

# FINANCE REPORT 2022/23

COVERING THE PERIOD 1 JULY 2022 TO 30 JUNE 2023



Paralympics  
Australia



# **PARALYMPICS AUSTRALIA LTD**

ABN 41 810 234 213

# GENERAL PURPOSE (SDS) FINANCIAL REPORT

## For the year ended 30 June 2023

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# Directors' report

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Your directors present their report together with the financial report of Paralympics Australia Ltd ("the Company"/ "PA") for the year ended 30 June 2023 and the auditor's report thereon.

## DIRECTORS

The directors of the Company in office at any time during or since the end of the financial year are:

Timothy Carmody  
Alison Creagh  
Rebecca Frizelle  
Lachlan Harris (resigned 26 October 2022)  
John Hartigan  
Kate Jones  
Grant Mizens  
John O'Callaghan  
Annabelle Williams (resigned 7 December 2022)

### Information on Directors

Hon. Timothy Carmody,  
AM KC

Tim Carmody is a former Queensland judge serving from 1999 until 2019 and as one of Her Majesty's Counsel from 2013.

Mr Carmody has served in many roles including:

- Judge of the Family Court of Australia,
- Member of the Court's Law Reform Committee and the Policy Advisory Committee,
- Chaired the Court's Case Management Process and Procedures Committee,
- Chairman of the Queensland Child Protection Commission of Inquiry,
- Chief Magistrate of Queensland,
- District Court judge,
- Chief Justice of Queensland,
- Justice of the Supreme Court principally in the appeal division of the Queensland Civil and Administrative Tribunal until retiring in September 2019.

Alison Creagh, AM CSC  
(President of Paralympics Australia from September 2023, Vice President from May 2023 to September 2023)

Alison Creagh served in the Australian Regular Army for 30 years, retiring in 2015 as Brigadier and she continues to serve in the Army Reserve. Ms Creagh chairs the boards of Veteran Community Business Chamber and is a Non-Executive Director for Rowing Australia, GME and The Hospital Research Foundation Group and a trustee for the Commando Welfare Trust.

Ms Creagh previously held appointments as Strategic Defence Advisor for the Queensland Government and was Chair of the ACT Ministerial Advisory Council for Veterans and Their Families as well as Defence Ambassador for the ACT Government.

Rebecca Frizelle, OAM

Rebecca Frizelle is the Chief Operating Officer of Frizelle Prestige and a key shareholder in Frizelle Sunshine Automotive and Peter Warren Automotive. Ms Frizelle is a Director of the Brisbane 2032 Organising Committee for the Olympic and Paralympic Games.

She is a Director of Sunland Group Ltd, Deputy Chancellor at Griffith University, Director of the Audi Australia Foundation Board, LifeFlight Australia Ltd and Director of Community Rebuilding Initiative (BizRebuild) Board.

Ms Frizelle was a Director on the Board of the Titans, before stepping down to pursue a personal ownership stake in the Club.

## Directors' report (continued)

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### DIRECTORS (CONTINUED)

Lachlan Harris  
(resigned 26 October 2022)

Lachlan Harris is the Founder and CEO of RevTech Media owning and operating One Big Switch, The FiftyUp Club, and RoboSave.

Mr Harris held the role of Principal Press Secretary for the Hon Kevin Rudd MP and previously served as Press Secretary for Shadow Treasurer Wayne Swan and Shadow Defence Minister Robert McClelland.

Mr Harris has Bachelor of Arts / Law (University of New South Wales).

John Hartigan, AO

John Hartigan was chairman and chief executive of News Ltd (now AusCorp Australia) from 2000-2011. He was also chairman of Prime Media for six years from 2014. He served for almost ten years as a Trustee of the Sydney Cricket and Sports Ground Trust. He is also a life member of the Bradman Foundation.

He served as chairman of Destination NSW, the state's tourism and special events body.

Mr Hartigan is also a patron of the Indigenous Marathon Project and ambassador for the Australian Indigenous Education Foundation.

Kate Jones

Kate Jones is a member of the National Rugby League Commission.

Ms Jones served as a Minister in the Queensland Government for more than eight years in a range of portfolios including State Development, Education, Tourism and Major Events and Innovation and Climate Change. She was also the Minister for the Commonwealth Games to deliver the Gold Coast 2018 Commonwealth Games.

Ms Jones has a Masters in Environmental Law (Australian National University) and a Bachelor of Arts, Journalism Major (Queensland University of Technology)

Grant Mizens, OAM  
(Vice-President)

Grant Mizens is a three-time Paralympian, having competed in wheelchair basketball at the 2004, 2008 and 2012 Paralympic Games, and in a coaching role at the Tokyo 2020 Paralympic Games.

