



Annual Financial Report



2024

Variety - the Children's Charity Tent 75 South Australia Incorporated
Incorporation Number A22631 | ABN 79 071 397 629

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Board of Members

Sally Paech, Chair

Sally is Marketing Director of her family-owned business, The Beerenberg Family Farm, makers of home-style jams, sauces and dressings sold throughout Australia and 23 countries across the world.

After completing a Bachelor of Business (Marketing) and a later a Masters of Social Science, she worked in international development and community services management in Victoria before returning to South Australia in 2008 to join the family business. She was proud to accept the Telstra South Australian Business of the Year Award on behalf of Beerenberg in 2011. Sally is also the Director of the Beerenberg Foundation, set up in 2011 to support community organisations to conserve and celebrate Hahndorf's natural, built and cultural heritage. As Marketing Director and Board Member, Sally oversaw the dramatic and very successful rebranding of Beerenberg in 2013. Today, she works to grow Beerenberg into an internationally loved and recognised Australian brand.

Sally has enjoyed two Variety Bashes and numerous Variety fundraising events and looks forward to many more.

Selena Bushell, Deputy Chair

Selena has more than 29 years' experience in the insurance industry and is currently Chief Operating Officer at Guardian Insurance Brokers. She specialises in human resources, working with clients, business relationships, insurance broking and compliance management.

Selena has a Diploma in Financial Services (Insurance Broking) and is a Qualified Insurance Professional. She uses her strong analytical and critical thinking skills to help solve complex operational problems.

A former Softball player who was a member of the National Team for over 5 years and won a Bronze Medal at the Sydney 2000 Olympics. She is currently The State Delegate of the Australian Olympians Association and enjoys giving back to her community. Selena became involved in Variety back in 2016 as a Bash entrant and has multiple bashes under her belt.

Morgan Griffin, Treasurer

Morgan is a Chartered Accountant and the founder of Katalyst Accounting, having graduated from Adelaide University with a Commerce (Accounting) degree and going on to complete her Chartered Accountant and Financial Planning studies.

She has a broad range of experience in finance and business management, from preparation of budgets and financial reporting to advising on strategy, investment decisions and cash flow management. She also has a passion for leading teams to produce successful outcomes, through her mentorship of many accounting graduates.

Morgan's involvement started when she joined Young Variety in 2016, she held the Treasurers position and went on to become Chair. She thrives off using her skills to help the wider community. Coming from country South Australia, she has seen how beneficial Variety is to the state and continues to enjoy her role within Variety SA.

Dr. Bronte Ayres AM, Board Member and Chair of the Grants Committee

Dr. Bronte Ayres is a consultant Cardiologist and former State Chairman of the Royal Australasian College of Physicians in SA. He was Deputy Chairman of the Ashford Community Hospital as well as sitting on the board of its foundation. He has had a passion for growing merlot grapes in the Adelaide Hills and is a life member of the Brighton Beef Steak and Burgundy Club. His involvement with Variety began as the Bash Doctor in 1991 and fifteen years as a medico for the Bash and nine years for the 4WD Challenge followed. He's been an honorary Medical Advisor to Variety SA since 1995, is a former Chair of the Board and has been a member of the Board since 2000.

Peter Cochrane OAM, Board Member

Peter Cochrane OAM is the Managing Director of Peter Cochrane Transport, a proudly South Australian express logistics business that delivers across SA and into Mildura and Broken Hill.

Peter's involvement with Variety began in 1989 when he was an entrant in the first SA Bash. He became Bash Chairman in 1993 and held that role until 1998. During this time he ran six highly successful Bashes with his late wife Christine. Peter was appointed to the Variety Board in 1993 and became Chair of the Board in 2003. During his term he oversaw many major developments including raising capital for the construction of a new building to house Variety headquarters. Peter is also involved in the Sunshine Coach and People Mover Program that sees families and schools provided with specially equipped vehicles.

Peter also maintains his involvement with the Bash, supplying and driving the "Bag Truck". Peter was made a life member of Variety SA in 2007 and in 2018 became only the third Australian to be awarded the prestigious Catherine Variety Sheridan Award for his philanthropic support in serving children.

Jonathan Day, Board Member

Jonathan has seen first-hand the life-changing results of Variety's grants, through his experience as a parent and brother of people with significant disability. Encompassing a deep understanding of the many challenges faced by families applying to Variety.

With over 20 years of success in industry, having studied Biomedical Engineering then branching into the adjacent IT domain. Jonathan founded Aligent 15 years ago, and has successfully grown the business to over 100 staff, delivering globally recognized e-commerce websites for "household name" brands such as Mitsubishi Motors (Australia) and Kathmandu. The skills gained and refined during this period are well suited to contributing to community organizations, including collaboration, accountability, compliance, and a focus on Values and Mission.

Peter de Cure AM, Board Member

Peter is a professional Non-Executive Director. He holds a Bachelor of Economics from Adelaide University and is a Fellow of the Institute of Company Directors and Chartered Accountants Australia & New Zealand. After 25 years at KPMG Peter retired as a senior partner in 2012.

Peter is currently, Chairman of the Royal Flying Doctor SA&NT, Accord Property Development Pty Ltd, the Tax Practitioner's Board, Wirra Wirra Vineyards and the South Australian Fire and Emergency Services Commission. Peter is a Director of Royal Flying Doctor Service of Australia, and advisory Chairman of Tim Adams Wines. With Variety Peter has been a Board Member since in 2007, Chair in 2010 and 2011 a member of the Bash and Grants committees and Chair of the Governance & Audit committee and has participated in eighteen Bashes, six 4WD Adventures and four Moto Runs.

Rob Kerin, Board Member

Rob has been a regular Bash entrant over the last 2 decades! Rob was Managing Director of Kerin Agencies, an agribusiness in the Mid North of S.A. until 1993. He then entered the State Parliament for 15 years, serving as Deputy Premier, Premier and Leader of the Opposition. He held many portfolios, but spent most time as Minister for Primary Industries, Mines and Energy, and Regional Development.

