



**Australian War Widows NSW Limited**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2022**

**ABN 24 083 075 914**

**ANNUAL REPORT  
FOR THE YEAR ENDED  
31 MARCH 2022**

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**GUILD MOTTO**

*We all belong to each other.  
We all need each other.  
It is in serving each other and in sacrificing for our common good  
That we are finding our true life*

(King George VI, Extract from Christmas Message 1941)

## DIRECTORS' REPORT

The directors present their report together with the financial statements of the Australian War Widows NSW Limited ("the company") for the year ended 31 March 2022 and the auditor's report thereon.

### 1 Directors

The directors of the company at any time during or since the end of the financial year are:

	Special Responsibilities	Period as Director	
Ms Kathleen Arthur		24 June 2015	to 23 September 2021
Ms Lynne Boyd		25 July 2018	to 23 September 2021
Ms Barbara Jeanes		24 June 2016	to present
Ms Queen Dunbar		23 September 2021	to present
Ms Dianne Vogt		27 August 2020	to present
Ms Rhondda Vanzella, OAM	State President National President	29 June 2016	to present
Ms Jennifer Collins	Chair	25 July 2018	to present
Ms Tricia Hobson		25 June 2019	to present
Mr Stuart Clark, AM FAICD		25 June 2019	to present
Ms Susan Coyle AM, CSC, DSM		23 September 2021	to present

### 2 Objectives and Strategies

The company is a public benevolent institution established to provide support for all members of the veteran community (including war widows, veterans of the Australian Defence Force, their spouses, parents, grandparents, children, and siblings) who are disadvantaged or in need due to poverty, distress, suffering, misfortune, or helplessness (Veteran Community). The company will achieve its object by:

- providing various forms of support and advice via qualified community services workers to the Veteran Community to relieve their destitution, distress, and suffering;
- arranging opportunities for the Veteran Community to interact with other people who have similar life experiences, so that they can provide each other with emotional and other support to relieve the distress experienced by the Veteran Community;
- supporting, promoting, and encouraging active participation in the Veteran Community to overcome social isolation;
- advocating and representing the Veteran Community at all levels of Government and across the sector for support and services to address social, financial, mental and health issues arising from being a member of the Veteran Community; and
- anything ancillary to the objects referred to above.

To achieve these objects, the company may, without limitation:

- harness the resources of the community in support of the objects in rule 2.1(a) of its Constitution;

**DIRECTORS' REPORT (CONTINUED)**

- establish and maintain affiliations and information exchange with other organisations having similar objects to those in rule 2.1(a) of its Constitution;
- act as trustee of any trust the purpose of which relates to the objects in rule 2.1(a) of its Constitution;
- promote the objects in rule 2.1(a) of its Constitution and
- do all other things incidental or conducive to the attainment of the objects in rule 2.1(a) of its Constitution.

The specific strategies for the year were to maintain a strong financial position and governance standards; in particular the Company:

- (a) managed the finances by developing and implementing a new investment strategy, in view of a declining membership and the sale of the housing assets.
- (b) improved internal processes, capabilities and use of new technology for current services and operations and embrace new ways of offering services.
- (c) reviewed and revised the Constitution to expand its purpose to ensure longevity.
- (d) ensured an ongoing process of Board renewal, with appropriately skilled people being identified.
- (e) Implementing a policy development framework to ensure the ongoing review and refresh of organisational policies and procedures.
- (f) adopted and maintain an outward-facing scan of the environment.
- (g) removed barriers to membership and charitable service provision; and
- (h) implemented the first year of its strategic plan.

**Services**

We provided a range of services which will consider the changing needs of members and include:

- (a) advocacy on issues which affect war widows in NSW and the families of veterans including:
  - participation in government and other consultative forums
  - working with the National and other State organisations to ensure appropriate representation of war widows in NSW and the families of veterans and their needs with the federal and state governments;
  - participation in the Royal Commission into Defence and Veteran Suicide; and
  - ongoing collaboration with other veteran's organisations.
- (b) participating in collaborative projects with the Department of Veterans' Affairs and other appropriate organisations to provide information and better services and support for war widows and families of veterans.
- (c) Delivering key events in a COVID safe manner.
- (d) Continuing communications with members through the *Digest*, newsletter, emails, and letters.
- (e) Facilitating and administering the delivery of social connections through Clubs and Friendship line programs.
- (f) Provision of welfare support and online wellbeing programs; and
- (g) Assistance older members to increase their technological competence.

