

L'ARCHE AUSTRALIA LTD

ABN: 33 008 547 028

**Financial Report For The Year Ended
30 June 2023**

L'Arche Australia Ltd

ABN: 33 008 547 028

Financial Report For The Year Ended 30 June 2023

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L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2023.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Catryn Tuckwell
Claire Lawler
Josephine Kitch (resigned 11/2/23)
Julia Walters
Carmel Towler
Krishnavani Nair
Nigel Lewin
Raymond Winn
Robert Nicholls
Smith Greg

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

Principal Activities

The principal activity of the entity during the financial year were the provision of services and programmes for people with intellectual disabilities and their assistants.

Short-term and Long-term Objectives

The entity's short-term objectives are to:

- strengthen and grow the fundraising of L'Arche Australia Limited to support current and future growth;
- work to increase the financial and human sustainability of L'Arche Australia Limited in Australia to support communities to plan for the future;
- support the current and emerging communities of L'Arche Australia Limited in Australia;
- restructure the National Board to support L'Arche Australia Limited to achieve Country status;
- progressively implement an integrated information technology platform for L'Arche Australia Limited that meets the needs of the business;
- widely promote L'Arche Australia Limited in Australia using a variety of forums to advocate for people with intellectual disability, attract Australian assistants and to support fundraising;
- significantly increase the number of Australian assistants;
- review all documentation to ensure it is aligned with L'Arche Australia Limited philosophy, the National Disability Insurance Scheme and relevant legislative requirements;
- nurture the commitment and belonging of communities within the International Federation; and
- develop the human resources of L'Arche Australia Limited in Australia.

The entity's long-term objectives are to:

- make known the gifts of people with intellectual disabilities through mutually transforming relationships;
- foster an environment in community that responds to changing needs of members while being faithful to the core values of the founding story of L'Arche Australia Limited; and
- engage in the diverse local cultures of L'Arche while working together towards a more human society.

Strategies

To achieve these objectives, the Company has adopted and approved the L'Arche Australia Limited Strategic Plan 2023-2028. The plan sets out specific actions and key performance indicators to achieve each of the short term objectives. A report against the Strategic Plan is provided to the Board at each meeting.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
DIRECTORS' REPORT

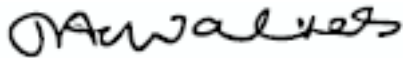
Members guarantee

L'Arche Australia Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$50 for members that are corporations and \$50 for all other members, subject to the provisions of the company's constitution. At 30 June 2023 the collective liability of members was \$550 (2022: \$ 550).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 3 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Director

Dated this

11 day of

November

2023

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF L'ARCHE AUSTRALIA LTD

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 L'Arche Australia Ltd. As the lead audit partner for the audit of the financial report of L'Arche Australia Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

- (i) the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Name of Firm sps audit



Name of Partner Graeme Shepherd

Date 23/10/2023

Address Unit 9, Serenity Waters, 123 Brisbane Road
Mooloolaba QLD 4557

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR
ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
Revenue	2	206,302	174,445
Other income	2	44,800	60,447
Depreciation and amortisation expense		(674)	(508)
Audit fees		(4,000)	(4,850)
Marketing expenses		(6,276)	(5,440)
Bank Charges		(879)	(1,345)
Community expenses		(20,000)	(7,663)
Consultancy		(2,746)	(1,000)
Insurance		(7,339)	(3,346)
International donated funds		(3,105)	-
L'Arche international levies		(46,082)	(44,505)
Mandate priorities		(13,321)	(13,785)
Newletter production		(3,782)	(9,794)
Office expenses		(13,459)	(4,366)
Rent		(7,000)	(6,000)
Salaries and superannuation	3	(213,761)	(240,229)
Shared services project		(19,712)	(43,039)
Staff expenses		(397)	(4,459)
Strategic plan expenses		(6,466)	(11,947)
Sundry expenses		(81)	-
Travel and accommodation		(11,611)	-
Workers compensation		(7,784)	(5,492)
Current year surplus before income tax		(137,372)	(172,878)
Income tax expense			
Net current year surplus		<u>(137,372)</u>	<u>(172,878)</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:		-	-
Total other comprehensive (losses)/income for the year		-	-
Total comprehensive income for the year		<u>(137,372)</u>	<u>(172,878)</u>
Surplus attributable to members of the entity		<u>(137,372)</u>	<u>(172,878)</u>
Total comprehensive income attributable to members of the entity		<u>(137,372)</u>	<u>(172,878)</u>

