

Version5-6 April 2023

The Order of Australia Association Limited

ABN 40 008 612 664

Annual Report

For the Financial Year ended

31 December 2022

The Order of Australia Association Limited

ABN 40 008 612 664

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CHAIRMAN'S REPORT

This year will be remembered with great sadness at the passing of Her Majesty Queen Elizabeth II and the accession of His Majesty King Charles III, who is now Sovereign of the Order of Australia.

2022 was very much a transition year as our Association moved from a period of restrictions on gathering and movement under COVID to the ability to again work face-to-face. Member participation in activities, event and meetings resumed quickly as a result of the great work done by all to maintain contacts and enthusiasm throughout the organisation in the earlier restricted period.

A very successful National Conference, originally planned for 2021, was held in Canberra in May 2022. The ACT Conference Committee managed the delay effectively, retained the promised local support and secured an impressive panel of speakers. A highlight of the Conference was the Annual Dinner, with the guests of honour the Governor General His Excellency General the Honourable David Hurley AC DSC and Her Excellency Mrs Hurley, at which the OAA Foundation presented four scholarships to worthy tertiary students.

A very well attended 2022 AGM and Forum were held during the National Conference as was a meeting of Directors and Branch Chairmen to continue development of an Association business strategy.

The National Board met face-to-face only once during the year, at the National Conference. The remainder of its 8 meetings were held on-line, a much higher frequency than that limited by time and cost constraints in prior years. The Board completed work on a suite of governance documents that should provide a framework for future operations and continued the development of strategy and growth through Board committees.

Helene Bender AM, John McKellar AM and Robin Watts AM left the Board during 2022. We welcomed as incoming directors Kathy Wooldridge OAM, Joe Ienco OAM and Clive Robartson AM.

While international events resulted in considerable volatility in Association investments, business activity was healthy with an underlying surplus generated.

Branches were active throughout the year in promoting the Order, in maintaining member interest and in arranging successful activities. Member donations to Association Scholarships were promoted and as a result scholarships sourced from member donations are to be presented at National Conferences in Geelong in 2023 and Perth in 2024.

The strength of any voluntary organisation is in the willingness of its members to cooperate, communicate and participate. In 2022 this has been well demonstrated and on behalf of the National Board I thank all members for their great contribution to another successful year.

Barry Nunn AO

National Chairman



THE
ORDER OF AUSTRALIA
ASSOCIATION

Our Performance 2022

We welcomed 547 new members and **61** re-joining, but regrettably lost 785 #

At year end the Association strength was **8,045** members, a reduction from 2021 of 177

Membership fees were held at the level of previous years and the new 10-year membership option retained.

Income (Revenue) increased by 12%, including Branch and Regional Group income

Assets were held in both National and Branch accounts. Of the National component, \$1,702,162 was actively invested to generate dividends (and franking credits) that were used to better service member needs. Branches separately held \$494,172, largely in low interest deposits.

Asset Value decreased by 6.2% with the value of investments reducing by 7.7% reflecting the volatility in the broad investment market.

Life Members Reserve increased by 6.6%

Branch Administrative Grants (BAG) payments to Branches totalled \$49,500

Investment Income increased by 10% but investment value reduced by \$133,074 to \$1,1,702,162

Surplus for the year was \$77,466 before investments value decrease

Members Equity (assets less liabilities) decreased by 15%

The Order magazine costs were held at \$58,667 despite increases in cost of printing and postage

Email Address provided by **93%** of members

Electronic copy of 'The Order' taken by **37%** of members

includes deceased, resigned, and communication of RTS for Notices

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DIRECTORS' REPORT

The Directors present their report together with the financial statements of The Order of Australia Association Limited (the Association), for the year ended 31 December 2022 and the auditor's review report thereon.

