FINANCIAL REPORT

2022/2023

Bravehearts

EDUCATE + EMPOWER + PROTECT

Bravehearts Foundation Limited

ABN 41496913890

Annual Report - 30 June 2023

Bravehearts Foundation Limited
Directors' report
30 June 2023

Your directors present this report, together with the financial statements, to the members of Bravehearts Foundation Limited for the year ended 30 June 2023.

Directors
The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

	Date Appointed	Date of Cessation	A	B
Vanessa Garrard	21/03/2018	-	9	10
Andrew Hay	19/10/2016	-	8	10
Gemma Cook	09/04/2010	-	10	10
Kelly Richards	29/08/2022	-	8	9
Robert Molhoek	19/06/2015	-	6	10
Cassandra Seery	01/10/2022	-	7	8
John Lane-Mullins (Company Secretary)	25/02/2022	31/05/2023	5	5
Sharon Palmer (Company Secretary)	31/05/2023	05/08/2023	3	3
Jane Albert (Company Secretary)	05/08/2023	-	2	2

A - Number of meetings attended during the year
B - Number of meetings held during the time the director held office during the year

Information on directors

Name:	Vanessa Garrard
Title:	Chair
Experience and expertise:	Vanessa is an experienced entrepreneur & non-executive director.

She has experience in establishing, scaling and growing companies across Australia, United States, New Zealand, UK, Europe, China & Hong Kong and has led teams across 8 countries. She has founded 17 companies over the past 25+ years and understands the highs & lows that come with founding, scaling, raising capital and exiting companies.

She has successfully raised over $200mill in capital, acquired & sold her companies, representing over $1billion in annual revenues. Products designed by her teams can be found in over 10,000 retail stores globally covering more than 30 product categories, producing millions of products each year.

She now sits on 5 boards and is the Chair of 4 of those which include fast growth SAAS Businesses. Vanessa’s passion for business and commercialising products has seen her ranked in Australia’s Top 30 Female Entrepreneurs list 5 years running and she was named EY Entrepreneur Of The Year for Industry, Telstra “Young Businesswoman of the Year” for Qld, and more recently, Vanessa was named in the Australian Financial Review’s 100 Women of Influence.

With over 25 years’ experience in building companies, Vanessa understands what it takes to build and grow a global business and is passionate about helping other Entrepreneurs scale and grow their businesses.

Name:	Andrew George Hay
Title:	Deputy Chair
Qualifications:	Bachelor of Commerce, Bachelor of Laws and Graduate Diploma, Applied Finance and Investment
Experience and expertise:	With over 30 years' experience as a corporate lawyer, Andrew has advised many of Australia's leading companies in corporate governance and the formal application of ethical standards. He brings a high skill level of corporate professionalism that complements Bravehearts' leadership team. Andrew is well connected in the domestic and Japanese business communities after spending several years practising in Tokyo; he currently leads top tier law firm, Clayton Utz's Japan practice group nationally and is the Immediate Past President of the Australia-Japan Society (Queensland) Inc. He is a trusted advisor to many leading Japanese and Australian companies. Andrew also heads the corporate advisory team for Clayton Utz in Brisbane and the Agribusiness group nationally. Andrew is deeply passionate when it comes to engaging those within our society that need assistance. This is evident from his long involvement in programs and organisations that provide community care such as his current role as Chairman of the Adam Scott Foundation, which provides life opportunities for Australian youth, and his previous trustee role with the Children's Cancer Institute. Andrew is also the Honorary Consul General for Austria in Queensland and a Board member of the University of Queensland Rugby Football Club.
Name:	Gemma Cook
Title:	Treasurer
Qualifications:	Bachelor of Commerce, Graduate Diploma of Chartered Accounting
Experience and expertise:	Gemma Cook started her career in business advisory services and has over 20 years' experience assisting businesses and their owners achieve their business and personal financial goals. She has recently had a shift in her career to work as Chief Financial Officer of MCC Group – a growing mining, construction, and maintenance group of companies. Gemma works closely with the director, board of advisers, and key management team to drive the strategic and financial direction of the business. She has been on the Bravehearts board since 2010.
Name:	Kelly Richards
Title:	Director
Qualifications:	PhD and Bachelor (First Class Honours) in Criminology, Graduate Certificate in Academic Practice
Experience and expertise:	Dr Kelly Richards is Associate Professor of criminology in the School of Justice at Queensland University of Technology. She holds a PhD from Western Sydney University and is an accomplished criminological researcher, having previously held a senior research position at the Australian Institute of Criminology. Kelly's research focuses on better understanding and responding to both victim/survivors and perpetrators of sexual violence. She has led numerous funded research grants and published widely on this and other related topics. In 2010 she was awarded the ACT Government Office for Women Audrey Fagan Churchill Fellowship, and in 2020 she was named a Senior Fulbright Scholar. Kelly established and Chairs the After Prison Network (Queensland) and is a Committee Member of Restorative Practices International (Queensland branch). In her spare time she enjoys hiking, dance and pub trivia.

