



ANNUAL REPORT 2024



# ACCREDITATION: SHAPING THE FUTURE

# Notice of NATA Annual General Meeting



We are pleased to announce the National Association of Testing Authorities **2024 Annual General Meeting**.

The meeting will be held online via the Teams platform on **Wednesday, October 16 at 12.00pm (AEDT)**.

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

If you have already registered, please use the Teams link that was provided in your registration.

## Acknowledgement of **Country**

The National Association of Testing Authorities (NATA) acknowledges all Aboriginal and Torres Strait Islander Traditional Custodians of Country and recognises their continuing connection to land, sea, culture and community.

We pay our respects to Elders past and present.

## Our Purpose

It is no secret that for almost every activity in our daily lives we need to have confidence in, and feel safe with, the products and services we use. NATA provides this confidence by accrediting laboratories and organisations to perform testing and inspection activities through a structured and reliable framework that ensures quality of results and data including traceability, comparability and validity.

Working in collaboration with industry, business, Government and scientific communities and through our accreditation services, NATA provides an internationally recognised quality system that ensures our Members' products and services not only meet global standards but provide the 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, 2024.

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

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



# World Accreditation Day 2024

**EMPOWERING TOMORROW AND SHAPING THE FUTURE**

Examining the impact of accreditation as digitalisation, new technologies and sustainability concerns continue to change our world.

Learn more about World Accreditation Day 2024 [here](#)

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## NATA Chair

# David Turner

On behalf of the Board, I have pleasure in presenting the NATA 2024 Annual Report to our staff, members, volunteers and stakeholders.

It has been a year of significant activities and outcomes for NATA, and the Board congratulate NATA's Executive Management Team and all NATA staff for their diligence, expertise and commitment as they work to ensure we continue to be Australia's and indeed one of the world's leading Accreditation Bodies.

Some notable activities in the past 12-months include the signing of a new 5-year Memorandum of Understanding (MoU) with the Commonwealth of Australia. This represents significant recognition for NATA and highlights our continued relevance to not only Australian industry and the Australian people, but to international commerce and trade.

The Board would like to congratulate the NATA organisation for the world-class Accreditation Matters event held in June 2024. NATA staff were actively involved in all areas and made it an event that significantly increased NATA's profile in the Australian and international accreditation and conformity assessment community.

We very much look forward to Accreditation Matters 2025.

Strategically, we have moved into the third and final year of our three-year plan to:

- Develop a streamlined, customer-focused 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 significant progress in all areas.

I would also like to take this opportunity to acknowledge the important work of NATA's volunteer Technical Assessors. Each gives their time and expertise as part of our accreditation assessment process to ensure the compliance and competence of our Members and to ensure their products and services not only meet global standards of quality and reliability, but can be used confidently by all Australians, every day.

In closing, I continue to be immensely proud of the way NATA conducts itself across all areas of its operations. The outcomes I see highlight how important this organisation really is for Australia.

I look forward to a productive 2025.

**“ I continue to be immensely proud of the way NATA conducts itself across all areas of its operations. The outcomes I see highlight how important this organisation really is for Australia. ”**



# NATA CEO

## Jennifer Evans

NATA has enjoyed a year brimming with activities, opportunities, changes and challenges and while space does not allow me to chronicle all that has transpired over the past 12-months, I would like to shine the spotlight on some significant successes.

### Accreditation Matters 2024

In June we hosted Accreditation Matters 2024 – an event dedicated to accreditation and conformity assessment activities. With over 500 delegates, 45+ individual sessions, 60+ national and international speakers, as well as the announcement of our inaugural NATA Excellence Award winner – it was, by any measure, a resounding success. Congratulations to all involved and we are excited to already be planning Accreditation Matters 2025.

### Standards and Accreditation Update

We are pleased to note in August 2023, NATA began assessing new and existing Member organisations to the revised ISO 15189:2022 Standard and to the revised ISO/IEC 17043:2023 Standard in March 2024. My thanks to all those that have made this transition a success.

NATA is also currently active in the revision process for ISO/IEC 17020 and we are excited about the pending launch of the joint TSANZ/ NATA Respiratory Function Laboratory Accreditation Program. Stay tuned!

### Future Focus

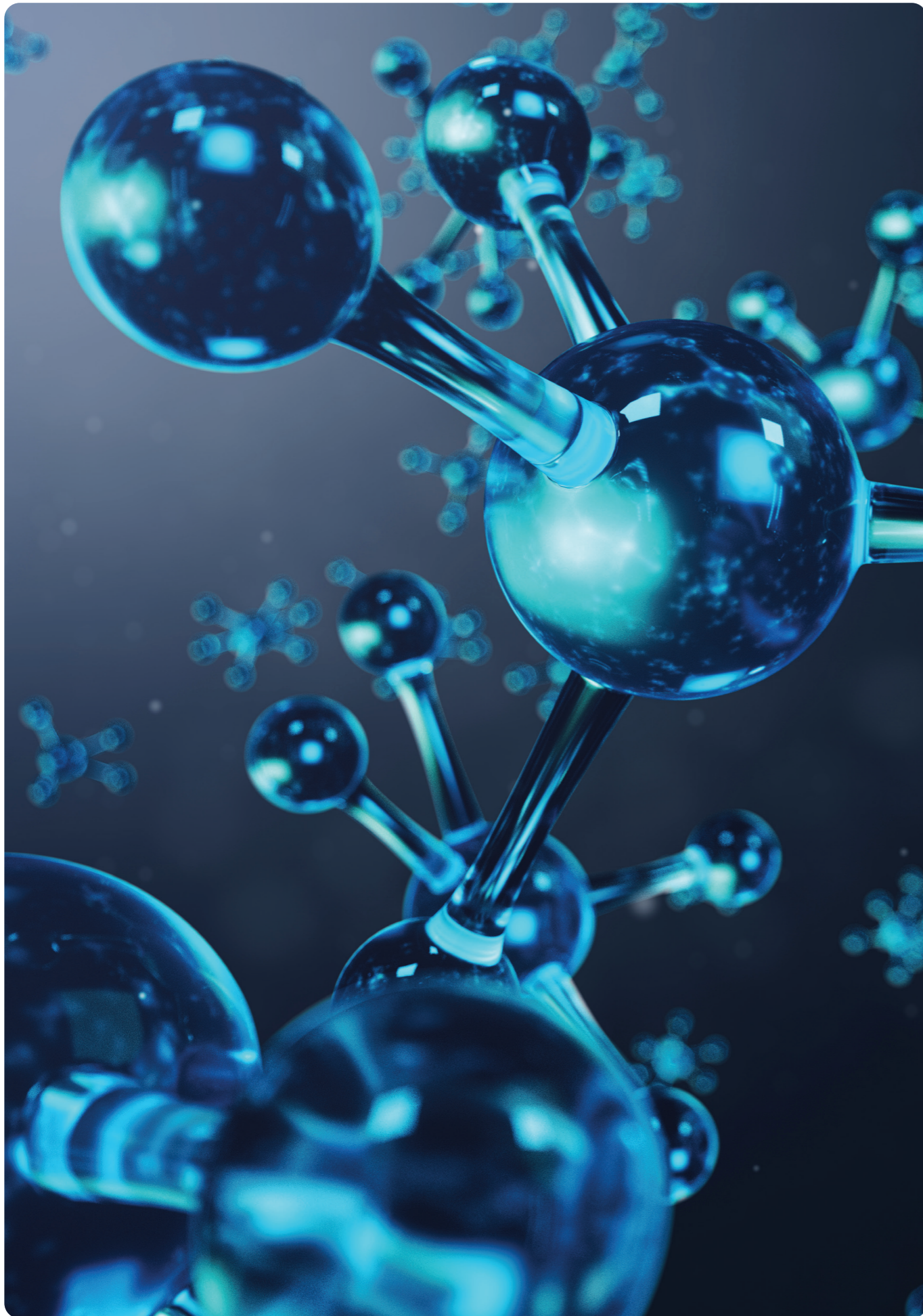
NATA continues to pivot to meet the needs of a rapidly changing and technology-driven environment. From accreditation around artificial intelligence (AI) in the laboratory, to the digital exchange of product conformity data, NATA is taking a pro-active approach in these key areas. You can read more about our approach and activities in this report.

