

Disaster Relief Australia

ABN 44 614 474 010

Financial Statements

For the Year Ended 30 June 2023

The registered office of the company is:

Level 1, 299 Elizabeth Street

Sydney NSW 2000

The principal place of business of the company is:

3 King William Road

Unley SA 5061

Disaster Relief Australia

ABN 44 614 474 010

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Disaster Relief Australia

ABN 44 614 474 010

Directors' Report

30 June 2023

The directors present their report on Disaster Relief Australia for the financial year ended 30 June 2023.

Directors

The following persons held office as directors of Disaster Relief Australia during the year or since the end of the year and up to the date of this report:

Names

Dr Elizabeth Rushbrook CSC, RAN, MBBS, MHA, FRACMA

Major General Michael Slater (Ret) AO, DSC, CS

Mr Rodney Hyman AM, LFAPI, FRICS, ASA, FPINZ (Ret)

Mr David John Smith AM, DSM

Mr William McNulty - resigned on 15 September 2022

Ms Meg McKechnie - appointed on 1 December 2022

Principal activities

The principal activity of Disaster Relief Australia during the financial year was to act as a disaster relief organisation in Australia and across the Asia Pacific.

No significant changes in the nature of the Company's activity occurred during the financial year.

Operating results

The surplus of the Company amounted to \$255,221 (2022: \$150,602).

Review of operations

Disaster Relief Australia has, during the last 12 months, continued to witness a significant increase in its operations and activities across the country.

Flood recovery operations both began and continued in New South Wales and Queensland with volunteers regularly deploying to help put devastated communities on the road to recovery. In Victoria, DRA launched Operation Mactier. DRA's proven and unique capability in spontaneous volunteer management and leadership was the focus of this unique operation, which DRA ran in partnership with the Victorian Government.

Our volunteers deployed to both Tasmania and the Victorian Central Highlands to assist with storm recovery and returned to the Bega Valley in NSW to continue bushfire recovery after a three-year COVID-enforced hiatus. DRA travelled to Far North Queensland to assist the remote community of Burketown with flood recovery and then to South Australia for Operation Camilleri. International operations also returned with several small teams deploying to New Zealand to assist Taskforce Kiwi with cyclone clean up. DRA, in total, deployed more than 1,000 volunteers during the year.

DRA throughout the year continued to build its capability to respond and assist communities in need. As the volunteer base continued to grow, so too did DRA's backend capacity to support increased operations. The implementation of new administrative systems, increased resources, and the onboarding of new employees, continued to support DRA in its ongoing strategic expansion and in its mission to build its volunteer base from 2,500 to more than 6,000 over the next three years.

Members' guarantee

Disaster Relief Australia is a public company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$20 for members, subject to the provisions of the company's constitution.

At 30 June 2023 the collective liability of members was \$180 (2022: \$180).

Significant changes in state of affairs

During the year, the Company was granted \$38,097,000 of funding over four (4) years by The Commonwealth of Australia, represented by the Department of Industry, Science and Resources, of which \$3,680,000 was received during the year.

Apart from the above, there have been no other significant changes in the state of affairs of the Company during the financial year other than those noted in the financial report.

Disaster Relief Australia

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Directors' Report

30 June 2023

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years are aligned with the Company's overall strategy and in accordance with the regulatory requirements.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

Insurance premium has been paid to indemnify directors and officers of the company. The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability as such disclosure is prohibited under the terms of the contract. The company does not maintain insurances covering the auditor of the company.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Charities and Not-for-profits Commission Act 2012* is set out on page 3.

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



Director:

Dr Elizabeth Rushbrook



Director:

Major General Michael Slater (Ret)

Dated this 23rd day of October 2023

ABN 65 155 188 837

L8 309 Kent Street Sydney NSW 2000

L24 570 Bourke Street Melbourne VIC 3000

L14 167 Eagle Street Brisbane QLD 4000

L28 140 St George Terrace Perth WA 6000

1300 551 266

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AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60.40 OF THE AUSTRALIAN CHARITIES AND
NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE DIRECTORS OF DISASTER RELIEF AUSTRALIA

As auditor of Disaster Relief Australia for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd



Archana Kumar

Director

Melbourne, 23 October 2023

Disaster Relief Australia

ABN 44 614 474 010

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Donation - unrestricted		915,782	623,567
Donation in kind		489,594	435,572
Donation - restricted		1,863,269	3,097,498
Government grant		3,093,806	893,759
Other income	5	3,162,608	259,928
Project direct costs	5	(7,145,378)	(4,052,996)
Administrative expenses		(2,002,858)	(971,328)
Depreciation and amortisation expense		(121,602)	(135,398)
Surplus for the year		<u>255,221</u>	<u>150,602</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u>255,221</u>	<u>150,602</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Disaster Relief Australia