Mr Mizens is a portfolio manager employed by one of Australia's largest wealth managers, and also sits on both Sargood Foundation Board and the Sargood Centre Board.

Mr Mizens holds a Bachelor of Arts in Economics from the University of Illinois USA and is a Graduate member of the Australian Institute of Company Directors (GAICD).

John O'Callaghan  
(President of Paralympics  
Australia from August 2018 to  
September 2023)

Jock O'Callaghan has served on the Board of Directors since 2015. He also served as Chair of the Audit and Risk Committee from 2016 – 2019.

Mr O'Callaghan is a chartered accountant and was a partner at PwC as Global Mining Leader and Global Metals Leader.

Mr O'Callaghan held the position of Vice President of Brisbane 2032 Organising Committee for the Olympic and Paralympic Games through to September 2023. He was a member of the Audit and Finance Committee of the International Paralympic Committee from 2018 to 2022.

Annabelle Josephine Williams,  
OAM  
(Resigned 7 December 2022)

Annabelle Williams is a corporate lawyer, a two-time Paralympian and a member of the Paralympics Australia Athletes Commission. Ms Williams is a former Board Member of Swimming Australia, IAAF Disciplinary Tribunal, ICC Disciplinary Tribunal and the National Sports Tribunal.

Ms Williams has a Bachelor of International Relations, Bachelor of Law (Hons) from Bond University and is a Graduate of Stanford University, Graduate School of Business.

# Directors' report (continued)

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## COMPANY SECRETARY

James Fitzsimons held the position of Company Secretary until his resignation as secretary on 4 July 2022. Ian Fullagar and Sharon White were jointly appointed to the role on 4 July 2022.

## DIVIDENDS

In accordance with the Constitution, no dividends can be paid and accordingly no dividends were paid or declared since the start of the financial year (2022: \$nil).

## CORPORATE INFORMATION

Paralympics Australia Ltd (PA) is a company limited by guarantee that is incorporated and domiciled in Australia. The registered office and principal place of business is 1A Herb Elliott Avenue, Sydney Olympic Park, NSW 2127.

The corporate objectives of PA are defined by and in its Constitution. These may be summarised as follows:

## SHORT TERM AND LONG-TERM OBJECTIVES

PA's objectives are:

- To help Australians with disabilities participate in sport and compete at the Paralympic Games through partnerships with governments, businesses, sporting bodies, and the community.
- To control, supervise and administer the representation of Australia at the Paralympic Games, games recognised by the International Paralympic Committee ("IPC"), and other international multi-disability sports events and championships approved by the IPC involving national team participation.
- To manage partnerships with governments, businesses, national sporting organisations, and disability groups, critical to delivering a successful Australian Paralympic Team.
- To coordinate, represent, and promote the Paralympic movement in Australia and to encourage athletes to participate in sports to international standards.

## STRATEGY FOR ACHIEVING THOSE OBJECTIVES

PA has a corporate and budget strategy that provides an outline to the key business elements, goals and key strategic elements to facilitate the accomplishment of the objectives. The Strategic Plan launched in March 2023 outlines four key strategic pillars as we progress towards the 2032 Brisbane Games:

- Sustainability: Create sustainable, equitable and values-aligned funding for PA and Paralympic sport programs.
- Ecosystem: Achieve equity for Paralympic sport in the sport ecosystem through collaborative partnerships and strengthened capability.
- Athletes: Enhance systems and pathways to support more thriving athletes to deliver more medal performances.
- Fans: Connect with Fans and Partners, igniting a love for the Australian Team and inspiring social change.

## PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were that of sport administration in relation to athletes with a disability and their progression to competing in a Paralympic Games.

# Directors' report (continued)

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## PERFORMANCE MEASUREMENT

The monitoring and performance of the objectives of PA is managed through operational plans and budgetary processes that are directly linked to the corporate strategy of PA. Actual performance is monitored monthly as a direct comparison to the budgeted operational plan.

## OPERATING AND FINANCIAL REVIEW

### Operating results for the year

The net income of PA for the year amounted to \$39,412 (2022: \$2,542,191). Total revenue was \$13,431,077 (2022: \$26,156,277) and total expenses were \$13,391,665 (2022: \$23,614,086).

Note that the Company is a registered charity and deductible gift recipient for Australian income tax purposes. The Company is exempt from Australian income tax.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the Company's state of affairs that occurred during the financial year.

## SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events occurring after balance sheet date which may affect either the Company's operations or results of those operations.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The strategy of PA will continue unchanged to ensure the long-term delivery of its objectives. Federal Government grants continue to be a significant element of PA's funding source. The directors have the expectation that funding will continue under the current arrangements but acknowledge that it is at the discretion of the Federal Government. Notwithstanding the significance of the Federal Government grants, PA generates revenue from a range of other sources and continues to focus on broadening that funding base.

