



INDEPENDENT AUDITOR'S REPORT

To the members of Australian Carriage Driving Society Inc

Report on the Audit of the Financial Report

Qualified Audit Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Australian Carriage Driving Society Inc (the Association), which comprises the balance sheet as at 30 April 2024, income and expenditure statement of the year then ended, notes comprising a summary of significant accounting policies and the certification by the members of the Board on the annual statements presenting fairly the financial position and performance of the Association.

In our opinion, except for the effects of the Basis for Qualified Opinion Paragraph below, the accompanying financial report of the Association is in accordance with Section 72(c) and other provisions of the *Associations Incorporation Act 1991 (ACT)*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 April 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards.

Basis for Qualified Audit Opinion

An audit was not completed on the financial statements for the year ended 30 April 2023. Without reperforming an audit on the prior year balances, we were unable to determine that prior year amounts disclosed in the income statement were not misstated.

As is common for small not for profit organisations, it is difficult for the Association to maintain an effective system of control over all revenue received. The Association relies on affiliated branches, who are incorporated in their own states, to forward membership levies received. Without auditing the branches, we were unable to determine that a system of control exists at branches to ensure all funds received have been forwarded to the Association.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report is a special purpose financial report that has been prepared to assist the Association to meet the requirements of the *Associations Incorporation Act 1991 (ACT)*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Association and should not be distributed to or used by parties other than the Association. Our opinion is not modified in respect of this matter.

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Responsibility of Management and the Committee for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Associations Incorporation Act 1991 (ACT)*, and is appropriate to meet the needs of the members. Management's responsibility also includes such internal control as Management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Committee is responsible for overseeing the Association's financial reporting process.

Auditor's Responsibility 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Luke Williams CA, CPA, Registered Company Auditor

Director

03/06/2024