

**FINANCIAL REPORT
31 DECEMBER 2024**

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CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Revenue	4	190,810	173,322
Other income	5	6,595	5,267
Salaries and related expenses	6	(120,999)	(110,045)
General operational expenses		(15,937)	(15,180)
Facilities management and maintenance		(8,745)	(7,699)
Utilities and outgoings		(5,861)	(5,383)
Trade purchases		(7,858)	(7,235)
Donations and mission giving		(2,862)	(2,397)
Other expenses from ordinary activities		(10,358)	(9,912)
Earnings before interest, tax, depreciation and amortisation		24,785	20,738
Depreciation and amortisation expenses		(11,684)	(10,860)
Interest expense	7	(2,560)	(2,237)
Net surplus before income tax		10,541	7,641
Income tax expense		-	-
Net surplus for the year		10,541	7,641

The above consolidated income statement should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Net surplus for the year		10,541	7,641
Other comprehensive income			
<i>Items that will not be reclassified to surplus or deficit</i>			
Gain/(loss) on property revaluation	17	4,650	2,507
Other comprehensive income for the year		4,650	2,507
Total comprehensive income for the year		15,191	10,148

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	19,530	13,801
Trade and other receivables	9	2,451	3,533
Prepayments		2,555	2,172
Inventories		1,401	1,378
TOTAL CURRENT ASSETS		25,937	20,884
NON-CURRENT ASSETS			
Property, plant and equipment	10	295,188	282,540
Investments	11	638	582
Trade and other receivables		109	48
TOTAL NON-CURRENT ASSETS		295,935	283,170
TOTAL ASSETS		321,872	304,054
LIABILITIES			
CURRENT LIABILITIES			
Borrowings	12	7,103	5,997
Trade and other payables	13	20,270	20,240
Lease Liabilities		1,716	1,549
Provisions	14	11,894	10,745
Income in Advance		2,730	2,907
TOTAL CURRENT LIABILITIES		43,713	41,438
NON-CURRENT LIABILITIES			
Borrowings	15	39,375	39,320
Provisions	16	2,293	2,009
Lease Liabilities		5,191	5,178
TOTAL NON-CURRENT LIABILITIES		46,859	46,507
TOTAL LIABILITIES		90,572	87,945
NET ASSETS		231,300	216,109
FUNDS			
Reserves		83,467	79,433
Retained earnings		147,833	136,676
TOTAL FUNDS		231,300	216,109

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

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2024

		Reserves	Retained Earnings	Total Funds
	Note	\$'000	\$'000	\$'000
Balance at 1 January 2023		76,926	129,035	205,961
Surplus for the year			7,641	7,641
Other comprehensive income for the year	17	2,507	-	2,507
Total comprehensive income for the year		2,507	7,641	10,148
Transfers between reserves		-	-	-
Balance at 31 December 2023		79,433	136,676	216,109
Balance at 1 January 2024		79,433	136,676	216,109
Surplus for the year		-	10,541	10,541
Other comprehensive income for the year	17	4,650	-	4,650
Total comprehensive income for the year		4,650	10,541	15,191
Transfers between reserves		(616)	616	-
Balance at 31 December 2024		83,467	147,833	231,300

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Operating Activities			
Surplus before taxation		10,540	7,641
Adjustment for:			
Depreciation		11,684	10,860
Bad and doubtful debts		187	198
Loss/(Gain) on sale of assets		(322)	5
Interest income		(356)	(240)
Interest expense		2,560	2,237
		24,294	20,701
(Increase)/ Decrease in trade and other receivables		451	(1,186)
Decrease/(increase) in inventories		(23)	(36)
Increase/(Decrease) in employee provisions		1,433	1,601
Increase/(Decrease) in trade and other payables		30	5,292
Increase/(Decrease) in income in advance		(177)	(47)
Cash generated from operations		23,488	26,325
Interest paid		(2,560)	(2,237)
Net cash flows from operating activities		23,448	24,088
Investing Activities			
Payments for property, plant and equipment		(16,436)	(28,482)
Proceeds from sale of property, plant and equipment		371	86
Increase in investments		(56)	(582)
Interest received	5	356	240
Net cash flows used in investing activities		(15,994)	(28,738)
Financing Activities			
Proceeds/(repayment) of borrowings		1,161	5,891
Repayment of lease liabilities		(2,886)	(1,488)
Net cash flows used in financing activities		(1,725)	4,403
Net (decrease)/increase in cash and cash equivalents		5,729	(247)
Cash and cash equivalents at 1 January		13,801	14,048
Cash and cash equivalents at 31 December		19,530	13,801