Name:	Robert Molhoek
Title:	Director
Qualifications:	Queensland State Member
Experience and expertise:	Elected in 2012, Rob is the State Member for Southport, Deputy Chair of the Queensland Parliamentary Health & Environment Committee, Assistant Shadow Minister for Families, Seniors, Mental Health, Drug and Alcohol Treatment and Co-chair of the Parliamentary Friends of First Nations. His previous public service roles include Assistant Minister for Child Safety, Assistant Minister for Planning & Development, Shadow Minister for Housing & Public Works, Gold Coast City Councillor & Chair of Finance & Internal Services, Deputy Chair of Transportation, Public Works and Utilities Committees and Chief Opposition Whip. He lives on the Gold Coast not far from where he grew up in Southport. He has four sons. Rob has worked in government, retail, broadcasting, media, wholesaling, entertainment, sport, and development. Elected to Gold Coast City Council in 2004, he chaired the Finance & Internal Services Committee overseeing the city’s finances, human resources, capital works, infrastructure planning & development. Rob has a passion for community service, he has been involved with Bravehearts for almost a decade. He was the founding Chairman of the Gold Coast Community Fund and a foundation Director of the Gold Coast NRL Titans. He has also served on many other community boards and maintains a keen interest in Community Radio. Between his commitments to Southport and his portfolio responsibilities, he spends any spare time with his family, surfing, learning Mandarin and enjoying the enviable Gold Coast lifestyle.
Name:	Cassandra Seery
Title:	Director
Qualifications:	Bachelor of Arts (Distinction), Bachelor of Laws (Hons), Graduate Diploma of Legal Practice
Experience and expertise:	Cassandra Seery is a legal academic, researcher and public policy professional, specialising in First Nations’ Justice and Children’s Rights. She is currently based at Melbourne Law School, having previously worked as a Lecturer in Law and Indigenous Knowledges at Deakin University where she was a national finalist for Academic of the Year in 2018, 2019 and 2021 and a recipient of the 2018 Vice Chancellor’s Award for Innovation. Cassandra previously worked in the Victorian Public Service, leading key programs across Aboriginal Social & Wellbeing, Aboriginal self-determination, family violence and vulnerable children. An experienced leader, strategist and advocate, Cassandra joined the Bravehearts National Board in 2022 and serves as Deputy Chair on Amnesty International Australia’s National Board. She is a Graduate Member of the Australian Institute of Company Directors and holds a Bachelor of Arts (Dist) / Bachelor of Laws (Hons) from Deakin University, a Graduate Diploma of Legal Practice from Leo Cussen Centre for Law, and a Master of Laws (specialising in international and human rights law) from the University of Melbourne.

Name:	Jane Albert
Title:	Company Secretary
Qualifications:	Bachelor of Commerce, Bachelor of Business/Law
Experience and expertise:	Jane Albert is a trusted in-house lawyer with a practical and commercial approach. Jane worked with Australian Red Cross and Carsales.com for many years before moving into the new law style of practice with leading legal innovators Lexvoco and more recently, Aspen Legal. This saw Jane working with Airbnb, Australia Post, University of Sydney, PPG Taubmans and RMIT, among others and permitted her the flexibility to drop the suit and take periodic sabbaticals. Jane brings her legal advisory experience along with her ability to sit in the discomfort and look for the possibility in difficult situations. She has a lived experience of the healing power of community, creative expression, and a deep connectedness with nature. Jane joined Bravehearts because it too values safety, information, support, and bodily autonomy for all. Jane holds a Bachelor of Laws and Bachelor of Commerce from the University of Melbourne and lives in Muloobinba/Newcastle.

Objectives and strategy

The Company's mission is to provide a co-ordinated and holistic approach to the prevention and treatment of child sexual abuse.