**3 Principal Activity and Achievement of Objectives**

The principal activity of the company during the financial year was that of a membership based not-for-profit organisation classified as a public benevolent institution, which seeks to promote and protect the interests of war widows, women and families of veterans in as well as achieving the above strategies.

**4 Performance Measures - Review and Results of Operations**

The company continued to engage in its principal activities during the financial year, leading to a deficit of \$267,159 from continuing operations for the year ended 31 March 2022 (2021: surplus of \$913,359). In accordance with the Board's strategy, reserves continued to be utilised to provide enhanced services to members.

**DIRECTORS' REPORT (CONTINUED)**

COVID-19 impacted the operations of the company throughout the financial year. With several services and programs relying on face-to-face interactions. The company however remained agile and like other organisations, adapted its operations to the new environment. Continuing to keep members connected through online health and wellbeing programs to members and training members on the use of social connection platforms such as Zoom. The company was able to live stream events for the first time. The company activated its Business Continuity Plan and developed an Epidemic and Pandemic policy in response to COVID-19. The overall financial position of the company was slightly impacted by COVID-19, though the investment portfolios due to continued periods of economic volatility.

**5 Dividends**

The Constitution of the company does not permit the payment of a dividend.

**6 Events Subsequent to Balance Date**

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

**7 Likely Developments**

The company will continue to deliver on its strategic plan which sets the vision for the modernisation of the organisation over the next 4 years. The strategic plan seeks to position the company toward an expanded member base and charitable purpose. The company will commence investing its reserve funds toward that vision and that purpose, delivering better programs and support to the veteran community.

**8 Indemnification and Insurance of Directors**

In 2016, the Board approved a Deed of Access, Indemnity and Insurance to apply to all directors in office in 2016 and later. Appropriate Directors' and Officers' Liability insurance is in place to indemnify directors for any claim in relation to the company's business for which they may be held personally liable provided:

- a the liability does not arise out of conduct involving a lack of good faith, or
- b the liability is for costs and expenses incurred by a director in defending proceedings in which judgement is given in their favour or in which they are acquitted.

**9 Environmental Regulations**

The company's operations are not subject to any significant environmental regulations under Australian Law.

**DIRECTORS' REPORT (CONTINUED)****10 Information on Directors: Qualifications and Experience**

<b>Ms Jennifer Collins</b>	Appointed Director, Chair of Australian War Widows' NSW Ltd and member; past member of Finance, Risk & Audit Committee; Contemporary Widows Committee; Extensive experience in executive leadership roles for the State and Federal Governments, with Post graduate qualifications in Health, Management and Counselling, Member Australian Institute of Company Directors. Actively involved in the Ex-Service community since 2004, and Chair Kokoda Track Memorial Walkway Foundation.
<b>Ms Rhondda Vanzella OAM</b>	Elected Director of Australian War Widows NSW Ltd and member; National President, Australian War Widows NSW Ltd; State President Australian War Widows' NSW Ltd; Council Member, Australian War Memorial; Member Remembrance Driveway Committee; Ambassador on the NSW Centenary of ANZAC Advisory Council; member RSL Ladies Auxiliary; affiliate member of Returned and Services League Bundanoon sub-branch; President of the RSL Rural Commemorative Youth Choir.
<b>Ms Barbara Jeanes</b>	Elected Director of Australian War Widows NSW Ltd and member; Member War Widows' NSW Ltd Finance, Risk & Audit Committee and President's Representative.
<b>Ms Dianne Vogt</b>	Elected Director of Australian War Widows NSW Ltd and member; Coordinator of Younger Members Social Club; Friendship Line Volunteer; Successfully completed Board Director training with the Governance Institute of Australia.
<b>Ms Lynne Boyd</b>	Elected Director of Australian War Widows NSW Ltd and member; member Vietnam Veterans & Peacemakers Association; President City Saturday Guild Club, and now Co-ordinator since becoming Social Club Friendship Line Volunteer. Successfully completed Board Director training with the Australian Institute of Company Directors.
<b>Ms Queen Dunbar</b>	Appointed to fill Casual Vacancy on the Board of the Australian War Widows NSW Ltd and member. Contemporary widow; attended Inaugural War Widows/Legacy Contemporary Widows Forum 2018 and Women United by Defence Service functions; appointed to advisory body for Australian War Memorial redevelopment; successfully completed Board Director training with the Governance Institute of Australia and undertaken grief and loss training in the United States.
<b>Mr Stuart Clark AM FAICD</b>	Appointed Director and Deputy Chair; a solicitor and former partner in Clayton Utz, a large Australian law firm, for some 30 years. He is a former President of the Law Council of Australia and has served as both director and chair of a number of not-for-profit boards. Stuart is currently Chair of VRA Rescue NSW Limited. He is involved in a range of other activities in the community, including serving as a captain in the NSW Rural Fire Service and an Adjunct Professor of Law at Macquarie University Law School. Stuart is a Fellow of the Australian Institute of Company Directors. His late mother, Helen Clark, was a member of the War Widow's Guild.
<b>Ms Tricia Hobson</b>	Appointed Director; A partner with the law firm DLA Piper; former partner at Norton Rose Fulbright. Ms Hobson has served as the firm's first female Global Chairman after spending more than 6 years on the firm's global board and Australia's local board.
<b>Ms Susan Coyle AM, CSC, DSM</b>	MAJGEN Coyle is a senior officer in the Australian Army and member of AWWNSW. MAJGEN Coyle initially joined the army as a reservist in 1987 but, following training at the Australian Defence Force Academy, was commissioned into the Royal Australian Corps of Signals in 1992. She has commanded the 104th Signal Squadron (2003-04), 17th Signal Regiment (2009-10), Task Group Afghanistan (2015) and the 6th Combat Support