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

Note 1. Corporate Information

Christian Outreach Centre is incorporated under Letters Patent issued pursuant to the Religious Education and Charitable Institutions Act 1861-1967 on 9th September, 1976. The organisation is a not-for-profit entity established to pursue charitable purposes only and must apply its income in promoting those purposes.

Christian Outreach Centre has a registered trading name of International Network of Churches which is now in common use for the organisation.

The address of the registered office of Christian Outreach Centre is:

3374 Pacific Highway,
Springwood QLD 4127.

The National Executive is of the view that the Group is a going concern. The Group has a reported working capital deficit of \$17.78 million for the year ended 31 December 2024. External banking facility agreements are in place with Westpac Banking Corporation (Westpac) to manage the Group's cash movement needs.

Included in the working capital deficit is:

- \$7.02 million in Members' investment funds held. It is unlikely that all of the funds would be withdrawn and not replaced in the 2025 financial year. The Group is required to maintain sufficient margin in its multi-option credit agreement with Westpac to cover all Member investments at any given time should the investment funds be called upon.
- \$8.34 million of accrued long service leave entitlements. In the normal course of operations. It is unlikely that this will need to be paid out in full in any one year.

Note 2. Material Accounting Policy Information

(a) Basis of Preparation

The National Executive has determined that Christian Outreach Centre is not a reporting entity because there are no users dependent on general purpose financial statements. The financial report is a special purpose financial report, which has been prepared in accordance with the requirements of the Australian Charities and Not-for-Profits Commission Act 2012 and the following Australian Accounting Standards:

AASB 10 Consolidated Financial Statements

AASB 15 Revenue from Contracts with Customers
AASB 16 Leases
AASB 101 Presentation of Financial Statements
AASB 107 Statement of Cash Flows
AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
AASB 110 Events After the End of the Reporting Period
AASB 1048 Interpretation of Standards
AASB 1054 Australian Additional Disclosure
AASB124 Related Party Disclosures

The financial report has been prepared in accordance with the recognition and measurement requirements of other applicable accounting standards.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

(b) Revenue

Government grants

Revenue from government grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred until the obligations are satisfied. If the performance obligations are not sufficiently specific, revenue will be recognised upon receipt.

Donations, Tithes and Offerings

Revenue from fundraising, including donations and tithes and offerings, is recognised when received.

Tuition and Educational Related Income

Fees and other educational related income is recognised on an accruals basis consistent with the provision of the relevant educational service, and taking into consideration the completion of all material performance obligations.

**Note 2. Material Accounting Policy Information
(continued)**

Rendering of Services

Revenue from services provided by the Group is recognised over time as the services are rendered.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of the delivery.

Interest Income

Interest income is recognised as interest accrues using the effective interest method. This is the method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the net carrying amount of the financial assets.

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

(c) Pastors and Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the reporting date.

Short term employee benefits

Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows based on Australian corporate bonds at the reporting date. Contributions are made by the Group to employees' superannuation funds and are charged as expenses when incurred.

Other long term employee benefits

The long service leave is managed by the local church and local Global Care operations for their staff. The Colleges manage the long service leave for their staff. An employee's period of service is measured across the Group.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(d) Right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(e) Impairment of Assets

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. As a not-for-profit entity, value in use of property, plant and equipment and intangible assets at cost includes depreciated replacement cost.

