

**Muscular Dystrophy Association of
New South Wales**

ABN 11 774 587 436

**Financial Report
For the Year Ended 30 June 2024**

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

INDEX

Directors' Report	1-4
Auditor's Independence Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10-30
Declaration by CEO in respect of Fundraising Appeals	31
Directors' Declaration	32
Independent Auditor's Report	33-36

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

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024

Your directors present their report on the entity for the financial year ended 30 June 2024.

Short-term and Long-term Objectives

Short-term Objectives:

- Attract and retain high-calibre employees and provide a safe and productive work environment for them.
- Deliver high-quality services and programs valued by clients, whether funded through National Disability Insurance Scheme (NDIS) packages or other sources.
- Increase funds raised to maintain the sustainability of our services and expand them to meet the needs of a greater proportion of the neuromuscular community.

Long-term Objectives:

- Empower, connect, and support people living with neuromuscular conditions, their families, and carers.
- Maintain a strong governance and continuous improvement culture.
- Position the entity as the leading whole-of-life provider of specialised services and expert information for people affected by neuromuscular conditions.
- Fund more research relevant to the needs of the neuromuscular community.
- Ensure the entity remains a suitably accredited provider to the NDIS.
- Facilitate greater national collaboration among 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.

Strategies for Achieving the Objectives

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

- Implementing a new fundraising strategy to broaden its donor base.
- Realising the anticipated benefits from the recent internal restructure.
- Ongoing 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

During the financial year, the entity implemented its strategies through various principal activities, including:

- Delivering children's camps
- Peer support programs
- Retreats
- Skill development programs
- The Duke of Edinburgh Award
- Representative advocacy
- Raising awareness
- Providing specialised information through e-news and web presence
- Hosting the annual neuromuscular information and research day.

How These Activities Assist in Achieving the Objectives

The entity's services are designed to meet the needs and priorities of the neuromuscular community, and they continue to receive strong support from the community.

ABN 11 774 587 436

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024
(continued)

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/(loss) for the year ended 30 June 2024 amounted to (\$540,893) (2023: \$260,094).

The deterioration in financial performance is entirely attributable to less effective fundraising efforts, in common with many other charities, due to higher interest rates and other cost of living pressures adversely affecting the capacity of traditional donors to support the entity. A new fundraising strategy has been developed and investments have been made to start implementing it but the full benefits to be derived from it will likely not be evident until the 2025 or 2026 financial years.

Performance is also measured by reference to various non-financial measures, including:

- the number of services provided – this increased during the year as camps, etc returned after a COVID-induced hiatus
- the number of participants for each service – these have increased or are re-building after the COVID-induced hiatus
- satisfaction survey results – these have remained consistently high.

Directors

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

Mr. Anthony Ball	Resigned 3 October 2023
Ms. Michelle Ball	
Mr. Harvey Blackney	Appointed 22 August 2023
Dr. Alastair Corbett	
Dr. Michelle Anne Er	
Mr. Robert Fraser	
Mr. Tait Royce Jenkins	
Mr. Mark McCoy	
Ms. Susanna Montrone	Appointed 22 August 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	2	0
Ms. Michelle Ball	7	5
Mr. Harvey Blackney	5	5
Dr. Alastair Corbett	7	7
Dr. Michelle Anne Er	7	6
Mr. Robert Fraser	7	7
Mr. Tait Royce Jenkins	7	6
Mr. Mark McCoy	7	7
Ms. Susanna Montrone	5	5
Mr. Nathan Teong	7	7

MUSCULAR DYSTROPHY ASSOCIATION OF NEW SOUTH WALES

ABN 11 774 587 436

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024
(continued)

