



ANNUAL REPORT 2023



ACCREDITATION MATTERS

Notice Of NATA Annual General Meeting

We are pleased to announce the
National Association of Testing Authorities
2023 Annual General Meeting.

The meeting will be held online via the Teams platform
on **Wednesday, October 11 at 12.00pm (AEST).**

To attend, you will need to **Register**

If you have registered, please use the Teams link that
was provided on registration.



World Accreditation Day 2023

On June 9, NATA joined accredited organisations across the
globe to celebrate World Accreditation Day (WAD) 2023.

WAD, established by the International Accreditation Forum
(IAF) and the International Laboratory Accreditation
Cooperative (ILAC), highlights the important role of
accreditation around the world.

This year's theme - Accreditation: Supporting the Future of
Global Trade - focuses on the United Nations Sustainable
Development Goals (SDGs).

Our purpose

For almost every activity in our daily lives, we need to have confidence in the products and services we use.

NATA accreditation delivers this confidence by providing a structured and reliable framework for the quality of results and data - ensuring their traceability, comparability and validity.

Working in collaboration with industry, business, government and scientific communities and through our accreditation services, we provide an internationally recognised quality system that ensures our members' products and services not only meet global standards, but provide assurance they can be used with confidence by all Australians, every day.

Our vision

To support Australia's technical infrastructure, NATA accreditation underpins all activities that rely on testing, measurement, inspection and related services.

Annual Report submission

We have great pleasure in submitting NATA's Annual Report for the year ending June 30, 2023.

The report provides an overview of activities and achievements over the year.

It also recognises the activities and contributions of our employees, technical volunteers and other stakeholders and highlights select achievements and outcomes.

Director and committee reports as well as financial statements for the year are also included.

We hope you find the report relevant, informative and a valuable insight into NATA and its operations.

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NATA Chair David Turner

On behalf of the Board, I have pleasure in presenting the NATA 2023 Annual Report to our staff, members, volunteers and stakeholders.

We have successfully navigated another year that was brimming with opportunity, change and challenges and we anticipate an equally engaging year in 2024.

Much has been achieved in the NATA sphere of influence over the past 12-months and we, the Board, congratulate NATA's Executive Management Team and indeed all NATA staff for their guidance, expertise and commitment to the wonderful world of accreditation.

A few notable mentions

We congratulate our CEO, Jennifer Evans on her appointment as Chair of the Asia Pacific Accreditation Cooperation (APAC). APAC is the world's largest regional accreditation cooperation helping to drive economic growth with representative countries including the US, China, India and Canada.

Congratulations also to NATA on the successful completion of its 4-yearly APAC evaluation and

the re-establishment of its signatory statuses. Thank you to all NATA staff who participated in the evaluation as well as the facilities and Technical Assessors who hosted and participated in the assessments.

Strategically, we have moved into the second year of our three-year plan to:

- Develop a streamlined, customer-focussed assessment approach to add genuine value to our accredited facilities;
- Drive sustainable growth;
- Significantly lift NATA's visibility; and
- Drive an adaptable, commercially aware culture.

We are pleased to report there has been significant progress in all areas.

In closing, I continue to be immensely proud of the way NATA conducts itself across all areas of its operations. From staff interaction to Member and Technical Assessor collaboration, it is truly a benchmark Australian organisation.

“**We have successfully navigated another year that was brimming with opportunity, change and challenges and we anticipate an equally engaging year in 2024.**”



NATA CEO Jennifer Evans

For NATA, 2023 has been a year of activity punctuated by significant accreditation events. From our APAC evaluation and Memorandum of Understanding (MoU) with the Australian Government, to the roll out of the revised ISO 15189 Standard, NATA has and continues to acquit itself with alacrity.

As NATA CEO, I continue to be proud of the dedication and focus of NATA people. While we may not be an organisation for everyone, those that join our ranks find we are singularly dedicated and fiercely committed to the work we do.

Indeed, beyond our accreditation services, our raison d'être is the development of our people and our proactive collaboration with our members, stakeholders, and expert volunteers.

It is this collective focus that has made NATA what it is for more than 75-years.

Some of our 12-month activities include:

APAC Evaluation

In March, we underwent our 4-yearly comprehensive evaluation - very much like a Member assessment - for testing including medical, calibration, inspection, proficiency testing providers and reference materials producers. We are delighted to note our signatory statuses with ILAC and APAC were reconfirmed by the APAC MRA Council. This

outcome ensures the highest standards continue to be applied to all our Member assessments and accreditation activities.

Accreditation Matters

Our focus on bringing awareness to NATA and accreditation continues. In June 2023, our national Why Accreditation Matters: Now and into the Future roadshow featured NATA business updates, Member stories of accreditation in action, and key insights that directly impact and improve Member outcomes. A great success by any measure. You can watch the sessions via links in this report.

We are also excited to announce Accreditation Matters 2024 which will be held on Tuesday, June 25 and Wednesday, June 26. This event will have a Member and stakeholder focused agenda and you can learn how you can get involved in this report.

Overall, a busy and productive 12-months and I encourage you to review the Annual Report for greater detail on activities and outcomes.

In closing, I am always cognisant that little is achieved in isolation and the expression 'it takes a village to raise a child' is particularly applicable to NATA's people, stakeholders and the outcomes achieved.

For this I continue to be grateful and look forward to another successful year in 2024.

“While we may not be an organisation for everyone, those that join our ranks find we are singularly dedicated and fiercely committed to the work we do.”



What we do

Through NATA accreditation, organisations can be trusted, technical results counted on and inspected products and services safe and reliable for use by Australians, every day.

For more than 75-years we have been Australia's and indeed, one of the world's leading accreditation bodies. At a fundamental level, our accreditation services help our members create trust and certainty in the markets and communities they operate in and give those in the community confidence and assurance in the products and services of our members.

More formally, NATA accreditation provides a structured way to recognise, determine and promote the ability of a Member organisation to perform specific types of technical and scientific activities. These give our members the security of knowing they have a proven, independently assessed benchmark for performance. Through NATA accreditation, organisations can be trusted, technical results counted on and inspected products and services safe and reliable for use by Australians, every day.

Importantly, as accreditation is often a requirement for national and international trade in goods and services and government tendering opportunities, it also delivers a key point of difference in competitive environments.

You can learn more about NATA accreditation [here](#)

These guide our daily activities, actions and outcomes.

Our values

- D Diligence** – Delivering services efficiently, with integrity and impartiality
- R Responsibility** – Accountability for all our activities
- I Innovation** – Constantly seeking relevance for our business practices
- V Value** – Genuine value for stakeholders, always
- E Expertise** – Sector knowledge, technical expertise



Our people

This quiet achiever approach combined with a fierce determination for the work we do, is indicative of the people that call the NATA organisation home.

See what a career at NATA looks like [here](#)

As part of our 75th anniversary celebrations in 2022, the media noted: 'Happy birthday to the organisation you've never heard of.'

NATA has historically been an organisation that has operated in the shadows and through its accreditation services, provided a hidden safety net for all Australians.

This quiet achiever approach combined with a fierce determination for the work we do, is indicative of the people that call the NATA organisation home.

Working with NATA is much more than a 9 to 5 role. Our people have a natural affinity for the work we do

and provide accreditation services that inspire organisations to be world-class through a culture of innovation, quality, competence and safety for others.

Dedicated and focused in their areas of expertise, NATA people, while diverse in roles and activities, are single minded in their goal to deliver beneficial outcomes for our Members, Technical Assessors and the Australian community.

As an organisation, we recognise their daily contributions and are committed to making a significant investment in their personal and professional development.



Our technical experts

NATA assesses organisations for accreditation based on a globally recognised peer review process.

NATA assesses organisations for accreditation based on a globally recognised peer review process. To ensure this process is effective, NATA uses the specialised knowledge and experience of volunteer subject matter experts – also known as Technical Assessors.

NATA has more than 2500 Technical Assessors.

Industry leaders, they are carefully selected based on their area(s) of expertise and they generously give their time to work with NATA Lead Assessors and Accreditation Co-ordinators as part of the accreditation process for new and existing organisations.

In addition to direct assessment work, they provide valuable follow-up advice and guidance on post-

assessment activities including reviewing organisation responses to assessment findings. Many also sit on NATA's Accreditation Advisory Committees (AAC) and NATA's Member Advisory Forum (MAF).

The work they do in supporting the development of business, industry and the safety of the Australian community is well recognised within the business, scientific and technical community and NATA gratefully acknowledges all organisations that make Technical Assessors available for these activities.

In short, the contribution and critical importance of these technical experts cannot be overstated.

If you have an interest in becoming a **NATA Technical Assessor**, you can begin your journey here

[Click Here](#)

If you would like specific information on the **Technical Assessor role**, download the Technical Assessor Information and Guidance document

[Click Here](#)



Our Members

A select group, our Members enjoy business differentiation and trade leverage at a local, national and international level.