(f) Income Tax

Christian Outreach Centre is exempt from income tax under section 50-5 of the Income Tax Assessment Act 1997.

(g) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, and overdrafts. Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

(h) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit loss. Refer to note 2(f) for further discussion on the determination of impairment losses.

Note 2. Material Accounting Policy Information (continued)

(i) Property, Plant and Equipment

Property, plant and equipment is carried at cost less, when applicable, any accumulated depreciation and impairment loss, and is depreciated on a basis and rates designed to write off the cost of the assets over their useful lives, commencing from the time the asset is available for use.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

Land and buildings are revalued by independent externally qualified valuations on a selective basis in agreement with the Group's lender, Westpac Banking Corporation. Because not all assets within a class are valued within a short period of time, INC does not comply with AASB 116 Property, Plant and Equipment. It is not feasible to comply with this standard for the Group at this point.

Items of property, plant and equipment (other than land) are depreciated over their useful lives to the Group commencing from the time the asset is available for use. Depreciation is calculated on a straight-line basis over the expected useful economic lives of the assets as follows:

CATEGORY	RATE (%)	RATE (%)
Freehold buildings	0.5	- 5.0
Plant and equipment	5.0	- 25.0
Furniture and fittings	7.5	- 25.0
Computer equipment	25.0	- 33.3
Motor vehicle	10.0	- 25.0
Library resources	20.0	- 50.0

(j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(k) Lease Liability

The Group has elected to account for short-term lease assets by recognising the payments in relation to short term leases as an expense in profit or loss on a straight-line basis over the lease term.

(l) Reclassification

Prior period amounts are reclassified in order to conform to the current period's presentation.

(m) Accounting Standards Issued Not Yet Effective

At the date of authorisation of these financial statements, certain new standards, amendments, and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Group.

Management have assessed all standards and amendments to standards that have been issued but are not yet effective for the year ended 31 December 2024 and do not believe any will have a material impact on the group's financial statements and have therefore not early adopted any of these standards.

Note 3. Critical accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. 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. The National Executive evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

(a) Incremental Borrowing Rate

The Group has applied as a key judgement on the calculation of right-of-use assets and lease liabilities. The lease liabilities are measured at amortised cost using the incremental rate to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment of 6% for 31 December 2024.

(b) Employee benefits

Employee benefits are accrued at the current rate of earnings. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows based on Australian corporate bonds at the reporting date.

Note 3. Critical accounting judgments, estimates and assumptions (continued)**(c) Impairment**

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(d) Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The depreciation and amortisation charge will increase where the useful lives are less than the previously estimated lives, or the asset is technically obsolete.

(e) Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liabilities because it is not reasonably certain that leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which effects this assessment and that is within the control of the lessee.

(f) Determining whether a grant contains enforceable and sufficiently specific obligations

The interaction between AASB 15 and AASB 1058 require management to assess whether the government grants and other funding received need to be accounted for under AASB 15 or AASB 1058. Key to this assessment is whether the government grants and other funding agreements contain:

- a contract with a customer that creates 'enforceable' rights and obligations, and
- the contract includes 'sufficiently specific' performance obligations.

Critical judgement was applied by management in assessing whether a promise is 'sufficiently specific', taking into account all facts and circumstances and any conditions specified in the arrangement (whether explicit or implicit) regarding the promised goods or services. This involves firstly identifying all the activities the Group is required to perform under the contract, and determining which activities transfer goods and services to the customer. Where there are multiple goods or services transferred, the management must assess whether each good or service is a distinct performance obligation or should be combined with other goods or services to form a single performance obligation.