Information about Directors

<i>Name, qualifications and independence status</i>	<i>Experience, special responsibilities and other directorships</i>
Mr Anthony Ball BEc Grad Cert Pub Aff <i>President (April 2018 to February 2023)</i> Independent	General Manager, Government and Industry Relations ANZ/APAC, Aristocrat Leisure. Director, Gaming Technologies Association Director 2017 to October 2023
Ms Michelle Ball BMedSc Vice-President 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 Director since August 2023
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	Corporate adviser and company director Chairman, ARB Corporation and Magellan Asset Management Director, FFI Holdings, MFF Capital Investments, Supply Network and Taylor Collison Director since December 2022
Mr. Tait Royce Jenkins BCom (ProfAccg) CA 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
Ms. Susanna Montrone BA (Hons) MIntS Independent	Public policy and advocacy consultant Director since August 2023
Mr. Nathan Teong BCom, GradDipAppFin Independent	Parent of George who lives with a neuromuscular condition. Director since February 2018

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

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2024
(continued)

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 entity.

At 30 June 2024, the total amount the members of the entity are liable to contribute if the entity were wound up is \$1,160 (2023: \$2,520).

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 2024 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

Dated this 9th day of October 2024



**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 2024, 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 10th day of October 2024

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 \$	2023 \$
REVENUE			
Revenue from fundraising activities	2	1,112,941	1,637,320
Revenue from providing NDIS-funded services		309,961	345,412
Other income	2	101,345	83,700
Total income		1,524,247	2,066,432
EXPENSES			
Fundraising expenses - direct		401,627	272,170
Fundraising expenses- indirect		143,785	185,678
Client service provision expenses		1,190,757	1,059,136
Administration expenses		311,661	272,127
Depreciation and amortisation expenses	3	17,310	17,227
Total expenses		2,065,140	1,806,338
Net profit/(loss)	15	(540,893)	260,094
Items that will not be reclassified subsequently to profit or loss:			
Fair value gains/(losses) on financial assets at fair value through other comprehensive income		56,480	29,713
Total other comprehensive income/(loss) for the year		(484,413)	289,807
Total comprehensive income/(loss) for the year		(484,413)	289,807

The accompanying notes form part of these financial statements

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,889,979	2,459,401
Trade and other receivables	5	72,125	49,990
Other assets	6	73,889	65,889
TOTAL CURRENT ASSETS		<u>2,035,993</u>	<u>2,575,280</u>
NON-CURRENT ASSETS			
Financial assets	7	612,644	442,539
Plant and equipment	8	19,336	11,546
Right of use assets	9	17,733	23,644
Intangible Assets	10	123,661	110,850
TOTAL NON-CURRENT ASSETS		<u>773,374</u>	<u>588,579</u>
TOTAL ASSETS		<u>2,809,367</u>	<u>3,163,859</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	69,127	129,975
Provisions for employee entitlements	12	172,802	133,302
Lease liabilities	14	6,864	6,558
Other liabilities	13	245,020	80,230
TOTAL CURRENT LIABILITIES		<u>493,813</u>	<u>350,065</u>
NON-CURRENT LIABILITIES			
Provision for employee entitlements	12	48,839	56,772
Lease liabilities	14	13,684	19,579
TOTAL NON-CURRENT LIABILITIES		<u>62,523</u>	<u>76,350</u>
TOTAL LIABILITIES		<u>556,336</u>	<u>426,415</u>
NET ASSETS		<u>2,253,031</u>	<u>2,737,444</u>
EQUITY			
Retained earnings		2,253,031	2,737,444
TOTAL EQUITY		<u>2,253,031</u>	<u>2,737,444</u>

The accompanying notes form part of these financial statements

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR 30 JUNE 2024

	Business Development Reserve	Retained Earnings	Total
Balance at 1 July 2022	232,649	2,214,988	2,447,637
Transfers	(232,649)	232,649	-
Net profit/(loss)	-	260,094	260,094
Other Comprehensive Income for the year	-	29,713	29,713
Balance at 30 June 2023	-	2,737,444	2,737,444
Balance at 1 July 2023	-	2,737,444	2,737,444
Net profit/(loss)	-	(540,893)	(540,893)
Other Comprehensive Income for the year	-	56,480	56,480
Balance at 30 June 2024	-	2,253,031	2,253,031