## ENVIRONMENTAL REGULATION

The Company's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has provided for and paid premiums during the year for directors' and officers' liability and corporate reimbursement insurance contracts.

The insurance premiums relate to:

- Cost and expenses incurred by relevant officers defending proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid with respect to the directors' and officers' liability and corporate reimbursement insurance contract, as such disclosure is prohibited under the terms of the contract.

## Directors' report (continued)

### PROCEEDINGS ON BEHALF OF PA

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

### DIRECTORS' AND COMMITTEE MEETINGS

The number of directors' meetings and committee meetings including the number of meetings attended by each of the directors of the PA during the financial year are:

Director	Directors' Meetings	Directors' Meetings	Finance, Audit & Risk Management	Finance, Audit & Risk Management	Remuneration	Remuneration	Commercial	Commercial	Governance & Nominations	Governance & Nominations
	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings attended	Number of meetings eligible to attend	Number of meetings eligible to attend
John Fintan O'Callaghan	6	6	5	5	4	3			1	1
Timothy Carmody	6	6	5	4					1	1
Rebecca Frizelle	6	6			4	4	4	2		
Lachlan Harris	2	1			3	3	1	0		
John Kenneth Hartigan	6	5					4	4		
Grant Mizens	6	6	5	4	4	4				
Annabelle Williams**	4	0			3	2	1	0	1	0
David Kells*	3	1	5	5						
Alison Creagh	6	6	5	4			4	3	1	1
Kate Jones	6	5					3	2		
Joanne Peulen *			2	2						

\* David Kells and Joanne Peulen are independent members of the Finance, Audit and Risk Management Committee.

\*\* Annabelle Williams was granted a leave of absence on 10 May 2022.

### MEMBER'S GUARANTEE

PA is a company limited by guarantee that is incorporated and domiciled in Australia. If the Company is wound up, its Constitution states that each member is required to contribute a maximum of \$1.00 towards meeting any outstanding obligations of the Company.

At 30 June 2023, the number of members was 23 (2022: 23 members).

### AUDITOR INDEPENDENCE

The directors have received the Independence Declaration from the Auditors. The Declaration is attached as page 9 of the report.



## Directors' report (continued)

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### INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Signed in accordance with a resolution of the directors.

Dated at Sydney Olympic Park this 24<sup>th</sup> October 2023.



Alison Creagh, AM CSC  
Director



**Building a better  
working world**

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## Auditor's independence declaration to the directors of Paralympics Australia Ltd

In relation to our audit of the financial report of Paralympics Australia Ltd for the financial year ended 30 June 2023, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of any applicable code of professional conduct; and
- b. No non-audit services provided that contravene any applicable code of professional conduct.

This declaration is in respect of Paralympics Australia Ltd and the entity it controlled during the financial year.

A handwritten signature in black ink that reads "Ernst &amp; Young".

Ernst & Young

A handwritten signature in black ink that reads "Yvonne Barnikel".

Yvonne Barnikel  
Partner  
24 October 2023

# Consolidated statement of comprehensive income

For the year ended 30 June 2023

	<i>Note</i>	<b>2023</b>	<b>2022</b>
		\$	\$
<b>Revenue</b>			
Grants	4.2 (a)	8,090,871	13,822,122
Sponsorship and broadcasting	4.1 (a)	3,422,667	6,929,384
Fundraising	4.2 (b)	1,233,609	4,463,803
Investment income and bank interest	4.2 (c)	519,152	146,706
Other income	4.2 (d)	164,778	794,262
		<u>13,431,077</u>	<u>26,156,277</u>
<b>Expenses</b>			
Sport specific		(977,730)	(3,051,452)
Games and international travel		(1,725,131)	(3,614,231)
Sponsorship, marketing & broadcasting expenses		(505,838)	(4,123,964)
Fundraising expenses		(229,213)	(1,153,705)
Administration		(3,266,219)	(5,024,388)
Employment and contractor expenses		(6,687,534)	(6,646,346)
<b>Total expenses</b>	4.2 (e)	<u>(13,391,665)</u>	<u>(23,614,086)</u>
Operating surplus before income tax		39,412	2,542,191
Income tax expense		-	-
<b>Net surplus attributable to the members of Paralympics Australia Ltd</b>		39,412	2,542,191
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u><b>39,412</b></u>	<u><b>2,542,191</b></u>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