1 Directors

The Directors of the Association during the reporting period, along with details of the number of director's meetings (including meetings of the Executive Committee) held and the number of meetings attended by each of the directors of the Association during the year are:

Name	Board	Executive Committee
MAJGEN Barry N Nunn AO RFD ED (Retd)	8	6
Mr John Archer OAM	8	6
Mr Graham Hyde OAM	8	6
Ms Muriel Barasso (Wood) OAM	4	6
Dr Helene Bender AM-retired May 2022	4	3
Ms Kathryn Wooldridge OAM-appointed May 2022	3	3
Dr Rosemary Callingham AM	7	
Mr Joe Ienco OAM-appointed May 2022	1	
Mr Alan James OAM	5	
Mr William Lye OAM.KC	5	
Mr James (Jim) Mein AM	8	
Dr Alan Morrison AM	8	
Professor John McKellar AM ED-retired May 2022	1	
Mr Peter McMurtrie AO KStJ	8	
Mr Clive Robartson AM-appointed August 2022	1	
Professor Robin Watts AM-retired June 2022	5	

The Board held 8 Meetings for the year ended 31 December 2022

The Executive Committee held 6 meetings for the year ended 31 December 2022

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2 The Association National Board

Members of the Association National Board at the end of the reporting period were:

MAJGEN Barry Nunn AO. RFD. ED (Rtd) BSc (Chem Eng.). National Chairman. Director appointed May 2020

Retired Company Director, Chairman Executive Committee, member of all Board Committees.

Mr John Archer OAM. FIML. Deputy National Chairman, Director appointed May 2020.

Retired Author and Journalist, Member Executive Committee, Chairman Audit & Risk Committee.

Mr Graham Hyde OAM.FIPA.FFA(UK). FCHSM(Hon). FIML.FRSH(UK). AFAAQHC.

National Secretary appointed May 2021. Health Service Manager (Rtd), Management Consultant, Public Accountant and Registered Tax Agent, Member Executive Committee, Secretary Audit & Risk Committee.

Ms Muriel Barasso (Wood) OAM. National Treasurer, appointed May 2020.

Strata Managing Agent, Fellow and Life Member of Strata Community Association NSW, Company Director,

Member Executive Committee, Member Investment Committee, Member Audit & Risk Committee.

Ms Kathryn Wooldridge OAM.BN.RN.MACN. National Membership Director, appointed May 2022.

Retired Nurse predominately working in rural and remote settings.

Member Executive Committee, Chair Strategy Committee, Member Marketing Committee.

Dr Rosemary Callingham. AM. BSc (Hons). M Pub Admin. M ED Studies. Dip.Ed. PhD.

Retired academic, TAS Branch Nominated Director appointed May2021. Member Strategy Committee, Member Investment Committee.

Mr Joe Ienco OAM. SA Branch Nominated Director appointed May 2022, Member Marketing Committee. Member Constitution Committee, Member Investment Committee.

Mr Alan James OAM. Dip Project Management, Dip Leadership and Management

NT Branch Nominated Director December 2021. Manager Yothu Yindi Foundation (Ret), General Manager Darwin Performing Arts Centre (Ret). Member Strategy Committee, Member Nomination Committee.

Mr William Lye OAM. KC. BSc. M Ent In. LLB. LLM. FRI.

VIC Branch Nominated Director appointed May 2021. Barrister at Law, Chair Constitution Committee: Member Nomination Committee, Member Audit & Risk Committee.

Mr James (Jim) Mein AM. FCA. FCPA. FIML. FLGAA.

NSW Branch Nominated Director, appointed April 2020. Chartered Accountant, Past Uniting Church NSW ACT Synod Moderator and Director of Schools Ministry, Member Audit & Risk Committee, Member Strategy Committee.

Dr Alan Morrison AM. JP.FAICD.FCIM.FIE(Aust) FEIT.

ACT Branch Nominated Director appointed April 2020. Chairman and Managing Director Clanmoor Holdings Pty Ltd, Former Chairman Standards Australia, President International Standards Organisation (ISO), Chair Marketing Committee.

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Mr Peter McMurtrie AO. KStJ. JP (Qual. MBA(HRM). Grad Dip HSM. FPA. FAIES. AFCHSM.

QLD Branch Nominated Director appointed May 2021. Commissioner, St John Ambulance Australia (Qld) (Ret). Deputy Commissioner, Qld Ambulance Service (Ret), Chair Nomination Committee, Member Constitution Committee.

Mr Clive Robartson AM. LGM. B.App Sc.

WA Branch Nominated Director. Manager Animal Health Laboratories (Rtd) Department of Agriculture (WA), President Air Force Association (WA Division), Freeman of the City of Melville (WA), Member Strategy Committee, Member Constitution Committee.