The accompanying notes form part of these financial statements

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipt of grants		594,480	302,829
Receipts from bequests, donations and clients		940,693	1,543,390
Payments to suppliers and employees		(2,123,785)	(1,713,865)
Interest received		76,397	56,898
Net cash flow from operating activities	15	<u>(512,215)</u>	<u>189,252</u>
Cash flows from investing activities			
Net purchases of plant and equipment		(16,525)	(6,717)
Purchase of intangibles		(15,475)	(54,775)
Purchase of financial assets at fair value through other comprehensive income		(18,487)	(25,651)
Net cash flow from investing activities		<u>(50,487)</u>	<u>(87,143)</u>
Cash flows from financing activities			
Repayment of lease liability		(6,720)	(4,842)
Net cash flow from financing activities		<u>(6,720)</u>	<u>(4,842)</u>
Net increase in cash and cash equivalents		<u>(569,422)</u>	<u>97,267</u>
Cash and cash equivalents at the beginning of financial year		2,459,401	2,362,134
Cash and cash equivalents at the end of financial year	4	<u>1,889,979</u>	<u>2,459,401</u>

The accompanying notes form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1: Material 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)*. 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 8th of October 2024 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:

Class of fixed Asset	Depreciation Rate
Plant and Equipment	10.0 – 50.0%
Motor Vehicles	8.33 – 12.50%

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1: Material Accounting Policies

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1: Material Accounting Policies

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.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over in profit or loss over the relevant period.

Financial assets

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through other comprehensive income; or
- fair value through profit or loss

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1: Material Accounting Policies

e) Financial Instruments (continued)

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

On derecognition of an investment in equity which the entity elected to classify under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1: Material Accounting Policies

e) Financial Instruments (continued)

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Recognition of expected credit losses

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1: Material Accounting Policies

f) Impairment of Assets (continued)

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 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1: Material Accounting Policies

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) Trade and Other Debtors

Trade and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

l) Revenue and Other Income

The Entity is first required to determine whether amounts received are accounted for as Revenue per *AASB 15: Revenue from Contracts with Customers* or Income per *AASB 1058: Income of Not-for-Profit Entities*.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the Entity is required to consider whether any other financial statement elements should be recognised (eg financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1: Material Accounting Policies

l) Revenue (continued)

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.

Other Income

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

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.

m) Prepaid Membership Subscriptions

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

n) Comparative Figures

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

o) 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1: Material Accounting Policies

o) Critical Accounting Estimates and Judgments (continued)

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 likeliness 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.

p) 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.

q) 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).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 1: Material Accounting Policies

q) Fair Value of Assets (continued)

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.

The fair value of liabilities and the entity's own equity instruments (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

r) New and Amended Accounting Standards and Material Accounting Policies Adopted by the Entity

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

The Entity adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to require disclosure of "material accounting policy information" rather than significant accounting policies' in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosures.

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

AASB 2021-6: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

AASB 2021-6 amends AASB 1049 and AASB 1060 to require disclosure of "material accounting policy information" rather than "significant accounting policies" in an entity's financial statements. It also amends AASB 1054 to reflect the updated terminology used in AASB 101 as a result of AASB 2021-2.

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

AASB 2022-7: Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-7 makes editorial corrections to various Australian Accounting Standards and AASB Practice Statement 2. It also formally repeals the superseded and redundant Australian Accounting Standards set out in Schedules 1 and 2 of this standard.