I am always enormously proud to work for this wonderful organisation and acknowledge the significant difference our accreditation services make to industry and the Australia community and to this end, NATA remains more relevant today than it has ever been.

In closing it would be remiss of me not to thank our entire NATA community. From our staff, Members and volunteer Technical Assessors, NATA can only move forward, and move forward with confidence, with their collective and professional inputs – and for this I thank them.

I hope you enjoy the 2024 NATA Annual Report.

“NATA continues to pivot to meet the needs of a rapidly changing and technology-driven environment.”



## What Does NATA do?

NATA, through its accreditation services and engagement with Members, volunteers, stakeholders, staff and the public, has been an integral part of Australian industry and the community for more than 77 years.

Accreditation is crucial for many reasons. Importantly, it ensures competency, quality and reliability in testing. Equally important is that it builds trust and enables acceptance of results both here in Australia and in economies around the world because NATA accredited organisations comply with international standards.

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.

Accreditation also facilitates collaboration at both an industry and Government level. Accredited organisations have a reputation for quality and capability and that makes them a valued partner.

Accreditation also underpins confidence in technological change and innovation. As organisations adapt, accreditation provides their stakeholders with the confidence that new processes have been implemented appropriately, that performance continues to meet the rigorous standards necessary for accreditation, and outcomes such as test results, can be relied on.

Accreditation has never been more important or relevant than it is today and as we move into the unknown but exciting world of artificial intelligence and advanced technology, accreditation will continue to remain Australia's invisible safety net.

**“ Accreditation also underpins confidence in technological change and innovation. ”**

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NATA staff and technical volunteers provide accreditation services that allow organisations to be world-class through a culture of innovation, quality, competence and safety for others. From career roles to volunteer subject matter experts, NATA people are professional, purpose driven, naturally curious and dedicated to outcomes that matter.

## Our Staff

**“NATA staff are dedicated and focused in their areas of expertise ... and single minded in their goal to deliver beneficial outcomes for our Members, industry and the Australian community.”**

NATA staff have a natural ability and affinity for the work they do. They are dedicated and focused in their areas of expertise and while diverse in roles and activities, are single minded in their goal to deliver beneficial outcomes for our Members, industry 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 Members

**“Through NATA’s accreditation to international standards, our Members become the Diamond standard for competency, efficiency, impartiality, validity and capability.”**

NATA accredited organisations - also known as Members, are the reason NATA exists. Our Members cross an extraordinary array of industries - from construction to pathology - and offer products and services that are equally diverse.

They enjoy business differentiation and trade leverage at a local, national and international level and use their accreditation to give them a competitive edge in their markets.

Through NATA’s accreditation to international standards, our Members become the Diamond standard for competency, efficiency, impartiality, validity and capability. Importantly, they also establish a benchmark of confidence for those that use their products and services.



## Our Technical Assessors

**“Industry leaders, they are carefully selected based on their area of expertise and they generously give their time to work with NATA...”**

NATA assesses organisations for accreditation based on a globally recognised peer review process. This means NATA assessments are independently and objectively reviewed by subject matter experts.

These subject matter experts - known as Technical Assessors - provide their services on a volunteer basis to ensure NATA accreditation assessments are conducted to the exacting requirements of international standards.

NATA is proud to say it has more than 2500 volunteer Technical Assessors.

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

If you would like to learn more or have an interest in becoming a **NATA Technical Assessor**, begin your journey.

[Click Here](#)

In addition to direct assessment work, they provide valuable advice and guidance on post-assessment activities including reviewing organisation responses to assessment findings. Many of these volunteers also sit on NATA’s Accreditation Advisory Committees (AAC) and as members of 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 tremendously important and well recognised within the business, scientific and technical communities,

NATA also gratefully acknowledges all of the organisations that make our Technical Assessors available.





## Accreditation Matters 2024

Accreditation Matters 2024 featured an exclusive gathering of industry leaders, visionaries, Government stakeholders, regulators, quality professionals, technical experts and colleagues from Australia's leading Conformity Assessment Bodies and testing laboratories.

This landmark 2-day conference in June offered significant knowledge and learning. Attendees journeyed into the future, delved into accreditation matters and networked at Australia's biggest ever accreditation and conformity assessment event at the Sydney International Convention Centre (ICC).

With over 500 delegates in attendance, the comprehensive program allowed attendees to explore and choose from multiple streams and multiple themes including keynotes, subject matter presentations and panel discussions on highly relevant content.

This year's event featured Devin McDaniels, Deputy Secretary of the World Trade Organisation's Technical Barriers to Trade Committee, who presented on how global trade relies on the trust and confidence provided by accreditation.

