entity's KMP comprise its directors (who receive no remuneration) its chief operating officer and chief executive officer. Total remuneration paid to KMP during the year was:

	2023 \$	2022 \$
KMP compensation	264,925	183,777

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Note 19: Other related party transactions</b>			
Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.			
Two directors made significant personal donations totalling \$57,056 (2022: \$68,000).			
Transactions with related parties are on normal commercial terms and conditions which are no more favourable than those available to other persons.			
<b>Note 20: Financial risk management</b>			
The entity's financial instruments consists mainly of cash and cash equivalents, short-term investments, trade and other receivables, trade and other payables and lease liabilities.			
The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: <i>Financial Instruments</i> as detailed in the accounting policies to these financial statements, are as follows:			
<b>Financial Assets</b>			
Financial assets at fair value through profit or loss:			
Held-for-trading exchange traded fund units	7(a)	442,539	387,174
Financial assets at amortised cost:			
Cash and cash equivalents	5	2,459,401	2,362,134
Trade and other receivables	6	49,990	53,536
		2,951,930	2,802,844
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost:			
Trade and other payables	12	129,975	55,766
Lease liabilities	15	26,136	29,555
		156,111	85,321

**Note 21: Fair Value Measurements**

The entity measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss;

The entity does not subsequently measure any assets at fair value on a non-recurring basis.

*Valuation techniques*

The entity selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset being measured. The valuation techniques selected by the entity are consistent with one or more of the following valuation approaches:

- the market approach, which uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- the income approach, which converts estimated future cash flows or income and expenses into a single discounted present value; and
- the cost approach, which reflects the current replacement cost of an asset at its current service capacity.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Note 21: Fair Value Measurements (continued)**

**Valuation techniques**

The entity selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset being measured. The valuation techniques selected by the entity are consistent with one or more of the following valuation approaches:

- the market approach, which uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities;
- the income approach, which converts estimated future cash flows or income and expenses into a single discounted present value; and
- the cost approach, which reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset, including assumptions about risks. When selecting a valuation technique, the entity gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

**Note 22: Fundraising activities**

Fundraising activities conducted during the year included mail appeals, raffles and various other fundraising projects and receipt of indirectly solicited donations and bequests.

	<b>Note</b>	<b>2023</b>	<b>2022</b>
		\$	\$
<b>i) Results of fundraising appeals</b>			
Gross proceeds from fundraising activities		1,180,395	1,534,796
Less: Direct costs of fundraising activities		(272,170)	(225,729)
Profit derived from fundraising activities		908,225	1,309,067
<b>ii) Application of profit derived from fundraising activities</b>			
Client service provision costs		401,917	420,262
Administration expenses		153,252	118,174
		555,159	538,436
Net fundraising profit/(loss) after application of funds		353,066	770,631

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

<b>Note 22: Fundraising activities (continued)</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>
<b>iii) Comparisons of certain monetary amounts and percentages</b>				
Total cost of fundraising (*)	457,848	38.79	362,427	23.61
Gross proceeds from fundraising	1,180,395		1,534,796	
Net surplus from fundraising	722,547	61.21	1,172,369	76.39
Gross proceeds from fundraising	1,180,395		1,534,796	
Total costs of client services	1,059,136	58.63	973,656	76.39
Total expenditure	1,806,338		1,600,541	
Total costs of client services	1,059,136	50.53	973,656	39.33
Total income received	2,096,145		2,475,818	

(\*) One-off additional direct fundraising costs of \$56k were incurred during the financial year in respect of the Sugar Free September campaign. Unfortunately, it raised significantly less funding than during the previous year despite the additional costs incurred, likely due to donors affected by increased interest rates and other cost-of-living pressures having less capacity to support the entity.

As these pressures will continue to be felt during the 2024 financial year, further one-off indirect fundraising costs of \$21K were incurred to develop a new fundraising strategy, which is designed to broaden the entity's donor base, partly by extending it to philanthropic organisations and high net worth donors. Additional resources have been deployed since the end of the financial year to implement the new fundraising strategy. The benefits of the new strategy will hopefully start to emerge during the 2024 and 2025 financial years.

