

ACT Shelter Association

ABN 13 348 226 983

Financial Statements

For the Year Ended 30 June 2025

ACT Shelter Association

ABN 13 348 226 983

Contents For the Year Ended 30 June 2025

	Page
Financial Statements	
Committee's Report	1
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Responsible Persons' Declaration	17
Independent Audit Report	18

ACT Shelter Association

ABN 13 348 226 983

Committee's Report 30 June 2025

In accordance with the requirements of Section 73 (1) (c) of the Associations Incorporation Act, the committee members submit the financial report of the Association for the financial year ended 30 June 2025.

Committee members

The names of committee members throughout the year and at the date of this report are:

Name and Position	Appointed/Resigned
Lucy Hohnen - Chairperson	Appointed 6 June 2025
Jonathon Lawrence - Treasurer (until 14 April 2025) - Acting Chairperson (14 April – 10 June 2025)	Resigned 11 June 2025
Joshua Hewitt - Ordinary Member (until 24 November 2024) - Chairperson (24 November 2024 – 17 February 2025)	Resigned 17 February 2025
Yvonne Gritschender - Chairperson	Resigned 4 October 2024
Brooke McKail - Ordinary Member (5 June 2025 – 10 June 2025) - Deputy Chairperson (From 10 June 2025 onward)	Appointed 5 June 2025
Prabhjot Singh - Ordinary Member (25 November 2024 – 14 April 2025) - Acting Treasurer (14 April 2025 – 10 June 2025) - Treasurer (From 10 June 2025 onward)	Appointed 25 November 2024
Sarah Spiller - Secretary	Appointed 21 November 2022
Geoff Buchanan - Ordinary Member	Resigned 25 November 2024 Reappointed 17 May 2025
Joshua Anlezark - Ordinary Member	Appointed 12 June 2025
Kate Gorman - Ordinary Member	Appointed 17 June 2025
Evie Kollas - Ordinary Member	Appointed 5 June 2025
Siobhan Cosgrave – Ordinary Member	Resigned 25 November 2024 Reappointed 17 February 2025 Resigned 1 March 2025
Jennifer Rayner – Ordinary Member	Appointed 25 November 2024 Resigned 21 April 2025

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

Principal activities

The principal activities of the Association during the financial year were to promote and maintain the right of every person to access affordable, safe and secure housing and promote the benefits of public and community housing. No significant changes in the nature of the Association's activity occurred during the financial year.

Operating result

The surplus/(deficits) of the Association for the financial year amounted to \$ (167,727)(2024: \$ 13,891).

ACT Shelter Association

ABN 13 348 226 983

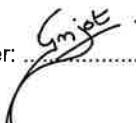
Committee's Report 30 June 2025

Auditor's declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 3 for the financial report.

Signed in accordance with a resolution of the Members of the Committee:

Committee member: 

Committee member: 

Dated this 14th day of November 2025

ACT Shelter Association

ABN 13 348 226 983

Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Responsible Persons of ACT Shelter Association

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


PKF Canberra


Ross Di Bartolo
Audit Partner
Registered Company auditor

Dated: 14.11.2025.

ACT Shelter Association

ABN 13 348 226 983

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue	4	203,806	384,585
Employee benefits expense		(273,393)	(278,568)
PPE - Depreciation		(3,431)	(2,767)
Accounting fees		(3,486)	(2,532)
Audit fees		(4,000)	(3,200)
Computer expenses		(2,741)	(5,934)
Conference/Seminar costs		(896)	(3,663)
Consulting and professional fees		(33,191)	(42,472)
Insurance		(6,862)	(5,934)
Project expense		-	2,727
Rent		(13,659)	(13,261)
Subscriptions		-	(7,103)
Other operating expenses		(6,438)	(7,987)
Prior year grants expense		(23,436)	-
Surplus/(Deficit) for the year		(167,727)	13,891

The accompanying notes form part of these financial statements.