Rob is immediate past Executive Chair of Primary Producers SA, Chair of Regional Development SA and SANFL Commission, and Chair of the Adelaide Oval Stadium Management Authority. Rob chairs several other Boards and committees, and is the owner of Rob Kerin Consulting, which has done restructures of the State's Regional Development structure, the ex SA Farmers Federation, and the operational side of Viterra, the State's largest grain handling company.

Professor Jennifer McKay AM, Board Member

Professor Jennifer McKay is an academic lawyer specializing in environmental, natural resources management and human rights law. She has been a Ministerial appointee on several boards, Commissioner on the Environment, Resources and Development Court and conducted research with and for the private sector. She has degrees from University of Melbourne, Adelaide, American University in DC and was a business law legal practitioner before joining academia. She has led a research group supervised 13 PhDs and has worked in India, US, Fiji and well as all states of Australia. She won the Premiers medal for water research and her AM was for services to law and the legal profession. The skills gained from the above, are relevant to dealing with the complex issues in Variety SA and engaging in constructive dialogue.

Jennifer has completed 8 Bash events in a co-owned 1965 HD Holden and 3 4WD events. These have mainly been in all women teams. She is the Patron of the South Jazz club and on the Board and an Ambassador for the Australia Day Council of SA. She breeds dogs and has a keen interest in animal welfare.

Tanya Stratton, Board Member

Tanya is currently Managing Director at Stratland Pty Ltd, an agribusiness operation and Executive Director of the Terra Artemis Foundation, a conservation foundation. Tanya holds a Bachelor of Science, Mathematics/Statistics from Adelaide University, a certificate in COGNOS Administration from the University of NSW and is an Australian Institute of Company Directors graduate. With 20 years as Systems Analyst at Stratco (Australia) Pty Ltd, Tanya's key responsibilities included online store development, geo-spatial analysis of national demographic data for new site locations as well as the development and implementation of the national sales reporting system.

Immediate former Chair of Variety South Australia (21-23), Deputy Chair, director of Variety SA and Australia and the Asia Pacific Council, Tanya's involvement with Variety began in 2014. Tanya has a love of the great outdoors and contributing with purpose, Tanya has participated in 10 4WD adventures, numerous events and committees including business development, strategic planning, governance and audit, succession planning, large grants and the Variety SA annual themed ball.

Salli Tanner, Board Member

Salli is a highly regarded Human Resources professional who started her career as an Occupational Therapist, before branching out into generalist human resources and executive search and consulting. Today, Salli is the Senior People Partner with Bendigo and Adelaide Bank, where she partners with the Technology and Transformation business to deliver people and workforce strategy solutions in a practical and big picture thinking way.

Salli is known for establishing high trust and enduring relationships, navigating complexity, and constructively challenging to deliver better people outcomes. She has participated in two Variety Bashes with Car 140 and looks forward to making a positive impact as Board member in 2024.

Members' Report

The Members of Variety The Children's Charity Tent 75 South Australia have pleasure in submitting the following report in respect of the year ended 30 September 2024 in accordance with a resolution of Members.

MEMBERS

The Members in office during the year through to the date of this report are set out on pages 3 to 6 of this report.

The Members had no interests in contracts or proposed contracts with Variety during the course of the financial year other than noted in the statutory information of this report.

ASSOCIATION INFORMATION

Variety The Children's Charity is an Association incorporated under the *Associations Incorporation Act 1985* Section 25(5)(b) and domiciled in South Australia.

The registered office of the Association is 68 Richmond Road, Keswick South Australia 5035.

The entity employed sixteen staff at 30 September 2024 (30 September 2023: sixteen).

PRINCIPAL ACTIVITIES

The principal activities of Variety during the year were to supply material aid to less fortunate children in the community. No changes in the nature of the following activities occurred during the year; granting of individual and group grants, provision of Variety Sunshine Coaches, Children's Christmas Party and Children's outings.

OPERATING AND FINANCIAL REVIEW

Operating revenue

The operating revenue for the year ended 30 September 2024 was \$8,283,572.
(30 September 2023: \$8,898,180).

Operating result before grants approved

The operating profit before grants approved for the year ended 30 September 2024 was \$4,058,411.
(30 September 2023: \$5,403,665).

Grants approved

Grants approved to sick, disabled and disadvantaged children for the year ended 30 September 2024 was \$5,219,384. (30 September 2023: \$6,238,430).

Net operating result

The operating (deficit)/surplus for the year ended 30 September 2024 was \$(725,846).
(30 September 2023: \$(374,593)).

Members' Report (continued)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Members there were no other significant changes in the state of affairs of the Association, which occurred during the financial year, not otherwise disclosed in this Annual Financial Report.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Since the end of the financial year, the Members have not become aware of any matter or circumstances not otherwise dealt with in the report or financial statements that has significantly, or may significantly, affect the operations of the Association, the results of those operations or the state of affairs of the Association in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the Members, there are no likely changes in the operations of the Association, which will adversely affect the results of the Association in subsequent financial years.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Association is not subject to any particular or significant environmental regulation.

MEMBERS' BENEFITS

No Member of the Association has, since the end of the previous financial year, received or become entitled to receive a benefit by reason of a contract made by the Association with the Director or with a firm of which they are a member, or with an Association in which they have substantial financial interest except for those items disclosed in the notes to this Annual Financial Report.