Funds raised during the 2022 financial year were much higher than historically achieved due to \$900k being received from a bequest. A similarly one-off donation was received during the 2023 financial year but, by comparison, it was for 'only' \$525k.

**Note 23: Contingent Assets or Liabilities**

The directors are not aware of any contingent assets or liabilities of the entity except for:

During the 2022 financial year, the entity was notified that it was the residual beneficiary of the Estate of the late William Leslie Harding (the Estate) and the entity received \$900,000 in bequeathed funds from the Estate. As at the signing of this report, the Estate is still in administration and a final distribution is expected to be received during the 2024 financial year. The directors are not aware of the final distribution amount to be received.

**Note 24: Entity Details**

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

Muscular Dystrophy Association of New South Wales  
Level 1, 93 George Street  
PARRAMATTA NSW 2124

**Note 25: Auditor's Remuneration**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Remuneration of the auditor		
- audit of the financial statements	7,500	10,000

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2023**

**Note 26: Members' Guarantees**

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 towards meeting any outstanding obligations of the entity. At 30 June 2023, the number of members was 126 (2022: 168).

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
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**DECLARATION BY CEO IN RESPECT OF FUNDRAISING APPEALS**

I, Charlotte Sangster, CEO of Muscular Dystrophy Association of New South Wales, declare that in my opinion:

- (a) the financial report gives a true and fair view of all income and expenditure of the entity with respect to fundraising appeal activities for the financial year ended 30 June 2023;
- (b) the entity is able to pay all of its debts as and when the debts become due and payable;
- (c) the provisions of the Charitable Fundraising (NSW) Act 1991 and Regulations under the Act and the conditions attached to the authority have been complied with during the year ended 30 June 2023;
- (d) the internal controls exercised by the entity are appropriate and effective in accounting for all income received and applied by the entity from any of its fundraising appeals.

DocuSigned by:  
*Charlotte Sangster*  
778D9F55B1BD477...

**Charlotte Sangster**  
CEO

26 October 2023

Dated this      day of October 2023

**MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES  
ABN 11 774 587 436**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the Directors of Muscular Dystrophy Association of New South Wales, the directors of the registered entity declare that, in the directors' opinion:

- 1) The financial statements and notes, as set out on pages 6 to 27, satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and:
  - a) comply with Australian Accounting Standards – Simplified Disclosures applicable to the entity; and
  - b) give a true and fair view of the financial position of the registered entity as at 30 June 2023 and of its performance for the year ended on that date.
- 2) There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

DocuSigned by:  
  
180F34744AD34E9

**Robert Fraser**  
President

27 October 2023

Dated this day of                      October 2023



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Muscular Dystrophy Association of New South Wales (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, the accompanying financial report of Muscular Dystrophy Association of New South Wales has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (the ACNC Act), including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for Opinion

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

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

#### Emphasis of Matter

We draw attention to the following:

1. Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose;
2. Collections and fundraising income amounting to \$8,580 for the Company (as disclosed in Note 2 to the 2023 financial statements). It is not always possible for the Company to establish controls over the collection of all sources of fundraising income prior to entry into its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to fundraising and donation income had to be restricted to amounts recorded in the financial records. We therefore are unable to express an opinion whether the collections and fundraising income of the Company is complete.

Our opinion is not modified in respect of the above matters.





**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**

**Information Other than the Financial Report and Auditor's Report Thereon**

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 2023, 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 the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act and for 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.

In preparing the financial report, the 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 have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Corporation's audit. We remain solely responsible for our audit opinion.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES**

**Report on Other Legal and Regulatory Requirements**

In addition, our audit report has also been prepared for the members of the Company in accordance with Section 24(2) of *Charitable Fundraising (NSW) Act 1991*. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Australian Charities and Not-for-profits Commission Act 2012*. These additional procedures included obtaining an understanding of the internal control structure for the fundraising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *Charitable Fundraising (NSW) Act 1991* and Regulations.

It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal year-end financial adjustments for such matters as accruals, provisioning and valuations necessary for year-end financial report preparation.

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

**Dated this 30<sup>th</sup> day of October 2023 at North Parramatta**

**McCARTHY SALKELD  
AUDIT PTY LTD**



**Jane Perry FCA JP**

**Ground Floor, Suite 3  
410 Church Street  
North Parramatta NSW 2151**