	2024 \$'000	2023 \$'000
Note 4. Revenue		
Government Grants – Recurring	75,222	69,296
Government Grants – Non-recurring	920	3,014
Tuition revenue	51,917	46,824
Tithes and offering	29,827	26,834
Donations	12,790	8,925
Sales	11,483	10,624
Rental of premises	2,245	2,342
Fund raising	4,073	3,257
Departmental income	2,037	1,775
Events	182	303
Conferences	45	65
Management fees	69	63
Revenue	190,810	173,322

Note 4(a). Government Grants

Commonwealth government		
- Department of Education	61,556	55,945
State Government		
- Department of Education	14,586	16,366
Other Income	76,142	72,347

Note 5. Other Income

Other income	5,917	5,032
Interest	356	240
Net (loss)/profit on sale of assets	322	(5)
Other Income	6,595	5,267

Note 6. Expenses

<i>Salaries and related expenses</i>		
Operating salaries and related expenses	108,544	99,369
Superannuation expense	10,772	9,306
Long service leave expense	1,683	1,370
	120,999	110,045

Note 7. Interest Expense

Interest expense – Westpac Banking Corporation	1,797	1,588
Interest expense - Members & Related Parties	294	270
Interest expense – Leases	306	231
Interest expense – Other	163	148
Interest Expense	2,560	2,237

Interest expenses – Westpac Banking Corporation includes Line Fee of \$412,215 (2023 - \$356,893).

	2024 \$'000	2023 \$'000
Note 8. Current Assets – Cash and Cash Equivalents		
Cash at bank	19,401	13,756
Cash on hand	129	45
	19,530	13,801

	2024	2023
Note 9. Current Assets – Trade and Other Receivables		
Trade receivables	3,213	3,646
Less: Provision for impairment of trade receivables	(1,184)	(1,285)
Other receivables	422	1,172
	2,451	3,533

	2024	2023
Note 10 – Non-Current Assets – Property, Plant and Equipment		
Land and buildings	318,987	302,332
Less: Accumulated depreciation	(49,761)	(45,821)
	269,226	256,511
Plant and equipment – at cost	34,459	32,335
Less: Accumulated depreciation	(25,044)	(22,937)
	9,415	9,398
Furniture and fittings – at cost	19,298	18,754
Less: Accumulated depreciation	(14,635)	(13,986)
	4,663	4,768
Computer Equipment – at cost	6,815	5,760
Less: Accumulated depreciation	(4,534)	(3,791)
	2,281	1,969
Motor Vehicles – at cost	14,946	13,983
Less: Accumulated depreciation	(9,177)	(8,586)
	5,769	5,397
Right-of-Use Assets	9,169	7,751
Less: Accumulated amortisation	(5,335)	(3,254)
	3,834	4,497
Total property, plant and equipment	295,188	282,540

	2024	2023
Note 11. Non-Current Assets – Investments		
Term Deposits	61	61
Other Investments	577	521
	638	582

	2024	2023
Note 12. Current Liabilities – Borrowings		
Funds from members & related parties	7,020	5,942
Bank loans and overdrafts	83	55
	7,103	5,997

As at 31 December 2024, the Group has a \$66.25 million multi-option facility with Westpac to cover all member investments at any given time should the funds from members and related parties be called upon (refer to Note 1).

Note 13. Current Liabilities – Trade and other payables	2024 \$'000	2023 \$'000
Trade payables	17,735	16,932
Accrued expenses	2,535	3,308
	20,270	20,240

Note 14. Current Liabilities – Provisions

Employee benefits – long service leave	8,338	7,588
Employee benefits – annual leave	3,556	3,157
	11,894	10,745

Note 15. Non-Current Liabilities – Borrowings

Bank loans	38,363	38,540
Other borrowings	1,012	780
	39,375	39,320

Note 16. Non-Current Liabilities – Provisions

Employee benefits – long service leave	2,293	2,009
	2,293	2,009

Note 17. Analysis of amounts recognised in other comprehensive income	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Year to 31 December 2024			
Asset revaluation	4,650	-	4,650
	4,650	-	4,650
Year to 31 December 2023			
Asset revaluation	2,507	-	2,507
	2,507	-	2,507

The asset revaluation arises from an increase in the independently assessed value of a number of properties within the Group.