# Consolidated statement of financial position

As at 30 June 2023

	<i>Note</i>	<b>2023</b>	<b>2022</b>
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	11,633,623	11,068,869
Trade and other receivables	6	610,506	609,692
<b>Total current assets</b>		<u>12,244,129</u>	<u>11,678,561</u>
<b>Non-current assets</b>			
Investments	7	4,476,066	4,049,488
Right-of-use assets	8	4,662	139,930
Property, plant & equipment	9	246,798	272,540
<b>Total non-current assets</b>		<u>4,727,526</u>	<u>4,461,958</u>
<b>Total assets</b>		<u>16,971,655</u>	<u>16,140,519</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	1,176,420	1,755,291
Provisions	11	269,698	182,475
Contract liabilities	12	6,499,232	4,989,687
Lease liability	8	8,863	143,400
<b>Total current liabilities</b>		<u>7,954,213</u>	<u>7,070,853</u>
<b>Non-current liabilities</b>			
Provisions	11	61,412	142,323
Lease liabilities	8	-	10,725
<b>Total non-current liabilities</b>		<u>61,412</u>	<u>153,048</u>
<b>Total liabilities</b>		<u>8,015,625</u>	<u>7,223,901</u>
<b>Net assets</b>		<u>8,956,030</u>	<u>8,916,618</u>
<b>Equity</b>			
Accumulated funds		<u>8,956,030</u>	<u>8,916,618</u>
<b>Total equity</b>		<u>8,956,030</u>	<u>8,916,618</u>

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

# Consolidated statement of changes in equity

For the year ended 30 June 2023

	<i>Accumulated funds</i>	<i>Total equity</i>
	\$	\$
<b>At 1 July 2021</b>	6,374,426	6,374,426
Surplus for the year	2,542,192	2,542,192
Total comprehensive income for the year	2,542,192	2,542,192
<b>At 30 June 2022</b>	8,916,618	8,916,618
Surplus for the year	39,412	39,412
Total comprehensive income for the year	39,412	39,412
<b>At 30 June 2023</b>	8,956,030	8,956,030

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

# Consolidated statement of cash flows

For the year ended 30 June 2023

	<i>Note</i>	<b>2023</b>	<b>2022</b>
		\$	\$
<b>Cash flows from operating activities</b>			
Receipt from customers		14,251,437	15,444,933
Payments to suppliers and employees		(13,731,627)	(19,867,960)
Interest received	4.2(c)	276,223	9,340
<b>Net cash from operating activities</b>		<u>796,033</u>	<u>(4,413,687)</u>
<b>Cash flows from investing activities</b>			
Purchase of investments		-	(3,000,000)
Acquisition of property and equipment	9	(36,407)	(72,120)
<b>Net cash from investing activities</b>		<u>(36,407)</u>	<u>(3,072,120)</u>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	8	(194,872)	(201,586)
<b>Net cash from financing activities</b>		<u>(194,872)</u>	<u>(201,586)</u>
Net increase/(decrease) in cash and cash equivalents		564,754	(7,687,393)
Cash and cash equivalents at 1 July 2022		<u>11,068,869</u>	<u>18,756,262</u>
Cash and cash equivalents at 30 June 2023	5	<u><u>11,633,623</u></u>	<u><u>11,068,869</u></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

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## 1 CORPORATE INFORMATION

The financial report of PA for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the directors on 24 October 2023.

PA is a company limited by guarantee incorporated and domiciled in New South Wales. Its registered office and principal place of business is 1A Herb Elliott Ave, Sydney Olympic Park, NSW. PA was formerly Australian Paralympic Committee Ltd.

PA operates to foster the Paralympic movement in Australia in accordance with its Constitution. PA's primary role is to represent and promote sport for athletes with a disability and to execute its exclusive powers for the representation of Australia at Paralympic games, both summer and winter. PA operates predominantly in Australia except at the time of participation of Australian teams at overseas locations.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of Australian Accounting Standards – Simplified Disclosures and other authoritative pronouncements of the Australian Accounting Standards Board. In addition, the financial report has been prepared in accordance with the reporting requirements of the *Charitable Fundraising Act 1991* (NSW), *Charitable Collections Act 1946* (WA), and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial report has been prepared in accordance with the historical cost convention. The financial report is presented in Australian dollars (\$).

The accounts have been prepared for PA and its wholly owned subsidiary Parasport Australia Pty Limited which remains dormant.

### (b) Statement of compliance

The financial report complies with the *Australian Charities and Not-for-profit Commission Act 2012* and Australian Accounting Standards - Simplified Disclosures.

### (c) New accounting standards and interpretations

The accounting policies applied by PA are consistent with those of the prior year. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### (d) Foreign currency translation

#### (i) Functional and presentation currency

Both the functional and presentation currency of Paralympics Australia Ltd is Australian dollars (\$).

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

# Notes to the financial statements (continued)

For the year ended 30 June 2023

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand. The company has short term deposits with maturity of twelve months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

### (f) Trade and other receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade and other receivables, which comprise amounts due from trading activities are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Normal terms of settlement vary from 30 to 90 days. The carrying amount of the receivables is deemed to reflect fair value.