NATA accredited organisations – also known as 'Members' cross a vast array of industries and applications and within these, an equally vast array of products and services.

Our Members are why NATA exists. Through accreditation and aligning with global standards, our Members become the gold standard for competency, efficiency, impartiality, validity and capability. Importantly, they also establish a benchmark of confidence for those that use their products and services.

A select group, they enjoy business differentiation and trade leverage at a local, national and international level. They use their accreditation to give them a competitive edge in the market.

Indeed, accreditation is often a mandatory requirement for those tendering for private and government contracts.

Across states and international borders, NATA members enjoy a unique status.

Thinking about becoming NATA accredited? Learn more [here](#)

ACCREDITATION MATTERS 2023

NOW AND INTO THE FUTURE



On the road with Accreditation Matters 2023

In our increasingly digital world, accreditation services are becoming more, not less essential so understanding what accreditation is and the benefits it provides has become critically important.

To bring this to light and to mark World Accreditation Day in June, NATA hosted Accreditation Matters 2023: Now & Into the Future – a series of national presentations and networking events that were engaging, thought-provoking and educational.

What did we cover?

Accreditation in the crosshairs

A keynote presentation given by NATA CEO Jennifer Evans on accreditation's headline billing over the past 12 months as well as a look at the impact of automation and artificial intelligence across industry and why accreditation has a vital role to play.

Watch the session [here](#)

Is your laboratory future fit: What can be done today to be ready for tomorrow?

A discussion on continuous improvement and why the measure of a great lab is determined by quality increments, not inconsistent activities.

Watch the session [here](#)

Why you should 'risk' everything

We looked at why successful organisations that understand and embrace risk, better manage risk and how a proactive approach to risk creates successful outcomes.

Watch the session [here](#)

If quality is your outcome, then governance must be your business

In a quality-driven environment, we discussed why good governance must be a fundamental mandate of facility operations – not simply a 'nice-to-have'.

Watch the session [here](#)



Accreditation Matters 2024

In 2024, NATA will take Accreditation Matters to even greater levels with a 2-day conference to be held in Sydney on Tuesday, June 25 and Wednesday, June 26.

The conference will be Australia's largest accreditation event with speakers and topics as broad and engaging as the businesses and industries of our Members, Technical Assessors and stakeholders.

What will you learn?

You will gain Insights into latest trends and best practices, forge connections and network with industry peers, government representatives and technical experts

Who will attend?

We expect strong attendance from testing laboratory staff, quality managers, industry stakeholders, Government representatives, technical experts and those interested in accreditation and conformity assessment.

Register your interest

Registrations will open on October 12. Ahead of this, please contact us on 1 800 621 666.



We are NATA

To finalise our 75th anniversary celebrations and to keep focus into 2023 and beyond, we held a company-wide event in December at the Novotel Twin Waters Resort on Queensland's Sunshine Coast.

The first time all staff have been together since 1987, the 'We are NATA' conference sessions focused on how we make NATA future fit and ensure the accreditation services and

technical expertise we offer remains world class. This included how we respond to change and how innovate and adapt for the benefit of our Members, volunteers, stakeholders and staff.

To ensure event outcomes carried through, post-event sessions were held in all NATA locations to refine and strategically implement the initiatives.



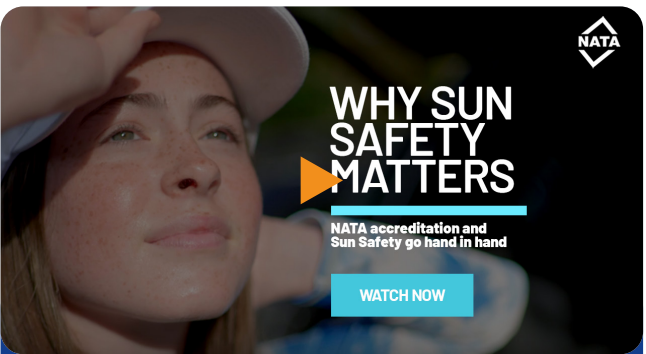
Member stories from the front line

To bring to life the extraordinary diversity of NATA Member industries and activities, we have and continue to create a series of Member video stories that highlight the essential work they do in the business community and how this provides assurance and confidence to those that use their products and services every day.



Why a second matters

If you think a second is just as second, think again.



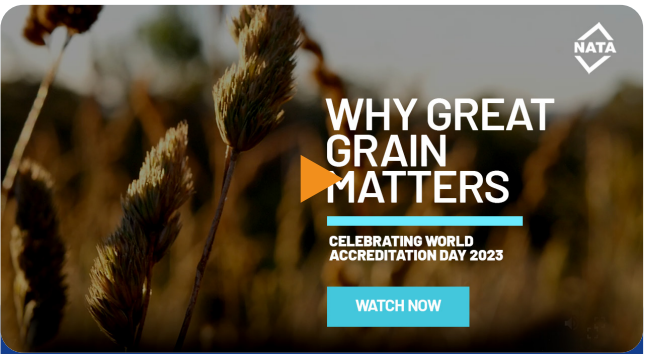
Why sun safety matters

In our sunburnt country, we know about the damage the sun can do. But how does accreditation help keep Australian's safe in the sun?



Why food safety matters

There is little question food safety is paramount to our health. The role of accreditation sits behind many of these food safety initiatives.



Why great grain matters

As one of the largest grain producers in the world, it's easy to understand how quality and innovation are central to success. But how does accreditation fit in?

Confidence. Everyday.

After being Australia's invisible safety net for more than 75-years, we thought it time to shine the light on the benefits of accreditation and how it positively impacts our Members, consumers and importantly, the Australian public.

To do this and to provide clarity around the many elements of accreditation, we have created a series of videos that help explain processes and benefits and why accreditation really does provide confidence every day.

From the daily role of accreditation to how NATA Technical Assessors help ensure adherence to international standards, these short but informative videos provide key insights into the wonderful word of accreditation.



Testing the testers to deliver confidence



Delivering confidence for consumers



Delivering confidence for industry



Delivering confidence through our Technical Assessors

Stories that matter



NATA's place in the digital future

NATA continues to play a pivotal role in this world-first concept for digitally identifying, capturing, and sharing product compliance and credentials as they move throughout the supply chain.

In February 2022, NATA and collaboration partners JAS-ANZ and GS1 announced a **blueprint** for how product assurance might be handled in the digital supply chains of the future.

In 2023, NATA continued to play a pivotal role in this world-first concept for digitally identifying, capturing, and sharing product compliance and credentials as they move throughout the supply chain. You can see an overview video [here](#)

Funding from the Department of Industry, Science & Resources (DISR) has allowed for an intensive investigation into ways for addressing supply chain failures arising from false or misleading attributions of product conformity.

What are the benefits?

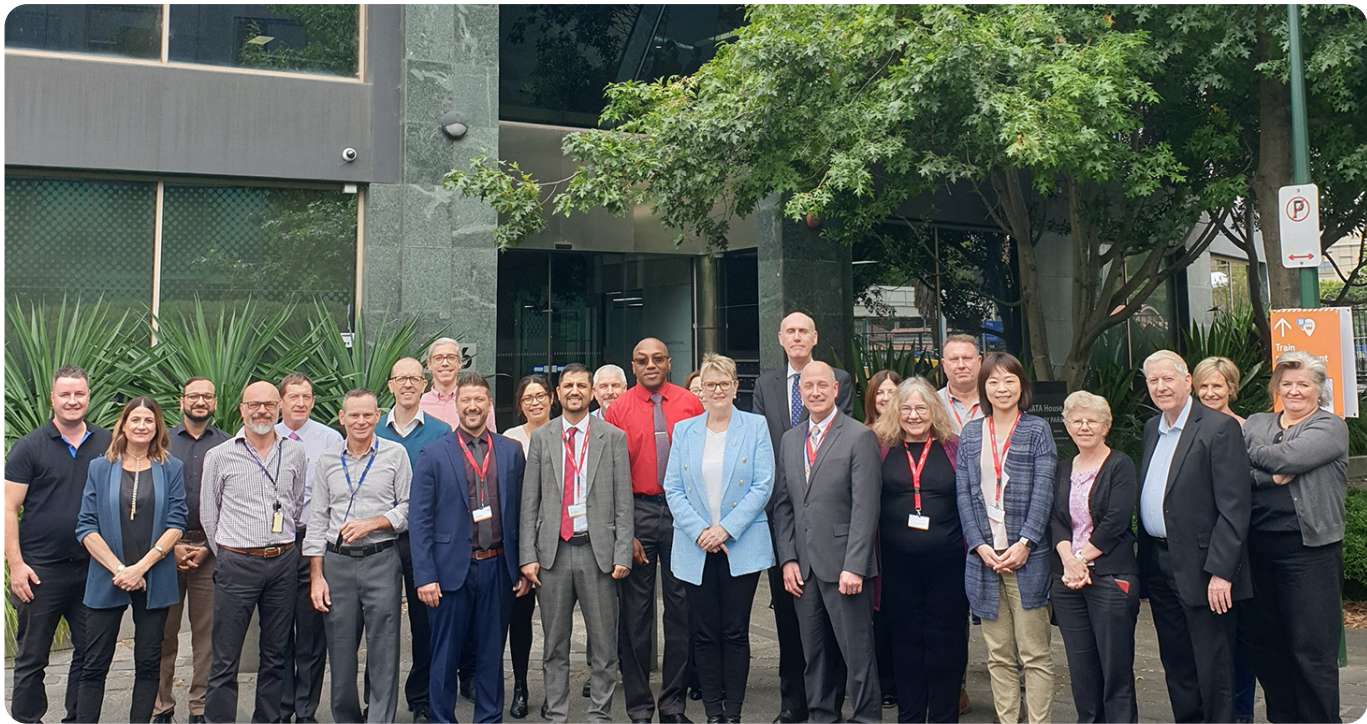
The use of digital authentication and tracking carries the potential to simplify the way product testing and certification is managed, enhancing product assurance and supporting Australia's international competitiveness.