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

AASB 9: Financial Instruments

The Entity adopted AASB 9: *Financial Instruments (paragraph 5.2.1(b))* for the financial year ending 30 June 2024. Previously, the Entity applied AASB 9: *Financial Instruments (paragraph 5.2.1(c))* and measured its financial assets at fair value through profit or loss where any changes to the fair value of its financial assets were recognised in the profit or loss. The amendment has resulted in the Entity measuring its financial assets at fair value through other comprehensive income.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 1: Material Accounting Policies

r) New and Amended Accounting Standards and Material Accounting Policies Adopted by the Entity (continued)

The amendment has been applied retrospectively to the beginning of the earliest comparative period presented – i.e., 1 July 2023, with the impact disclosed in the table below.

In the table of adjustments made to the statement of financial position, there is a summary of the amounts of the adjustments for each financial statement line item affected by the adoption of AASB 9 for the comparative period ended 30 June 2023.

<i>Adjustments made to the statement of profit or loss and other comprehensive income</i>			
Statement of profit or loss and other comprehensive income (extract)			
	30-Jun-23		
	Previous amount	Adjustment	Restated amount
Change in fair value – exchange traded funds	29,713	(29,713)	-
Net profit/(loss)	289,807	(29,713)	260,094
Total comprehensive income/(loss) for the year	-	29,713	29,713
Total comprehensive income attributable to members of the entity	289,807	-	289,807

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		\$	\$
Note 2: Revenue and Other Income			
Revenue from fundraising activities			
Revenue from events		198,044	195,107
Donations (*)		310,145	858,161
Government grants		394,190	456,925
Non-government grants		35,500	39,236
Bequests		175,062	87,891
Total		1,112,941	1,637,320
Other Income			
Interest income		76,397	56,898
Dividends and other Distributions		19,532	17,697
Imputation credits		4,258	6,585
Membership fees		1,158	2,520
Total		101,345	83,700

(*) Donations includes amounts received as cash through collection boxes totalling \$4,586 (2023: \$8,580).

Note 3: Net profit/(loss)

The net profit/(loss) includes the following expenses:

Depreciation and Amortisation

Amortisation - Intangibles	2,664	2,664
Depreciation - Motor Vehicles	-	808
Depreciation - Other Plant and Equipment	8,735	7,844
Depreciation - Right of Use Assets	5,911	5,911
Total	17,310	17,227

Other expenses

Scholarship Grants	-	3,681
	-	3,681

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Note 4: Cash and cash equivalents			
CURRENT			
Cash at bank		217,376	364,690
Cash on deposit		1,672,602	2,094,711
Total		1,889,979	2,459,401
Note 5: Trade and other receivables			
CURRENT			
Trade receivables		32,875	2,112
Accrued Income		39,250	40,324
Net GST receivable		-	7,554
Total		72,125	49,990
Note 6: Other Assets			
CURRENT			
Franking credits from receipt of dividends		4,258	6,585
Prepayments		62,079	57,982
Other current assets		7,552	1,322
Total		73,889	65,889
Note 7: Financial assets			
NON-CURRENT			
Investments in financial assets measured at fair value through other comprehensive income			
- Shares in listed corporations	20	118,081	-
- Exchange traded funds	20	494,563	442,539
Total	19	612,644	442,539

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Note 8: Plant and equipment			
Motor vehicles			
At cost		58,180	58,180
Less: Accumulated depreciation		(58,180)	(58,180)
Total motor vehicles		-	-
Other plant and equipment			
At cost		48,973	33,949
Less: Accumulated depreciation		(29,637)	(22,403)
Total other plant and equipment		19,336	11,546
Total plant and equipment		19,336	11,546

Movements in carrying amounts

Movements in the carrying amount for plant and equipment between the beginning and end of the financial year were:

	Motor Vehicles \$	Other Plant and Equipment \$	Total \$
2024			
Balance at the beginning of the year	-	11,546	11,546
Additions at cost	-	16,525	16,525
Disposals	-	(1,500)	(1,500)
Depreciation expense	-	(8,735)	(8,735)
Carrying amount at the end of year	-	19,336	19,336
2023			
Balance at the beginning of the year	808	12,672	13,480
Additions at cost	-	6,718	6,718
Disposals	-	-	-
Depreciation expense	(808)	(7,844)	(8,652)
Carrying amount at the end of year	-	11,546	11,546