INDEMNIFICATION AND INSURANCE OF MEMBERS

Variety The Children's Charity has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Members and Executive Officers of Variety. The insurance is in the normal course of business and grants indemnity for liabilities permitted to be identified by Variety under the *Associations Incorporation Act 1985*. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

INDEMNIFICATION OF AUDITORS

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

MEMBERS' MEETINGS

The number of Meetings of Members held during the year and the numbers of meetings attended by each member were as follows:

	Members' Meetings Attended	Members' Meetings Eligible to Attend
Sally Paech	8	10
Selena Bushell	7	10
Morgan Griffin	9	10
Bronte Ayres	8	10
Peter Cochrane	6	10
Jonathan Day	5	6
Peter de Cure	7	10
Nicole Haack	2	3
Kate Hobbs	2	3
Rob Kerin	7	10
Jennifer McKay	3	6
Brenton Ramsey	3	3
Tanya Stratton	8	10
Salli Tanner	3	6

Signed in accordance with a resolution of the Board of Members.

Member: S Paech



Member: M Griffin



Adelaide, South Australia
Date: 28 November 2024

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 SEPTEMBER 2024	Notes	2024 \$	2023 \$
Fundraising income	4 (a)	6,357,138	7,034,393
Donation income	4 (a)	862,701	952,094
Other income	4 (a)	1,063,733	911,693
Total Revenues		8,283,572	8,898,180
Salaries & wages		(1,452,175)	(1,201,196)
Advertising & promotion		(165,878)	(144,995)
Communications		(28,332)	(26,047)
Depreciation	5	(47,834)	(47,398)
Design, print and stationery		(26,806)	(10,469)
Insurance		(94,155)	(71,398)
Motor vehicle expenses		(48,253)	(23,650)
Production costs		(88,343)	(87,153)
Utilities		(6,873)	(7,093)
Other Event Costs	5	(1,793,206)	(1,480,949)
Other general expenses	5	(473,306)	(394,167)
Total Expenses		(4,225,161)	(3,494,515)
Profit before grants approved		4,058,411	5,403,665
Grants approved	4 (a)	(5,219,384)	(6,238,430)
Grants written back		435,127	460,172
Net surplus/(deficit) for the period		(725,846)	(374,593)
Other Comprehensive Income		-	-
Total Comprehensive Income		(725,846)	(374,593)

Balance Sheet

AS AT 30 SEPTEMBER 2024	Notes	2024 \$	2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	348,608	502,153
Bank Term Deposits	6(c)	9,425,000	9,890,000
Receivables	7	476,484	367,104
Inventories	8	63,602	12,701
Other assets	9	194,239	166,659
Properties held for sale	9.1	1,250,000	1,250,000
Total Current Assets		11,757,933	12,188,617
Non-Current Assets			
Property, plant and equipment	10	1,263,233	1,104,353
Deposits Paid	11	800,000	800,000
Total Non-Current Assets		2,063,233	1,904,353
TOTAL ASSETS		13,821,166	14,092,970
LIABILITIES			
Current Liabilities			
Grants payable	12	6,045,839	5,766,828
Trade and other payables	12	251,833	80,217
Provisions	13	212,262	168,807
Deferred income	14	445,077	493,724
Total Current Liabilities		6,955,011	6,509,576
Non-Current Liabilities			
Provisions	13	16,716	8,110
Total Non-Current Liabilities		16,716	8,110
TOTAL LIABILITIES		6,971,727	6,517,685
NET ASSETS		6,849,439	7,575,284
EQUITY			
Reserves	15(b)	267,497	267,497
Retained earnings	15(a)	6,581,942	7,307,787
TOTAL EQUITY		6,849,439	7,575,284

Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Donation Reserve – Plant & Equipment \$	Donation Reserve – Land & Buildings \$	Retained Earnings \$	Total Equity \$
At 1 October 2022	-	267,497	7,682,382	7,949,879
Surplus for the year	-	-	(374,594)	(374,594)
Transfers to/from Reserves	-	-	-	-
Total income and expenses for the period	-	-	-	-
At 30 September 2023	-	267,497	7,307,788	7,575,285
Surplus for the year	-	-	(725,846)	(725,846)
Transfers to/from Reserves	-	-	-	-
Total income and expenses for the period	-	-	-	-
At 30 September 2024	-	267,497	6,581,942	6,849,439

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2024

Notes

		2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		6,868,362	7,821,338
Payments to suppliers, employees and others		(3,600,597)	(3,151,697)
Interest received		426,552	139,362
Grants paid		(4,505,247)	(3,981,995)
Net cash flows used in operating activities	6(a)	(810,930)	827,008
Cash flows from investing activities			
Proceeds/(payments) from sale/(purchase) of property, plant and equipment		(257,616)	(15,092)
Proceeds for Apartment Building		(800,000)	(800,000)
Payments for Apartment Building		1,250,000	-
Movement in Bank Term Deposits		465,000	(2,840,000)
Net cash flows from/(used in) investing activities		657,384	(3,655,092)
Cash flows from financing activities			
Financing activities			
Net cash flow from/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(153,546)	(2,828,083)
Cash and cash equivalents at beginning of period		502,153	3,330,236
Cash and cash equivalents at end of period	6	348,608	502,153

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. ASSOCIATION INFORMATION

The financial report of Variety - the Children's Charity Tent 75 South Australia Incorporated for the year ended 30 September 2024 was authorised for issue in accordance with a resolution of the Members on 10 December 2024.

The financial report is presented in Australian dollars.

Variety - the Children's Charity Tent 75 South Australia Incorporated is an incorporated association and was incorporated on 10 October 1995.

The Association is incorporated and domiciled in Australia. The registered office, which is the principal place of business, is located at 68 Richmond Road, Keswick South Australia 5035.

The Association is a Tent admitted to the membership of Variety Australia Limited and Variety Clubs International Inc.

In the event of the Association being wound up, members' liability is limited to an amount of nil. If on winding up of the Association, any property of the Association remains after satisfaction of the debts and liabilities of the Association and the costs, charges, and expenses of that winding up, that the property shall be distributed: (a) to another incorporated association having objects similar to those of the Association: or (b) for charitable or benevolent purposes, which incorporated association or purposes, as the case requires shall be determined by resolution of the members to prepare a distribution plan for the distribution of the surplus property of the Association. No members, or former members, of the Association shall be recipients of any assets after the winding up.