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Statement of Financial Position

As At 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		5,069,090	1,516,254
Trade and other receivables	6	211,395	1,076,206
Other assets		20,957	20,956
Prepayments		50,051	-
TOTAL CURRENT ASSETS		5,351,493	2,613,416
NON-CURRENT ASSETS			
Property, plant and equipment	7	100,238	135,443
Right of use asset		15,633	152,431
TOTAL NON-CURRENT ASSETS		115,871	287,874
TOTAL ASSETS		5,467,364	2,901,290
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	678,094	344,315
Other liabilities - unearned income		3,326,234	1,226,242
Employee benefits		121,870	93,320
Lease liabilities		10,654	57,760
TOTAL CURRENT LIABILITIES		4,136,852	1,721,637
NON-CURRENT LIABILITIES			
Lease liabilities		-	104,362
TOTAL NON-CURRENT LIABILITIES		-	104,362
TOTAL LIABILITIES		4,136,852	1,825,999
NET ASSETS		1,330,512	1,075,291
EQUITY			
Accumulated surplus		1,330,512	1,075,291
TOTAL EQUITY		1,330,512	1,075,291

The above statement of financial position should be read in conjunction with the accompanying notes.

Disaster Relief Australia

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Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Accumulated Surplus \$
Balance at 1 July 2022	1,075,291
Total comprehensive income for the year	255,221
Balance at 30 June 2023	<u>1,330,512</u>

2022

	Accumulated Surplus \$
Balance at 1 July 2021	924,689
Total comprehensive income for the year	150,602
Balance at 30 June 2022	<u>1,075,291</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Disaster Relief Australia

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Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from donors and contributors	12,473,494	5,196,231
Payments to suppliers	(5,462,132)	(3,131,605)
Payments to employees	(3,358,007)	(1,769,847)
Net cash provided by operating activities	<u>3,653,355</u>	<u>294,779</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(45,055)	(44,817)
Net cash used in investing activities	<u>(45,055)</u>	<u>(44,817)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Lease payments	(55,464)	(52,700)
Net cash used in financing activities	<u>(55,464)</u>	<u>(52,700)</u>
Net increase in cash and cash equivalents held	3,552,836	197,262
Cash and cash equivalents at beginning of financial year	1,516,254	1,318,992
Cash and cash equivalents at end of financial year	<u>5,069,090</u>	<u>1,516,254</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Disaster Relief Australia as an individual entity. Disaster Relief Australia is a not-for-profit Public Company limited by guarantee, registered and domiciled in Australia.

The principal activity of the Company for the year ended 30 June 2023 was to act as a disaster relief organisation in Australia and across the Asia Pacific.

The functional and presentation currency of Disaster Relief Australia is Australian dollars.

The financial report was authorised for issue by those charged with governance on 23 October 2023.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure Standards and the Australian Charities and Not-for-profits Commission Act 2012.

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

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

2 New and amended standards adopted by the Company

The Company has adopted all standards which became effective for the first time at 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the Company obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the Company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Disaster Relief Australia receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations

(i) Donations and bequests are recognised as revenue when received.

(ii) Donations in-kind are recognised as revenue at their estimated fair value when the Company gains control of the asset, becomes legally entitled to it or receives a service. There are no enforceable or sufficiently specific performance obligations linked to donations or bequests.

Fee for service income

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies (continued)

(c) Goods and services tax (GST)

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

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

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Plant and equipment, motor vehicles and furniture and fittings are measured using the cost model. Plant and equipment is depreciated on a straight-line basis or a diminishing value basis over the asset's useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Plant and Equipment	2-3 years
Motor Vehicles	4- 5 years
Furniture and Fittings	3 years

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

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

On initial recognition, the Company classifies financial assets as measured at amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing the relevant asset. All recognised financial assets are subsequently measured at either amortised cost or fair value, depending on their classification.

Financial assets measured at amortised cost are those where the business model is to hold assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the amount outstanding. Financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. All changes in value, income and expenses, impairments, and gain/loss on derecognition are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. Impairments are determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. When estimating ECL, the Company considers reasonable and supportable information that is relevant and available. This includes both quantitative and qualitative information and analysis based on historical experience and informed credit assessment including forward looking information. The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions outside of its the normal collection activities.