The work being led by NATA has attracted the attention of the United Nations' e-business group, UN/CEFACT, which has now published a **White Paper** titled Digital Product Conformity Certificate Exchange.

NATA's Brett Hyland led the UN team responsible for this publication.

To showcase the practical relevance of digitally linked conformity data, a web-accessible demonstration **platform** has been created, which represents a unique model for certificate validation at the level of individual products/standards.

An Australian industry pilot of the Conformity.ID platform has now commenced, with results expected in 2024. Looking into the future, applications of work have the potential to provide greater assurance to regulators and consumers and to improve global confidence in Australian products.



Testing the testers who test the testers

NATA is a signatory to both the ILAC (International Laboratory Accreditation Cooperation) and APAC (Asia Pacific Accreditation Cooperation) Mutual Recognition Arrangement (MRA).

To maintain its signatory status in the MRA, NATA's competence as an accreditation provider is evaluated every four years to ensure its operations remain consistent with international practices.

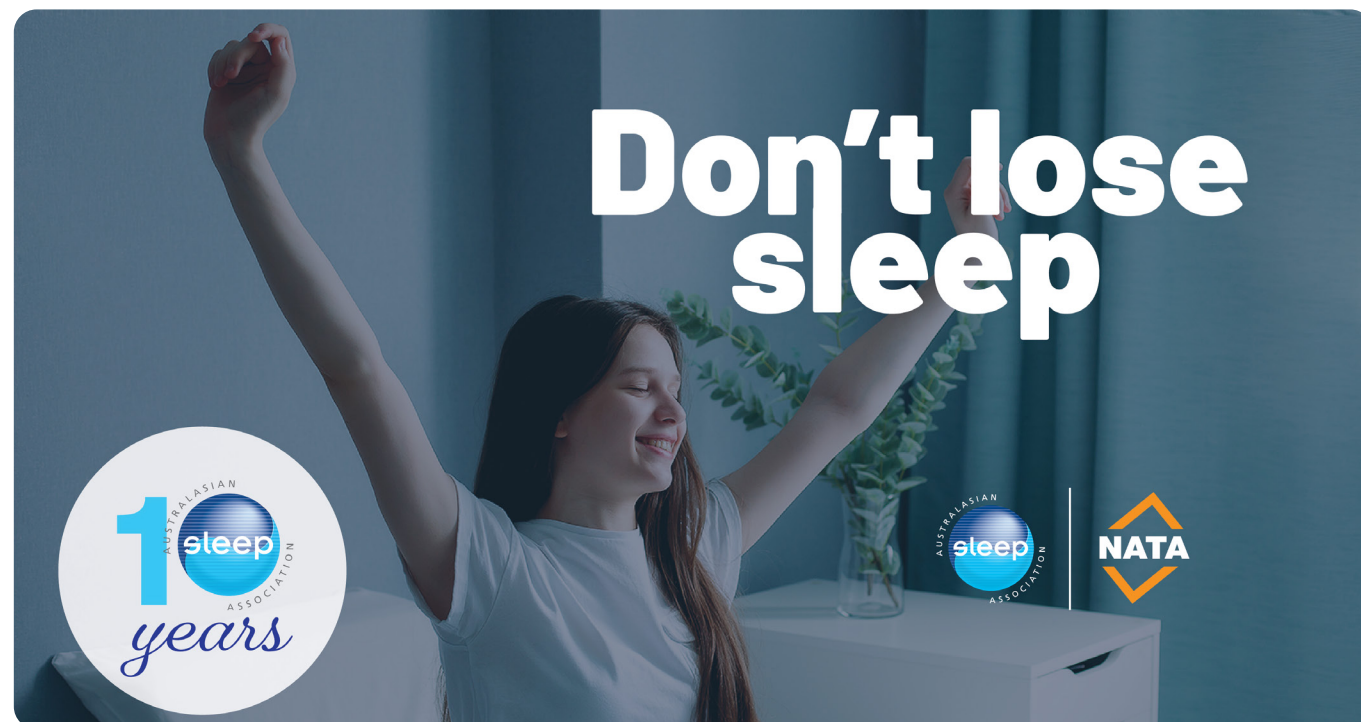
From March 6-10, 2023, NATA underwent its re-evaluation for testing including medical,

calibration, inspection, proficiency testing providers and reference materials producers. An application for entry into the MRA for biobanking was also included.

NATA is pleased to acknowledge that in August 2023, our continued signatory status of ILAC and APAC was reconfirmed by the APAC MRA Council and our signatory status extended to include biobanking.

We are only the second Accreditation Body in the world to be recognised for biobanking.

..our continued signatory status of ILAC and APAC has been reconfirmed by the APAC MRA Council and our signatory status has also been extended to include biobanking.



Celebrating 10-years of Sleep Disorders Services (SDS) accreditation

In January 2013, NATA accredited its first sleep service in the SDS accreditation program. This joint accreditation program with the Australasian Sleep Association (ASA) benefits the sleep health industry and most importantly, the Australian community.

NATA's SDS accreditation allows sleep service providers to demonstrate technical competence in all sleep study types as well as quality measures that mitigate risk and promote on-going improvement.

NATA assesses sleep services to the ASA Standard that is based on the well-known framework of ISO 15189 which raises the accreditation to an internationally recognised level. The Standard is comprehensive and covers quality management, administrative support, clinical management services, diagnostic and treatment studies.

The program has been successful in moving beyond the public sphere and encouraging more private sleep services to become accredited.

The SDS accreditation program is applicable to all sleep studies irrespective of size and whether studies are provided in a laboratory, in hospital wards or undertaken at home.

Accreditation focuses on each service's unique structure, the demographic that they are servicing and how they best serve their patients. Accreditation also covers the on-going management provided by clinicians involved in the patient's care.

10-years on, providers of sleep studies who have achieved NATA's SDS accreditation have demonstrated a commitment to the highest level of patient care for people with sleep disorders.

10-years on, providers of sleep studies who have achieved NATA's SDS accreditation have demonstrated a commitment to the highest level of patient care for people with sleep disorders.

Learn more about
NATA's SDS accreditation

[Click Here](#)



40-years of NATA/RCPA accreditation

In September 2022, NATA and the Royal College of Pathologists of Australasia (RCPA) celebrated 40-years of accreditation in pathology.

For anyone who has had a blood test, you have experienced first-hand the vital role accreditation plays in the pathology process.

Reliable, consistent and competent pathology produces results critical to diagnosis, treatment and patient well-being and NATA accreditation ensures pathology testing is being done to international standards.

Since the inception of the program, referring doctors receiving results from accredited laboratories have had confidence in the quality of the results.

Some key milestones over the past 40-years have included:

1986	1991	2003	2020	2022
The Australian Government ensures the accreditation program's importance with the Health Insurance Act, mandating that any laboratory wishing to claim MBS rebates must be accredited.	The creation of the National Cervical Screening Program by the Commonwealth Department of Health with NATA/RCPA accreditation supporting accurate and reliable testing. Australia is now on track to be the first country in the world to eliminate cervical cancer.	The International Standards Organisation (ISO) published the ISO 15189 Standard for medical laboratories, introducing international standards for quality and competence that specify quality management requirements.	Western Diagnostic Pathology in Perth was granted the first accreditation for SARS CoV-2 testing in Australia. There are now more than 230 NATA accredited sites across Australia.	In December 2022, a revised version of the Standard - ISO 15189:2022 - was published with an increased focus on risk management and patient safety.