The accompanying notes form part of these financial statements.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	978,407	1,160,628
Accounts receivable and other debtors	5	24,088	22,074
Other current assets	6	31,832	10,938
TOTAL CURRENT ASSETS		<u>1,034,328</u>	<u>1,193,640</u>
NON-CURRENT ASSETS			
Financial assets	7	-	7,500
Property, plant and equipment	8	1,369	2,043
Other non-current assets		-	-
TOTAL NON-CURRENT ASSETS		<u>1,369</u>	<u>9,543</u>
TOTAL ASSETS		<u>1,035,696</u>	<u>1,203,183</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	(390)	41,451
Employee provisions	10	46,729	35,003
TOTAL CURRENT LIABILITIES		<u>46,339</u>	<u>76,453</u>
NON-CURRENT LIABILITIES			
Accounts payable and other payables	9	-	-
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>46,339</u>	<u>76,453</u>
NET ASSETS		<u>989,358</u>	<u>1,126,730</u>
EQUITY			
Retained surplus		989,358	1,126,730
TOTAL EQUITY		<u>989,358</u>	<u>1,126,730</u>

The accompanying notes form part of these financial statements.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Note	Retained Surplus \$	Total \$
Balance at 1 July 2021	1,670,361	1,670,361
Comprehensive Income		
Surplus / (deficit) for the year	(172,878)	(172,878)
Historical adjustment	9,953	9,953
Transfer of asset	(380,706)	(380,706)
Other comprehensive income for the year	-	-
Total other comprehensive income	-	-
Total comprehensive income attributable to owners of the entity	(543,631)	(543,631)
Balance at 30 June 2022	1,126,730	1,126,730
Balance at 1 July 2022	1,126,730	1,126,730
Comprehensive Income		
Surplus / (deficit) for the year	(137,372)	(137,372)
Other comprehensive income for the year	-	-
Total other comprehensive income	-	-
Total comprehensive income for the year	(137,372)	(137,372)
Balance at 30 June 2023	989,358	989,358

The accompanying notes form part of these financial statements.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		227,183	233,540
Payments to suppliers and employees		(417,915)	(415,718)
Interest received		1,011	1,410
Net cash generated from operating activities		<u>(189,720)</u>	<u>(180,768)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		-	(2,551)
Net cash used in investing activities		<u>-</u>	<u>(2,551)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loan repayments		7,500	2,500
Net cash used in financing activities		<u>7,500</u>	<u>2,500</u>
Net increase in cash held		(182,220)	(180,819)
Cash on hand at beginning of the financial year		1,160,628	1,341,447
Cash on hand at end of the financial year	4	<u>978,407</u>	<u>1,160,628</u>

The accompanying notes form part of these financial statements.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The financial statements cover L'Arche Australia Ltd as an individual entity, incorporated and domiciled in Australia. L'Arche Australia Ltd is a company limited by guarantee. L'Arche Australia Ltd is also a registered charity with the Australian Charities and Not-for-profits Commission.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. 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 accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue and Other Income

Operating grants, donations and bequests

When the Entity receives operating grants, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards;
- recognises related amounts; and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Capital grants

When the Entity receives a capital grant to construct or acquire a non-financial asset which is to be controlled by the entity, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts recognised under other Australian Accounting Standards.

The Entity recognises income in profit or loss when or as the Entity satisfies its obligations under the terms of the grant.

Interest income

Interest income is recognised using the effective interest method.

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

(b) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(d) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

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.

L'ARCHE AUSTRALIA LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income 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 surplus.

(c) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

(d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(e) Employee Provisions

Short-term employee provisions

A provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

(f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

(g) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

(h) Goods and Services Tax (GST)

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

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 with other receivables or payables in the statement of financial position.

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

(i) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(j) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(l) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements are based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

(m) Economic Dependence

The Entity is dependent on contributions from other L'Arche communities and fundraising activities for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the contributions and fundraising will not continue to support the Entity.

Note 2 Revenue and Other Income

	2023	2022
Revenue	\$	\$
— Community contributions - domestic	206,302	174,445
— Community contributions - international	-	-
Total revenue	<u>206,302</u>	<u>174,445</u>
Other Income		
— Fundraising income	40,853	55,489
— Interest received	1,011	1,410
— Mission Solidarity funds	2,935	1,636
— Sundry Income	-	1,912
Total other income	<u>44,800</u>	<u>60,447</u>
Total revenue and other income	<u>251,102</u>	<u>234,892</u>

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Note 3 Significant Expenses

	2023	2022
	\$	\$
a. Expenses		
Salaries and superannuation:		
— Salaries and wages	183,296	241,151
— Superannuation	18,739	20,309
— Movement in employee provisions	11,726	(21,231)
Total employee benefits expense	213,761	240,229