**DIRECTORS' REPORT (CONTINUED)**

Brigade (2017–19), and has deployed on operations to East Timor, the Solomon Islands and Afghanistan. She was appointed Commander Joint Task Force 633, with responsibility for all Australian operations in the Middle East, from January to November 2020. She was the first woman to command the task force, which had oversight for 1,200 personnel under Operation Accordion. MAJGEN Coyle is the current Head of Information Warfare for the Australian Defence Force and Department of Defence. (Source: Department of Defence)

<b>11</b>	<b>Directors' Meetings</b>	<b>Number of Meetings the Director was in attendance</b>	<b>Number of Meetings held during the year</b>
	Ms Lynne Boyd	9	9
	Ms Barbara Jeanes	8	9
	Ms Dianne Vogt	8	9
	Ms Rhondda Vanzella OAM	9	9
	Ms Jennifer Collins	9	9
	Mr Stuart Clark AM, FAICD	9	9
	Ms Tricia Robson	9	9
	Ms Queen Dunbar	9	9
	Ms Susan Coyle AM, CSC, DSM	3	4*
	Ms Kathleen Arthur	5	5*

\*Reflects the number of meetings held during the time the director held office during the year.

A Board Finance, Risk and Audit Committee was formed in 2001 and during the year and included Ms Barbara Jeanes (7 out of 8), Ms Queen Dunbar (6 out of 6), Mr Stuart Clark (8 out of 8). The Committee met eight times during the year.

During the year, the Board established an Investment Advisory Committee and included Mr John Kean (5 out of 5) Ms Barbara Jeanes (4 out of 5), Ms Queen Dunbar (5 out of 5), Mr Stuart Clark (5 out of 5). The Committee met five times during the year.

During the year, the Board established a Branding Advisory Committee that included Ms Lynne Boyd (3 out of 3), Ms Tricia Hobson (3 of 3) and Ms Renee Wilson (3 of 3). The Committee met three times during the year.

**12 Membership**

The total amount that members are liable to contribute if the company is wound up is not to exceed \$20.

**DIRECTORS' REPORT (CONTINUED)**

**13 Auditors' Independence Declaration**

A copy of the Auditor's independence declaration, as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 8.

Signed in accordance with a resolution of the directors:



Jennifer Collins

**Director**

Sydney, NSW

Dated this 10 day of June 2022



Queen Dunbar

**Director**



## Australian War Widows NSW Limited

### Auditor's Independence Declaration to the Directors of Australian War Widows NSW Limited

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as the auditor of Australian War Widows NSW Limited for the year ended 31 March 2022, I declare that, to the best of my knowledge and belief, there have been:

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

CIB ACCOUNTANTS & ADVISERS  
Chartered Accountants



RADLEE MOLLER  
Partner

PARRAMATTA NSW 2150  
Dated this 10<sup>th</sup> day of June 2022

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>Revenue and other income from continuing operations</b>			
Investment revenue		1,200,577	2,056,060
Member subscriptions		77,772	66,220
Donations, bequests and grants		128,120	122,272
Activities and events revenue		1,400	-
Other revenue from continuing operations		558	3,788
Other Income	2	-	100,000
<b>Total revenue and other income from continuing operations</b>		<b>1,408,427</b>	<b>2,348,340</b>
<b>Expenses from continuing operations</b>			
Employee expenses		(719,663)	(582,240)
Office rent expenses		(20,334)	(36,090)
Guild housing expenses		-	(8,977)
Event expenses		(5,540)	(1,582)
Grant expenses		(6,696)	(6,302)
Corporate governance expenses (incl. AGM)		(69,527)	(59,770)
Relocation costs for office move		(1,121)	(34)
Transport assistance expenses		(21,921)	(7,265)
Information technology & database support		(32,216)	(36,517)
Depreciation expense		(86,150)	(86,000)
Professional and consulting fees		(39,513)	(40,472)
Loss on managed fund investments		(415,436)	(334,598)
Other expenses		(257,469)	(235,134)
<b>Total expense from continuing operations</b>		<b>(1,675,586)</b>	<b>(1,434,981)</b>
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>(267,159)</b>	<b>913,359</b>
<b>Other Comprehensive Income</b>			
<b>Total other comprehensive Income for the year</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(267,159)</b>	<b>913,359</b>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	6,798,007	10,944,000
Trade and other receivables	4	162,589	60,563
Other assets	5	59,575	65,911
<b>TOTAL CURRENT ASSETS</b>		<u>7,020,171</u>	<u>11,070,474</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	11,219	16,782
Right of use asset	7	208,655	285,322
Financial assets	8	17,300,733	13,516,685
<b>TOTAL NON-CURRENT ASSETS</b>		<u>17,520,607</u>	<u>13,818,789</u>
<b>TOTAL ASSETS</b>		<u>24,540,778</u>	<u>24,889,263</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	219,358	232,943
Other liabilities	10	8,514	41,848
Provisions	11	42,437	6,903
Lease liabilities	12	80,113	72,936
<b>TOTAL CURRENT LIABILITIES</b>		<u>350,422</u>	<u>354,630</u>
<b>NON-CURRENT LIABILITIES</b>			
Other liabilities	10	7,734	6,892
Provisions	11	1,004	48
Lease liabilities	12	149,425	228,341
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>158,163</u>	<u>235,281</u>
<b>TOTAL LIABILITIES</b>		<u>508,585</u>	<u>589,911</u>
<b>NET ASSETS</b>		<u><b>24,032,193</b></u>	<u><b>24,299,352</b></u>
<b>ACCUMULATED FUNDS</b>			
Accumulated surplus		<u>24,032,193</u>	<u>24,299,352</u>
<b>TOTAL ACCUMULATED FUNDS</b>		<u><b>24,032,193</b></u>	<u><b>24,299,352</b></u>

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

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Accumulated Surplus \$	Accumulated Funds \$
<b>Balance at 1 April 2020</b>		23,385,993	23,385,993
Profit for the year		<u>913,359</u>	<u>913,359</u>
<b>Balance at 31 March 2021</b>		<b><u>24,299,352</u></b>	<b><u>24,299,352</u></b>
Deficit for the year		<u>(267,159)</u>	<u>(267,159)</u>
<b>Balance at 31 March 2022</b>		<b><u>24,032,193</u></b>	<b><u>24,032,193</u></b>

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members	199,369	286,227
Interest and dividends received	30,607	102,791
Payments to suppliers and employees	(1,131,568)	(1,017,677)
<b>Net cash outflow from operating activities</b>	<b>(901,592)</b>	<b>(628,659)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
(Payments for)/proceeds from investment in financial assets	(3,200,000)	-
Proceeds from franking credits on investments	43,214	49,282
Payments for property, plant & equipment	(2,340)	(5,860)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(3,159,126)</b>	<b>43,422</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease liabilities	(85,275)	(81,567)
<b>Net cash outflow from financing activities</b>	<b>(85,275)</b>	<b>(81,567)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(4,145,993)</b>	<b>(666,804)</b>
Cash and cash equivalents at the beginning of year	10,944,000	11,610,804
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>6,798,007</b>	<b>10,944,000</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Australian War Widows NSW Limited (formerly War Widows' Guild of Australia NSW Limited), an individual entity, incorporated and domiciled in Australia. The financial statements were authorised for issue by the directors on 10 June 2022. The directors have the power to amend and reissue the financial statements.