For anyone who has had a blood test, you will have experienced first-hand the vital role accreditation plays in the pathology process.

To mark the NATA/RCPA 40-year anniversary, NATA released its first publicly available pathology industry update. You can view it [here](#)



NATA Education – Leading the way

In 2023, NATA Education proudly trained more than 1600 participants across 10 courses from Members and stakeholders, to over 270 Technical and Lead Assessors.

In 2023, NATA Education proudly trained more than 1600 participants from Member and stakeholder organisations, as well providing training to over 270 NATA Technical and Lead Assessors.

With a desire to ensure we meet changing learning and participant needs, courses and content were constantly improved, including key updates to a number of courses on offer.

Examples included meeting the new requirements of the revised ISO 15189 Standard; increased alignment to ISO 19011 Management System auditing standards in our Lead Auditor Development Program; creating a clearer and more effective framework for managing critical

risks in the laboratory in our Risk Management course and developing more practical and interactive approaches to course content to ensure greater participant engagement.

Our international reach was also a focus. As part of this, NATA Education delivered courses in various languages including Bahasa (Indonesian) and Korean.

NATA also implemented a new Learning Management System to provide a more seamless approach for participants to access resources, manage their learning and to book and make payments.

We look forward to a busy and productive 2024.

Learn more about
NATA Education courses

[Click Here](#)

Directors' Report & Financials

2023



Directors' Report

National Association of Testing Authorities, Australia and Controlled Entity

ABN 59 004 379 748

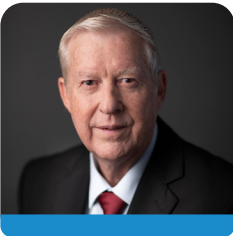
Financial Report – 30 June 2023

The parent entity, National Association of Testing Authorities, Australia (NATA) is registered as a company limited by guarantee and not having a share capital under the provisions of the Australian Charities and Not-for-profits Commission Act 2012.

The Directors present the financial report on the parent entity and its controlled entity, Proficiency Testing Australia (PTA), which are together referred to in this report as the consolidated group, for the year ended 30 June 2023 and report as follows:

Directors

The names of and other information on the Directors in office during or since the end of the year are as follows. The Directors were in office for this entire period unless otherwise stated.



DAVID R TURNER – Chair

Year appointed: 2004

Qualifications and experience: BE, MEngSc, MBA, FIEAust, RPEQ, CPEng, MAICD.

Technical Director, Simtars, Resources Safety & Health Queensland

Special responsibilities: Member of Audit, Risk and Compliance Committee

Member of Nominations Committee (since March 2023)



DR SANMARIÉ SCHLEBUSCH – Vice Chair

Year appointed: 2018

Qualifications and experience: MBChB, AMC Cert, FRCPA, MASM, GradCertBus, AFCHSM CHM, GAICD.

Medical Director Microbiology, Virology, and Genomics, Forensic and Scientific Services; and Clinical Microbiologist, Pathology Queensland, Queensland Health

Board Member for Women's Health Queensland Inc (until February 2020)

Special responsibilities: Member of Audit, Risk and Compliance Committee



MS TRACEY HOITINK – Director

Year appointed: 2019

Qualifications and experience: Graduate Certificate in Business Administration, Diploma of Risk Management and Business Continuity, Bachelor of Applied Science (Medical Laboratory Science)

Clinical Streams Manager and Service Designer, NSW Health Pathology (current)

Special responsibilities: Chair of Nominations Committee (since March 2023)



MR ERIC SWAYN – Director

Year appointed: 2020

Qualifications and experience: Bachelor of Applied Science (Medical Laboratory Science), Graduate Certificate in Management.

Chief Executive Officer SA/NT and National Procurement Manager, Australian Clinical Labs

Special responsibilities: Chair of Nominations Committee (until March 2023)

Directors' Report



DR MARK BURGESS – Director

Year appointed: 2020

Qualifications and experience: MBA, PhD, GAICD.

Heritage Council of Victoria – Member of Policy & Practice, Protocols, and communications committees.

Member Victorian Heritage Restoration Fund (National Trust).

Research Director, CSIRO (to Dec 2023)

Special responsibilities: Chair of Audit, Risk and Compliance Committee



MR GIACOMO COLLICA – Director

Year appointed: 2021

Qualifications and experience: B.Sc. (Chem), C.Chem, MRACI, MAIOH, CAQP

Managing Director Emission Assessments Pty Ltd

Director Proficiency Testing Australia Pty Ltd (PTA) as of November 2022

Special responsibilities: Member of Nominations Committee (since March 2023)



DR JOHN LEEDER – Director

Year appointed: 2021

Year retired: Oct 2022

Qualifications and experience: BAppSci (Chem), MBA, PhD (Chem), FRACI CCHEM

Managing Director, Leeder Analytical

Board Member, Royal Australian Chemical Institute (RACI)

NATA Technical Assessor in the area of chemical testing

Over 30 years' experience in analytical chemistry



Dr JILLIAN DISINT – Director

Year appointed: 2022

Qualifications and experience: BSc, PhD (Microbiology and immunology), Grad Dip App Sci (Hort), Grad Dip of Applied Corporate Governance, FGIA

Secretary, BVAQ Pty Ltd Audit and Risk Committee

Over 35 years' experience in scientific and technical roles and Quality and Risk Management

Special responsibilities: Member of Nominations Committee (since October 2023)

Directors' Report

Principal Activities

The principal activity of the consolidated group during the financial year was the organisation of a national accreditation service to meet the needs of government, industry, commerce and the community by the accreditation of testing laboratories and related services, throughout the Commonwealth of Australia and elsewhere. These activities include alignment with the parent entity's short-term and long-term objectives as detailed below by providing independent assurance of technical competence through a proven network of best practice industry experts for customers who require confidence in the competence of their staff and in the delivery of their products and services.

Short-term objectives

The short-term objectives of the parent entity are to provide accreditation and related services which underpin the quality of a range of products and services in business, industry and government, both in Australia and internationally. The consolidated group's work increases community confidence and trust in a facility's services, mitigates risk, improves tendering success, and facilitates trade.

Long-term objectives

The long-term objectives of the parent entity are:

- To promote and contribute to the quality of testing, inspection and related services in Australia
- To promote national testing, inspection, calibration and related services to meet the needs of science, industry, trade, commerce, government in matters of national interest
- To provide appropriate accreditation services to facilitate acceptance of Australian products and services within Australia and promote trade internationally
- To provide global recognition of accredited and accredited service facilities' reports and certificates through internationally recognised Mutual Recognition Arrangements

To achieve these objectives the parent company has adopted the following strategies:

- Membership Experience** – By improving service delivery, member engagement and enquiry satisfaction and conversion rates
- Business Strength** – By enhancing reputation, financial security and market expansion
- Internal Excellence** – By increasing operating capacity, enhancing value proposition for volunteers and improving support systems and platforms
- Stakeholder Engagement** – recognises the contribution from stakeholders as a major strength and is committed to consultation and collaboration with stakeholders on key issues in a transparent and efficient manner
- Service Delivery** – commitment to deliver quality service at a reasonable cost using an innovative business model that meets clients' needs and is responsive to their future requirements
- People** – Engaging employees with technical knowledge, customer service skills and motivation to deliver quality service to our clients. Recognising the volunteer Technical Assessors and committee members for their expertise and valuing the contributions made to NATA and the community
- Growth** – Pursuing and maintaining sustainable growth to provide opportunities for optimising contributions, fostering creativity, and improving core activities for future viability
- Finance and Security** – aiming to optimise returns from investment assets, develop and maintain a sound financial structure with adequate reserves to ensure financial security

The auditors' independence declaration for the year ended 30 June 2023 has been received and can be found on the following page.

Signed in accordance with a resolution of the Board of Directors:



DR Turner
Chair



Sanmarié Schlebusch
Vice Chair

20 September 2023

Report of the Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee (the Committee) is established by the Board to assist the Board in the risk management and compliance with legislative and regulatory requirements of the NATA Group. The terms of reference (Charter) are reviewed periodically and last reviewed June 2022.

Membership

The membership of the Committee is made up of three Board members. The Chair of the Committee is a Committee member who is not the Chair of the Board. The Chair of the Board is ex-officio a member of the Committee.

The Committee members as at 30 June 2023 comprised:

Chair: Dr Mark Burgess.

Members: Mr David Turner (Chair of the Board) and Dr Sanmarié Schlebusch.

Meetings

The Chief Executive Officer, the Company Secretary, the General Manager Business Services, and external auditor, StewartBrown Chartered Accountants, are invited by the Committee to attend meetings. When appropriate, the Committee may invite other staff to attend to address specific issues. The Committee may also discuss and consider relevant issues with the external auditor in the absence of management or other parties.