3 Principal Activities

The principal activities of the Association during the year were to conduct activities at National, Branch and regional levels that supported its objectives and were in accord with the Strategic Plan 2018-2023. This included receptions for new Order of Australia recipients, community programs supporting citizenship, recognition of youth achievement and public ceremonies designed to create a sense of unity and national pride.

The Strategic Plan objectives are tied to the four major goals to encourage, promote, and support diversity in nominations, looking after our members, looking after our association, and looking after our communities. Each of those four goals have generated strategies and actions which are documented in the Futures Plan which was that was developed and reviewed during the year.

There were no significant changes in the nature of the activities of the Association during the period.

4 Operating and financial review

Overview of the Association

The Association, through its Branches, provides a variety of activities for members, by undertaking community works and supporting various community activities. Liaison with government agencies and community organisations has been conducted to improve community knowledge and understanding of the Order of Australia and the Association.

The Association operates a central office in Old Parliament House, Canberra, staffed by one-part time employee. Financial services were sourced from I2C Business Solutions and the Investment Portfolio was managed by Innate Wealth.

The financial activities of regional groups are included in the financial report of the Association.

The surplus for the year amounted to \$77,466 (2021 \$71,993).

5 Charitable Purpose

The Association is a company limited by guarantee of members, recipients of awards in the Order of Australia.

The object of the Association is to pursue the following charitable purpose: To celebrate and promote outstanding Australian citizenship.

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This purpose is reflected in the following activities:

- (a) raising public awareness about the Order of Australia and promote high quality nominations for appointments and awards that reflect the diversity of the Australian community,
- (b) supporting young Australians as they prepare for their careers and encourage them in service to the nation,
- (c) providing opportunities for recipients of appointments and awards in the Order of Australia to build networks with other recipients, and
- (d) other activities consistent with the purpose of the Association.

6 Dividends

The Association is a non-profit membership organisation and accordingly does not pay dividends.

7 Significant changes in the state of affairs

There were no significant changes in the state of affairs of the association during the reporting period.

8 Contributed Equity

The Order of Australia Association is a Company limited by guarantee. Every member of the Association undertakes to contribute to the property of the Association in the event that the Association is wound up while they are a member or within one year after they cease to be a member, for payment of the debts and liabilities of the Association contracted before they cease to be a member and of the costs, charges and expenses of winding up and for adjustment of the contributories among themselves, such amount as may be required, not exceeding \$10. The number of members as at the balance date was 8,045 (2021: 8,222).

9 Events subsequent to Reporting Date

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Association, to affect significantly the operations of the Association, the results of those operations, or the state of affairs of the Association, in the future years.

10 Indemnification and Insurance of Officers and Auditors' Indemnification

The Association has not made a relevant agreement for indemnifying against a liability any person who is or has been an officer or auditor of the Association.

11 Insurance Premiums

Since the end of the previous financial year, the Association has paid professional indemnity insurance premiums in respect of directors.

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12 Auditor's Independence Declaration

The auditor's independence declaration is set out on page 10 and forms part of the directors' report for the financial year ended 31 December 2022

This report is made with a resolution of the Directors:



Barry N Nunn AO

Director

Dated this 6th Day of April 2023



Muriel Wood OAM

Director

6th Day of April 2023

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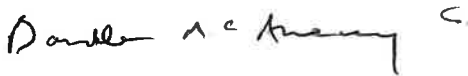
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**Auditor's Independence Declaration under s 60-40 of the Australian Charities and
Not-for-profits Commission Act 2012 to the Directors of
The Order of Australia Association Limited**

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of the Order of Australia Association Limited. As the lead audit partner for the review of the financial statements of The Order of Australia Association Limited for the year ended 31 December 2022, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022, there have been:

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



Bandle McAneney & Co



Anthony J Bandle FCA - Partner

Dated: 6th April 2023

Canberra ACT

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**Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2022**

	Note	2022	2021
		\$	\$
Revenue	4	768,030	684,317
Meetings		(44,853)	(19,964)
Functions		(321,521)	(205,449)
Newsletter costs		(60,758)	(60,774)
Administration expenses		(81,797)	(76,540)
Right of use asset depreciation and interest		(16,495)	(14,625)
Donations and scholarships		(31,157)	(72,423)
Employee costs		(61,291)	(54,267)
Other expenses	5	(72,692)	(108,282)
Profit before income tax		77,466	71,993
Income tax expense		-	-
Profit from continuing operations		77,466	71,993
Profit for the year		77,466	71,993
Other comprehensive income			
Change in fair value of financial assets		(258,618)	88,619
Total comprehensive income for the year		(181,152)	160,612

The accompanying notes form part of these financial statements.