**(a) Basis of preparation**

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board, and the *Australian Charities and Not-for-profits Commission Act 2012 (the "ACNC Act")*. Australian War Widows NSW Limited is a not-for-profit entity for the purpose of preparing the financial statements.

- (i) Compliance with Australian Accounting standards – reduced disclosure requirements*  
The financial statements of the Australian War Widows NSW Limited comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).
- (ii) Historical cost convention*  
The financial statements have been prepared on an historical cost basis except for financial assets which are measured at fair value.
- (iii) Critical accounting estimates*  
The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements.
- (iv) Comparatives*  
Comparatives are consistent with prior years unless otherwise stated.

The financial statements are presented in Australian currency.

**(b) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. The company recognises revenue when the amount of revenue can be reliably measured, it is probable future economic benefits will flow to the entity and specific criteria have been met for each of the activities described below.

*Subscriptions*

Subscription income is taken into revenue in the year to which it relates.

*Donations and Bequests*

Donation income is taken into revenue when received.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(b) Revenue recognition (continued)**

*Investment income*

Investment income includes interest and income earned on investments in managed funds. Investment income is recognised in the year to which it relates.

*Guild housing income*

Revenue from rent and maintenance is recognised when the amounts are receivable.

*Other income*

Income from other sources is recognised when the fee in respect of other products or service provided is receivable.

*Government grants*

A number of the Guild's programs are supported by grants received from the federal government. If conditions are attached to a grant which must be satisfied before the Guild is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Guild obtains control of the funds, economic benefits are probable and the amount can be measured reliably.

Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

*Changes in fair value of investments*

Net gains or losses on investments designated at fair value through profit or loss are calculated as the difference between the fair value at sale, or at year end and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses, but does not include interest or dividend revenue.

**(c) Income tax**

The company is exempt from the payment of income tax as it has endorsement as an income tax exempt charity entity under subdivision 50-B of the *Income Tax Assessment Act 1997*.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(d) Cash and cash equivalents**

For purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(e) Trade receivables**

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. An allowance account for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

**(f) Financial Instruments**

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

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

**Financial assets**

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

*Classification*

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

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(f) Financial Instruments (Cont'd)**

*Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

*Fair value through other comprehensive income*

The company does not hold any equity instruments nor debt investments.

*Financial assets through profit or loss*

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

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Company's financial assets measured at FVTPL comprises units in managed funds.

**Financial liabilities**

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(g) Property, plant and equipment**

**Plant and equipment**

Plant and equipment are measured using the cost model. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(h) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

Depreciation on assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Plant and Equipment	3 – 4 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit or loss.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

**(h) Impairment of Assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(i) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are recognised as current liabilities unless payment is not due within 12 months of the reporting period.

**(j) Leases**

Contracts which convey the right to control the use of an identified asset for a period of time in exchange for consideration are accounted for as leases by the Company. At the commencement date, the Company, as lessee, recognises a right-of-use asset and a lease liability. The lease liability is measured at the present value of the lease payments that are not paid at that date, discounted using the rate implicit in the lease, unless such a rate is not readily determinable, and in which case the incremental borrowing rate is used. The right-of-use asset comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs incurred by the Company. Lease term is determined as the non-cancellable period of a lease adjusted for any reasonably certain extension or termination option.

After commencement date, the right-of-use asset is depreciated on a straight-line basis to the end of the lease term. The lease liability is accounted for by reducing the carrying amount to reflect the lease payments made, and increasing the carrying amount to reflect the interest on the lease liability.

**(k) Employee benefits**

*(i) Wages and salaries and annual leave*

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

*(ii) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits 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.

**(l) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of associated goods and services tax (GST), unless the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(m) New accounting standards for application in future periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the company.