The Committee met three times during the financial year ended 30 June 2023.

Main activities of the Committee

The Committee serves as an advisory body to the Board in managing the compliance risks, financial risks, reputational and operational risks including cyber security. The Committee does not have executive power, supervisory functions or decision-making authority in relation to the operations of Proficiency Testing Australia.

The role of the Committee lies in its review and oversight capacity and includes:

- Enhancement of the risk management strategy, internal control framework, and receiving and consideration of Management Exception Reports
- Improving the objectivity, accuracy, and reliability of externally published financial information
- Assisting the NATA Board to comply with all legislative and other obligations
- Monitor and review the performance of the external auditor.

The Committee's focus is on the accuracy, completeness and validity of statutory financial reports and the monitoring of financial, compliance, reputational and operational risk. The Committee has unrestricted access to all staff through the normal governance protocol, and can request external advice on specific matters.

External Auditor

The Committee monitors the performance of the external auditor and reviews the auditor's policy in upholding its professional ethics, integrity and managing conflicts of interest to ensure its objectivity and independence. The Committee ensures that the external auditor has unrestricted access to NATA staff and Board and receives adequate support from NATA in carrying out its duties.



Mark Burgess
Chair of the Audit, Risk and Compliance Committee

19 September 2023

Auditor's Independence Declaration

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER s60-40 OF THE AUSTRALIAN
CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012 TO THE MEMBERS
OF NATIONAL ASSOCIATION OF TESTING
AUTHORITIES, AUSTRALIA AND
CONTROLLED ENTITY**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

- a. No contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.



Stewart Brown
Chartered Accountants



R.J. McGree
Partner

Sydney, 20 September 2023

Statement of Financial Position

AS AT 30 JUNE 2023

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		\$	\$	\$	\$
ASSETS					
Current assets					
Cash and cash equivalents	6	25,033,581	27,766,611	22,952,532	25,854,671
Trade and other receivables	7	1,737,939	2,160,003	1,564,839	1,865,697
<i>Total current assets</i>		26,771,520	29,926,614	24,517,371	27,720,368
Non-current assets					
Property, plant and equipment	8	22,452,505	22,114,510	22,349,205	22,001,547
Right-of-use assets	9	372,814	535,352	372,814	535,352
Intangible assets	10	999,711	1,036,312	999,711	1,036,312
<i>Total non-current assets</i>		23,825,030	23,686,174	23,721,730	23,573,211
TOTAL ASSETS		50,596,550	53,612,788	48,239,101	51,293,579
LIABILITIES					
Current liabilities					
Trade and other payables	11	8,949,347	8,803,174	8,797,234	8,549,858
Provisions	12	3,656,000	3,988,000	3,540,000	3,774,000
Lease liabilities	13	194,737	172,761	194,737	172,761
<i>Total current liabilities</i>		12,800,084	12,963,935	12,531,971	12,496,619
Non-current liabilities					
Provisions	12	485,500	556,500	453,500	531,500
Lease liabilities	13	217,531	401,922	217,531	401,922
<i>Total non-current liabilities</i>		703,031	958,422	671,031	933,422
TOTAL LIABILITIES		13,503,115	13,922,357	13,203,002	13,430,041
NET ASSETS		37,093,435	39,690,431	35,036,099	37,863,538
FUNDS					
Accumulated funds		37,093,435	39,690,431	35,036,099	37,863,538
TOTAL FUNDS		37,093,435	39,690,431	35,036,099	37,863,538

The accompanying notes form part of their financial statements

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED
30 JUNE 2023

	Note	Consolidated Group		Parent Entity	
		2023 \$	2022 \$	2023 \$	2022 \$
Revenue	4	34,032,554	33,056,766	32,084,555	31,223,989
Other income	4	48,491	-	38,742	-
		<u>34,081,045</u>	<u>33,056,766</u>	<u>32,123,297</u>	<u>31,223,989</u>
Expenses					
Accreditation expenses		(5,116,828)	(2,468,339)	(4,635,601)	(1,985,885)
Administration expenses		(5,811,049)	(4,597,895)	(5,555,682)	(4,354,337)
Business development and planning		(19,177)	(127,660)	(14,570)	(118,984)
Consultancy and training		(69,728)	(44,791)	(69,728)	(44,791)
Depreciation and amortisation	5	(1,763,966)	(2,230,666)	(1,736,914)	(2,204,616)
Finance costs	5	(23,890)	(29,806)	(23,890)	(29,806)
Salaries and employee benefits		(23,873,403)	(22,229,199)	(22,914,351)	(21,295,463)
		<u>(36,678,041)</u>	<u>(31,728,356)</u>	<u>(34,950,736)</u>	<u>(30,033,882)</u>
Surplus (deficit) before income tax		(2,596,996)	1,328,410	(2,827,439)	1,190,107
Income tax expense		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus (deficit) for the year		(2,596,996)	1,328,410	(2,827,439)	1,190,107
Other comprehensive income		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the year		(2,596,996)	1,328,410	(2,827,439)	1,190,107

The accompanying notes form part of their financial statements

Statement of Changes in Funds

FOR THE YEAR ENDED
30 JUNE 2023

	Consolidated Group	
	Accumulated Funds \$	Total \$
Consolidated Group		
Balance at 1 July 2021	38,362,021	38,362,021
Comprehensive income		
Surplus for the year	1,328,410	1,328,410
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,328,410</u>	<u>1,328,410</u>
Balance at 30 June 2022	39,690,431	39,690,431
Balance at 1 July 2022	39,690,431	39,690,431
Comprehensive income		
Surplus (deficit) for the year	(2,596,996)	(2,596,996)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>(2,596,996)</u>	<u>(2,596,996)</u>
Balance at 30 June 2023	37,093,435	37,093,435
Parent Entity		
Balance at 1 July 2021	36,673,431	36,673,431
Comprehensive income		
Surplus (deficit) for the year	1,190,107	1,190,107
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>1,190,107</u>	<u>1,190,107</u>
Balance at 30 June 2022	37,863,538	37,863,538
Balance at 1 July 2022	37,863,538	37,863,538
Comprehensive income		
Surplus (deficit) for the year	(2,827,439)	(2,827,439)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	<u>(2,827,439)</u>	<u>(2,827,439)</u>
Balance at 30 June 2023	35,036,099	35,036,099

The accompanying notes form part of their financial statements

Statement of
Cash Flows

FOR THE YEAR ENDED
30 JUNE 2023

	Note	Consolidated Group		Parent Entity	
		2023	2022	2023	2022
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts from members, customers and government		36,290,790	35,218,172	34,176,913	33,263,625
Payments to suppliers and employees		(38,135,219)	(33,638,577)	(36,191,550)	(31,798,286)
Interest received		591,228	76,921	584,687	73,820
Interest paid – leases		(23,890)	(29,806)	(23,890)	(29,806)
<i>Net cash flows from operating activities</i>		<u>(1,277,091)</u>	<u>1,626,710</u>	<u>(1,453,840)</u>	<u>1,509,353</u>
Expenses					
Proceeds from sale of property, plant and equipment		109,091	41,818	77,273	41,818
Proceeds from security deposit and call option fee		562,500	3,500,000	562,500	3,500,000
Purchase of property, plant and equipment		(1,525,014)	(188,261)	(1,485,556)	(170,902)
Purchase of intangible assets		(425,924)	(17,948)	(425,924)	(17,948)
<i>Net cash flows from investing activities</i>		<u>(1,279,347)</u>	<u>3,335,609</u>	<u>(1,271,707)</u>	<u>3,352,968</u>
Cash flows from financing activities					
Repayment of lease liabilities		(176,592)	(159,966)	(176,592)	(159,966)
<i>Net cash flows from financing activities</i>		<u>(176,592)</u>	<u>(159,966)</u>	<u>(176,592)</u>	<u>(159,966)</u>
Net increase (decrease) in cash and cash equivalents		(2,733,030)	4,802,353	(2,902,139)	4,702,355
Cash and cash equivalents at the beginning of the financial year		27,766,611	22,964,258	25,854,671	21,152,316
Cash and cash equivalents at the end of the financial year	6	25,033,581	27,766,611	22,952,532	25,854,671