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Statement of Financial Position
As at 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	522,117	528,632
Trade and other receivables	7	27,234	43,031
Inventories	8	25,418	16,747
Prepayments		16,464	5,008
TOTAL CURRENT ASSETS		591,233	593,418
NON-CURRENT ASSETS			
Investments	9	1,702,162	1,835,236
Right of use asset	10	5,916	20,112
TOTAL NON-CURRENT ASSETS		1,708,078	1,855,348
TOTAL ASSETS		2,299,311	2,448,766
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	21,706	31,568
Lease liabilities		6,744	15,284
Employee provisions	12	13,836	11,816
Other liabilities	13	32,488	3,955
TOTAL CURRENT LIABILITIES		74,774	62,623
NON-CURRENT LIABILITIES			
Lease liabilities		-	5,326
Other liabilities	13	1,109,164	1,050,064
Provisions	14	99,386	133,614
TOTAL NON-CURRENT LIABILITIES		1,208,550	1,189,004
TOTAL LIABILITIES		1,283,324	1,251,627
NET ASSETS		1,015,987	1,197,139
EQUITY			
Accumulated member's funds		961,733	884,267
Reserves		54,254	312,872
TOTAL EQUITY		1,015,987	1,197,139

The accompanying notes form part of these financial statements.

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**Statement of Changes in Equity
For the Year Ended 31 December 2022**

	Community Works Reserve	Fair Value Reserve	Member's Funds	Total
2021	\$	\$	\$	\$
Balance at 1 January 2021	43,036	181,217	812,274	1,036,527
Profit/(loss) for the current year	-	88,619	71,993	160,612
Balance at 31 December 2021	43,036	269,836	884,267	1,197,139
2022	\$	\$	\$	\$
Balance at 1 January 2022	43,036	269,836	884,267	1,197,139
Profit/(loss) for the current year	-	(258,618)	77,466	(181,152)
Balance at 31 December 2022	43,036	11,218	961,733	1,015,987

The accompanying notes form part of these financial statements.

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**Statement of Cash Flows
For the Year Ended 31 December 2022**

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	803,742	634,189
Payments to suppliers and employees	<u>(752,430)</u>	<u>(529,252)</u>
Net cash provided by/(used in) operating activities	<u>51,312</u>	<u>104,937</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of financial assets	<u>(125,544)</u>	<u>(185,792)</u>
Net cash provided by/(used in) investing activities	<u>(125,544)</u>	<u>(185,792)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest received	969	1,890
Dividends received	<u>66,748</u>	<u>59,709</u>
Net cash provided by/(used in) financing activities	<u>67,717</u>	<u>61,599</u>
Net increase/(decrease) in cash and cash equivalents held	(6,515)	(19,256)
Cash and cash equivalents at beginning of year	<u>528,632</u>	<u>547,888</u>
Cash and cash equivalents at end of financial year	<u>6</u> <u>522,117</u>	<u>528,632</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 31 December 2022

The financial report covers the Order of Australia Association Limited as an individual entity. Order of Australia Association Limited is a not-for-profit Company, registered and domiciled in Australia.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. Order of Australia Association Limited is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events, and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

2 Summary of Significant Accounting Policies

(a) Revenue and other income

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

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

Memberships and subscriptions

Revenue from lifetime memberships are recognised over the average expected lifetime of the members, based on actuarial assumptions from the year the lifetime membership was received.

The unearned element of all lifetime memberships and other term memberships is reported as deferred income.

Functions & Events

Revenues from functions and events are recognised when the economic benefit flows to the company.

(b) Income Tax

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

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Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

(d) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

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

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

Fixed asset class	Depreciation rate
Right-of-Use - Buildings	Term of the Lease

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

(e) Financial instruments

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

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

Financial assets

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.

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Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

Classification

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

- amortised cost
- fair value through other comprehensive income.

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

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 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.

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

Impairment of financial assets

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

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

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

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

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

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**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2 Summary of Significant Accounting Policies

(e) Financial instruments

Financial assets

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

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

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

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

Other financial assets measured at amortised cost

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

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 lease liabilities.