ACT Shelter Association

ABN 13 348 226 983

Statement of Financial Position As At 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	202,713	323,525
Trade and other receivables	7	7,143	9,827
Other assets	8	7,184	10,469
TOTAL CURRENT ASSETS		217,040	343,821
NON-CURRENT ASSETS			
Property, plant and equipment	9	5,147	8,578
TOTAL NON-CURRENT ASSETS		5,147	8,578
TOTAL ASSETS		222,187	352,399
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	24,696	18,921
Employee benefits	12	27,221	18,572
Grants in advance	11	-	(23,091)
TOTAL CURRENT LIABILITIES		51,917	14,402
TOTAL LIABILITIES		51,917	14,402
NET ASSETS		170,270	337,997
EQUITY			
Retained earnings		170,270	337,997
TOTAL EQUITY		170,270	337,997

The accompanying notes form part of these financial statements.

ACT Shelter Association

ABN 13 348 226 983

Statement of Changes in Equity For the Year Ended 30 June 2025

2025

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2024	337,997	337,997
Surplus/(Deficits) for the current year	(167,727)	(167,727)
Balance at 30 June 2025	170,270	170,270

2024

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2023	324,106	324,106
Surplus/(Deficits) for the current year	13,891	13,891
Balance at 30 June 2024	337,997	337,997

The accompanying notes form part of these financial statements.

ACT Shelter Association

ABN 13 348 226 983

Statement of Cash Flows For the Year Ended 30 June 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from government and others	197,660	355,887
Payments to suppliers and employees	(327,302)	(374,585)
Interest received	8,830	17,700
Net cash provided by/(used in) operating activities	<u>(120,812)</u>	<u>(998)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(3,791)
Net cash provided by/(used in) investing activities	<u>-</u>	<u>(3,791)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	(120,812)	(4,789)
Cash and cash equivalents at beginning of year	<u>323,525</u>	<u>328,314</u>
Cash and cash equivalents at end of financial year	<u>6</u> <u>202,713</u>	<u>323,525</u>

The accompanying notes form part of these financial statements.

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

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

The functional and presentation currency of ACT Shelter Association is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the opinion of those charged with Governance the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors* and AASB 1054 *Australian Additional Disclosures*.

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

Material accounting policy information is consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

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

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Grant revenue

Grants are treated according to the specifications of the grant funding deeds. Grant income and expenses are recognised as specified by each grant funding deed. Grants required to be returned to the funding provider due to specific circumstances are treated as unexpended grants which form part of the liabilities in the balance sheet at the end of the financial year.

(b) Income tax

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

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(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) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Property, plant and equipment

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

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

Depreciation

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

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

Fixed asset class	Depreciation rate
Plant and Equipment	40%

(f) Financial instruments

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

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

Financial assets

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

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(f) Financial instruments

Financial assets

Classification

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

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

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

Amortised cost

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

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

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Association has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Association has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

Financial assets through profit or loss

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

Impairment of financial assets

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

- financial assets measured at amortised cost
- debt investments measured at FVOCI

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(f) Financial Instruments

Financial assets

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

Where the simplified approach to expected credit loss (ECL) is not applied, the Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

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

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

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

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

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

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

Other financial assets measured at amortised cost

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

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(f) Financial instruments

Financial liabilities

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

The financial liabilities of the Association comprise trade payables, bank and other loans and lease liabilities.

(g) Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

(h) Cash and cash equivalents

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

(i) Employee benefits

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

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Changes in the measurement of the liability are recognised in profit or loss.

Defined contribution schemes

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

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(j) Going concern

The Association reported a deficit of \$167,727 in the year, this was attributable to a significant fall in Grant Funding. In spite of the reported deficit, as at the 30 June 2025 the Association had net assets of \$170,270 and the financial statements have been prepared on the assumption that the Association is a going-concern. The governing committee have implemented a program of cost savings and are of the opinion that the Association will continue to operate for the foreseeable future and will be able to pay its debts as and when they fall due.

(k) Economic dependence

ACT Shelter Association is dependent on the ACT Government – Community Service Directorate (CSD) for the majority of its revenue used to operate the business. At the date of this report the directors have no reason to believe the ACT Government – Community Service Directorate (CSD) will not continue to support ACT Shelter Association.