Notes to the Financial Statements

For the Year Ended 30 June 2022

3 Summary of Significant Accounting Policies (continued)

(e) Financial instruments (continued)

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received, using a probability weighted approach. The estimates produced from this are applied to the balances due to estimate the expected credit loss provision. The amount is recorded in a separate allowance account with the loss being recognised in finance expense. Once a financial asset is determined to be uncollectable then the gross carrying amount is written off against the associated allowance. Where the Company renegotiates terms, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

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

The financial liabilities of the Company comprise trade and other payables and other liabilities.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank.

(g) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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

(h) Leases

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the relevant commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the relevant lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the relevant lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the relevant lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the relevant commencement date), and amounts expected to be paid under residual value guarantees. The Company applies the practical expedient to not separate non-lease components from lease components, and instead accounts for each lease component and any associated lease components as a single lease component.

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Summary of Significant Accounting Policies (continued)

(h) Leases (continued)

Lease liabilities (continued)

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the relevant lease commencement date if the interest rate implicit in the lease is not readily determinable. After the relevant commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The company occupies an office space with a lease term of two years and with an option to extend the lease for a further two years. The lease commenced from 1 March 2021 and expires 28 February 2023 (initial term). The company has assessed the likelihood of exercising available extension options and, where it has determined that it is reasonably certain that an option will be exercised, the extension period has been included in assessing the lease term and therefore in calculating the lease liability and associated right of use assets. During the year, the company has negotiated a variation to existing lease with a new expiring date of 31 August 2023 (6 months extension) without exercising renewal option. The revised lease agreement has no rights to renewal after the new expiry date.

As at 30 June 2023, both lease liability and associated right of use asset have been adjusted to that effect.

Exceptions to lease accounting

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

4 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - Donation in kind

Management has recorded transactions that were donated by external suppliers at fair value. These fair values have been estimated based on past experience and on the best information at the transaction date. This has been recognised as a key estimate as it forms a significant portion of revenue and expense of the Company.

The company received a total of 30 fleet of vehicles from Mitsubishi Motors Australia Limited (MMAL) across various locations in Australia in accordance with the memorandum of understanding for the purposes of provision of transport support to DRA for emergencies/disasters, relief and recovery efforts.

The fair value of this benefit was estimated by Management to be \$427,880 which is significantly discounted. The ownership of the vehicles is retained by MMAL. The MOU was put in place principally to enable the Company to further its objectives thus the transaction falls within the scope of AASB 1058. Accordingly, income and expense of \$427,880 has been recognised by the Company in the statement of profit or loss and other comprehensive income.

Disaster Relief Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Project direct costs

	2023	2022
	\$	\$
Equipment costs	488,610	316,872
Travel and accommodation	1,408,424	433,407
Training costs	197,671	96,391
Project management fee	314,099	674,126
Meals and rations	359,383	159,675
Communications	47,881	35,614
Repairs and maintenance	16,480	4,779
Software subscriptions and licensing	214,118	145,988
UAV Rentals	1,800	560
Motor vehicle expenses	28,411	17,951
Fleet costs	428,509	400,228
Plant Equipment Hire	62,371	254,207
Employee cost	2,361,543	1,234,946
Other direct costs	1,216,078	278,252
	<u>7,145,378</u>	<u>4,052,996</u>

Other income

Fee for services	3,124,015	137,909
Other miscellaneous income	38,593	122,019
	<u>3,162,608</u>	<u>259,928</u>

6 Trade and Other Receivables

Trade receivables	210,687	1,075,894
Other receivables	708	312
	<u>211,395</u>	<u>1,076,206</u>

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Property, plant and equipment

	2023	2022
	\$	\$
Plant and equipment		
At cost	262,585	241,742
Accumulated depreciation	(203,024)	(161,880)
Total plant and equipment	59,561	79,862
Computer Equipment		
At cost	24,212	-
Accumulated depreciation	-	-
Total plant and equipment	24,212	-
Motor vehicles		
At cost	84,652	124,653
Accumulated depreciation	(71,294)	(76,847)
Total motor vehicles	13,358	47,806
Furniture and fittings		
At cost	14,001	14,001
Accumulated depreciation	(10,894)	(6,226)
Total furniture and fittings	3,107	7,775
Total property, plant and equipment	100,238	135,443