For trade receivables, the Company applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company assesses a provision based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### (g) Investments

Investments in managed funds are financial assets classified as fair value through profit and loss. Fair value movements in these investments are recognised in the statement of comprehensive income. At balance date, the Company assesses whether there is any impairment to investments.

### (h) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Computer Network - 20% to 40%
- Office Furniture and equipment – 4% to 20%

#### *Impairment*

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

Where an indicator of impairment exists, PA makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. Value in use is the depreciated replacement cost of an asset when the future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows and where PA would, if deprived of the asset, replace its remaining future economic benefits.

Impairment losses would be recognised in the statement of comprehensive income.



# Notes to the financial statements (continued)

For the year ended 30 June 2023

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (h) Property, plant and equipment (continued)

#### *Derecognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised. The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

### (i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *Company as a lessee*

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### *(i) 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 commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Property 7 years
- Equipment 2 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

#### *(ii) Lease liabilities*

At the commencement date of the 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, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its indicative incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the 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 lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

# Notes to the financial statements (continued)

For the year ended 30 June 2023

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (i) Leases (continued)

#### *(iii) Short term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### (j) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

### (k) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to PA prior to the end of the financial year that are unpaid and arise when PA becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 60 days of recognition.

### (l) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### (m) Provisions

#### *General*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

#### *(i) Wages, salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

# Notes to the financial statements

For the year ended 30 June 2023

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (m) Provisions (continued)

#### *(ii) Long service leave*

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### *(iii) Superannuation*

PA contributes to a group employee superannuation scheme. Contributions on behalf of employees are based on statutory percentages of their gross salaries. The scheme provides for accumulation and PA is under no legal obligation to make up any shortfall in the scheme's ability to meet payments due to employees. Superannuation fund contributions are charged as an expense as incurred.

### (n) Revenue recognition

#### *Revenue from contracts with customers*

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from contracts with customers includes sponsorship and broadcasting revenue which is recognised over the period the services are provided. In-kind contributions are recognised at the fair value of the goods or services received.

#### *Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### (o) Other Income

#### *Government grants*

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

#### *Fundraising income*

Donations and other fundraising income is recognised when the Company is entitled to receive the income.

### (p) Income tax

PA is a registered charity with deductible gift recipient status and as a sporting body is exempt from Australian Income Tax under Section 23(g) (iii) of the *Income Tax Assessment Act, 1936*, as amended.

# Notes to the financial statements

For the year ended 30 June 2023

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## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (q) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows 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 part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### (r) Presentation of Comparative Amounts

Comparative amounts may be presented differently from prior year to conform with the current year presentation of the financial statements and notes.

## 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### *Impairment of non-financial assets*

PA assesses impairment of all assets at each reporting date by evaluating conditions specific to PA and to the particular asset that may lead to impairment. These include the revenue, economic and political environments and future revenue expectations. If an impairment trigger exists, the recoverable amount of the asset is determined.

#### *Contract liabilities*

Australian Sports Commission funding provided for specific sport programmes, unexpended in the financial year are held as contract liabilities within the statement of financial position of PA. These funds will be expended in future periods, in accordance with applicable funding agreements.

# Notes to the financial statements

For the year ended 30 June 2023

## 4 REVENUE AND EXPENSES

	2023 \$	2022 \$
Revenue from contracts with customers is recognised over time within Australia		
<b>4.1 Revenue from contract with customers</b>		
<b>4.1 (a) Sponsorship and broadcasting</b>		
Sponsorship and broadcasting financial contributions	3,422,667	3,747,446
Sponsorship and broadcasting financial in-kind contributions	-	3,181,937
	3,422,667	6,929,383
<b>4.2 Grants and other revenue</b>		
<b>4.2 (a) Grants</b>		
Australian Sports Commission	7,444,304	12,673,624
New South Wales Govt - Dept sport & recreation	80,000	360,000
Australian Govt - Dept of social services	211,643	-
Queensland Government - QAS	102,195	-
Non-Government grants	20,758	-
South Australian Government - Office for recreation & sport	48,883	54,799
Victorian Government – Dept Jobs, Precincts and Regions (DJPR)	10,000	-
Equipment fund - Toyota grants	133,837	-
Vic Government - Department of health and human services	39,251	733,699
	8,090,871	13,822,122
<b>4.2 (b) Fundraising</b>		
Community fundraising	48,645	256,810
Corporate fundraising	58,146	321,466
Direct response	321,178	2,764,832
Trade promotions	9,165	963,490
Regular giving	175,537	157,205
Bequests	436,300	-
Major gifts	184,638	-
	1,233,609	4,463,803
<b>4.2 (c) Investment income and bank interest</b>		
Interest income from operating bank accounts	276,223	9,362
Dividends from bequeathed investments	989	-
Unrealised gains on investment portfolio	67,215	-
Dividend and interest income from investment portfolio	174,725	137,344
	519,152	146,706
<b>4.2 (d) Membership fees and other income</b>		
Membership fees	2,300	2,300
Insurance claims	53,075	-
Other Income	109,403	791,962
	164,778	794,262
<b>Total grants and other revenue</b>	10,008,410	19,226,893