The Company's vision is for a world where people, communities and systems all work together to protect children from sexual abuse.
For over 25 years, Bravehearts has been making a positive difference in child protection using the 3 Piers to Prevention:
> Educate
> Empower
> Protect

Bravehearts has been actively contributing to the provision of child sexual abuse services through the nation since 1997. Bravehearts is a registered charity specifically and holistically dedicated to addressing this issue in Australia, Bravehearts exists to protect Australian children against sexual harm. All activities fall under the 3 piers.

Our activities include but are not limited to:

Educate:
- ‘Ditto's Keep Safe Adventure Program’, presented to both Early Learning Centres and Lower Primary schools (aged 3-8), included a personal safety program (eSafety).
- 3 separate programs including resources linked to the Early Years Learning Framework and Australian Curriculum, including assessment materials.
- Digital resources via our Learning Management System (LMS) to support learning including songs and printable materials.
- Online Adult training courses via our LMS.
- Coming soon:
    - Recently recorded Ditto Show, Digital Ditto to be launched
    - Leadership and Boarding House courses
    - ProjectMe! (Years 3-4 and Years 5-6) and
    - ProjectYou! (Years 7-8 and Years 9-10)

Empower
- Specialist advocacy support services for survivors and victims of child sexual assault and their families including a specialist supported child sexual assault 1800 crisis line.
- Tiered Child sexual assault awareness, support and response training and risk management policy and procedure training and services for all sectors in the community.
- Early intervention program for young people engaging in, or at risk of engaging in, harmful sexual behaviours (Turning Corners Program)
- Specialist child sexual assault counselling is available to all children, adults and their non-offending family support.

Protect
- Alternative reporting schemes including, Sexual Assault Disclosure Scheme (assisting with the reporting of historical child sexual assault offences) and Join the Dots (supporting young people report concerning online behaviour)
- Policy and Legislative Reform (Online and Offline) - collaboration with State Government departments and agencies.
- Collaboration with State Government departments and agencies.

Principal activities
During the financial year the principal continuing activities of the company consisted of:
- Provision of Education programs to children and young people aged 3 – 17 years of age utilising incursion programs and online learning platforms.
- Delivery of Counselling services both face to face and via telephone counselling
- Provision of Training via face to face and online learning platforms.
- Providing Risk Management Assessments and delivering associated training and education programs to mitigate the risk.
- Provision of Advocacy Support through our Case Management team to support clients and families wanting support in a range of life domains.
- Increasing community awareness via our major campaigns and utilising all forms of media including our social media platforms.

Performance measures
The directors use performance measures to assess the financial sustainability of the company, whether the company's short-term and long term objectives are being achieved and:

> To assess the output performance of service activities
> To assess relative amounts of company expenditure applied to service activities
> To assess the various sources that revenue is derived from

The performance against these key performance indicators is as follows:

	2023 Actual	2022 Actual
Proportion of revenue provided by:		
• Grants	57%	62%
• Community donations & fundraising	29%	21%
• Service Fees	12%	16%
• Other Income	2%	1%
Proportion of expenditure spent on:		
• Education	24%	26%
• Empowerment	47%	49%
• Protection	3%	3%
• Awareness & fundraising	11%	13%
• Enabling	15%	10%
Education Programme:		
• Number of children attended Ditto show	113,663	101,826
• Cumulative number of children attended Ditto show	1,367,081	1,253,418
• Number of schools Ditto show visited	1,840	1,432
Therapeutic Services:		
• Sessions delivered	4,149	4,684
Child Protection Training:		
• Clients engaged in facilitated workshops	1,450	1,815
• Clients engaged in online courses	4,303	5,500
Case Management:		
• Number of clients	717	703
Intake and Support Line:		
• Number of enquires (incl calls, emails, website and social media referrals)	7,331	4,522
Research, Policy and Lobbying:		
• Submissions to Inquiries and Reviews	12	14

Subsequent events
There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Indemnification of officers and auditors
During the financial year, the company paid a premium in respect of a contract insuring the directors of the company (as named above), the company secretary, and all executive officers of the company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the company against a liability incurred as an officer.