Overall, the program included 45+ individual sessions and 60+ national and international speakers. Those attending secured expert insights on the role of accreditation – including future focused sessions on AI, the critical importance of accreditation from the basics to its role in global trade and supply; essential discussions on food testing; our hydrogen future; the built environment; human pathology, biobanking, sports drug testing, and much more.

You can watch all the sessions here

## Accreditation Matters 2025

Following the success of Accreditation Matters 2024 NATA has commenced planning for Accreditation Matters 2025 to be held on Wednesday, July 30 and Thursday, July 31, 2025.

You can learn more about the 2025 Accreditation Matters event and how you can be involved [here](#)



## NATA Excellence Award 2024

The NATA Excellence Award has been introduced to acknowledge Member organisations that have demonstrated technical infrastructure and innovation excellence, with a strong focus on enhancing the quality and reliability of accredited processes and services.

It allows Members the opportunity to showcase initiatives and activities that have made a significant impact by leading to improvements in scientific fields, industry and importantly, the Australian community.

In June, at the Accreditation Matters Celebration Dinner, NATA announced the finalists and winner of the Inaugural NATA Excellence Award.

**Winner:**  
Eurofins Environment Testing Australia Pty. Ltd.

### Award Submission Overview

Recognising an imperative for testing to assess global microplastic contamination and

improve quality control and quality assurance, Eurofins established Australia's first laboratory accredited for microplastics analysis.

Utilising Laser Direct Infrared (LDI) Chemical Imaging Systems to detect microplastics, Eurofins pioneered methodologies for analysing environmental samples for microplastics.

**Finalist:** Pathology Queensland, Central Laboratory

### Award Submission Overview

Pathology Queensland implemented a state-wide, NATA accredited bacterial whole genome sequencing service to characterise, track and interrupt the transmission of multidrug resistant pathogenic bacteria. An economic evaluation of the program estimated that it will result in 36,000 less healthcare-associated infections, 650 fewer deaths and a cost saving of \$30 million per year.

**Finalist:** Australian Federal Police (AFP) Forensics Command

### Award Submission Overview

The AFP developed a Forensic Management System (FMS) that delivers more efficient and consistent processes in the field and in the laboratory. Overall, it provides an AFP-wide forensic platform offering a significant increase to operational intelligence and future forensic capabilities.

Our thanks go to the many NATA Members who took the time and effort to submit applications for this award. The high quality of submissions shows the outstanding level of performance and innovation within Australia's accredited laboratory infrastructure and the valuable contribution it makes.

Watch the award ceremony and learn more about the award [here](#)

# Highlights & Activities



## NATA signs 5-year Memorandum of Understanding (MoU) with the Commonwealth of Australia

“Significantly, NATA has now been recognised as the national authority for the accreditation of Biobanks.”

The Commonwealth Government has once again recognised NATA as Australia’s national authority for the accreditation of laboratories, reference materials producers, proficiency testing providers and a peak authority for the accreditation of inspection bodies. NATA was also recognised as Australia’s compliance monitoring authority for the OECD Principles of Good Laboratory Practice.

Significantly, NATA has now been acknowledged as the national authority for the accreditation of Biobanks.

The MoU commits NATA to operate all accreditation programs including those supporting international trade to be in compliance with ISO/IEC 17011, the international standard for accreditation of Conformity Assessment Bodies.

The agreement demonstrates a strengthened and ongoing relationship between the Australian Government and NATA, acknowledging that confidence in the reliability of testing results is a prerequisite for sound decision making by Government, business and individuals.

Supporting the Government’s confidence is NATA’s strong contribution to global Technical Standards and Conformance Infrastructure through representation on many Standard Writing Committees internationally and in international accreditation through the International Laboratory Accreditation Cooperation (ILAC) and the Asia-Pacific Accreditation Cooperation (APAC).

# Accreditation and Standards Updates



## TSANZ/NATA Respiratory Function Laboratory Accreditation Program

NATA and the Thoracic Society of Australia & New Zealand (TSANZ) will jointly deliver the TSANZ/NATA Respiratory Function Laboratory Accreditation Program which will come into effect by the end of calendar year 2024.

The program will contribute to better health outcomes and treatment for patients with respiratory and lung health conditions and will play a critical role in supporting health workers and researchers to prevent, cure and relieve disability caused by lung disease.

The existing TSANZ Standard has been reviewed and updated in line with the international Standard ISO 15189:2022. This allows laboratories with respiratory, sleep and blood gas services to have one management system covering all three areas, reducing duplication in the implementation and on-going maintenance of the management system.

You can learn more about the program [here](#)

## Revised ISO 15189:2022 Standard

ISO 15189:2022 is an internationally recognised Standard that has been revised to enhance the quality and competence of medical laboratory services. It plays an essential role in ensuring the reliability and accuracy of laboratory testing which is vital for effective patient diagnosis and treatment.

Key revisions in the Standard include an emphasis on clinical risk and the impact of pathology services of patients. This also includes specific requirements for point-of-care testing, critical for maintaining and enhancing quality and competence in laboratory services.

NATA commenced assessing new and existing Member organisations to the revised Standard in August 2023.

You can learn more about the revised Standard by visiting our ISO 15189:2022 resources [page](#) which includes a NATA audio/video presentation, FAQs and key assessment documents.

## Revised ISO/IEC 17043:2023 Standard

The revision of the ISO/IEC 17043 Standard includes alignment with ISO/IEC 17025:2017 and ISO 13528:2022, as well as the inclusion of the requirement that testing and calibration activities and proficiency testing item production conform to relevant requirements of appropriate ISO conformity assessment standards.

In addition to updating and aligning the requirements, new requirements related to impartiality, risk, and information management were added to the Standard.

NATA commenced assessing new and existing Member organisations to the revised Standard in March 2024.

You can learn more by visiting the ISO/IEC 17043:2023 resources [page](#) which includes key information and assessment documents.



## NATA's Accreditation Service Commitment

“The updated charter now known as the Accreditation Service Commitment, highlights NATA's commitment and responsiveness to meeting Member needs and delivering accreditation services in a timely manner.”

NATA's Charter of Service for Members has been reviewed and updated as one of its key strategic projects.

A project team was established in early 2024 and the document has subsequently undergone a number of revisions to stay highly relevant to NATA's Members.

The goal was to proactively review the document and the information it covered such as whether it adequately described the stages of NATA's assessment processes and the appropriateness of the time frames to meet Members' accreditation needs.

NATA's Member Advisory Forum was also consulted during the review and their insights considered.

The updated charter - now known as the Accreditation Service Commitment, highlights NATA's commitment and responsiveness to meeting Member needs and delivering accreditation services in a timely manner.