# Notes to the financial statements (continued)

For the year ended 30 June 2023

## 4 REVENUE AND EXPENSES (CONTINUED)

	2023 \$	2022 \$
<b>4.2 (e) Expenses</b>		
Summer Paralympic games	1,164,807	7,958,837
Winter Paralympic games	9,748	960,648
Depreciation & right-of-use related expenses	263,999	268,398
Value in kind media related expenses	-	2,848,000
Unrealised & realised loss on investment portfolio	-	189,561
Other expenses	11,953,111	11,388,642
	<u>13,391,665</u>	<u>23,614,086</u>

## 5 CASH AND CASH EQUIVALENTS

Cash at bank earns interest between 0.01% (2022: 0.01%) and 5.04% (2022: 1.42%). The carrying amounts of cash and cash equivalents represent fair value.

Short-term deposits are made for varying periods of between one day and twelve months, depending on the immediate cash requirements of the organisation, and earn interest at the respective short-term deposit rates.

	2023 \$	2022 \$
Cash in operating bank accounts	1,477,369	1,499,999
Term deposits	10,156,254	9,568,870
	<u>11,633,623</u>	<u>11,068,869</u>

## 6 TRADE AND OTHER RECEIVABLES (CURRENT)

	2023 \$	2022 \$
Trade receivables	537,198	443,909
Doubtful debts	-	-
	<u>537,198</u>	<u>443,909</u>
Sundry debtors	1,560	108,465
Prepayments	71,748	57,318
Carrying amount of trade and other receivables	<u>610,506</u>	<u>609,692</u>

## Notes to the financial statements (continued)

For the year ended 30 June 2023

### 7 INVESTMENTS

	2023 \$	2022 \$
Managed funds at fair value	4,291,428	4,049,488
Shares (bequested) at fair value	184,638	-
	<u>4,476,066</u>	<u>4,049,488</u>

Fair value is determined by reference to the valuation provided by the Fund Manager at balance date.

### 8 LEASES

#### Company as a lessee

The Company has lease contracts for commercial property leases and office equipment. These leases have an average life of 6 years. There are no restrictions placed upon the lessee by entering into these leases. The Company's lease terms may include options to extend or terminate the lease. These options are reflected in the Company's future contractual obligations when it is reasonably certain that the Company will exercise that option.

	2023 \$	2022 \$
<i>Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year</i>		
Opening balance (as at 1 July 2022)	139,930	112,824
Additions	17,315	149,077
Adjustment	-	-
Depreciation expenses	(152,583)	(121,971)
<b>At 30 June 2023</b>	<u>4,662</u>	<u>139,930</u>
<i>Set out below are the carrying amounts of lease liabilities and the movements during the year</i>		
Opening balance (as at 1 July 2022)	154,125	165,414
Additions	17,315	149,077
Adjustment	-	(315)
Accretion of interest	32,295	41,535
Payments	(194,872)	(201,586)
<b>At 30 June 2023</b>	<u>8,863</u>	<u>154,125</u>
Current lease liability	8,863	143,400
Non-current lease liability	-	10,725
<i>Presented below is the maturity analysis of future lease payments:</i>		
Not later than 1 year	16,507	171,633
Later than 1 year and not later than 5 years	-	9,111
<i>The following are the amounts recognised in profit or loss:</i>		
Depreciation expense of right-of-use assets	152,583	121,971
Interest expense on lease liabilities	32,295	41,535
Expense relating to short-term leases (included under rent expenses)	-	-
	<u>184,878</u>	<u>163,506</u>

## Notes to the financial statements (continued)

For the year ended 30 June 2023

### 9 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amounts at the beginning and end of the year

	Computer Network	Office Furniture and Equipment	Total
<b>COST</b>			
At 1 July 2022	131,347	435,239	566,586
Additions	36,407	-	36,407
Disposals	-	-	-
<b>At 30 June 2023</b>	<b>167,754</b>	<b>435,239</b>	<b>602,993</b>
<b>Accumulated depreciation</b>			
At 1 July 2022	(85,352)	(208,694)	(294,046)
Depreciation charged for the year	(29,025)	(33,125)	(62,149)
Disposals	-	-	-
<b>At 30 June 2023</b>	<b>(114,377)</b>	<b>(241,819)</b>	<b>(356,195)</b>
<b>Net book value at 30 June 2023</b>	<b>53,377</b>	<b>193,420</b>	<b>246,798</b>

### 10 TRADE AND OTHER PAYABLES (CURRENT)

	2023 \$	2022 \$
Trade payables	151,038	264,007
Other payables	524,717	816,682
GST/PAYG payable	30,194	186,391
Annual leave accrued	470,471	488,211
	<b>1,176,420</b>	<b>1,755,291</b>

(a) **Fair value**

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

(b) **Trade payables**

Trade payables are non-interest bearing and are normally settled on 30-day terms.