Members Guarantee
The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the company. At 30 June 2023 the total amount that members of the company were liable to contribute if the company was wound up was $20.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

V Garrard

Vanessa Garrard - Chair

30 October 2023
Gold Coast

BRAVEHEARTS FOUNDATION LIMITED
ABN 41 496 913 890

AUDITOR'S INDEPENDENCE DECLARATION UNDER
THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO THE DIRECTORS OF BRAVEHEARTS FOUNDATION LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

i. the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

George Georgiou FCA
Managing Director
Connect National Audit Pty Ltd
Authorised Audit Company No. 521888

Dated this 30th day of October 2023

General information

The financial statements cover Bravehearts Foundation Limited as an individual entity. The financial statements are presented in Australian dollars, which is Bravehearts Foundation Limited's functional and presentation currency.

Bravehearts Foundation Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office	**Principal place of business**
9 Byth Street, Arundel, QLD, 4214	9 Byth Street, Arundel, QLD, 4214

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 October 2023. The directors have the power to amend and reissue the financial statements.

Bravehearts Foundation Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue	3	9,193,893	8,434,232
Other income		135,289	(72,472)
Interest revenue calculated using the effective interest method		4,258	644
Expenses			
Accounting, audit & legal fees	4	(160,151)	(29,887)
Contractor and consultancy fees		(208,078)	(218,655)
Interest expense		(28,617)	(1,792)
Motor vehicle expense		(94,035)	(104,230)
Rental expense		(46,148)	(49,455)
Staff training and recruitment expense		(139,394)	(80,234)
Sundry expenses		(959,753)	(983,088)
Technology and communication expenses		(247,893)	(233,015)
Travel and accommodation expenses		(179,292)	(125,892)
Utilities		(43,713)	(60,813)
Employee benefits expense		(6,559,276)	(6,055,649)
Depreciation and amortisation expense		(366,398)	(331,052)
Cost of sales		(127,526)	(69,643)
Surplus before income tax expense		173,166	18,999
Income tax expense		-	-
Surplus after income tax expense for the year attributable to the members of Bravehearts Foundation Limited	18	173,166	18,999
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the members of Bravehearts Foundation Limited		173,166	18,999

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Bravehearts Foundation Limited
Statement of financial position
As at 30 June 2023

	Note	2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	5	2,425,338	2,713,727
Trade and other receivables	6	270,792	632,384
Non-Current Asset Held For Sale	7	1,183,711	-
Other	8	325,462	233,703
		4,205,303	3,579,814
Inventories	9	45,077	76,899
Total current assets		4,250,380	3,656,713
Non-current assets			
Financial assets at fair value through other comprehensive income	10	1,368,695	1,196,826
Property, plant and equipment	11	2,377,526	2,912,035
Intangibles	12	21,334	-
Total non-current assets		3,767,555	4,108,861
Total assets		8,017,935	7,765,574
Liabilities			
Current liabilities			
Trade and other payables	13	2,759,013	2,598,640
Lease liabilities	14	96,333	96,727
Employee benefits	15	347,587	379,837
Total current liabilities		3,202,933	3,075,204
Non-current liabilities			
Borrowings		250,000	250,000
Lease liabilities	16	201,075	301,015
Employee benefits	17	107,479	56,073
Total non-current liabilities		558,554	607,088
Total liabilities		3,761,487	3,682,292
Net assets		4,256,448	4,083,282
Equity			
Retained surpluses	18	4,256,448	4,083,282
Total equity		4,256,448	4,083,282

The above statement of financial position should be read in conjunction with the accompanying notes

Bravehearts Foundation Limited
Statement of changes in equity
For the year ended 30 June 2023

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2021	-	-	4,064,283	4,064,283
Surplus after income tax expense for the year	-	-	18,999	18,999
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	18,999	18,999
Balance at 30 June 2022	-	-	4,083,282	4,083,282

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2022	-	-	4,083,282	4,083,282
Surplus after income tax expense for the year	-	-	173,166	173,166
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	173,166	173,166
Balance at 30 June 2023	-	-	4,256,448	4,256,448

The above statement of changes in equity should be read in conjunction with the accompanying notes