(a) Movements in Carrying Amounts

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

	Plant and Equipment	Motor Vehicles	Furniture and Fittings	Computer Equipment	Total
	\$	\$	\$		\$
Year ended 30 June 2023					
Balance at the beginning of year	79,862	47,806	7,775	-	135,443
Additions	20,843	-		24,212	45,055
Disposal	-	(15,818)		-	(15,818)
Depreciation expense	(41,144)	(18,630)	(4,668)	-	(64,442)
Balance at the end of the year	59,561	13,358	3,107	24,212	100,238

Notes to the Financial Statements

For the Year Ended 30 June 2023

8 Trade and Other Payables

	2023	2022
	\$	\$
Current		
Trade payables	145,648	18,607
Sundry payables and accrued expenses	18,864	104,025
GST payable	392,801	97,231
Other payables	120,781	124,452
	<u>678,094</u>	<u>344,315</u>

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

9 Members' Guarantee

The Company is incorporated under the *Australian Charities and Not-for-profits Commission Act 2012* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Company. the collective liability of members was \$180 (2022: \$180).

10 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$432,688 (2022: \$405,781).

11 Contingencies and commitments

In the opinion of those charged with governance, the Company did not have any contingencies or commitments at 30 June 2023 (30 June 2022: None).

12 Related Parties

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

Key management personnel - refer to Note 10.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

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

There were no transactions with related parties during the year.

13 Events after the end of the Reporting Period

The financial report was authorised for issue on 23 October 2023 by those charged with governance.

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

Disaster Relief Australia

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Responsible Persons' Declaration


The directors of the Company (being the responsible persons) declare that in the responsible persons' opinion:

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

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



Director:
Dr Elizabeth Rushbrook



Director:
Major General Michael Slater (Ret)

Dated this 23rd day of October 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DISASTER RELIEF AUSTRALIA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Disaster Relief Australia, which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Responsible Persons' declaration.

In our opinion:

The financial report of Disaster Relief Australia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; 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 registered entity in accordance with the ethical requirements of the Australian Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia; and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and 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 upon 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.

Directors' Responsibilities

The directors of the company (responsible entities of the registered entity) 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 Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal

INDEPENDENT AUDITOR'S REPORT (continued)

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, directors of the company are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so. The directors of the company are responsible for overseeing the registered entity's financial reporting process.

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment 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 registered entity'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 in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

LNP Audit and Assurance Pty Ltd



Archana Kumar
Director

Melbourne, 23 October 2023

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Disaster Relief Australia

ABN 44 614 474 010

For the Year Ended 30 June 2023

Disclaimer

The additional financial data presented on page 19 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 30 June 2023. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Disaster Relief Australia) in respect of such data, including any errors or omissions therein however caused.

LNP Audit and Assurance Pty Ltd



Archana Kumar

Director

Melbourne, 23 October 2023

Disaster Relief Australia

ABN 44 614 474 010

Other Information

A detailed income and expenditure statement has been included in the financial report to comply with ACFID's Mandatory Guidance on Financial Reporting.

	2023	2022
	\$	\$
REVENUE AND OTHER INCOME		
Donations and Gifts		
Monetary – restricted and unrestricted	2,779,051	3,721,065
Non - Monetary	489,594	435,572
Grants		
Government grant	3,093,806	893,759
Other Income		
Fee for service	3,124,015	137,909
Other miscellaneous income	38,593	122,019
TOTAL REVENUE AND OTHER INCOME	9,525,059	5,310,324
EXPENDITURE		
Domestic Programs Expenditure		
Equipment costs	488,610	316,872
Travel and accommodation	1,408,424	433,407
Training costs	197,671	96,391
Project management fee	314,099	674,126
Food and beverages	359,383	159,675
Communications	47,881	35,614
Repairs and maintenance	16,480	4,779
Software subscriptions and licensing	214,118	145,988
UAV Rentals	1,800	560
Motor vehicle expenses	28,411	17,951
Fleet costs	428,509	400,228
Plant Equipment Hire	62,371	254,207
Employee cost	2,361,543	1,234,946
Other direct costs	1,216,078	278,252
	7,145,378	4,052,996
Administration Expenditure		
Employee Costs	1,025,014	551,894
Business Administration	20,521	46,158
Accounting and Bookkeeping fees	1,680	7,992
Audit Fees	28,522	23,217
Office rental	52,831	37,194
Software subscription and licensing fees	59,742	26,717
Other Expenses	814,548	278,156
	2,002,858	971,328
Depreciation and Amortisation Expense	121,602	135,398
NET SURPLUS	255,221	150,602