You can view the document by visiting the NATA website.



## 2024 Asia Pacific Accreditation Cooperation (APAC) Annual Meeting

“Building on the successes of previous APAC meetings, 2024 was an invaluable opportunity for the largest regional accreditation community in the world to convene and engage in key discussions on accreditation-related topics.”

In July 2024, NATA attended the Asia Pacific Accreditation Cooperation (APAC) Annual Meeting in Dubai.

APAC is the regional accreditation cooperation with the primary role of managing and expanding a Mutual Recognition Arrangement (MRA) among accreditation bodies in the Asia Pacific region.

APAC is recognised by the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC) and with 61 full Members across 33 economies, including Australia, the USA, Canada, China and India, it has a significant role to play at a global level.

NATA's CEO Jennifer Evans is the current Chair of APAC.

Building on the successes of previous APAC meetings, 2024 was an invaluable opportunity for the largest regional accreditation community in the world to convene and engage in key discussions on accreditation-related topics.

The event renewed key connections for NATA including the sharing of accreditation experiences, and collectively helping to navigate the evolving accreditation landscape and technological advancements in accreditation assessment.

### ISO/IEC 17011 Evaluator Training

As part of the event, key NATA staff completed Evaluator Training.

This specialised training was to the requirements of ISO/IEC 17011 - the Standard that specifies requirements for the competence, consistent operation and impartiality of Accreditation Bodies assessing and accrediting other Conformity Accreditation Bodies.

NATA has a number of key staff who can act as evaluators and team leaders in assessing other global Accreditation Bodies, ensuring the highest standards of assessment and accreditation can continue around the world.

# Accreditation: Looking to the Future

From the use of artificial intelligence in our accredited facilities to the availability of conformity assessment results and accreditation information in digital form, NATA understands that accreditation is, in many areas, undergoing a paradigm shift.

From greater rigor and regulation, the need for innovative leadership, and acknowledging public accountability and transparency, NATA is actively meeting these changes, challenges and opportunities head on.

## NATA & Digital Conformity

NATA has been actively involved in the development of a blueprint for how conformity outcomes, including linked accreditation information, might be communicated in a digital trading context and benefit global trade.

The significance of this work comes from the rapid progress being made in the digitalisation of trade-related information, including efforts by some governments to implement electronic single windows and digital product passports.

The increasing digitalisation of trade-related data raises important questions as to how conformity assessment information will be exchanged in the future to support claims made about product characteristics.

### A Fresh Approach

With funding from the Department of Industry, Science and Resources, NATA has developed a world-leading framework for the digital exchange of conformity data, which was published in 2022. This work was recognised as highly relevant to ongoing efforts by the United Nations for the digital exchange of reliable product sustainability data, supporting the UN Sustainable Development Goals.

As a result, a project was established within the UN's trade facilitation centre, led by a NATA staff member, which

resulted in the publication of an intergovernmental standard in July 2024.

### New Standard

The newly published UN Standard now describes a basic set of data elements and linkages for enhanced verifiability of product conformity data, offering connections to the physical product of interest, clarity regarding the status of an issued certificate and insight into the authority under which it was issued.

The ideas represent a transition pathway towards full digitalisation on a timeframe that may be manageable for laboratories and certifiers, while also providing compatibility with other digitalisation efforts underway within the conformity assessment sector.

At the same time, the work recognises that paper-based certificates, including PDFs, will continue to exist into the foreseeable future and still play a valuable role where the full technical detail needs to be available for expert review.

It is hoped that the UN Standard will generate constructive international discussion and NATA looks forward to continuing its leadership in this area, helping to ensure the continued relevance of conformity assessment and accreditation.

**“The ideas represent a transition pathway towards full digitalisation on a timeframe that may be manageable for laboratories and certifiers, while also providing compatibility with other digitalisation efforts underway within the conformity assessment sector.”**

You can learn more about this important work [here](#)



## Accreditation and Artificial Intelligence (AI)

**“As AI and automated systems are increasingly adopted, NATA assessments will have an increased focus on requirements for verification & validation, control of data, and organisational governance & accountability.”**

NATA recognises that the development and integration of AI into a multitude of industry sectors presents significant opportunities but also significant risks.

To help manage these rapidly growing technologies, the Artificial Intelligence Management System (AIMS) Certification Standard, ISO/IEC 42001 - published in December 2023, was created to provide a comprehensive set of requirements for establishing, implementing, maintaining, and continually improving an AIMS system.

NATA, like many Accreditation Bodies around the world, believe accreditation serves as an effective assurance mechanism, ensuring that AI systems are rigorously tested and validated before deployment. This process not only enhances the reliability and safety of AI-driven solutions but can also improve public trust and confidence in their use.

As AI and automated systems are increasingly adopted, NATA assessments will have an increased focus on requirements for verification & validation, control of data, and organisational governance & accountability.

NATA will also continue to develop formal accreditation criteria for all facilities who use AI systems. This will be expanded to cover new technologies used by labs for example, quantum technologies which are approaching real-world applications.

This on-going and pro-active approach by NATA will help define the ongoing process of AI integration in Australia, making ethical AI governance more functional.



## be more Upskilled

Additional knowledge is always a plus

### NATA Education

NATA Education continues to play an important role in the international accreditation community having now trained personnel from over 20 countries.

All courses are specifically designed to be interactive and immediately relevant to course participants and cover training areas from Standards, auditing, accreditation and laboratory leadership, to quality and risk management.

**“Over the past 12-months, NATA Education trained more than 2,000 people from 450 organisations and across 11 unique titles in public and in-house courses. Attendees were from Australia, Asia, the Middle East, and the Pacific Islands.”**

Over the past 12-months, NATA Education trained more than 2,000 people from 450 organisations and across 11 unique titles in public and in-house courses. Attendees were from Australia, Asia, the Middle East, and the Pacific Islands.

Responding to industry needs, NATA Education introduced General Quality Management Systems Programs (GQMS). This 10-week training program provides a comprehensive overview of the fundamental principles of quality

management systems, regardless of industry or quality standard.

Risk Management for Medical Laboratories has also been launched after strong interest from medical laboratory quarters. The course provides the knowledge and tools to develop an effective risk management framework for a medical laboratory and applies a dynamic, risk-based approach to patient safety and laboratory conformance.

There is also strong on-going support for the development of NATA’s Lead and Technical Assessors, through the training of new Lead Assessors and over 100 new Technical Assessors. NATA Education has also been actively involved in projects to engage and upskill the Forensic Technical Assessor group who will join us as part of the new joint TSANZ/NATA Respiratory Function Laboratory Accreditation Program late in 2024.