Bravehearts Foundation Limited
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Receipts from customers		1,411,528	746,951
Operating grants receipts		5,366,865	6,027,413
Receipts from sale of merchandise stock		261,537	374,331
Donations and fundraising received		2,662,534	1,788,652
Payments to suppliers and employees		(9,885,792)	(8,900,656)
		(183,328)	36,691
Distributions received		44,724	43,911
Interest received		4,258	644
Interest and other finance costs paid		(28,617)	(1,792)
Net cash from/(used in) operating activities		(162,963)	79,454
Cash flows from investing activities			
Payments for property, plant and equipment	11	(41,599)	(143,790)
Payments for intangibles	12	(88,895)	-
Payments of financial assets		(171,869)	(621,844)
Sale of financial assets		-	627,187
Proceeds from disposal of property, plant and equipment		277,271	90,730
Net cash used in investing activities		(25,092)	(47,717)
Cash flows from financing activities			
Repayment of lease liabilities		(100,334)	(176,046)
Net cash used in financing activities		(100,334)	(176,046)
Net decrease in cash and cash equivalents		(288,389)	(144,309)
Cash and cash equivalents at the beginning of the financial year		2,713,727	2,858,036
Cash and cash equivalents at the end of the financial year	5	2,425,338	2,713,727

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities
The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs.

Conceptual Framework for Financial Reporting (Conceptual Framework)
The company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

Basis of preparation
These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and Queensland legislation the Collections Act 1966 and associated regulations and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition
The company recognises revenue as follows:

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant, and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction, and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

Where Bravehearts Foundation Limited receives non-reciprocal contributions of assets from the government and other parties for no or nominal value these assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Note 1. Significant accounting policies (continued)

Interest
Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend Revenue
Dividend revenue is recognised when the right to receive a dividend has been established.

Sales & Service Revenue
Revenue from the rendering of a service and the sale of goods is recognised upon the delivery of the service/goods to customers.

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

Income tax
As the company is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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 six months or less. Barter and BBX dollar accounts are included in Cash and Cash Equivalents and valued at 75% and 50% of face value, respectively.

Accounts Receivable and Other Debtors
Accounts receivable and other debtors include amounts receivable from customers for goods sold and services rendered in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets,

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Inventories on Hand
Inventories are measured at the lower of cost and current replacement value.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

Note 1. Significant accounting policies (continued)

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, incurred, and except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and concessionary leases of low-value. Lease payments on these assets are expensed to profit or loss as incurred.

Note 1. Significant accounting policies (continued)

Financial Instruments
Initial Recognition and Measurement

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

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

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

Classification and Subsequent Measurement

(i) Financial Liabilities

Financial Liabilities are subsequently measured at:

- amortised cost; or

- fair value through profit or loss

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB3 applies;

- held for trading; or

- initially designated as at fair value through the profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- Incurred for the purpose of repurchasing or repaying in the near term;

- part of a portfolio where there is an actual pattern of shorter-term profit taking; or

- A derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

The change in fair value of the financial liability attributable to changes in the issuers credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses are taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Note 1. Significant accounting policies (continued)

(ii) Financial Asset
Financial assets are subsequently measured at:

- amortised cost;

- fair value through other comprehensive income; or

- fair value through profit and loss.

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and

- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and

- the contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and

- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

Bravehearts initially designates financial instruments as measured at their fair value through profit and loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measure assets of liabilities or recognising the gains and losses on them on different bases;

- it is in accordance with the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and

- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows other required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is an on-time option on initial classification and is irrevocable until the financial asset is derecognised.

Note 1. Significant accounting policies (continued)

(iii) Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the company made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with Braveheart's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

(i) Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled, or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or substantial modification to the terms of a financial liability, is treated as extinguishment of the existing liability and recognition of a new financial liability.

the difference between the carrying amount of the financial liability derecognised and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(ii) Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;

- all risks and rewards of ownership of the asset have been substantially transferred; and

- the company no longer controls the asset (i.e. has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised through profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in investments revaluation reserve is classified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is no reclassified to profit and loss, but is transferred to retained earnings.

Note 1. Significant accounting policies (continued)

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.”

Property, plant and equipment

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

Deprecation

The depreciable amount of all fixed assets including buildings, is depreciated on a straight-line basis over the asset's useful life to the company, 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%-10%
Motor Vehicles	12.50%
Plant and equipment	33.33%-40%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Property

Buildings are shown at their fair value at date of acquisition less subsequent depreciation.

Increases in the carry amount arising on revaluation of buildings is recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Buildings that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset, as assessed by the directors, at the date it is acquired.

Note 1. Significant accounting policies (continued)

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

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

Plant and equipment that have been contributed at no cost, or for nominal cost are valued at the fair value of the asset at the date it is acquired.

Intangible assets
Software
Software is record at cost. It has finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and three years. It is assessed annually for impairment.