# Notes to the financial statements (continued)

For the year ended 30 June 2023

## 11 PROVISIONS

	2023	2022
	\$	\$
<b>CURRENT</b>		
Long service leave	269,698	182,475
<b>NON-CURRENT</b>		
Long service leave	61,412	142,323

### Nature and timing of provisions

#### *Long service leave*

Refer to Note 2 (m) (ii) for the relevant accounting policy and a discussion of the significant estimations and assumptions applied in the measurement of this provision. The inflation rate used for the calculation was 4.35%.

## 12 CONTRACT LIABILITIES

	2023	2022
	\$	\$
<b>CURRENT</b>		
Australian Sports Commission unexpended grant income	4,554,500	4,272,254
Other grant income received in advance	596,055	452,869
Sponsorship income received in advance	1,348,677	264,564
	<b>6,499,232</b>	<b>4,989,687</b>

## 13 COMMITMENTS AND CONTINGENCIES

### (a) Commitments

#### *Short term lease commitments – Company as lessee*

Paralympics Australia has not entered any short-term property lease during the year ending June 30, 2023.

### (b) Capital commitments

The company had no capital commitments as at 30 June 2023 (30 June 2022: \$nil)

### (c) Contingencies

The company had no contingent liabilities at 30 June 2023 (30 June 2022: \$nil).

# Notes to the financial statements (continued)

For the year ended 30 June 2023

## 14 RELATED PARTY DISCLOSURES

As at 30 June 2023, there was no amount receivable from a Director. An amount of \$8,875 was payable to a Director in relation to costs covered by PA (2022: \$85). Transactions with directors are made on terms equivalent to those that prevail in arm's length transactions on normal conditions.

Directors and employees may make voluntary donations to the Company. These are recognised as fundraising income when received consistent with all other donations received.

## 15 KEY MANAGEMENT PERSONNEL

	2023 \$	2022 \$
Total compensation	1,405,592	1,880,303
Compensation in bands		
\$0	11	11
\$0 to \$49,999	0	2
\$50,000 to \$149,999	0	3
\$150,000 +	6	6
Number of staff and directors	17	22

Note that compensation comprises actual remuneration earned during the year, even if the staff member was employed for part of a year (not grossed up).

## 16 AUDITOR REMUNERATION

The auditor of PA is Ernst & Young Australia.

	2023 \$	2022 \$
Fees to Ernst & Young		
For auditing the statutory financial report of the company and auditing of grant acquittal statements	53,500	94,300
For tax compliance and compliance services	-	11,500
Total auditor's remuneration	53,500	105,800

## 17 REMUNERATION OF DIRECTORS

Except for normal reimbursements for expenses incurred in conducting their duties and responsibilities, the directors of PA and independent members of board committees do not and have not received remuneration, fees or other payments for services rendered.

## 18 EVENTS AFTER BALANCE DATE

There have been no other significant events occurring after balance sheet date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

# Notes to the financial statements (continued)

For the year ended 30 June 2023

## 19 FUNDRAISING SUPPLEMENTARY INFORMATION

### Fundraising 2023

The information below is required to be furnished under the *Charitable Fundraising Act 1991* (NSW).

PA is required to provide minimum fundraising information under the reporting requirements of the *Collections for Charitable Purposes Act 1939* (SA), *Charitable Fundraising Act 1991* (NSW), *Charitable Collections Act 1946* (WA), *Charitable Collections Act 2003* (ACT), *The Collections for Charities Act 2001* (TAS), *Charitable and Non-Profit Gaming Act 1999* (QLD) and the *Fundraising Appeals Act 1998* (VIC).