(f) Impairment of non-financial assets

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

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

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

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

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Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(f) Impairment of non-financial assets – Cont.

generating unit.

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

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(g) Cash and cash equivalents

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

(h) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

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Notes to the Financial Statements For the Year Ended 31 December 2022

2 Summary of Significant Accounting Policies

(h) Leases

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

(i) Employee benefits

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

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

(j) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Key estimates – Covid 19 Pandemic

Judgement has been exercised in considering the impacts that the Covid 19 Pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the services offered, customers, supply chain, funding, staffing and the geographic regions in which the company operates. Other than as addressed in the specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Covid 19 Pandemic.

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Notes to the Financial Statements
For the Year Ended 31 December 2022

	2022	2021
4 Revenue	\$	\$
Memberships & Subscriptions	303,045	355,239
Functions & Events	289,682	158,433
Sale of Merchandise	28,401	37,928
Sponsorship & Donations	8,056	13,541
Other income from customers	71,129	57,577
	<u>700,313</u>	<u>622,718</u>
Other Revenue		
Investment Income	67,717	61,599
	<u>768,030</u>	<u>684,317</u>
5 Other Expenses		
Bookkeeping Fees	22,076	20,182
Merchandise	26,534	24,394
Conference Losses	-	40,000
Sundry Expenses	24,082	23,706
	<u>72,692</u>	<u>108,282</u>
6 Cash and Cash Equivalents		
Cash on Hand	300	300
Cash at Bank	521,817	528,332
	<u>522,117</u>	<u>528,632</u>
7 Trade and other receivables		
CURRENT		
Trade & Other Receivables	18,707	38,264
Imputation Credits	8,527	4,767
	<u>27,234</u>	<u>43,031</u>
8 Inventories		
CURRENT		
Merchandise for Sale at Cost	25,418	16,747
	<u>25,418</u>	<u>16,747</u>
9 Investments		
NON-CURRENT		
Financial Assets at fair value through Other Comprehensive Income	1,702,162	1,835,236
	<u>1,702,162</u>	<u>1,835,236</u>

The Order of Australia Association Limited

A.B.N 40 008 612 664

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

10 Right of use assets	2022	2021
	\$	\$
Right-of-Use – Office Lease at cost	59,256	59,256
Accumulated depreciation	(53,340)	(39,144)
	<u>5,916</u>	<u>20,112</u>
11 Trade and Other Payables		
CURRENT	\$	\$
Trade payables	11,145	9,137
GST & PAYG withholding tax	561	12,431
Sundry creditors and accruals	10,000	10,000
	<u>21,706</u>	<u>31,568</u>
12 Employee Provisions		
CURRENT	\$	\$
Employee leave entitlements	13,836	11,816
	<u>13,836</u>	<u>11,816</u>
13 Other Liabilities		
CURRENT	\$	\$
Conference advances and deposits	32,488	3,955
	<u>32,488</u>	<u>3,955</u>
NON-CURRENT		
Deferred Income – Three Year Memberships	96,142	76,164
Deferred Income – Ten Year Memberships	15,005	-
Deferred Income – Lifetime Memberships	998,017	973,900
	<u>1,109,164</u>	<u>1,050,064</u>
14 Provisions		
NON-CURRENT	\$	\$
Victoria – Oration 2021	-	4,202
Victoria – Oration 2022	4,171	4,197
Victoria Scholarship	-	25,000
Western Australia Scholarship	10,000	-
National Scholarship	45,215	60,215
Conference Losses	40,000	40,000
	<u>99,386</u>	<u>133,614</u>

The Order of Australia Association Limited

A.B.N 40 008 612 664

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

15 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable, listed investments, payable and lease liabilities.

The carrying amount of each category of financial instrument, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

		2022	2021
Financial Assets at Amortised Cost	Note	\$	\$
Cash and Cash Equivalents	6	522,117	528,632
Trade and Other Receivables	7	27,234	43,031
Investments	9	1,702,162	1,835,236
		<hr/>	<hr/>
		2,251,513	2,406,899
Financial Liabilities at Amortised Cost			
Trade and Other Payables	11	21,706	31,568
Lease Liabilities		6,744	20,610
		<hr/>	<hr/>
		28,450	52,178

16 Contingent Liabilities

The company had no contingent liabilities as at the 31 December 2022 and 31 December 2021.