The nature of the operations and principal activities of the Association are described in the Members' report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Associations Incorporation Act 1985*, Australian Accounting Standards and the *Australian Charities and Not for Profits Commissions Act 2012*. The financial report has also been prepared on a historical cost basis.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. The accounting policies have been applied consistently during the year.

(b) (i) Investment Policy

Variety invests funds held to support operations outside of the immediate needs of the Association in term deposits whose maturity ranges from 3-12 months. The notes carry an interest rate of 0.20% to 5.25%, and are recognised at amortised cost, which approximates fair value.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Land and buildings are measured at cost less accumulated depreciation on buildings and less any impairment losses.

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

Buildings – forty years
Computer equipment – three years
Plant and equipment – five years
Motor vehicles – ten years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year-end.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(d) Trade and other receivables

Trade receivables, which generally have 30-day terms, are recognised and carried at original invoice amount less an allowance for any expected credit loss.

(e) Inventories

Inventories are valued at the lower of cost and net realisable value.

Inventory also includes donated goods, some of which are to be sold at auction for fundraising purposes. These are valued at approximate net realisable value, and this value is used as the reserve at auction to ensure that the auction proceeds exceed cost. Other donated goods (including those, which may subsequently be provided as grants) are also measured at approximate net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(f) Financial Instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Assets – Classification

On initial recognition, the Group 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)

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets. The relevant classification categories for the Association are as follows:

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

Financial assets through other comprehensive income

These investments are carried at fair value with changes in fair value recognised in other comprehensive income. On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

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.

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 Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

based on the Association's historical experience and informed credit assessment and including forward looking information.

Financial liabilities

The Association 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 Association primarily comprise trade payables and grants payable liabilities.

(g) Impairment of non-financial assets

At each reporting date, the Association assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Association makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In determining recoverable amount, the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate.

(h) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and on hand, short-term deposits 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 and bank overdraft. Bank overdrafts are shown within interest-bearing loans and borrowings in current liabilities on the balance sheet.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(i) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid and arise when the Association becomes obliged to make future payments in respect of the purchase of these goods and services.

(j) Grants payable

Grants payable are carried at cost and are recognised when the entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits as a result of past transactions or events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Provisions

Provisions are recognised when the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(l) Employee benefits

Provision is made for the Association's liability for employee benefits as a result of employees rendering services up to the reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Employee entitlements expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave benefits; and
- other types of employee benefits

These are recognised against profits on a net basis in their respective categories.

(m) Income tax

Variety The Children's Charity Tent 75 South Australia is exempt from income tax. It is a Deductible Gift Recipient (DGR) and an Income Tax Exempt Corporation (ITEC).

(n) Other taxes

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

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

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

Cash flows are included in the Cash Flow Statement 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 are classified as operating cash flows.

(o) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Events revenue

In some cases, revenue is received in respect of an event that falls into the following financial year. In such cases, the revenue (and any associated costs) is deferred and recognised as deferred income. Any donation received in respect of an event that falls into the following financial year is recognised as income in the current year.

Interest income

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

Sales of non-current assets

The gross proceeds of non-current assets sales are included at the date control of the asset passes to the buyer. The gain or loss on disposal of assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Donations

Donations of cash are brought to account as the cash is received, not pledged.

Donated goods

Goods are donated to be sold at auctions, or to be used in events or functions. In both cases, they are recognised as revenue at their replacement cost, and expensed when the goods are sold, or otherwise used. Donated goods that have a useful life continuing over a number of years are capitalised and depreciated in line with purchased property plant and equipment.

Donations of services

Donated services, such as the use of a conference centre to host an event, are recognised as revenue at their replacement cost. An equivalent amount is recognised as an expense, relating to the type of service donated. Where the value of donated services cannot be reliably measured, these are not brought to account.

Other Income

Other income is recognised on an accruals basis when the Association is entitled to it.

(p) Comparative Figures

Certain line items have been amended in the balance sheet and statement of changes in equity, and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's position.

(q) Classification of Assets held for sale

The association classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is met only when the sale is highly probable and the asset is available for immediate sale in the present condition.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Association's principal financial instruments comprise cash and short-term deposits.

The main purpose of these financial instruments is to raise finance for the Association's operations. The Association has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. The main risks arising from the Association's financial instruments are cash flow interest rate risk and credit risk. The Board reviews and agrees policies for managing each of these risks as summarised below.

It is the Association's policy that no trading in financial instruments shall be undertaken. This was the case throughout the period under review.

Credit risk

The Association trades only with recognised, creditworthy parties.

It is the Association's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Association's exposure to bad debts is not significant.

The Association minimises concentration of credit risk in relation to trade receivables by undertaking transactions with a large number of customers. Credit risk in trade receivables is managed in the following ways:

- payment terms are 30 days;
- management review older amounts due and pursue customers for payment; and
- a provision is held to cover any potential bad debts that may arise

Since the Association trades only with recognised creditworthy third parties, there is no requirement for collateral.

Interest rate risk

At balance date, the Association had the following financial assets exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	2024	2023
	\$	\$
Financial and Investment assets		
Cash assets	348,608	502,153
Bank Term Deposits	9,425,000	9,890,000
Total financial assets	9,773,608	10,392,153
Financial Liabilities		
Interest bearing liabilities	Nil	Nil

The Association's interest risk is limited to the interest earned on its significant cash balances held. The remaining financial assets and liabilities will not be materially affected by changes in interest rate.

The Association constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions. The following sensitivity analysis is based on the interest rate exposures in existence at the balance sheet date.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

At 30 September 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, total recognised income and expense and equity would have been affected as follows:

	Recognised income and expense		Equity	
	Higher/(Lower)		Higher/(Lower)	
	2024	2023	2024	2023
	\$	\$	\$	\$
+1% (100 basis points)	207,656	126,592	207,656	126,592
-1% (100 basis points)	(207,656)	(126,592)	(207,656)	(126,592)

The movements in the recognised income and expense and equity are due to the higher/lower interest costs from variable cash balances. Refer to Note 20 for financial instruments exposed to interest rate risk.