Note 9: Right of Use Assets

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

Options to extend or terminate are included in the equipment lease agreement, which 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 value of the right of use assets.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Note 9: Right of Use Assets (continued)			
i) AASB 16 related amounts recognised in the balance sheet			
Leased Equipment		29,555	29,555
Accumulated Depreciation		(11,822)	(5,911)
Total Right of use assets		17,733	23,644
Movement in carrying amounts:			
Opening balance		23,644	23,644
Additions		-	-
Lease Termination		-	-
Depreciation expense		(5,911)	(5,911)
Net Carrying Amount		17,733	23,644
ii) AASB 16 related amounts recognised in the statement of profit or loss			
Depreciation Charge related to right-of-use assets		5,911	5,911
Interest expense on lease liabilities		1,132	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		13,440	20,160
Total future lease payments		20,160	26,880
 Note 10: Intangibles			
Software – at cost		136,070	120,595
Accumulated amortisation		(12,409)	(9,745)
Net carrying amount		123,661	110,850
Balance at the beginning of the year		110,850	58,739
Additions		15,475	54,755
Disposals		-	-
Amortisation expense		(2,664)	(2,664)
Balance at the end of the year		123,661	110,850
 Note 11: Trade and Other Payables			
Trade payables		11,555	11,116
Accrued expenses		19,713	92,530
Credit Cards		2,387	1,495
Net GST		1,999	-
PAYG Withholding		19,690	12,526
Superannuation contributions liability		13,783	3,967
Other Payables		-	8,341
		69,127	129,975

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Note 12: Provisions for employee entitlements			
Current:			
- Annual leave entitlements		130,447	102,952
- Time off in lieu entitlements		23,850	13,358
- Long service leave entitlements		18,505	16,992
Total current provisions for employee entitlements		172,802	133,302
Non-current:			
- Long service leave entitlements		48,839	56,772
Total non-current provision for employee entitlements		48,839	56,772
Total provisions for employee entitlements		221,641	190,074
Movements in provisions for employee entitlements were:			
Opening balance at 1 July		190,074	165,200
Additional provisions raised during the year		130,976	133,168
Amounts used during the year		(99,409)	(108,294)
Balance at 30 June 2024		221,641	190,074

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.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

	Note	2024 \$	2023 \$
Note 13: Other Liabilities			
Contract liabilities		202,397	37,608
NEWS funds held in trust		42,623	42,623
Total		245,020	80,230

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		\$	\$
Note 14: Capital and leasing commitments			
Lease commitments:			
Amounts due within one year		6,864	6,558
Amounts due between one and five years		13,684	19,579
Total		20,548	26,137

The lease term will expire on 30 June 2027.

Note 15: Reconciliation of net cash flow from operating activities to net profit/(loss)

Net profit/(loss)		(540,893)	260,094
Non-cash flows in net profit/(loss)			
Depreciation and amortisation expense		17,310	17,227
Interest paid		1,132	1,423
Bequest income - shares in Commonwealth Bank of Australia		(95,138)	-
Changes in assets and liabilities			
(Increase)/decrease in other assets		(8,000)	1,213
(Increase)/decrease in trade and other receivables		(20,135)	3,545
Increase/(decrease) in trade and other payables		(62,847)	74,209
Increase/(decrease) in provisions		31,568	24,874
Increase/(decrease) in other liabilities		164,790	(193,333)
Net cash flow from operating activities		(512,215)	189,252

Note 16: Events occurring after balance date

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 entity, the results of those operations or the state of affairs of the entity.

Note 17: 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:

	2024	2023
	\$	\$
KMP compensation	455,456	264,925

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 18: Other related party transactions

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.