Learn more about NATA Education and its courses [Click Here](#)

# Directors' Report & Financials



# Directors' Report

National Association of Testing Authorities, Australia and Controlled Entity

ABN 59 004 379 748

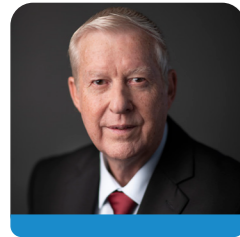
## Financial Report – 30 June 2024

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 2024 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)

Associate Director Clinical Streams, Clinical, Transformation, 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:** Member of Investment Committee and Member of the Nominations Committee

# Directors' Report



### DR MARK BURGESS - Director

**Year appointed:** 2020

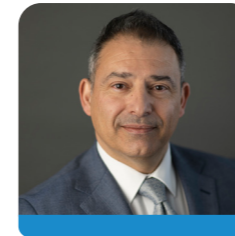
**Qualifications and experience:** MBA, PhD, GAICD.

Heritage Council of Victoria – Member of Policy & Practice, Protocols, and Communications Committees

Member Victorian Heritage Restoration Fund (National Trust)

Research Director, CSIRO (to December 2023)

**Special responsibilities:** Member of Nominations Committee, Chair of Audit, Risk and Compliance Committee



### MR GIACOMO COLLICA - Director

**Year appointed:** 2024

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

Managing Director Emission Assessments Pty Ltd

Director Proficiency Testing Australia (PTA) (since November 2022)

**Special responsibilities:** Member of Nominations Committee (until 2024)



### 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 2022)

# 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 delivery of their products and services.

## Short-term objectives

The short-term objectives of the parent entity are to promote and 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 and matters related to 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 laboratories' 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
- 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

## AUDITOR'S INDEPENDENCE DECLARATION

The The auditors' independence declaration for the year ended 30 June 2024 has been received and can be found on the following page.

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



**DAVID Turner**  
Chair



**Sanmarié Schlebusch**  
Vice Chair

Melbourne, 12 September 2024

# 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 2024

# Auditor's Independence Declaration

## AUDITOR'S INDEPENDENCE DECLARATION UNDER s60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS 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 2024 there have been:

- 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
- No contraventions of any applicable code of professional conduct in relation to the audit.



**Stewart Brown**  
Chartered Accountants



**R.J. McGree**  
Partner

Sydney, 12 September 2024

# Statement of Financial Position AS AT 30 JUNE 2024

	Note	Consolidated Group		Parent Entity	
		2024	2023	2024	2023
		\$	\$	\$	\$
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	22,337,161	25,033,581	19,957,607	22,952,532
Trade and other receivables	7	3,242,709	1,737,939	3,001,674	1,564,839
<i>Total current assets</i>		25,579,870	26,771,520	22,959,281	24,517,371
<b>Non-current assets</b>					
Property, plant and equipment	8	21,606,254	22,452,505	21,505,656	22,349,205
Right-of-use assets	9	223,401	372,814	223,401	372,814
Intangible assets	10	1,256,018	999,711	1,256,018	999,711
<i>Total non-current assets</i>		23,085,673	23,825,030	22,985,075	23,721,730
<b>TOTAL ASSETS</b>		<b>48,665,543</b>	<b>50,596,550</b>	<b>45,944,356</b>	<b>48,239,101</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	11	7,567,170	8,949,347	7,347,917	8,797,234
Provisions	12	3,373,000	3,656,000	3,256,000	3,540,000
Lease liabilities	13	186,061	194,737	186,061	194,737
<i>Total non-current assets</i>		11,126,231	12,800,084	10,789,978	12,531,971
<b>Non-current assets</b>					
Provisions	12	425,500	485,500	387,500	453,500
Lease liabilities	13	63,034	217,531	63,034	217,531
<i>Total non-current assets</i>		488,534	703,031	450,534	671,031
<b>TOTAL LIABILITIES</b>		<b>11,614,765</b>	<b>13,503,115</b>	<b>11,240,512</b>	<b>13,203,002</b>
<b>NET ASSETS</b>		<b>37,050,778</b>	<b>37,093,435</b>	<b>34,703,844</b>	<b>35,036,099</b>
<b>FUNDS</b>					
Accumulated funds		37,050,778	37,093,435	34,703,844	35,036,099
<b>TOTAL FUNDS</b>		<b>37,050,778</b>	<b>37,093,435</b>	<b>34,703,844</b>	<b>35,036,099</b>

The accompanying notes form part of their financial statements



# Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED  
30 JUNE 2024

	Note	Consolidated Group		Parent Entity	
		2024	2023	2024	2023
		\$	\$	\$	\$
<b>Revenue</b>	4	36,235,287	34,032,554	34,143,325	32,084,555
<b>Other income</b>	4	59,917	48,491	59,917	38,742
		<u>36,295,204</u>	<u>34,081,045</u>	<u>34,203,242</u>	<u>32,123,297</u>
<b>Expenses</b>					
Accreditation expenses		(4,798,105)	(5,116,828)	(4,234,644)	(4,635,601)
Administration expenses		(4,798,860)	(5,811,049)	(4,623,656)	(5,555,682)
Business development and planning		(117,368)	(19,177)	(114,157)	(14,570)
Consultancy and training		-	(69,728)	-	(69,728)
Depreciation and amortisation	5	(1,869,906)	(1,763,966)	(1,850,059)	(1,736,914)
Finance costs	5	(17,189)	(23,890)	(17,189)	(23,890)
Salaries and employee benefits		(24,736,433)	(23,873,403)	(23,695,792)	(22,914,351)
		<u>(36,337,861)</u>	<u>(36,678,041)</u>	<u>(34,535,497)</u>	<u>(34,950,736)</u>
<b>Surplus (deficit) before income tax</b>		(42,657)	(2,596,996)	(332,255)	(2,827,439)
<b>Income tax expense</b>		-	-	-	-
<b>Surplus (deficit) for the year</b>		(42,657)	(2,596,996)	(332,255)	(2,827,439)
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income (loss) for the year</b>		(42,657)	(2,596,996)	(332,255)	(2,827,439)