Liquidity risk

To limit this risk, management maintains a balance between the continuity of revenue funding through donations and donated goods and services, and expenditure. This is achieved through regular monitoring of operational bank balances in relation to future funding needs, and transferring funds into or out of investment accounts as necessary. This is performed by the finance team.

Market risk

Market risk is the risk that the fair value of equity securities held in the investment portfolio decreases. Management have assessed the risk as nil for the Association, as it holds no equity securities.

Capital Management

When managing capital, management's objective is to ensure the Association continues as a going concern as well as to maintain optimal benefits to its stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management is constantly adjusting the capital structure to take advantage of favorable costs of capital or high returns on assets.

Management monitors capital through distribution levels. The target for the Association's distribution approximates 90% of available surpluses or higher.

4. (a) FUND RAISING INFORMATION AND ADMINISTRATION COSTS

Additional information to be furnished under the *Charitable Purposes Act, 1939*.

Details of aggregate income and expenditure of fundraising are as follows:

	2024 Total Income	2024 Direct Expenses	2024 Net Income	2023 Net Income
	\$	\$	\$	\$
Fundraising information				
Bash	2,802,226	1,020,071	1,782,155	2,281,206
4WD Adventure	1,070,208	544,595	525,613	1,090,654
Variety Moto Run	800,082	192,710	607,372	236,472
Aussie Muscle Car Run	682,662	393,791	288,871	703,247
Melbourne Cup Luncheon	73,553	56,587	16,965	(7,790)
Annual Ball	429,468	373,167	56,301	29,494
Variety from the Heart	3,768	17,825	(14,057)	(12,457)
Variety Vintage	294,645	171,671	122,974	163,376
Radiothon	130,393	30,507	99,886	104,684
Variety Jet	-	2,105	(2,105)	27,553
Showdown Events	52,007	59,341	(7,334)	13,269
Other Fundraising	18,126	27,671	(9,545)	13,005
Total contribution from events	6,357,138	2,890,041	3,467,097	4,642,713
Donations	862,701	117,617	745,084	938,749
Subtotal	7,219,839	3,007,658	4,212,181	5,581,462
Other Income	1,063,733	19,555	1,044,178	873,338
Total	8,283,572	3,027,213	5,256,359	6,454,800
Administration costs	-	1,197,948	(1,197,948)	(1,051,135)
Surplus before grants			4,058,411	5,403,665
Grants approved during the year			5,219,384	6,238,430
Less Grants Written Back			(435,127)	(460,172)
Surplus/(deficit) for the year			(725,846)	(374,593)

The costs of events staff salaries and other costs directly attributable to fundraising events are included in the cost of fundraising, and excluded from administration expenses.

Goods and services in kind received of \$380,633 (2023: \$410,451) and goods and services in kind expended of \$nil (2023: \$nil) are included in the relevant expense or revenue category.

4. (b) FUND RAISING INFORMATION AND ADMINISTRATION COSTS

	2024 \$	2024 %	2023 \$	2023 %
Comparison of monetary figure and percentages				
Total direct costs of events fundraising & donations	3,007,658	42	2,405,025	30
Gross income from fundraising & donation			7,986,487	
	7,219,839			
Net surplus from events fundraising & donations		58	5,581,462	70
Gross income from fundraising & donations			7,986,487	
	7,219,839			
Total costs of events fundraising & donations		71	2,405,025	69
	3,007,658			
Total expenditure	4,225,160		3,494,515	
Total costs of events fundraising & donations	3,007,658	36	2,405,025	27
Total income received	8,283,571		8,898,180	
Total cost of administration	1,197,948	14	1,051,135	12
Total income received	8,283,571		8,898,180	

5. OTHER EXPENSES

	2024 \$	2023 \$
Operating profit is stated after charging the following items:		
Superannuation expense	140,043	113,500
Depreciation: Buildings and Property Improvements	15,691	15,812
Depreciation: Plant and equipment	17,419	17,414
Depreciation: Motor vehicles	14,724	14,172
Total depreciation	<u>47,834</u>	<u>47,398</u>
Amortisation	-	-
Total amortisation	<u>-</u>	<u>-</u>
Variety National & International expenses	108,306	87,228
Other event & function expenses	1,793,206	1,626,990
Other administration expenses	<u>177,123</u>	<u>-</u>
Total Other Expenses	<u>2,266,512</u>	<u>1,875,116</u>

6. CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash at bank	348,608	502,153
Short-term deposits	-	-
	<u>348,608</u>	<u>502,153</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Reconciliation to the Cash Flow statement

For the purposes of the Cash Flow statement, cash and cash equivalents comprise the following:

Cash at bank and in hand	348,608	502,153
Short-term deposits	-	-
	<u>348,608</u>	<u>502,153</u>

(a) Reconciliation of the net profit after tax to the net cash flows from operations

	2024	2023
	\$	\$
Operating surplus/(deficit)	(1,160,934)	(834,589)

Non-cash items

Depreciation	47,834	47,398
Net (profit)/loss on disposal of property, plant and equipment	-	-
Grants Written Back	435,127	460,172
Disposal of Assets	39,909	-
Fair Value gain on assets held for sale	(450,000)	-

Changes in assets and liabilities

(Increase)/decrease in trade and other receivables	(109,379)	(195,874)
(Increase)/decrease in inventory	(50,901)	(10,752)
(Increase)/decrease in prepayments and other debtors	(16,629)	(572,880)
(Decrease)/increase in trade and other creditors	171,616	(76,318)
(Decrease)/increase in grants payable	279,011	1,796,263
(Decrease)/increase in deferred income	(48,646)	218,846
(Decrease)/increase in provisions	52,063	(5,258)
Net cash flow from operating activities	<u>(810,930)</u>	<u>827,008</u>

(b) Non-cash financing and investing activities

Credit card facility

At balance date, Bendigo Bank provided the organisation with a business credit card facility with a limit of \$50,000 (2023: \$50,000). The balance owing at 30 September 2024 is reflected in the liabilities.