The accompanying notes form part of their financial statements

Notes to the
Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

<p>Note 1 – Corporate information</p> <p>The financial report includes the consolidated financial statements and notes of the National Association of Testing Authorities, Australia and its controlled entity (consolidated group), and the separate financial statements and notes of National Association of Testing Authorities, Australia as an individual parent entity (parent entity).</p> <p>The group provides assessment, accreditation and training services to laboratories and technical facilities across Australia.</p> <p>The registered address and principal place of business of the group is:</p> <p>Burramattagal Country, 7 Leeds Street, Rhodes NSW 2138</p> <p>The financial statements were approved by the Board of Directors on 20 September 2023.</p> <p>Note 2 – Basis of preparation</p> <p>Statement of compliance</p> <p>These general purpose financial statements have been prepared in compliance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards – Simplified Disclosures. The group is a not-for-profit entity for the purposes of preparing these financial statements.</p> <p>Basis of measurement</p> <p>The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected noncurrent assets, financial assets and financial liabilities.</p> <p>Comparatives</p> <p>Where required by Accounting Standards comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the consolidated group has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.</p> <p>Critical accounting estimates and judgements</p> <p>The Directors evaluate estimates and judgements incorporated into the financial statements 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 consolidated group.</p> <p>Key estimates</p> <p>Impairment</p> <p>The Directors assess impairment at the end of each reporting period by evaluation of conditions and events specific to the consolidated group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.</p>	<p>Estimation of useful lives of assets</p> <p>The estimation of the useful lives of assets has been based on historical experience as well as manufacturers’ warranties (for plant and equipment) and turnover policies (for motor vehicles). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.</p> <p>New and revised standards that are effective for these financial statements</p> <p>Several amendments to Australian Accounting Standards and interpretations are mandatory for the 30 June 2023 reporting period. These include:</p> <p>AASB 2022-3 Amendments to AASs – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15 (effective for the year ending 30 June 2023)</p> <p>AASB 2020-3 Amendments to AASB 116 – Property, Plant and Equipment: Proceeds before Intended Use (effective for the year ending 30 June 2023)</p> <p>AASB 2020-3 Amendments to AASB 137 – Onerous Contracts – Cost of Fulfilling a Contract (effective for the year ended 30 June 2023)</p> <p>The application of the amendments to AASB 15, AASB 116 and AASB 137 have not had a material impact on the carrying values of the group’s asset, liability or equity balances; nor a material impact on the disclosures in the financial report nor the recognition and measurement of the group’s revenue or expenses.</p> <p>New standards and interpretations not yet adopted</p> <p>Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the group. These include:</p> <p>AASB 2020-1: Amendments to AASs – Classification of Liabilities as Current or Non-current (effective for the year ending 30 June 2024)</p> <p>AASB 2021-2: and AASB 2021-6: Amendments to AASs – Disclosure of Accounting Policies (effective for the year ending 30 June 2024)</p> <p>AASB 2021-2: Amendments to AASB 108 – Definition of Accounting Estimates (effective for the year ending 30 June 2024)</p> <p>It is not expected that AASB 2020-1, AASB 2021-2 or AASB 2021-6 will have a material impact on the group in future reporting periods.</p> <p>Note 3 – Significant accounting policies</p> <p>The principal accounting policies adopted in the preparation</p>
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Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Both the functional and presentation currency of the parent entity and consolidated group is Australian dollars.

Principles of Consolidation

The consolidated financial statements comprise the financial statements of the parent entity, being the National Association of Testing Authorities, Australia and its controlled entity and together are referred to in this report as the consolidated group. Control exists where the parent entity has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered. Despite this power to govern, it is the parent entity’s policy to allow its controlled entities to act independently. A list of controlled entities is contained in note 19 to the financial statements.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Where controlled entities have entered or left the consolidated group during the year, their operating results have been included from the date control was obtained or until the date control ceased. There are no outside interests in the funds or results of the controlled entities.

Income tax

The parent entity and controlled entity (Proficiency Testing Australia) are endorsed as income tax exempt charitable entities under Division 50 of the Income Tax Assessment Act 1997.

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.

Revenue recognition

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes including goods and services tax (GST). Revenue is recognised for the major business activities as follows:

Accreditation revenue

Accreditation revenue not otherwise covered by the annual subscription is recognised when time is charged to a member’s accreditation engagement. Revenue is measured at

the fair value of the consideration or contributions received or receivable, taking into account the amount of any write-ups or write-downs required to reflect the recoverable amount.

Government contracts

Government contract revenue is recognised in the statement of profit or loss and other comprehensive income when the consolidated group obtains control of the contract, and it is probable that the economic benefits gained from the contract will flow to the consolidated group and the amount of the contract can be measured reliably.

If conditions are attached to the contract which must be satisfied before it is eligible to receive the contribution, the recognition of the contract as revenue will be deferred until those conditions are satisfied.

Subscription revenue

Subscription revenue from members is billed annually and is recognised as income in the financial year to which the subscription period relates.

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Rental income

Rental income is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned.

Security deposit

Security deposit revenue is recognised when the relevant contract provides there are no circumstances under which the consolidated group will be required to refund the deposit.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of twelve 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 overdrafts.

Trade receivables

For all sources of recurrent income, trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment in relation to doubtful receivables is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of receivables.

The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of profit or loss and other comprehensive income.

Property, plant and equipment

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

Note 3 – Significant accounting policies (continued)

Basis of measurement of carrying amount

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses. It is the policy of the consolidated group to have an independent valuation of land and buildings at least every three years, however unless this revaluation results in an impairment loss it is not recognised in the financial statements other than by way of note.

Subsequent costs

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 consolidated group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all property, plant and equipment including buildings and capitalised leased 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 held ready 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 depreciation rates used for each class of depreciable assets are:

Buildings	2.5% – 20%
Furniture and equipment	10% – 40%
Motor vehicles	15% – 25%

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Right-of-use assets

At inception, a right-of-use assets and a lease liability is recognised. Right-of-use assets are included in the statement of financial position within a classification relevant to the underlying asset.

Right-of-use assets are initially measured at cost, comprising of the following:

The amount of the initial measurement of the lease liability

Any lease payments made at or before the commencement date, less any lease incentives received

Any initial direct costs incurred

An estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred either at the commencement date or as a consequence of having used the underlying asset during a particular period

Subsequently, right-of-use assets are measured using a cost model. The right-of-use asset is depreciated to the earlier of the useful life of the asset or the lease term using the straight-line method and is recognised in the statement of profit or loss and other comprehensive income in “Depreciation and amortisation”.

The consolidated group tests for impairment where there is an indication that a right-of-use asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of a right of use asset is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount. The resulting impairment loss is recognised immediately in surplus or deficit, except where the decrease reverses a previously recognised revaluation increase for the same asset.

The resulting decrease is recognised in other comprehensive income to that extent and reduces the amount accumulated in equity under revaluation surplus, and future depreciation charges are adjusted in future periods to allocate the revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

Leases

The consolidated group leases business premises on an arm’s length basis from a third-party lessor. A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

At inception of a contract, it is assessed to determine whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the terms and conditions of a contract are changed, it is reassessed to once again determine if the contract is still, or now contains, a lease.

The term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

The assessment of the reasonable certainty of the exercising of options to extend the lease, or not exercising of options to terminate the lease, is reassessed upon the occurrence of either a significant event or a significant change in circumstances that is within the consolidated group’s control, and it affects the reasonable certainty assumptions. The assessment of the lease term is revised if there is a change in the non-cancellable lease period.

The consolidated group does not recognise leases that have

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

Note 3 – Significant accounting policies (continued)

a lease term of 12 months or less or are of low value as a right-of-use asset or lease liability. The lease payments associated with these leases are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

Lease liability

At the commencement date of the lease, the lease liability is initially recognised for the present value of noncancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated group's incremental borrowing rate.

The tenor of a lease includes any renewal period where the lessee is reasonably certain that they will exercise the option to renew. The consolidated group has reviewed all its leases and included any extensions where the consolidated group assessed it is reasonably certain the lease agreement will be renewed.

The lease payment used in the calculation of the lease liabilities should include variable payments when they relate to an index or rate. Where leases contain variable lease, payments based on an index or rate at a future point in time, the consolidated group has used the incremental uplift contained in the lease or the respective Reserve Bank forward-looking CPI target for CPI-related increases.

In the absence of any floor or cap clauses in the lease agreements, the consolidated group measures the rent for the year under market review at an amount equal to the rent of the year preceding the market review increased by a fixed rate.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date. Lease payments are discounted using the relevant consolidated group's incremental borrowing rate. The incremental borrowing rate used for this calculation is dictated by the tenor of the lease and the location of the asset. The incremental borrowing rate is the rate the consolidated group would be charged on borrowings, provided by our banking partners. The weighted average incremental borrowing rate is 4.5%. The following lease payments being fixed payments, less any lease incentives receivable are included where they are not paid at the commencement date.

Subsequently, the lease liability is measured by:

Increasing the carrying amount to reflect interest on the lease liability

Reducing the carrying amount to reflect the lease payments made

Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments

The unwind of the financial charge on the lease liabilities is recognised in the statement of profit or loss and other comprehensive income in "Finance costs" based on the consolidated group's incremental borrowing rate.

Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the consolidated group becomes a party to the contractual provisions to the instrument. For financial assets this is equivalent to the date that the consolidated group commits itself to either purchase or sell the asset. Financial instruments are initially measured at fair value plus transactions 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. Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component.

Classification and subsequent measurement

Financial assets

Financial assets other than those designated and effective as hedging instruments are classified upon initial

recognition into the following categories:

Amortised cost

Equity instruments at fair value through other comprehensive income (FVOCI)

Fair value through profit or loss (FVPL)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or finance costs, except for impairment of trade receivables which are disclosed with other expenses.

Measurement is on the basis of two primary criteria:

The contractual cash flow characteristics of the financial asset

The business model for managing the financial asset

Financial assets at amortised cost

Financial assets are measured at amortised cost if the asset meets the following conditions (and are not designated as FVPL):

The financial asset is managed solely to collect contractual cash flows

The contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates

Equity instruments at fair value through other comprehensive income

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income. Subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss unless the dividend clearly represents return of capital. By default, all other financial assets that do not meet the

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

Note 3 – Significant accounting policies (continued)

measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than to "hold and collect" or "hold to collect and sell" are categorised at fair value through profit or loss. The initial designation of financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Impairment of financial assets

The impairment requirements as applicable under AASB 9 use more forward-looking information to recognise expected credit losses. Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Directors consider a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this approach, a distinction is made between:

Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk

Financial instruments that have deteriorated significantly in credit quality since initial recognition and the credit risk is not low

Financial assets that have objective evidence of impairment at reporting date

The loss allowance for the first category is measured as "12-month expected credit loss" and for the second category is measured as "lifetime expected credit losses".

Intangible assets

Software

Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of five years.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell

and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the consolidated group during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of trade and other payables is deemed to reflect fair value.

Income received in advance

Income, other than government contract income, that is received before the service to which the payment relates has been provided is recorded as a liability until such time as the service has been provided, at which time it is recognised in the statement of profit or loss and other comprehensive income.

Employee benefits

Provision is made for the consolidated group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

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.

Fair value of assets and liabilities

The consolidated group measures some of its assets and liabilities at fair value on either a recurring or nonrecurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability.

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

Note 3 – Significant accounting policies (continued)

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 4 – Revenue				
Revenue				
Service revenue	29,199,765	28,672,504	27,081,821	26,642,452
Government contract revenue	2,561,905	1,332,408	2,561,905	1,332,408
Foreign currency translations	1,745	2,422	1,745	2,422
Rent received	1,467,990	1,571,715	1,467,990	1,571,715
Other operating revenue – wholly owned entities	-	-	212,440	200,395
Other operating revenue	2,362	796	869	777
	<u>33,233,767</u>	<u>31,579,845</u>	<u>31,326,770</u>	<u>29,750,169</u>
Other revenue				
Interest income	798,787	76,921	757,785	73,820
Security deposit released	-	1,400,000	-	1,400,000
	<u>798,787</u>	<u>1,476,921</u>	<u>757,785</u>	<u>1,473,820</u>
Total revenue	34,032,554	33,056,766	32,084,555	31,223,989
Other income				
Net gain on disposal of property, plant and equipment	48,491	-	38,742	-
Total other income	<u>48,491</u>	<u>-</u>	<u>38,742</u>	<u>-</u>
Total revenue and other income	34,081,045	33,056,766	32,123,297	31,223,989
Note 5 – Expenses				
Depreciation				
Buildings	731,105	770,042	731,105	770,042
Plant and equipment	393,621	292,970	366,569	266,984
Right-of-use assets	176,715	168,094	176,715	168,094
Total depreciation	<u>1,301,441</u>	<u>1,231,106</u>	<u>1,274,389</u>	<u>1,205,120</u>
Amortisation				
Software	462,525	999,560	462,525	999,496
Total amortisation	<u>462,525</u>	<u>999,560</u>	<u>462,525</u>	<u>999,496</u>
Total depreciation and amortisation	1,763,966	2,230,666	1,736,914	2,204,616

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Bad and doubtful debts expense				
Bad debts	5,871	48,196	5,871	15,520
Provision for impairment	36,686	-	-	-
<i>Total bad and doubtful debts</i>	<u>42,557</u>	<u>48,196</u>	<u>5,871</u>	<u>15,520</u>
Interest and finance charges - lease liability	23,890	29,806	23,890	29,806
Net loss on disposal of property, plant and equipment	1,693	117,367	1,693	116,408
Net loss on disposal of intangible assets	-	50	-	-
Note 6 - Cash and cash equivalents				
Cash at bank	5,483,581	2,616,611	4,952,532	2,254,671
Government contract revenue	19,550,000	25,150,000	18,000,000	23,600,000
Total cash and cash equivalents	25,033,581	27,766,611	22,952,532	25,854,671
Note 7 - Trade and other receivables				
Current				
Trade receivables	780,388	875,397	578,332	602,424
Provision for impairment	(86,686)	(50,000)	(50,000)	(50,000)
	<u>693,702</u>	<u>825,397</u>	<u>528,332</u>	<u>552,424</u>
Other receivables	284,242	202,363	284,242	202,363
Work in progress	304,299	287,703	304,299	287,703
Prepayments	455,696	844,540	447,966	823,207
Total current trade and other receivables	1,737,939	2,160,003	1,564,839	1,865,697
Provision for impairment				
Opening net carrying value	50,000	50,000	50,000	50,000
Charge for the year	36,686	-	-	-
Closing net carrying value	86,686	50,000	50,000	50,000

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Note 8 - Property, plant and equipment				
Consolidated Group				
At 30 June 2022				
Cost	12,257,812	18,350,502	2,682,708	33,291,022
Accumulated depreciation	<u>-</u>	<u>(8,966,237)</u>	<u>(2,210,275)</u>	<u>(11,176,512)</u>
Net carrying amount	12,257,812	9,384,265	472,433	22,114,510
Movements in carrying amounts				
Opening net carrying amount	12,257,812	9,384,265	472,433	22,114,510
Additions	-	443,334	1,081,680	1,525,014
Disposals	-	-	(62,293)	(62,293)
Depreciation charge for the year	<u>-</u>	<u>(731,105)</u>	<u>(393,621)</u>	<u>(1,124,726)</u>
Closing net carrying amount	12,257,812	9,096,494	1,098,199	22,452,505
At 30 June 2023				
Cost	12,257,812	18,793,836	3,287,506	34,339,154
Accumulated depreciation	<u>-</u>	<u>(9,697,342)</u>	<u>(2,189,307)</u>	<u>(11,886,649)</u>
Net carrying amount	12,257,812	9,096,494	1,098,199	22,452,505
Parent Entity				
At 30 June 2022				
Cost	12,257,812	18,350,502	2,429,271	33,037,585
Accumulated depreciation	<u>-</u>	<u>(8,966,237)</u>	<u>(2,069,801)</u>	<u>(11,036,038)</u>
Net carrying amount	12,257,812	9,384,265	359,470	22,001,547
Movements in carrying amounts				
Opening net carrying amount	12,257,812	9,384,265	359,470	22,001,547
Additions	-	443,334	1,042,222	1,485,556
Disposals	-	-	(40,224)	(40,224)
Depreciation charge for the year	<u>-</u>	<u>(731,105)</u>	<u>(366,569)</u>	<u>(1,097,674)</u>
Closing net carrying amount	12,257,812	9,096,494	994,899	22,349,205

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
At 30 June 2023				
Cost	12,257,812	18,793,836	3,042,564	34,094,212
Accumulated depreciation	-	(9,697,342)	(2,047,665)	(11,745,007)
Net carrying amount	12,257,812	9,096,494	994,899	22,349,205

Valuation of land and buildings

An independent valuation of the freehold land and buildings in Sydney was completed on 29 June 2015 by Mr. John Kovacic, Ass Dip Val, AAPI of Macquarie Bell Pty Limited. The valuation was based on vacant possession free of all encumbrances and amounted to \$8,000,000, compared with a carrying value of \$1,310,124. This increase in value of \$6,689,876 has not been recognised in the financial report other than by way of this note.

During the 2020 financial year the consolidated group entered into a Put and Call Option Deed to sell this property for a price well in excess of the \$8,000,000 valuation in June 2015. It is unlikely either party will exercise their option rights for several years therefore the consolidated group will continue to occupy these premises for the foreseeable future.

During the 2022 financial year the Put and Call Option Deed signed in 2020 was renegotiated and a new Put and Option Deed was signed. As part of these negotiations the counter party released the security deposit of \$1,400,000 paid in 2020 and paid a further security deposit of \$2,000,000 and call option fee of \$1,500,000 to extend their option period until 31 January 2027.