17 Commitments

The company had no commitments for expenditure as at the 31 December 2022 and 31 December 2021.

18 Related Parties

The directors of the company receive no compensation for their services.

19 Events Occurring After the Reporting Date

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

20 The registered office and principal place of business of the company is:

Old Parliament House
18 King George Terrace
Parkes ACT 2600

The Order of Australia Association Limited

A.B.N 40 008 612 664

Notes to the Financial Statements For the Year Ended 31 December 2022

21 Auditors Remuneration	2022	2021
	\$	\$
Review of the financial report	9,550	9,550
Review of the State Offices	1,900	1,900
Non-Review services	3,550	3,550
	<u>15,000</u>	<u>15,000</u>

22 Contributed Equity

The Order of Australia Association Limited is a company limited by guarantee. Every member of the company undertakes to contribute to the property of the company in the event that it is wound up. The liability to make such a contribution extends to current members and to former members within one year after they cease their membership. The members are liable for the payment of debts and liabilities of the company that were contracted before they ceased their membership and for the costs and charges of the winding-up. The maximum contribution of a member or former member cannot exceed \$10. The number of members at the balance date were 8,045. (2021 – 8,222).

23 Branch Information

The financial performance of the National Office and the State & Territory Branches for the year under review is detailed below:

	National Office	State & Territory Branches	Total
	\$	\$	\$
Revenues	377,300	390,730	768,030
Meetings & Functions	(33,937)	(332,437)	(366,374)
Newsletter	(58,667)	(2,091)	(60,758)
Administration & Other Costs	(102,005)	(68,979)	(170,984)
Employee Costs	(61,291)	-	(61,291)
Sponsorship & Donations	(20,300)	(10,857)	(31,157)
Profit/(Loss)	<u>101,100</u>	<u>(23,634)</u>	<u>77,466</u>

The Order of Australia Association Limited

A.B.N 40 008 612 664

Directors' Declaration

The directors declare that in their opinion:

- the attached financial statements and notes give a true and fair view of the company's financial position as at the 31 December 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and other mandatory professional reporting requirements.
- the financial statements and notes comply with Australian Accounting Standards – Simplified Disclosures as applicable to the company.

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



.....
Barry N Nunn AO - Director



.....
Muriel Wood OAM - Director

Dated 6th April 2023



Chartered Accountants

Suite 2d, 1st Floor
18 Napier Close
DEAKIN ACT 2600
PO Box 52, DEAKIN WEST ACT 2600
AUSTRALIA

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ABN: 87 955 412 345

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
THE ORDER OF AUSTRALIA ASSOCIATION LIMITED
ABN: 40 008 612 664**

Report on the Financial Report

We have reviewed the accompanying financial report of The Order of Australia Association Limited (the company), which comprises the Statement of Financial Position as at 31 December 2022, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility 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 of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) 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.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report – Company Limited by Guarantee, or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report does not satisfy the requirements of Division 60 of the ACNC Act including: giving a true and fair view of the company's financial position as at 31 December 2022 and its performance for the year ended on that date; and complying with the Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulation 2013*. ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
THE ORDER OF AUSTRALIA ASSOCIATION LIMITED

ABN: 40 008 612 664

Independence

In conducting our review, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012. We confirm that the independence declaration required by the *Australian Charities and Not-for-Profits Act 2012*, which has been given to the directors of the Order of Australia Association Limited, would be in the same terms if given to the directors as at the time of this review report.

Qualification

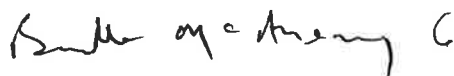
It is not practicable to establish accounting controls over cash receipts from function revenue beyond the recording of amounts entered in the books and records.

The review conclusion expressed in this report has been formed on the above basis.

Conclusion

Based on our review, which is not an audit, except for the matter referred to above, we have not become aware of any matter that makes us believe that the financial report of The Order of Australia Association Limited does not satisfy the requirements of Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 including:

- a) Giving a true and fair view of the company's financial position as at 31 December 2022 and of its 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 2013.



Bandle McAneney & Co
Chartered Accountants



Anthony J Bandle FCA
Partner

Dated this 6th April 2023
Place: CANBERRA, ACT.