Donated goods

During the year, the organisation received donated goods and services to the value of \$380,633 (2023: \$410,451). As these were acquired for no consideration, the goods and services were valued at current replacement cost.

6. CASH AND CASH EQUIVALENTS (continued)
(c) Bank Term Deposits

Short-term deposits are made for varying periods of between one day and twelve months, depending on the immediate cash requirements of the Association, and earn interest at the respective short-term deposit rates. Bank Term Deposits exceeding three months in terms and held to support operations outside of the Associations immediate need are recognised separately to cash and cash equivalents. (less than three months) Bank Term Deposits are recognised at amortized costs, which approximates fair value.

	2024	2023
	\$	\$
Bank Term Deposits (over 3 months)	9,425,000	9,890,000

7. TRADE AND OTHER RECEIVABLES (CURRENT)

	2024	2023
	\$	\$
Trade receivables	93,832	77,222
Allowance for doubtful debts	-	-
	93,832	77,222
Other receivables	114,468	87,292
Accrued income	268,184	202,590
	476,484	367,104

Trade debtors are non-interest bearing and generally on 30-day terms.

(a) Allowance for impairment loss

Impairment of trade receivables has been determined using the simplified approach under AASB 9 which uses and estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from the default. No impairment loss of has been recognised by the group (2023: \$nil) in the current year.

Receivables past due but not considered impaired are \$36,811 (2023: \$15,871). Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

Movements in the provision for impairment loss for the Association were as follows:

	2024	2023
	\$	\$
At 1 October 2023	-	-
Charge for the year	-	-
At 30 September 2024	-	-

As at 30 September, the ageing analysis of trade receivables is as follows:

	TOTAL	0-30 Days	31-60 Days	60-90 Days	+91 Days	+91 Days
			PDNI*	PDNI*	PDNI*	CI*
2024 Total	93,832	57,021	-	6,760	30,051	-
2023 Total	84,145	68,274	9,625	6,246	-	-

*Past due not impaired ('PDNI') *Considered impaired ('CI')

8. INVENTORIES

	2024	2023
	\$	\$
Auction items – current	-	-
Vehicle stock - current	63,602	12,701
	<u>63,602</u>	<u>12,701</u>

Inventory write-downs recognised as an expense totalled \$nil (2022: \$nil) for the Association.

9. OTHER ASSETS (CURRENT)

	2024	2023
	\$	\$
Prepayments	194,239	126,740
Bartercard	-	39,919
	<u>194,239</u>	<u>166,659</u>

9.1 ASSETS HELD FOR SALE

	2024	2023
	\$	\$
Opening Balance	1,250,000	-
Disposals	(1,250,000)	-
Assets reclassified to HFS in current year	1,250,000	1,250,000
Closing Balance	<u>1,250,000</u>	<u>1,250,000</u>

Asset shown in 2023 is not a roll forward into 2024 as the asset was sold during the financial year. The current year's asset is a second property ready to sell and the gain of \$450,000 on the deposit shown at 10.1 in 2023 has been realised with the intent to sell in early 2025FY.

10. PROPERTY, PLANT AND EQUIPMENT

	2024	2023
	\$	\$
<i>Land</i>		
Cost	501,336	501,336
Accumulated depreciation and impairment	-	-
Net carrying amount	<u>501,336</u>	<u>501,336</u>
<i>Buildings</i>		
Cost	568,689	568,689
Accumulated depreciation and impairment	(127,965)	(113,740)
Net carrying amount	<u>440,724</u>	<u>454,949</u>

**10. PROPERTY, PLANT AND EQUIPMENT
(continued)**

<i>Property improvements</i>		
Cost	59,776	41,144
Accumulated amortisation and impairment	(21,263)	(19,796)
Net carrying amount	38,513	21,348
<i>Plant and Equipment</i>		
Cost	644,637	644,637
Accumulated depreciation and impairment	(638,471)	(625,202)
Net carrying amount	6,166	19,435
<i>Motor vehicles</i>		
Cost	354,540	166,456
Accumulated depreciation and impairment	(78,046)	(59,172)
Net carrying amount	276,494	107,284
Total property, plant and equipment		
Cost	2,128,978	1,922,262
Accumulated depreciation, amortisation and impairment	(865,745)	(817,910)
Net carrying amount	1,263,233	1,104,352
Reconciliations		
<i>Land</i>		
Carrying amount at beginning of period	501,336	501,336
Additions	-	-
Disposals	-	-
Depreciation and impairment charge for the year	-	-
Net carrying amount	501,336	501,336
<i>Buildings</i>		
Carrying amount at beginning of period	454,949	469,169
Additions	-	-
Disposals	-	-
Depreciation and impairment charge for the year	(14,225)	(14,220)
Net carrying amount	440,724	454,949
<i>Property improvements</i>		
Carrying amount at beginning of period	21,352	18,600
Additions	18,632	4,344
Disposals	-	-
Depreciation and impairment charge for the year	(1,466)	(1,592)
Net carrying amount	38,518	21,352
<i>Plant and Equipment</i>		
Carrying amount at beginning of period	19,431	36,850
Additions	-	-
Disposals	-	-
Adjustment – Write Off	-	-
Depreciation and impairment charge for the year	(13270)	(17,419)
Net carrying amount	6,161	19,431

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Motor vehicles

Carrying amount at beginning of period	107,284	121,456
Additions	188,084	-
Disposals	-	-
Depreciation and impairment charge for the year	(18,874)	(14,172)
Net carrying amount	<u>276,494</u>	<u>107,284</u>

Total property, plant and equipment

Carrying amount at beginning of period	1,104,352	1,147,411
Additions	206,715	4,344
Disposals	-	-
Adjustments – Write Off	-	-
Depreciation and impairment charge for the year	(47,835)	(47,403)
Net carrying amount	<u>1,263,233</u>	<u>1,104,352</u>

11 NON CURRENT FINANCIAL ASSETS

	2024	2023
	\$	\$
Opening Balance	800,000	800,000
Fair Value increase	\$450,000	-
Disposals	(1,250,000)	-
Deposits paid, at fair value	800,000	-
Closing Balance	<u>800,000</u>	<u>800,000</u>

Deposits paid relate to an off the plan purchase of an apartment and the deposit in 2024 is separate to the 2023 deposit which is now recognised as an asset held for sale under note 9.1. The deposit is unsecured and non-interest bearing.