A director made significant personal donations totalling \$35,000 (2023 two Directors: \$57,056).

Transactions with related parties are on normal commercial terms and conditions which are no more favourable than those available to other persons.

Note 19: Financial risk management

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: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
Financial Assets			
Financial assets at amortised cost:			
- Cash and cash equivalents	4	1,889,979	2,459,401
- Trade and other receivables	5	72,126	49,990
Investments in financial assets measured at fair value through other comprehensive income	7	612,644	442,539
		2,574,749	2,951,930
Financial Liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	11	69,127	129,975
Lease liabilities	14	20,549	26,136
		89,676	156,111

Note 20: 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 other comprehensive income

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 20: Fair Value Measurements (continued)	Note	2024	2023
		\$	\$
<i>Financial assets</i>			
Investments in financial assets measured at fair value through other comprehensive income	7		
- shares in listed corporations (i)		118,081	-
- exchange traded funds (i)		494,563	442,539
		<u>612,644</u>	<u>442,539</u>

(i) For investments in listed shares and exchange traded funds, the fair values have been determined based on closing quoted prices at the end of the reporting period.

Note 21: Fundraising activities

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

	Note	2024	2023
		\$	\$
i) Results of fundraising appeals			
Gross proceeds from fundraising activities		1,112,941	1,637,320
Less: Direct costs of fundraising activities		(401,627)	(272,170)
Profit derived from fundraising activities		<u>711,314</u>	<u>1,365,150</u>
ii) Application of profit derived from fundraising activities			
Client service provision costs		643,120	565,513
Administration expenses		227,562	215,618
		<u>870,684</u>	<u>781,131</u>
Net fundraising profit/(loss) after application of funds		<u>(159,368)</u>	<u>584,019</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

Note 21: Fundraising activities (continued)	2024	2024	2023	2023
	\$	%	\$	%
iii) Comparisons of certain monetary amounts and percentages				
Total cost of fundraising (**)	545,412	49.01	457,848	27.96
Gross proceeds from fundraising (*)	1,112,941		1,637,320	
Net surplus from fundraising	567,529	50.99	1,179,472	72.04
Gross proceeds from fundraising	1,112,941		1,637,320	
Total costs of client services	1,190,757	57.66	1,059,136	58.63
Total expenditure	2,065,140		1,806,338	
Total costs of client services	1,190,757	78.12	1,059,136	51.25
Total income received	1,524,247		2,066,432	

(*) A one-off donation of \$525k was received during the previous financial year. Also, the Sugar Free September campaign was discontinued in 2023 as it was considered unlikely to generate sufficient funds to cover its costs, as a result of donors being affected by high interest rates and other cost-of-living pressures having a diminished capacity to support the campaign.

(**) One-off indirect fundraising costs of \$21k were incurred during the previous financial year 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 were deployed during the current financial year to start implementing the new fundraising strategy, but the full benefits of the new strategy are not expected to emerge until the 2025 or 2026 financial years.

Note 22: Contingent Assets or Liabilities

The directors are not aware of any contingent assets or liabilities of the entity during or since the end of the 2024 financial year.

Note 23: 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 24: Auditor's Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor		
- audit of the financial statements	7,500	7,500

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

Note 25: 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 2024, the number of members was 58 (2023: 126).

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

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 2024;
- (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 2024;
- (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:

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.....
Charlotte Sangster
CEO

Dated this 9th day of October 2024

**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 31, 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 2024 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:

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.....
Robert Fraser
President

Dated this 9th day of October 2024



**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 2024, the statement of 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 2024 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 2022*.

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 \$4,586 for the Company (as disclosed in Note 2 to the 2024 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.

McCarthy Salkeld Audit Pty Ltd. ABN 99 654 386 704
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Legislation*

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 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 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 10th day of October 2024 at North Parramatta

**McCARTHY SALKELD
AUDIT PTY LTD**



Jane Perry FCA JP

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