The accompanying notes form part of their financial statements

# Statement of Changes in Funds

FOR THE YEAR ENDED  
30 JUNE 2024

	Consolidated Group	
	Accumulated Funds	Total
	\$	\$
<b>Consolidated Group</b>		
<b>Balance at 1 July 2022</b>	39,690,431	39,690,431
<b>Comprehensive income</b>		
Surplus (deficit) for the year	(2,596,996)	{2,596,996}
Other comprehensive income	-	-
<b>Total comprehensive income (loss) for the year</b>	<u>(2,596,996)</u>	<u>(2,596,996)</u>
<b>Balance at 30 June 2023</b>	<b>37,093,435</b>	<b>37,093,435</b>
<b>Balance at 1 July 2023</b>	37,093,435	37,093,435
<b>Comprehensive income</b>		
Surplus (deficit) for the year	(42,657)	(42,657)
Other comprehensive income	-	-
<b>Total comprehensive income (loss) for the year</b>	<u>(42,657)</u>	<u>(42,657)</u>
<b>Balance at 30 June 2024</b>	<b>37,050,778</b>	<b>37,050,778</b>
<b>Parent Entity</b>		
<b>Balance at 1 July 2022</b>	37,863,538	37,863,538
<b>Comprehensive income</b>		
Surplus (deficit) for the year	(2,827,439)	(2,827,439)
Other comprehensive income	-	-
<b>Total comprehensive income (loss) for the year</b>	<u>(2,827,439)</u>	<u>(2,827,439)</u>
<b>Balance at 30 June 2023</b>	<b>35,036,099</b>	<b>35,036,099</b>
<b>Balance at 1 July 2023</b>	35,036,099	35,036,099
<b>Comprehensive income</b>		
Surplus (deficit) for the year	(332,255)	(332,255)
Other comprehensive income	-	-
<b>Total comprehensive income (loss) for the year</b>	<u>(332,255)</u>	<u>(332,255)</u>
<b>Balance at 30 June 2024</b>	<b>34,703,844</b>	<b>34,703,844</b>

The accompanying notes form part of their financial statements

# Statement of Cash Flows

FOR THE YEAR ENDED  
30 JUNE 2024

	Note	Consolidated Group		Parent Entity	
		2024	2023	2024	2023
		\$	\$	\$	\$
<b>Cash flows from operating activities</b>					
Receipts from members, customers and government		34,945,571	36,290,790	32,706,351	34,176,913
Payments to suppliers and employees		(38,071,204)	(38,135,219)	(36,110,559)	(36,191,550)
Interest received		1,117,707	591,228	1,080,632	584,687
Interest paid - leases		(17,189)	(23,890)	(17,189)	(23,890)
<i>Net cash flows from operating activities</i>		<u>(2,025,115)</u>	<u>(1,277,091)</u>	<u>(2,340,765)</u>	<u>(1,453,840)</u>
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, plant and equipment		92,798	109,091	92,798	77,273
Proceeds from security deposit and call option fee		5,625,500	5,625,500	5,625,500	5,625,500
Purchase of property, plant and equipment		(330,241)	(1,525,014)	(313,096)	(1,485,556)
Purchase of intangible assets		(799,541)	(425,924)	(799,541)	(425,924)
<i>Net cash flows from investing activities</i>		<u>(474,484)</u>	<u>(1,279,347)</u>	<u>(457,339)</u>	<u>(1,271,707)</u>
<b>Cash flows from financing activities</b>					
Repayment of lease liabilities		(196,821)	(176,592)	(196,821)	(176,592)
<i>Net cash flows from financing activities</i>		<u>(196,821)</u>	<u>(176,592)</u>	<u>(196,821)</u>	<u>(176,592)</u>
Net increase (decrease) in cash and cash equivalents		(2,696,420)	(2,733,030)	(2,994,925)	(2,902,139)
Cash and cash equivalents at the beginning of the financial year		25,033,581	27,766,611	22,952,532	25,854,671
<b>Cash and cash equivalents at the end of the financial year</b>	6	<b>22,337,161</b>	<b>25,033,581</b>	<b>19,957,607</b>	<b>22,952,532</b>

The accompanying notes form part of their financial statements

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## Note 1 - Corporate information

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).

The group provides assessment, accreditation and training services to laboratories and technical facilities across Australia.

The registered address and principal place of business of the group is:

Burrumattagal Country, 7 Leeds Street, Rhodes NSW 2138

The financial statements were approved by the Board of Directors on 12 September 2024.

## Note 2 - Basis of preparation

Statement of compliance

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.

Basis of measurement

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.

Comparatives

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.

Critical accounting estimates and judgements

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.

Key estimates

Impairment

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.

Estimation of useful lives of assets

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.

New and revised standards that are effective for these financial statements

Several amendments and clarifications to Australian Accounting Standards and interpretations are mandatory for the 30 June 2024 reporting period. These include:

- AASB 2021-2: Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

The application of these amendments and clarifications 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.

New standards and interpretations not yet adopted

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the group. These include:

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for the year ending 30 June 2026)
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current liabilities with Covenants (effective for the year ending 30 June 2025)
- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements (effective for the year ending 30 June 2025)

It is not expected that AASB 2014-10, AASB 2022-6 or AASB 2023-1 will have a material impact on the group in future reporting periods.

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## Note 3 – Accounting policies

The material accounting policies adopted in the preparation 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

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## Note 3 – Accounting policies (Continued)

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

#### 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 asset and 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

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## Note 3 - Accounting policies (continued)

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 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.

#### Financial instruments (continued)

#### 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

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## Note 3 - Accounting policies (continued)

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 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 (continued) Impairment of financial assets (continued)

- 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

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## Note 3 - Accounting policies (continued)

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.