As property remains in the early phase of construction no significant changes in market or counterparty since inception of the contract, the Association has assessed that the fair value of the deposit remains consistent with the initial deposit amount of \$800,000.

12. PAYABLES (CURRENT)

		2024	2023
		\$	\$
Trade payables	(i)	207,718	41,867
Other payables and accruals	(ii)	44,115	38,350
		<u>251,833</u>	<u>80,217</u>
Grants payable		6,045,839	5,766,828
		<u>6,297,672</u>	<u>5,847,045</u>

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

(ii) Other payables and accruals are non-interest bearing and have an average term of 30 days.

13. PROVISIONS

	2024	2023
	\$	\$
Current employee benefits provision	212,262	168,807
	<u>212,262</u>	<u>168,807</u>
Non-current employee benefits provision	16,718	8,110
	<u>16,718</u>	<u>8,110</u>

Employee benefits

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include long service leave.

14. DEFERRED INCOME

	2024	2023
	\$	\$
Tickets in advance	13,816	-
Melbourne Cup	-	8,994
Bash	25,000	20,255
4WD Adventure	35,152	19,879
Moto Run	102,388	130,833
Aussie Muscle Car Run	240,396	311,198
Variety from the Heart	3,325	2,565
Variety SA Sponsorship in Advance	25,000	-
	<u>445,077</u>	<u>493,724</u>

Income is received in the current year relating to an event in the forthcoming year.

15. RESERVES AND RETAINED EARNINGS

(a) Retained earnings

	2024	2023
	\$	\$
Movements in retained earnings were as follows:		
Beginning of financial year	7,307,789	7,682,382
Net surplus for the year	(725,846)	(374,593)
Transfers	-	-
End of financial year	<u>6,581,943</u>	<u>7,307,789</u>

(b) Other reserves

	<i>Donation Reserve – Plant & Equipment</i>	<i>Donation Reserve – Land & Buildings</i>	<i>Total</i>
	\$	\$	\$
At 1 October 2022	-	267,497	267,497
Donation received	-	-	-
Depreciation transfer	-	-	-
At 30 September 2023	-	267,497	267,497
Donation received	-	-	-
Depreciation transfer	-	-	-
At 30 September 2024	-	267,497	267,497

Donation reserve

The donation reserve is used to record the fair value of the donated assets when they are recognised on the balance sheet. The donation reserve is also used to record increments and decrements in the fair value of donated assets to the extent that they offset one another.

16. COMMITMENTS AND CONTINGENCIES

(a) Operating lease commitments

The Association has not entered into any commercial leases on its offices or any items of office equipment.

16. COMMITMENTS AND CONTINGENCIES (continued)

(b) Finance lease and hire purchase commitments

The Association has no finance leases or hire purchase contracts for items of property, plant and equipment.

(c) Expense and capital commitments

As at the balance sheet date, the Members of Variety The Children's Charity Tent 75 South Australia have committed to spending \$nil (2023: \$nil) in the next financial year on new initiatives.

17. AUDITOR'S REMUNERATION

The auditor of Variety the Children's Charity is Ernst & Young. Ernst & Young received a fee of \$25,000 (2023: \$25,000) for statutory audit services to the Association during the year. The fee will be donated back to Variety the Children's Charity. Other assurance work was carried out on an arm's length basis for \$ nil (2023: \$nil). The provision of these services has not impaired the auditor's independence.

18. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) Members

Sally Paech	Chair
Selena Bushell	Deputy Chair
Morgan Griffin	Treasurer
Bronte Ayres	
Peter Cochrane	
Jonathan Day	
Peter de Cure	
Rob Kerin	
Jennifer McKay	
Tanya Stratton	
Salli Tanner	

(ii) Executives

Mark McGill	Chief Executive Officer
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(b) Compensation of Key Management Personnel

	2024	2023
	\$	\$
Short-term employee benefits – Salary and fees	212,200	212,200
Short-term employee benefits – Non-monetary benefits	15,900	15,900
Post-employment benefits - Superannuation	23,628	22,567
Total benefits	<u>251,728</u>	<u>250,667</u>

(c) Other transactions and balances with Key Management Personnel (KMP) and their related parties

Amounts recognised at the reporting date in relation to other transactions with KMP:

	2024	2023
	\$	\$
<i>Current assets</i>		
Trade and other receivables	-	-
Total assets	-	-
<i>Current liabilities</i>		
Trade and other payables	-	-
Total liabilities	-	-
Revenues and expenses		
Revenue	36,645	129,140
Purchases	-	-

19. RELATED PARTY DISCLOSURE

(a) Key management personnel

Details relating to key management personnel, including remuneration, are included in Note 18.

(b) Transactions with related parties

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year:

Related party		Payments from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
Related body:					
Variety International	2024	-	50,689	-	-
The Children's Charity	2023	-	50,078	-	-
Variety Australia	2024	115,842	31,705	2,719	14,162
	2023	34,125	28,157	9,429	3,132
Variety Northern Territory	2024	-	-	-	-
	2023	1,335	-	-	-
Variety Queensland	2024	-	3,500	-	-
	2023	1,691	4,323	-	-
Variety Tasmania	2024	-	4,831	-	-
	2023	376	-	-	-
Variety Victoria	2024	3,418	-	-	-
	2023	1,317	-	-	-
Variety Western Australia	2024	-	-	-	-
	2023	753	187	-	-
Variety New South Wales	2024	25,959	-	9,823	-
	2023	22,225	-	293	-

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms.

Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash.

20. FINANCIAL INSTRUMENTS

The Association's principal financial instruments consist mainly of cash and term deposit assets, trade receivables and trade payables.

(a) Net fair values

All financial assets and liabilities have been recognised at the balance date at their net fair values. The carrying amount of financial assets and liabilities approximate their net fair value. These financial assets and liabilities are included in the assets and liabilities in the balance sheet. There are no financial assets which have a carrying amount exceeding their net fair value.

(b) Financial Instruments	Carrying amount		Fair value	
	2024	2023	2024	2023
	\$	\$	\$	\$
(i) Financial assets				
Cash and Term Deposit assets	9,773,608	10,392,153	9,773,608	10,392,153
Trade and other receivables	476,484	367,104	476,484	367,104
Deposit Asset	800,000	800,000	800,000	800,000
Total financial assets	<u>11,050,092</u>	<u>11,559,257</u>	<u>11,050,092</u>	<u>11,759,257</u>
(ii) Financial liabilities				
Trade creditors	207,718	41,867	207,718	41,867
Other creditors and accruals	44,115	38,350	44,115	38,350
Grants payable	6,045,839	5,766,828	6,045,839	5,766,828
Total financial liabilities	<u>6,297,672</u>	<u>5,847,045</u>	<u>6,297,672</u>	<u>5,847,045</u>

(c) Interest rate risk

The Association's exposure to the risk of changes in market interest rates relates primarily to the Association's financial assets with a floating interest rate.

20. FINANCIAL INSTRUMENTS (continued)

The following table sets out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

Year ended 30 September 2024	<1 year	>1-<2 years	>2-<3 years	>3-<4 years	>4-<5 years	>5 years	Total	Weighted average effective interest rate %
Financial assets								
<i>Floating rate</i>								
Cash and Term	9,773,608						9,773,608	
Deposit assets								
Weighted average effective interest rate %	4.81%							4.81%
Finance liabilities								
<i>Floating rate</i>								
Trade creditors & accruals	476,484						476,484	
Bank loans								
Weighted average effective interest rate %	0%							0%
Year ended 30 September 2023								
Financial assets								
<i>Floating rate</i>								
Cash and Term	10,392,153						10,392,153	
Deposit assets								
Weighted average effective interest rate %	2.93%							2.93%
Finance liabilities								
<i>Floating rate</i>								
Trade creditors & accruals	367,104						367,104	
Bank loans								
Weighted average effective interest rate %	0%							0%

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until maturity of the instrument. The other financial instruments of the Association that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

Members' Declaration

In accordance with a resolution of the Members of Variety The Children's Charity, we state that:

In the opinion of the Members:

- a) The financial statements and notes of the Association are in accordance with the Associations Incorporation legislation, including:
 1. Giving a true and fair view of the Association's financial position as at 30 September 2024 and of its performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and
 2. Complying with Accounting Standards, the Associations Incorporation legislation and the *Australian Charities and Not for Profit Commissions Act 2012*.
- b) There are reasonable grounds to believe the Association will be able to pay its debts as and when they become due and payable.
- c) The provisions of the *Collections for Charitable Purposes Act 1939* and its regulations and the conditions attached to the Authority to conduct fundraising have been complied with.
- d) The financial statements and notes satisfy the requirements of the *Australia Charities and Not-for-profits Commission Act 2012*.
- e) The internal controls exercised by the Association are appropriate and effective in accounting for all income received and applied to its fundraising appeals.

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

Sally Paech
Chair



Morgan Griffin
Treasurer



Adelaide, South Australia
Date: 28 November 2024

Independent Audit Report



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Independent Auditor's Report to the Members of Variety – The Children's Charity Tent 75 South Australia Incorporated

Qualified Opinion

We have audited the financial report of Variety - The Children's Charity Tent 75 South Australia Incorporated (the "registered entity"), which comprises the balance sheet as at 30 September 2024, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the members' declaration.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the registered entity is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a) giving a true and fair view of the financial position of the registered entity as at 30 September 2024 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Basis for Qualified Opinion

Income from donations and other fundraising activities is a significant source of revenue for the registered entity. The registered entity has determined that it is impracticable to establish control over the collection of donations and other fundraising income prior to entry in its financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to income from donations and other fundraising activities had to be restricted to the amounts recorded in the financial records. We are therefore unable to express an opinion whether the donations and other fundraising income obtained by the registered entity are complete.

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

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

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members for the Financial Report

The members 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 *Australian Charities and Not-for-Profits Commission Act 2012* and for such internal control as the members 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 members are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the members 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 judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- ▶ Conclude on the appropriateness of the members' 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 Entity's ability to continue as a going concern.

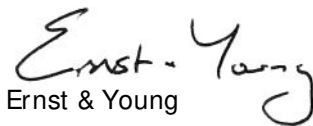



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If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based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

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

A handwritten signature in black ink that reads "Mark Phelps".
Mark Phelps
Partner
Adelaide
28 November 2024



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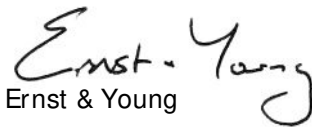
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**Auditor's Independence Declaration to the Members of Variety – The Children's Charity
Tent 75 South Australia Incorporated**

In relation to our audit of the financial report of Variety – The Children's Charity Tent 75 South Australia Incorporated for the financial year ended 30 September 2024, and in accordance with the requirements of Subdivision 60-C of the *Australian Charities and Not-for-profits Commission Act 2012*, to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.
Ernst & Young

A handwritten signature in black ink that reads 'Mark Phelps' in a cursive style.
Mark Phelps
Partner
28 November 2024