An independent valuation of the freehold land and buildings in Brisbane was completed on 30 June 2021 by Mr. Ben Koops, AAPI, of Savills Valuations Pty Limited. This valuation was based on "market value - as is - assuming notional lease" free of all encumbrances and amounted to \$3,100,000, compared with a carrying value of \$1,514,011. This increase in value of \$1,585,989 has not been recognised in the financial report other than by way of this note.

An independent valuation of the freehold land and buildings in Melbourne was completed on 30 June 2021 by Mr. Ben Koops, AAPI, of Savills Valuations Pty Limited. This valuation was based on "market value - as is - fully leased" free of all encumbrances and amounted to \$28,500,000, compared with a carrying value of \$18,530,171. This increase in value of \$9,969,829 has not been recognised in the financial report other than by way of this note.

These valuations were obtained in accordance with the long-standing policy to review the fair value of land and buildings every three years. However, with regards to the Sydney property, the Directors believed it was not necessary to incur the costs of obtaining a new valuation because they had obtained other sufficient evidence that its value exceeded the last valuation of \$8,000,000 as referred to above.

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 9 - Right-of-use assets				
Leased assets - at cost	1,039,693	1,025,516	1,039,693	1,025,516
Accumulated depreciation	(666,879)	(490,164)	(666,879)	(490,164)
Total right-of-use assets	372,814	535,352	372,814	535,352
Movements in carrying amounts				
Opening net carrying amount	535,352	450,164	535,352	450,164
Additions	-	253,282	-	253,282
Revaluations - CPI adjustment	14,177	-	14,177	-
Depreciation charge for the year	(176,715)	(168,094)	(176,715)	(168,094)
Closing net carrying amount	372,814	535,352	372,814	535,352

	Software	Work In Progress	Total
	\$	\$	\$
Note 10 - Intangible assets			
Consolidated Group			
At 30 June 2022			
Cost	5,814,350	-	5,814,350
Accumulated amortisation	(4,778,038)	-	(4,778,038)
Net carrying amount	1,036,312	-	1,036,312
Movements in carrying amounts			
Opening net carrying amount	1,036,312	-	1,036,312
Additions	167,327	258,597	425,924
Amortisation charge for the year	(462,525)	-	(462,525)
Closing net carrying amount	741,114	258,597	999,711
At 30 June 2023			
Cost	5,981,677	258,597	6,240,274
Accumulated amortisation	(5,240,563)	-	(5,240,563)
Net carrying amount	741,114	258,597	999,711

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Software	Work In Progress	Total
Parent Entity			
At 30 June 2022			
Cost	5,788,285	-	5,788,285
Accumulated amortisation	(4,751,973)	-	(4,751,973)
Net carrying amount	1,036,312	-	1,036,312
Movements in carrying amounts			
Opening net carrying amount	1,036,312	-	1,036,312
Additions	167,327	258,597	425,924
Amortisation charge for the year	(462,525)	-	(462,525)
Closing net carrying amount	741,114	258,597	999,711
At 30 June 2023			
Cost	5,955,612	258,597	6,214,209
Accumulated amortisation	(5,214,498)	-	(5,214,498)
Net carrying amount	741,114	258,597	999,711

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 11 - Trade and other payables				
Current				
Trade payables	134,931	119,345	119,660	95,296
Liabilities to employees	660,600	518,856	636,895	497,042
Subscriptions in advance	221,880	956,509	221,880	956,509
Other income in advance	3,243,372	2,887,450	3,162,150	2,752,142
Security deposit and call option fee	4,062,500	3,500,000	4,062,500	3,500,000
Other payables	626,064	821,014	594,149	748,869
Total current trade and other payables	8,949,347	8,803,174	8,797,234	8,549,858
Note 12 - Provisions				
Current				
Employee entitlements - annual leave	1,615,000	1,586,000	1,559,000	1,505,000
Employee entitlements - long service leave	2,041,000	2,402,000	1,981,000	2,269,000
Total current provisions	3,656,000	3,988,000	3,540,000	3,774,000
Non-current				
Employee entitlements - long service leave	465,000	536,000	433,000	511,000
Restoration (make good)	20,500	20,500	20,500	20,500
Total non-current provisions	485,500	556,500	453,500	531,500
Movement in provisions				
Restoration (make good provision)				
Opening net carrying amount	20,500	20,500	20,500	20,500
Closing net carrying amount	20,500	20,500	20,500	20,500

The parent entity is required to restore certain areas of its leased office premises to their original condition at the end of the respective lease term. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements.

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

	Consolidated Group		Parent Entity	
	2023	2022	2023	2022
	\$	\$	\$	\$
Note 13 – Lease liabilities				
Current				
Lease liabilities	194,737	172,761	194,737	172,761
Total current lease liabilities	194,737	172,761	194,737	172,761
Non-current				
Lease liabilities	217,531	401,922	217,531	401,922
Total non-current lease liabilities	217,531	401,922	217,531	401,922
Movements in carrying amounts				
Opening net carrying amount	574,683	481,367	574,683	481,367
Additions	-	253,282	-	253,282
Revaluations – CPI adjustment	14,177	-	14,177	-
Repayments	(200,482)	(189,772)	(200,482)	(189,772)
Interest	23,890	29,806	23,890	29,806
Closing net carrying amount	412,268	574,683	412,268	574,683
Note 14 – Key management personnel compensation				
The aggregate amount of compensation paid to key personnel during the year was:	2,682,618	1,974,574	2,398,941	1,805,239
Note 15 – Auditor’s remuneration				
Fees paid to StewartBrown, Chartered Accountants:				
Audit of the financial report	69,400	67,000	62,000	60,000
Preparation of the financial report	28,700	28,000	25,000	25,000
Other advisory services	13,281	8,200	4,000	8,200
Total auditor’s remuneration	111,381	103,200	91,000	93,200
Note 16 – Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows.	195,524	-	195,524	-

Notes to the Financial Statements

FOR THE YEAR ENDED
30 JUNE 2023

Note 17 – Related party transactions

Parent and controlled entities

The consolidated group consists of the parent entity, National Association of Testing Authorities, Australia (NATA) and its wholly owned controlled entity Proficiency Testing Australia.

Key management personnel

Aggregate compensation payments to key management personnel are included in note 14.

There were no other transactions with key management personnel or their related entities with the consolidated group during the current or previous financial year other than membership subscription and accreditation services revenue.

Transactions with related parties

Transactions between the parent entity and its controlled entities during the year consisted of –

	Parent Entity	
	2023	2022
	\$	\$
Other expenses recharged by the parent entity	212,440	200,395

The above transactions were made on normal commercial terms and conditions and at market rates.

Note 18 – Limitation of members’ liability

The parent entity is registered under the Australian Charities and Not-for-Profits Commission Act 2012 as a company limited by guarantee. If the parent entity is wound up, its constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the parent entity. At 30 June 2023 the number of members was 3,443 (2022: 3,439).

Note 19 – Events occurring after the reporting period

No material events have occurred after the reporting period.

Note 20 – Controlled entities

Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%)	
		2023	2022
Parent Entity			
National Association of Testing Authorities, Australia	Australia	n/a	n/a
Controlled Entities			
Proficiency Testing Australia	Australia	100%	100%

Directors' Declaration

The Directors of the National Association of Testing Authorities, Australia declare that:

1. The financial statements, which comprises the statement of financial position as at 30 June 2023, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
 - a. comply with Australian Accounting Standards – Simplified Disclosures (including Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the company and consolidated group.
2. In the opinion of the Directors, there are reasonable grounds to believe that the company and the consolidated group will be able to pay its debts as and when they become due and payable.

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



David Turner
Chair



Sanmarié Schlebusch
Vice Chair

Sydney, 20 September 2023

Independent Auditor's Report

Opinion

We have audited the financial report of National Association of Testing Authorities, Australia (the parent entity) and National Association of Testing Authorities, Australia and its controlled entity (the consolidated group) which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

In our opinion, the accompanying financial report of National Association of Testing Authorities, Australia (the parent entity) and National Association of Testing Authorities, Australia and its controlled entity (the consolidated group) is in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:

- a) giving a true and fair view of the company and the consolidated group's financial position as at 30 June 2023 and of its financial performance for the year then ended, and
- b) complying with Australian Accounting Standards – Simplified Disclosures and 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 Responsibility for the Audit of the Financial Report section of our report. We are independent of the company and the consolidated group in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the Directors of the company and consolidated group, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Directors' Responsibility for the Financial Report

The Directors of the company and consolidated group are responsible for the preparation of the financial report that

gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the company and consolidated group'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 company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the company and consolidated group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at The Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>

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.



Stewart Brown
Chartered Accountants



R.J. McGree
Partner

Sydney, 20 September 2023

National Association of Testing Authorities, Australia

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