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

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

Impairment of assets
At the end of each reporting period, the company reviews the carrying amounts of its assets to determine whether there is any indication that that an asset may be impaired. If such an indication exists, the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, is compared to the asset's carry amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

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

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

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

Accounts Payable and Other Payables
Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company 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.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee Provisions

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

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

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

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Economic Dependence
The company is dependent on the Department of Communities (Queensland) and the Department of Social Services (Family Support program) for a substantial amount of its revenue used to operate the business, together with various other grants and donations received from the community. At the date of this report, the Board has no reason to believe that the Departments and the community will not continue to support Bravehearts Foundation Limited.

Goods and Services Tax ('GST')
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the 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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Impairment
The company assess impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Employee benefits provision
For the purpose of measurement, AASB119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Note 3. Revenue

	2023 $	2022 $
Revenue from contracts with customers		
Donations	2,367,486	1,519,488
Counselling Income	781	4,907
Education Income	416,841	227,187
Fundraising Income	295,048	269,164
Grant income - QLD Department of Families	1,946,003	1,611,159
Grant Income - Other Government	1,365,596	1,571,226
Grant Income - Community	782,057	896,530
Merchandise Sales	240,778	348,071
Grant Income - Redress	1,185,602	1,132,597
	8,600,192	7,580,329
Other revenue		
Consulting fees	407,832	761,711
Dividends	44,724	39,148
Other revenue	141,145	53,044
	593,701	853,903
Revenue	9,193,893	8,434,232

Note 4. Accounting, audit & legal fees

	2023 $	2022 $
Audit & Legal Expenses	160,151	29,887

Note 5. Current assets - cash and cash equivalents

	2023 $	2022 $
Cash at bank	2,425,338	2,713,727

Note 6. Current assets - trade and other receivables

	2023 $	2022 $
Trade receivables	270,792	632,384

Note 7. Current assets - Non-Current Asset Held For Sale

	2023 $	2022 $
Non-Current Asset Held For Sale	1,183,711	-

Note 8. Current assets - other

	2023 $	2022 $
Accrued revenue	-	4,763
Prepayments	285,392	188,290
Security deposits	40,070	40,650
	325,462	233,703

Note 9. Current assets - Inventories

	2023 $	2022 $
Inventories	45,077	76,899

Note 10. Non-current assets - financial assets at fair value through other comprehensive income

	2023 $	2022 $
Financial assets measured at fair value through other comprehensive income	1,368,695	1,196,826

Note 11. Non-current assets - property, plant and equipment

	2023 $	2022 $
Land and buildings - at independent valuation	2,467,877	2,467,877
Land and buildings - at cost	41,008	427,065
Less: Accumulated depreciation	(621,292)	(580,427)
	1,887,593	2,314,515
Plant and equipment - at cost	354,212	325,847
Less: Accumulated depreciation	(272,979)	(225,330)
	81,233	100,517
Motor vehicles - at cost	431,359	429,657
Less: Accumulated depreciation	(295,497)	(303,746)
	135,862	125,911
Right of use - offices	450,662	489,062
Less: Accumulated depreciation	(205,225)	(161,812)
	245,437	327,250
Right of use - computer equipment	82,203	82,203
Less: Accumulated depreciation	(54,802)	(38,361)
	27,401	43,842
	2,377,526	2,912,035

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Building $	Plant & Equipment $	Motor Vehicles $	ROU - Leased MV $	ROU - Offices $	ROU - Computer Equipment $	Total $
Balance at 1 July 2022	2,314,515	100,517	125,911	-	327,250	43,842	2,912,035
Additions	-	28,365	45,838	-	-	-	74,203
Classified as held for sale	(386,057)	-	-	-	-	-	(386,057)
Revaluation increments	-	-	-	-	(38,400)	-	(38,400)
Depreciation expense	(40,865)	(47,649)	(35,887)	-	(43,413)	(16,441)	(184,255)
Balance at 30 June 2023	1,887,593	81,233	135,862	-	245,437	27,401	2,377,526

Buildings are located at 9 Byth Street Arundel. The land is subleased from the Gold Coast City Council with significantly below market terms and conditions principally to enable it to further its objectives.

The company leases other office premises with a term of 5 years with an option to extend. The company leases other premises under agreements of less than 2 years.

The company has low value leases as outlined in note 1, these have been expensed through profit and loss as incurred.