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 2024

	Consolidated Group		Parent Entity	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Note 4 - Revenue</b>				
<b>Revenue</b>				
Service revenue	31,723,008	29,199,765	29,446,452	27,081,821
Government contract revenue	1,761,550	2,561,905	1,761,550	2,561,905
Foreign currency translations	3,069	1,745	3,069	1,745
Rent received	1,422,374	1,467,990	1,422,374	1,467,990
Other operating revenue - wholly owned entities	-	-	256,130	212,440
Other operating revenue	20	2,362	20	869
	<u>34,910,021</u>	<u>33,233,767</u>	<u>32,889,595</u>	<u>31,326,770</u>
<b>Other revenue</b>				
Interest income	1,325,266	798,787	1,253,730	757,785
	<u>1,325,266</u>	<u>798,787</u>	<u>1,253,730</u>	<u>757,785</u>
<b>Total revenue</b>	<b>36,235,287</b>	<b>34,032,554</b>	<b>34,143,325</b>	<b>32,084,555</b>
<b>Other income</b>				
Net gain on disposal of property, plant and equipment	59,917	48,491	59,917	38,742
Total other income	<u>59,917</u>	<u>48,491</u>	<u>59,917</u>	<u>38,742</u>
<b>Total revenue and other income</b>	<b>36,295,204</b>	<b>34,081,045</b>	<b>34,203,242</b>	<b>32,123,297</b>
<b>Note 5 - Expenses</b>				
<b>Depreciation</b>				
Buildings	746,897	731,105	746,897	731,105
Plant and equipment	396,714	393,621	376,867	366,569
Right-of-use assets	183,061	176,715	183,061	176,715
Total depreciation	<u>1,326,672</u>	<u>1,301,441</u>	<u>1,306,825</u>	<u>1,274,389</u>
<b>Amortisation</b>				
Software	543,234	462,525	543,234	462,525
Total amortisation	<u>543,234</u>	<u>462,525</u>	<u>543,234</u>	<u>462,525</u>
<b>Total depreciation and amortisation</b>	<b>1,869,906</b>	<b>1,763,966</b>	<b>1,850,059</b>	<b>1,736,914</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

	Consolidated Group		Parent Entity	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Bad and doubtful debts expense</b>				
Bad debts	-	5,871	-	5,871
Provision for impairment	-	36,68	-	-
<i>Total bad and doubtful debts</i>	-	42,557	-	5,871
Interest and finance charges - other	172	-	172	-
Interest and finance charges - lease liability	17,017	23,890	17,017	23,890
Net loss on disposal of property, plant and equipment	-	1,693	-	1,693
<b>Note 6 - Cash and cash equivalents</b>				
Cash at bank	4,787,161	5,483,581	3,957,607	4,952,532
Cash on deposit	17,550,000	19,550,000	16,000,000	18,000,000
<b>Total cash and cash equivalents</b>	<b>22,337,161</b>	<b>25,033,581</b>	<b>19,957,607</b>	<b>22,952,532</b>
<b>Note 7 - Trade and other receivables</b>				
<b>Current</b>				
Trade receivables	1,724,752	780,388	1,467,038	578,332
Provision for impairment	(86,686)	(86,686)	(50,000)	(50,000)
Other receivables	628,911	284,242	626,334	284,242
Work in progress	276,152	304,299	276,152	304,299
Prepayments	699,580	455,696	682,150	447,966
<b>Total current trade and other receivables</b>	<b>3,242,709</b>	<b>1,737,939</b>	<b>3,001,674</b>	<b>1,564,839</b>
<b>Provision for impairment</b>				
Opening net carrying value	86,686	50,000	50,000	50,000
Charge for the year	-	36,686	-	-
<b>Closing net carrying value</b>	<b>86,686</b>	<b>86,686</b>	<b>50,000</b>	<b>50,000</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>Note 8 - Property, plant and equipment</b>				
<b>Consolidated Group</b>				
<b>At 30 June 2023</b>				
Cost	12,257,812	18,793,836	3,287,506	34,339,154
Accumulated depreciation	-	(9,697,342)	(2,189,307)	(11,886,649)
<b>Net carrying amount</b>	<b>12,257,812</b>	<b>9,096,494</b>	<b>1,098,199</b>	<b>22,452,505</b>
<b>Movements in carrying amounts</b>				
Opening net carrying amount	12,257,812	9,096,494	1,098,199	22,452,505
Additions	-	181,063	149,178	330,241
Disposals	-	-	(32,881)	(32,881)
Depreciation charge for the year	-	(746,897)	(396,714)	(1,143,611)
<b>Closing net carrying amount</b>	<b>12,257,812</b>	<b>8,530,660</b>	<b>817,782</b>	<b>21,606,254</b>
<b>At 30 June 2024</b>				
Cost	12,257,812	18,974,899	3,293,189	34,525,900
Accumulated depreciation	-	(10,444,239)	(2,475,407)	(12,919,646)
<b>Net carrying amount</b>	<b>12,257,812</b>	<b>8,530,660</b>	<b>817,782</b>	<b>21,606,254</b>
<b>Parent Entity</b>				
<b>At 30 June 2023</b>				
Cost	12,257,812	18,793,836	3,042,564	34,094,212
Accumulated depreciation	-	(9,697,342)	(2,047,665)	(11,745,007)
<b>Net carrying amount</b>	<b>12,257,812</b>	<b>9,096,494</b>	<b>994,899</b>	<b>22,349,205</b>
<b>Movements in carrying amounts</b>				
Opening net carrying amount	12,257,812	9,096,494	994,899	22,349,205
Additions	-	181,063	132,033	313,096
Disposals	-	-	(32,881)	(32,881)
Depreciation charge for the year	-	(746,897)	(376,867)	(1,123,764)
<b>Closing net carrying amount</b>	<b>12,257,812</b>	<b>8,530,660</b>	<b>717,184</b>	<b>21,505,656</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>At 30 June 2024</b>				
Cost	12,257,812	18,974,899	3,031,102	34,263,813
Accumulated depreciation	-	(10,444,239)	(2,313,918)	(12,758,157)
<b>Net carrying amount</b>	<b>12,257,812</b>	<b>8,530,660</b>	<b>717,184</b>	<b>21,505,656</b>

## 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. Subsequent to obtaining this valuation the consolidated group entered into a Put and Call Option Deed to sell this property for a price exceeding \$8,000,000, so the Directors have not commissioned a new valuation. 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.

An independent valuation of the freehold land and buildings in Brisbane was completed on 30 June 2024 by Mr. Patrick Ahern, AAPI, of Savills Valuations Pty Limited. This valuation was of a "100% Freehold interest subject to notional lease" based on "Market Capitalisation, Direct Comparison - Lettable Area" and amounted to \$3,100,000, compared with a carrying value of \$1,444,824. This increase in value of \$1,655,176 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 2024 by Mr. Ben Koops, AAPI, of Savills Valuations Pty Limited. This valuation was of a "100% Freehold interest subject to Notional Lease Terms (Pursuant to Fair value requirements)" based on "Market Capitalisation and Discounted Cash Flow" and amounted to \$22,500,000, compared with a carrying value of \$18,111,178. This increase in value of \$4,388,822 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 2024