**(n) Critical Accounting Estimates and Judgments**

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

	2022 \$	2021 \$
<b>2. OTHER INCOME</b>		
Government stimulus (COVID-19)	-	100,000
	<u>-</u>	<u>100,000</u>
<b>3. CASH AND CASH EQUIVALENTS</b>		
<b>Current</b>		
Cash on hand	100	300
Cash at bank	6,797,907	10,943,700
	<u>6,798,007</u>	<u>10,944,000</u>
<b>4. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Other receivables	77	820
Tax credits receivable	155,517	47,863
GST receivable	6,995	11,880
	<u>162,589</u>	<u>60,563</u>
<b>5. OTHER ASSETS</b>		
<b>Current</b>		
Prepayments	7,244	14,815
Term deposit - bank guarantee	52,331	51,096
	<u>59,575</u>	<u>65,911</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

	2022	2021
	\$	\$
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Non-current</b>		
Plant and equipment – at cost	90,625	88,285
Less: accumulated depreciation	(79,406)	(71,503)
Total plant and equipment	<u>11,219</u>	<u>16,782</u>
<b>7. RIGHT OF USE ASSETS</b>		
<b>Non-current</b>		
Leased office	389,075	389,075
Accumulated depreciation	(180,420)	(103,753)
Total right of use asset	<u>208,655</u>	<u>285,322</u>
<b>8. FINANCIAL ASSETS</b>		
<b>Non-current</b>		
BT	11,425,043	9,526,315
JB Were	5,875,690	3,990,370
	<u>17,300,733</u>	<u>13,516,685</u>
<b>9. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Sundry creditors	154,808	165,834
Petersham Soldiers’ Memorial Hall Fund proceeds	64,550	67,109
	<u>219,358</u>	<u>232,943</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

	2022 \$	2021 \$
<b>10. OTHER LIABILITIES</b>		
<b>Current</b>		
Subscriptions in advance	8,514	41,848
<b>Non-Current</b>		
Subscriptions in advance	7,734	6,892
<b>11. PROVISIONS</b>		
<b>Current</b>		
Employee benefits	42,437	6,903
<b>Non-current</b>		
Employee benefits	1,004	48

**12. FINANCIAL LIABILITIES**

The lease term of the Company's property lease is 5 years. The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	<b>&lt; 1 year</b> \$	<b>1-5 years</b> \$
	80,113	149,425

**Lease liabilities**

For the year ended 31 March 2022, the discount rate applied was 4.43%. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The total cash flow relating to all lease obligations for the year ended 31 March 2022 was \$85,275 with lease obligations denominated in Australian dollars. Total lease interest paid in the year was \$11,956. The Company does not face a significant liquidity risk with regard to its lease liability.

**13. KEY MANAGEMENT PERSONNEL DISCLOSURES****Directors**

The names of the persons who were directors of the company at any time during the financial year are as follows:

Mrs Kathleen Arthur	Mrs Dianne Vogt	Ms Rhondda Vanzella OAM
Ms Tricia Hobson	Ms Queen Dunbar	Mrs Barbara Jeanes
Mrs Lynne Boyd	Mr Stuart Clark	Mrs Jennifer Collins
Ms Susan Coyle		

	2022 \$	2021 \$
Honoraria paid	60,000	42,084
Remuneration of Key Management Personnel	208,403	339,553

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**14. SUPERANNUATION COMMITMENTS**

The company has a legal obligation to contribute superannuation for all employees. The company contributes to 'employee choice' complying superannuation funds.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

**15. INFORMATION AND DECLARATIONS TO BE FURNISHED UNDER THE CHARITABLE FUNDRAISING ACT 1991**

	2022 \$	2021 \$
<b>Gross revenue from fundraising</b>		
Donations	24,336	48,889
Field of Remembrance	1,400	-
Bequests	76,168	-
	<u>101,904</u>	<u>48,889</u>
<b>Net surplus from fundraising</b>	<u><b>101,904</b></u>	<u><b>48,889</b></u>
<b>Gross revenue and other income from non-fundraising</b>		
Investment revenue	1,200,577	2,056,060
Member subscriptions	77,772	66,220
Grants	27,616	73,383
Other revenue from continuing operations	558	3,788
Government stimulus	(404)	100,000
	<u>1,306,119</u>	<u>2,299,451</u>
<b>Total cost of non-fundraising</b>		
Employee expenses	(719,663)	(582,240)
Office rent expenses	(20,334)	(36,090)
Guild housing expenses	-	(8,977)
Event expenses	(5,540)	(1,582)
Grant expenses	(6,696)	(6,302)
Corporate governance expenses (incl AGM)	(69,527)	(59,770)
Relocation costs for office move	(1,121)	(34)
Transport assistance expenses	(21,921)	(7,265)
Information technology & database support	(32,216)	(36,517)
Depreciation expense	(86,150)	(86,000)
Professional and consulting fees	(39,513)	(40,472)
Realised loss on managed fund investments	(319,861)	(266,956)
Unrealised loss on managed fund investments	(95,575)	(67,642)
Other expenses	(257,065)	(235,134)
	<u>(1,675,182)</u>	<u>(1,434,981)</u>
<b>Net surplus/(deficit) from non-fundraising</b>	<u><b>(369,063)</b></u>	<u><b>864,470</b></u>
<b>Total net surplus/(deficit)</b>	<u><b>(267,159)</b></u>	<u><b>913,359</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