Note 18. Key Management Personnel Remuneration	2024 \$'000	2023 \$'000
The aggregate compensation made to key management personnel of the group is set out below:		
Aggregate compensation	2,476	2,276

Note 19. Related Parties

The Group's main related parties are:

- Those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) are considered key management personnel.
- Other related parties include immediate family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel, individually or collectively with their immediate family members.

Other than the remuneration of key management personnel disclosed in Note 17, there were no material transactions with related parties during the financial year.

Note 20. Contingent Liabilities

The educational institutions in the group providing P-12 education receive grants from both the Australian and Queensland Governments. Under the arrangements entered into between Christian Outreach Centre and the Australian and Queensland Governments there are conditions which if breached in a 20-year period can result in repayment of grant monies. The National Executive are of the opinion that the educational institutions will continue in their current capacities and therefore the liability is unlikely to eventuate.

On 6 May 2021, the Federal Minister for Social Services entered Christian Outreach Centre into the National Redress Scheme (NRS). Nineteen claims are pending a decision and there is a potential liability of \$1,080,000 based on management's estimates.

There are three claims that have been made outside the NRS. These claims are still subject to the process of investigation and assessment, and it is too early in the investigation stage to estimate the amount of any potential claims.

Note 21. Events Occurring After the Reporting Period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

	2024 \$'000	2023 \$'000
Note 22. Capital Commitments		
Major capital commitments contracted for but not capitalised in the financial statements:		
Suncoast Christian College Primary School Building project	- 2,099	
Highlands Group	385 -	
Citipointe Christian College	2,844 2,000	
Riverside Church Dubbo Refurbishment Works	- 794	
	3,229	4,893

Note 23. Auditor Remuneration

Audit and review of Group Financial Statements (including Component Auditors)	375	384
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**Financial Statements For
the Year Ended 31 December 2024**

DECLARATION BY THE NATIONAL EXECUTIVE

The National Executive have determined that Christian Outreach Centre trading as International Network of Churches is not a reporting entity and that these special purpose consolidated financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The National Executive of Christian Outreach Centre trading as International Network of Churches declare that in the National Executive's opinion:

1. The financial statements, comprising the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, and accompanying notes, are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
 - a. comply with Accounting Standards to the extent as described in Note 1 to the financial statements; and
 - b. give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. There are reasonable grounds to believe that the Group will be able to pay all of its debts, as and when they become due and payable.

This statement is made in accordance with the resolution of the National Executive and is signed for and on behalf of the National Executive by:

Chairman:



Secretary:



Dated: 18 June 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Christian Outreach Centre trading as International Network of Churches

Report on the Audit of the Financial Report

Qualified opinion

We have audited the financial report of Christian Outreach Centre trading as International Network of Churches (the registered entity) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in funds and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the declaration of the National Executive.

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial report of Christian Outreach Centre trading as International Network of Churches, is 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 Group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards to the extent described in Note 2 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

Basis for qualified opinion

Donations, Tithes and Offerings Revenue are a significant source of fundraising revenue for the group. The group has determined that it is impracticable to establish control over the collection of Donations, Tithers and Offerings Revenue prior to entry into its financial records. Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to Donations, Tithes and Offerings Revenue had to be restricted to the amounts recorded in the financial records amounting to \$42.6 million (2023: \$35.8 million). We therefore are unable to express an opinion whether Donations, Tithes and Offerings Revenue the group recorded are complete.

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 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 qualified opinion.

Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Group's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the National Executive for the Financial Report

The National Executive 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 2 to the financial report is appropriate to meet the requirements of the ACNC Act. The National Executive's responsibility also includes such internal control as the National Executive 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 National Executive 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 National Executive 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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO



A J Whyte
Director

Brisbane, 18 June 2025