Note 4 Cash and Cash Equivalents

	2023	2022
	\$	\$
CURRENT		
L'Arche One Solidarity	2,742	2,742
Westpac Business Operating One	73,064	256,295
Westpac TD #0284	300,410	300,240
Westpac TD #6753	402,192	401,351
Westpac TD #8131	200,000	200,000
Total cash and cash equivalents	978,407	1,160,628

Note 5 Accounts Receivable and Other Debtors

	2023	2022
	\$	\$
CURRENT		
Accounts receivable	18,524	17,388
Other debtors	2,769	1,700
GST receivable	2,795	2,986
Total current accounts receivable and other debtors	24,088	22,074

Note 6 Other Current Assets

	2023	2022
	\$	\$
Prepayments	31,832	10,938
	31,832	10,938

Note 7 Financial Assets

	2023	2022
	\$	\$
NON-CURRENT		
Financial assets at amortised cost	-	7,500
Total non-current assets	-	7,500

Note 8 Property, Plant and Equipment

	2023	2022
	\$	\$
Plant and equipment:		
At cost	-	4,798
Less accumulated depreciation	-	(4,798)
	-	-
Computer equipment		
At cost	5,105	5,105
(Accumulated depreciation)	(3,736)	(3,062)
	1,369	2,043
Total property, plant and equipment	1,369	2,043

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Computer Equipment \$	Total \$
2022			
Balance at the beginning of the year	-	-	-
Additions at cost	-	2,551	2,551
Disposals	-	-	-
Depreciation expense	-	(508)	(508)
Carrying amount at the end of the year	<u>-</u>	<u>2,043</u>	<u>2,043</u>
2023			
Balance at the beginning of the year	-	2,043	2,043
Additions at cost	-	-	-
Disposals	-	-	-
Depreciation expense	-	(674)	(674)
Carrying amount at the end of the year	<u>-</u>	<u>1,369</u>	<u>1,369</u>

Note 9 Accounts Payable and Other Payables

	Note	2023 \$	2022 \$
CURRENT			
Accounts payable		(22,984)	20,646
Other current payables		8,158	13,226
PAYG payable		2,674	2,728
Superannuation payable		10,762	9,780
Accrued expenses		1,000	(4,930)
		<u>(390)</u>	<u>41,451</u>
NON-CURRENT			
Accounts payable		-	-
		<u>-</u>	<u>-</u>

Note 10 Employee Provisions

	2023 \$	2022 \$
CURRENT		
Provision for employee benefits: annual leave	28,494	19,895
Provision for employee benefits: long service leave	18,235	15,108
	<u>46,729</u>	<u>35,003</u>
NON-CURRENT		
Provision for employee benefits: long service leave	-	-
	<u>-</u>	<u>-</u>
	<u>46,729</u>	<u>35,003</u>
Analysis of total provisions:		
Opening balance at 1 July 2022	Employee Benefits 35,003	Total 35,003
Net movement in employee provisions	11,726	11,726
Balance at 30 June 2023	<u>46,729</u>	<u>46,729</u>

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

L'ARCHE AUSTRALIA LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

Note 11 Contingent Liabilities and Contingent Assets

There were no contingent assets or liabilities identified by the directors as having to be reported at the date of preparation of this report.

Note 12 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 13 Other Related Party Transactions

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Note 14 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

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

	Note	2023	2022
		\$	\$
Financial assets			
— cash and cash equivalents	4	978,407	1,160,628
— accounts receivable and other debtors	5	24,088	22,074
Total financial assets		1,002,495	1,182,702
Financial liabilities			
Financial liabilities at amortised cost:			
— accounts payable and other payables	9	(390)	41,451
Total financial liabilities		(390)	41,451

Note 15 Entity Details

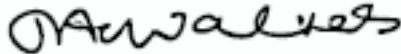
The registered office and principal place of business
L'Arche Australia Ltd
51 Burlington Road
Homebush
Burwood NSW 2134

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of L'Arche Australia Ltd, the directors of the Registered Entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 4 to 13, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the registered entity as at 30 June 2023 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.



Director

Dated this 11 day of November 2023

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
L'ARCHE AUSTRALIA LTD

Opinion

We have audited the financial report of L'Arche Australia Ltd (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 the registered entity is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012 (the ACNC Act), including:

- i. giving a true and fair view of the Registered Entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards 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 Registered Entity in accordance with the auditor independence requirements of the ACNC Act, the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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 Registered Entity'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 registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

L'ARCHE AUSTRALIA LTD
ABN: 33 008 547 028
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
L'ARCHE AUSTRALIA LTD

— 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor's name and signature: Graeme Shepherd, Registered Company Auditor No 15264

Address: Uni 9, Serenity Waters
123 Brisbane Road
Mooloolaba QLD 4557



Dated this 23rd day of October 2023