

**Independent Audit Report
To the Members of Royal Australian Chemical Institute Inc.**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Audit Opinion

We have audited the accompanying financial report, being a general purpose financial report, of Royal Australian Chemical Institute ("the Association"), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and the Members declaration.

In our opinion, the financial report of the Association is in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

- a. giving a true and fair view of the Association's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-Profit Commission Act 2012*.

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 Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the independence requirements 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 *Associations Incorporation Reform Act 2012* and *Australian Charities and Not-for-Profit Commission Act 2012*, which has been given to the Association, would be in the same terms if given to the Board 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 audit opinion.

Responsibilities of the Members for the Financial Report

The Board of the Association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Association Incorporation Reform Act 2012* and *Australian Charities and Not-for-Profit Commission Act 2012* and for such internal control as they 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 Board are responsible for assessing the ability of the Association to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

**Independent Audit Report
To the Members of Royal Australian Chemical Institute Inc. (Cont'd)**

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 the financial report.

As part of an audit in accordance with the 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 the auditing 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 the Board use of the going concern basis of accounting and, based on the audit evidence obtained, determined whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Association to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Association audit. We remain solely responsible for our audit opinion.

We communicate with the Board regarding, amongst 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.

Stannards Accountants & Advisors

Stannards Accountants & Advisors



Michael B Shulman
Partner

Date: 17/9/2021