	Revenue	Expense	Net Surplus	Net %
Community fundraising	11,703	-	11,703	100%
Corporate fundraising	52,985	28,740	24,245	46%
Regular giving	224,962	190,607	34,355	15%
High value giving	625,938	12,971	612,967	98%
Direct response	308,856	24,350	284,506	92%
<b>Total excl trade promotions</b>	<b>1,224,444</b>	<b>256,668</b>	<b>967,776</b>	<b>79%</b>
Trade promotions	9,165	-	9,165	100%
<b>Total</b>	<b>1,233,609</b>	<b>256,668</b>	<b>976,941</b>	<b>79%</b>

The figures above relate strictly to the fundraising incomes and expenditures accounted for within the financial year, 1 July 2022 to 30 June 2023. The net surplus, or net deficit, reported does not necessarily reflect the outcome of the fundraising campaigns as their effective period may differ from the financial year.

Note that administration costs of \$528,503 (2022: \$957,246) have not been included in the expenditure above.

# Notes to the financial statements (continued)

For the year ended 30 June 2023

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## 20 ECONOMIC DEPENDENCY

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

PA has a net current assets position of \$4,289,916 as at 30 June 2023 (2022: \$4,607,709) and has generated an operating surplus for the year of \$39,412 (2022: \$2,542,191). The net cash inflows/(outflow) from operating activities during the year were \$796,033 (2022:(\$4,413,687)). As at 30 June 2023 the Company has net assets of \$8,956,030 (2022: \$8,916,618).

PA is economically dependent on grants provided by the Australian Sports Commission to continue at its current level of operations. A recurring reduction in grants provided would impact on operating levels.

The Company has prepared detailed cashflow forecasts over which analysis has been performed. These show that the Company can pay its debts as and when they fall due in the ordinary course of business and as such the Directors have concluded that the going concern basis is appropriate.

## Directors' declaration

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In accordance with a resolution of the directors of Paralympics Australia Ltd, I state that in the opinion of the directors:

- (a) the financial statements and notes of the Company are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2022*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable
- (c) the statement of comprehensive income gives a true and fair view of all income and expenditure of the Company with respect to fundraising appeals;
- (d) the statement of financial position gives a true and fair view of the state of affairs of the Company with respect to fundraising appeals;
- (e) the provisions and regulations of the *NSW Charitable Fundraising Act 1991* and the *NSW Charitable Fundraising Regulations 2021* and the requirements of the *WA Charitable Collections Act (1946)* and the *WA Charitable Collections Regulations (1947)* and the conditions attached to the authority to fundraise have been complied with by the Company; and
- (f) the internal controls exercised by the Company are appropriate and effective in accounting for all income received and applied by the Company from any of its fundraising appeals.

On behalf of the Board



Alison Creagh AM CSC  
Director

Sydney, 24<sup>th</sup> October 2023



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## Independent Auditor's Report to the Members of Paralympics Australia Ltd

### Report on the Financial Report

#### Opinion

We have audited the financial report of Paralympics Australia Ltd (the Company) and its subsidiary (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 30 June 2023 and of its consolidated financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Simplified Disclosures and 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 Group in accordance with 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.

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

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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.



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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 *Australian Charities and Not-for-Profits Commission Act 2012* 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 Group'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 directors either intend to liquidate the Group 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.

As part of an audit in accordance with the 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 Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



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- ▶ 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 Group'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 Group 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 Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group 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.

## Report on the requirements of the NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulation 2021 and the requirements of the WA Charitable Collections Act (1946) and the WA Charitable Collections Regulations (1947)

We have audited the financial report as required by Section 24 of the NSW Charitable Fundraising Act 1991 and the WA Charitable Collections Act (1946). Our procedures included obtaining an understanding of the internal control structure for 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 NSW Charitable Fundraising Act 1991 and the NSW Charitable Fundraising Regulation 2021 and the WA Charitable Collections Act (1946) and the WA Charitable Collections Regulations (1947).

Because of the inherent limitations of any assurance engagement, it is possible that fraud, error or non compliance may occur and not be detected. An audit is not designed to detect all instances of non compliance with the requirements described in the above mentioned Acts and Regulations as an audit is not performed continuously throughout the period and the audit procedures performed in respect of compliance with these requirements are undertaken on a test basis. The audit opinion expressed in this report has been formed on the above basis.





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## Opinion

In our opinion:

- a) The financial report of Paralympics Australia Ltd has been properly drawn up and associated records have been properly kept during the financial year ended 30 June 2023, in all material respects, in accordance with:
  - i) Sections 20(1), 22(1-2), and 24(1) of the NSW Charitable Fundraising Act 1991;
  - ii) Sections 14(2) and 17 of the NSW Charitable Fundraising Regulation 2021;
  - iii) The *WA Charitable Collections Act (1946)*; and
  - iv) The *WA Charitable Collections Regulations (1947)*.
- b) The money received as a result of fundraising appeals conducted by the company during the financial year ended 30 June 2023 has been properly accounted for and applied, in all material respects, in accordance with the above mentioned Acts and Regulations.

Ernst & Young

Yvonne Barnikel  
Partner  
Sydney  
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