The company has leased motor vehicles under finance lease agreements in the past. At the end of the lease the company may as its option, purchase the vehicles. The leased vehicles secure the obligations under the leases.

The company leases computer equipment with terms of 5 years.

Note 12. Non-current assets - intangibles

	2023 $	2022 $
Software - at cost	90,576	1,682
Less: Accumulated amortisation	(69,242)	(1,682)
	21,334	-

Note 13. Current liabilities - trade and other payables

	2023 $	2022 $
Trade payables	1,040,857	512,929
Unexpended grant income & deferred income	1,718,156	2,085,711
	2,759,013	2,598,640

Note 14. Current liabilities - lease liabilities

	2023 $	2022 $
Lease liability	96,333	96,727

Note 15. Current liabilities - employee benefits

	2023 $	2022 $
Annual leave	279,397	284,506
Long service leave	68,190	95,331
	347,587	379,837

Note 16. Non-current liabilities - lease liabilities

	2023 $	2022 $
Lease liability	201,075	301,015

Note 17. Non-current liabilities - employee benefits

	2023 $	2022 $
Long service leave	107,479	56,073

Note 18. Equity - retained surpluses

	2023 $	2022 $
Retained surpluses at the beginning of the financial year	4,083,282	4,064,283
Surplus after income tax expense for the year	173,166	18,999
Retained surpluses at the end of the financial year	4,256,448	4,083,282

Note 19. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2023 $	2022 $
Aggregate compensation	983,651	1,076,535

Note 20. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 19.

Transactions with related parties
The following transactions occurred with related parties:

	2023 $	2022 $
Payment for goods and services: Bravehearts previously entered into a tenancy agreement with Hetty Johnson for Springwood office in Brisbane, which expired in February 2022. Rent paid to Hetty during the current financial year was nil.	-	21,840

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 21. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Bravehearts Foundation Limited
Directors' declaration
30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012 and Queensland legislation the Collections Act 1966 and associated regulations, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

V Garrard

Vanessa Garrard - Chair

30 October 2023
Gold Coast

BRAVEHEARTS FOUNDATION LIMITED
ABN 41 496 913 890
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BRAVEHEARTS FOUNDATION LIMITED
(Page1 of 3)

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Bravehearts Foundation Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, except for the effects, if any, of the matters described in the Basis for Qualified Opinion Section of our report, the accompanying financial report of Bravehearts Foundation Limited has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

(a) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

Basis for Qualified Opinion

1. The audit report for the year ended 30 June 2022 was qualified. Accordingly, the comparative financial information and opening retained surplus amount carried forward should be read in conjunction with the 30 June 2022 financial report.

2. Donations (including those in-kind) and Fundraising are significant sources of revenue for Bravehearts Foundation Limited. Given the nature of these revenue sources, established controls over the collection of these receipts prior to entry into the financial records are limited. Accordingly, our audit procedures with respect to these revenue sources was restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion as to the completeness of donations of $2,367,486 and fundraising income of $295,048.

3. The building has been included in the financial statements as at 30 June 2023 at directors' valuation of $2,467,877 (refer note 11 to the financial statements). Whether this represents fair value is uncertain.

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 Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Economic Dependence

We draw attention to Note 1 (page 22) to the financial report which states that the company is dependent on the Department of Communities (Queensland) and the Department of Social Services (Family Support Program) for a substantial amount of its revenue used to operate the business, together with various other grants and donations received form the community. Our opinion is not modified in respect of this matter.

BRAVEHEARTS FOUNDATION LIMITED
ABN 41 496 913 890
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BRAVEHEARTS FOUNDATION LIMITED

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Bravehearts Foundation Limited for the year ended 30 June 2023, intended to be included on the Company's website. The Company's directors are responsible for the integrity of the Company's website. We have not been engaged to report on the integrity of the Company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the website.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and 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 the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company'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.

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, omitting, misstating or obscuring them, could reasonably be expected to influence the economic decisions of primary users taken on the basis of this financial report.

BRAVEHEARTS FOUNDATION LIMITED
ABN 41 496 913 890
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BRAVEHEARTS FOUNDATION LIMITED

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 controls.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 disclosure 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 company 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 transaction and events in a manner that achieves fair presentation.

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

Connect National Audit

Connect National Audit Pty Ltd
Authorised Audit Company No. 521888

George Georgiou FCA
Managing Director
Dated this 30th day of October 2023