3 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 - grant income

For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the Association, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Grants received by the Association have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

Key estimates - receivables

The receivables at the reporting date have been reviewed to specifically provide for any debts which are considered irrecoverable. The remaining debts have been subject to expected credit loss testing based on the history of the association with the counterparty, the current economic climate and any future expectations relating to the industry and circumstances of the counterparty.

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

4 Other Revenue and Income

	2025	2024
	\$	\$
- Member subscriptions	1,681	1,726
- Grants	192,377	364,599
- Interest Income	8,830	17,700
- Other trading revenue	918	560
	<u>203,806</u>	<u>384,585</u>
Total Revenue	<u>203,806</u>	<u>384,585</u>

5 Result for the Year

The result for the year includes the following specific expenses:

Employee benefits expense	273,393	278,568
Depreciation expense	3,431	2,767

6 Cash and Cash Equivalents

Cash at bank and in hand	202,713	123,525
Term Deposits	-	200,000
	<u>202,713</u>	<u>323,525</u>

7 Trade and Other Receivables

CURRENT		
Trade receivables	1,770	1,050
GST receivable	5,373	8,777
	<u>7,143</u>	<u>9,827</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

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

8 Other Assets

CURRENT		
Prepayments	7,184	7,269
Accrued income	-	3,200
	<u>7,184</u>	<u>10,469</u>

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

9 Property, Plant and Equipment

	2025	2024
	\$	\$
At cost	17,068	17,068
Accumulated depreciation	(11,921)	(8,490)
	<u>5,147</u>	<u>8,578</u>

(a) Movements in carrying amounts of property, plant and equipment

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	Total
	\$	\$
Year ended 30 June 2025		
Balance at the beginning of year	8,578	8,578
Depreciation expense	(3,431)	(3,431)
Balance at the end of the year	<u>5,147</u>	<u>5,147</u>
Year ended 30 June 2024		
Balance at the beginning of year	7,555	7,555
Additions	3,790	3,790
Depreciation expense	(2,767)	(2,767)
Balance at the end of the year	<u>8,578</u>	<u>8,578</u>

10 Trade and Other Payables

CURRENT

Accrued expenses	7,557	5,257
Superannuation payables	12,334	9,247
PAYG payables	4,805	4,417
	<u>24,696</u>	<u>18,921</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.

ACT Shelter Association

ABN 13 348 226 983

Notes to the Financial Statements For the Year Ended 30 June 2025

11 Grant In Advance

	2025	2024
	\$	\$
CURRENT		
Government grants	-	(23,091)
	<u>-</u>	<u>(23,091)</u>

12 Employee Benefits

Current liabilities		
Provision for wages underpayment	22,000	-
Provision for Annual Leave	5,221	18,572
	<u>27,221</u>	<u>18,572</u>

A current estimated provision of \$22,000 has been recorded for underpaid wages relating to prior periods. The final calculation will be confirmed and settled in early 2026.

13 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2025 (30 June 2024: None).

14 Statutory Information

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

ACT Shelter Association
159 Maribyrnong Ave
Kaleen ACT 2617

ACT Shelter Association

Independent Audit Report to the members of ACT Shelter Association

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ACT Shelter Association, which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the responsible persons' declaration.

In our opinion the financial report of ACT Shelter Association 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 2025 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, 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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

The financial statements have been prepared on the assumption that the association is a going concern and, in this regard, we draw attention to Note 2(j) and 2(k) of the financial statements. Our opinion is not modified in respect of this matter.

Other Information

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

ACT Shelter Association

Independent Audit Report to the members of ACT Shelter Association

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Responsible Entities for the Financial Report

The responsible persons of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 responsible persons are responsible for assessing the Registered Entity'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 responsible entities either intend to liquidate the Registered Entity 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 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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ACT Shelter Association

Independent Audit Report to the members of ACT Shelter Association

- 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 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 the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.


PKF Canberra
Ross Di Bartolo
Audit Partner
Registered Company Auditor

Dated: 14.11.2025