	Consolidated Group		Parent Entity	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Note 9 - Right-of-use assets</b>				
Leased assets - at cost	1,073,340	1,039,693	1,073,340	1,039,693
Accumulated depreciation	(849,939)	(666,879)	(849,939)	(666,879)
<b>Total right-of-use assets</b>	<b>223,401</b>	<b>372,814</b>	<b>223,401</b>	<b>372,814</b>
<b>Movements in carrying amounts</b>				
Opening net carrying amount	372,814	535,352	372,814	535,352
Revaluations - CPI adjustment	33,648	14,177	33,648	14,177
Depreciation charge for the year	(183,061)	(176,715)	(183,061)	(176,715)
<b>Closing net carrying amount</b>	<b>223,401</b>	<b>372,814</b>	<b>223,401</b>	<b>372,814</b>

	Software	Work In Progress	Total
	\$	\$	\$
<b>Note 10 - Intangible assets</b>			
<b>Consolidated Group</b>			
<b>At 30 June 2023</b>			
Cost	5,981,677	258,597	6,240,274
Accumulated amortisation	(5,240,563)	-	(5,240,563)
<b>Net carrying amount</b>	<b>741,114</b>	<b>258,597</b>	<b>999,711</b>
<b>Movements in carrying amounts</b>			
Opening net carrying amount	741,114	258,597	999,711
Additions	105,166	694,375	799,541
Reclassification	327,151	(327,151)	-
Amortisation charge for the year	(543,234)	-	(543,234)
<b>Closing net carrying amount</b>	<b>630,197</b>	<b>625,821</b>	<b>1,256,018</b>
<b>At 30 June 2024</b>			
Cost	6,413,994	625,821	7,039,815
Accumulated amortisation	(5,783,797)	-	(5,783,797)
<b>Net carrying amount</b>	<b>630,197</b>	<b>625,821</b>	<b>1,256,018</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

	Software	Work In Progress	Total
<b>Parent Entity</b>			
<b>At 30 June 2023</b>			
Cost	5,955,612	258,597	6,214,209
Accumulated amortisation	(5,214,498)	-	( 5,214,498)
<b>Net carrying amount</b>	<b>741,114</b>	<b>258,597</b>	<b>999,711</b>
<b>Movements in carrying amounts</b>			
Opening net carrying amount	741,114	258,597	999,711
Additions	105,166	694,375	799,541
Reclassification	327,151	(327,151)	
Amortisation charge for the year	(543,234)	-	(543,234)
<b>Closing net carrying amount</b>	<b>630,197</b>	<b>625,821</b>	<b>1,256,018</b>
<b>At 30 June 2024</b>			
Cost	6,387,929	625,821	7,013,750
Accumulated amortisation	(5,757,732)	-	( 5,757,732)
<b>Net carrying amount</b>	<b>630,197</b>	<b>625,821</b>	<b>1,256,018</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

	Consolidated Group		Parent Entity	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Note 11 - Trade and other payables</b>				
<b>Current</b>				
Trade payables	345,706	134,931	317,953	119,660
Liabilities to employees	710,820	660,600	682,743	636,895
Subscriptions in advance	253,677	221,880	253,677	221,880
Other income in advance	1,080,276	3,243,372	934,007	3,162,150
Security deposit and call option fee	4,625,000	4,062,500	4,625,000	4,062,500
Other payables	551,691	626,064	534,537	594,149
<b>Total current trade and other payables</b>	<b>7,567,170</b>	<b>8,949,347</b>	<b>7,347,917</b>	<b>8,797,234</b>
<b>Note 12 - Provisions</b>				
<b>Current</b>				
Employee entitlements - annual leave	1,641,000	1,615,000	1,588,000	1,559,000
Employee entitlements - long service leave	1,732,000	2,041,000	1,668,000	1,981,000
<b>Total current provisions</b>	<b>3,373,000</b>	<b>3,656,000</b>	<b>3,256,000</b>	<b>3,540,000</b>
<b>Non-current</b>				
Employee entitlements - long service leave	405,000	465,000	367,000	433,000
Restoration (make good)	20,500	20,500	20,500	20,500
<b>Total non-current provisions</b>	<b>425,500</b>	<b>485,500</b>	<b>387,500</b>	<b>453,500</b>
<b>Movement in provisions</b>				
Restoration (make good provision)				
Opening net carrying amount	20,500	20,500	20,500	20,500
<b>Closing net carrying amount</b>	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>	<b>20,500</b>

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 2024

	Consolidated Group		Parent Entity	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Note 13 - Lease liabilities</b>				
<b>Current</b>				
Lease liabilities	186,061	194,737	186,061	194,737
<b>Total current lease liabilities</b>	<b>186,061</b>	<b>194,737</b>	<b>186,061</b>	<b>194,737</b>
<b>Non-current</b>				
Lease liabilities	63,034	217,531	63,034	217,531
<b>Total non-current lease liabilities</b>	<b>63,034</b>	<b>217,531</b>	<b>63,034</b>	<b>217,531</b>
<b>Movements in carrying amounts</b>				
Opening net carrying amount	412,268	574,683	412,268	574,683
Revaluations - CPI adjustment	33,648	14,177	33,648	14,177
Repayments	(213,838)	(200,482)	(213,838)	(200,482)
Interest	17,017	23,890	17,017	23,890
<b>Closing net carrying amount</b>	<b>249,095</b>	<b>412,268</b>	<b>249,095</b>	<b>412,268</b>
<b>Note 14 - Key management personnel compensation</b>				
<b>The aggregate amount of compensation paid to key personnel during the year was:</b>	<b>2,363,716</b>	<b>2,682,618</b>	<b>2,171,913</b>	<b>2,398,941</b>
<b>Note 15 - Auditor's remuneration</b>				
Fees paid to StewartBrown, Chartered Accountants:				
Audit of the financial report	72,800	69,400	65,000	62,000
Preparation of the financial report	28,900	28,700	25,000	25,000
Other advisory services	15,027	13,281	14,450	4,000
<b>Total auditor's remuneration</b>	<b>116,727</b>	<b>111,381</b>	<b>104,450</b>	<b>91,000</b>
<b>Note 16 - Capital commitments</b>				
<b>Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows.</b>	<b>230,648</b>	<b>195,524</b>	<b>230,648</b>	<b>195,524</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED  
30 JUNE 2024

## 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	
	2024	2023
	\$	\$
Other expenses recharged by the parent entity	256,130	212,440

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 2024 the number of members was 3,375 (2023: 3,443).

## 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 (%)	
		2024	2023
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 2024, 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 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 Regulations 2022; and
  - b. (b) give a true and fair view of the financial position as at 30 June 2024 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.

  
Chair

  
**Sanmarié Schlebusch**  
Vice Chair

Melbourne, 12 September 2024

# 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 2024, 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 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 2024 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 Regulations 2022.

## 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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