	2022 \$	2022 %	2021 \$	2021 %
Total cost of fundraising/gross revenue from fundraising	nil/101,904	-	nil/48,889	-
Net surplus from fundraising/gross revenue from fundraising	101,904/101,904	100	48,889/48,889	100

*Expenditure of funds raised*

Surplus funds from fundraising are applied to carry out the activities of the Australian War Widows NSW Limited.

## 16. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments: Recognition and Measurement as detailed in the accounting policies to these financial statements, are as follows:

	Note		
<b>Financial assets</b>			
Cash and cash equivalents	3	6,798,007	10,944,000
Trade and other receivables	4	162,589	60,563
Financial assets	8	17,300,733	13,516,685
<b>Total financial assets</b>		<b>24,261,329</b>	<b>24,521,248</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
Trade and other payables	9	219,358	232,943
Lease liabilities	12	229,538	301,277
<b>Total financial liabilities</b>		<b>448,896</b>	<b>534,220</b>

## 17. COMMITMENTS

The Guild has received a number of grants under the Club Grant Scheme. The funding under these grants is restricted for specific purposes, however these funds are not repayable if they are not spent or not spent in accordance with the specified purpose. Accordingly, the funds received have been recognised as revenue in the Statement of Profit or Loss and Other Comprehensive Income. Clubs have the option to restrict future funding to the Guild should funding received by the Guild not be spent in accordance with the funding restrictions.

## 18. EVENTS OCCURRING AFTER BALANCE DATE

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly effect, the operations of the company, the results of those operations, or the state of affairs of the company in future years. The directors have made comprehensive assessments on the current environment in relation to COVID-19 and established policies to mitigate identified risks. Management will continue monitoring and reacting to the government policies.

## DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the financial statements and notes, set out on pages 9 to 25 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
  - (ii) giving a true and fair view of the company's financial position as at 31 March 2022 and of its performance for the financial year ended on that date; 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;
  - (i) the Statement of Profit & Loss and Other Comprehensive income give a true and fair view of the results of the fundraising appeals for the year ended 31 March 2022;
  - (ii) the Statement of Financial Position as at 31 March 2022 gives a true and fair view of the state of affairs with respect to fundraising appeals;
  - (iii) the financial statements and its associated records/disclosures comply with the provisions of the *Charitable Fundraising Act 1991*, and the Regulations under the Act and the conditions attaching to the fundraising authority; and
  - (iv) the internal controls exercised by the company are appropriate and effective in accounting for all income received and applied from fundraising appeals.

This declaration is made in accordance with a resolution of the Board of Directors.



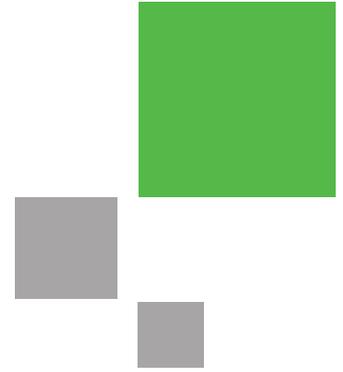
Director



Director

Sydney, NSW

Dated this 10 day of June 2022



## Independent Audit Report to the members of Australian War Widows NSW Limited

### Report on the Audit of the Financial Report Opinion

We have audited the financial report of Australian War Widows NSW Limited (the company), which comprises the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Australian War Widows NSW Limited 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 company's financial position as at 31 March 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company 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* (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.

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## 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 – Reduced Disclosure Requirements and the ACNC Act, and for such internal controls as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CIB ACCOUNTANTS & ADVISERS  
Chartered Accountants



RADLEE MOLLER  
Partner

PARRAMATTA NSW 2150  
Dated this 10<sup>th</sup> day of June 2022