

Hello Sunday Morning Annual Report 2022-23



**We're changing the world's
relationship with alcohol.**

One Sunday at a time.

In the spirit of reconciliation, Hello Sunday Morning acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.



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MESSAGE FROM OUR CHAIR



As we reflect on the challenges and successes of the year, I am reminded that our journey is far more than a financial statement.

Like many NGOs we continued to feel the after effects of the pandemic years, but financial challenges are not the whole story. Hello Sunday Morning continued to make great progress in advancing our ambitious purpose: Changing the world's relationship with alcohol. One Sunday at a time.

Our Daybreak community continued to grow with over 11,000 new members and we continued to demonstrate our positive impact on the health of Australians.

The social harms and economic costs of alcohol in Australia are huge. Alcohol use costs Australians \$66.8 billion annually and causes more than 5000 deaths a year. Hello Sunday Morning plays a unique and critical role in earlier intervention to reduce those costs and harms and takes the pressure off the overburdened alcohol and other drug and mental health systems.

This year offered the opportunity for the Board to conduct a major strategic review supported by specialist advisory service, GoodWolf Partners. Their detailed analysis positions us for a future of greater effectiveness and impact.

We farewelled Andy Moore as CEO in February and transitioned to an interim arrangement with Board Director, Dr Nicole Lee, which was made permanent in July. We extend our thanks to Andy for his leadership of Hello Sunday Morning.

We were delighted to welcome Nicole to lead Hello Sunday Morning into the future. Nicole has served on the Board and as Chair of the Clinical Governance Committee since 2019.

She is a highly respected leader in the alcohol and other drug sector and brings to the role extensive clinical experience in alcohol intervention, as well as research and business experience, of more than 30 years. She has extensive experience in executive leadership in for-purpose and not for profit organisations.

Nicole's combination of sector knowledge, business acumen and strategic and change management experience will enable Hello Sunday Morning to embark on an important growth phase to expand our services and reach to more people across the country.

A handwritten signature in black ink, appearing to read 'John Rogerson'.

John Rogerson AO, GAICD
Board Chair

MESSAGE FROM OUR CEO



I am deeply honoured by the opportunity to lead Hello Sunday Morning into a new era of sustainable growth.

Like many non government services, Hello Sunday Morning is still experiencing the after effects of the many challenges over the past three years, but our commitment to the people and communities we serve has only grown.

Our annual report highlights some of the many projects, programs and partnerships that reflect this commitment to our mission to change the world's relationship with alcohol, one Sunday at a time.

My first hundred days ended as the financial year was coming to a close. During that time, we have focused our efforts on strengthening the implementation of our operational strategy and refining our internal business processes to position us for sustainable growth. We created a number of new positions to further our work. This was enabled by the wise guidance of the Board and the insights gained from the GoodWolf Partners review.

With the extraordinary financial support and encouragement of our funders we were able to maintain our work without disruption through uncertain times to help thousands of Australians change their relationship with alcohol. We are especially grateful to our major funders, particularly the Australian Government Department of Health, the Ian Potter Foundation and the nib foundation.

Our major initiative was the launch of the Alcohol and Wellbeing Self Assessment tool, funded by the nib foundation. Nearly 40,000 people took the assessment in its first 12 months.

I'm so grateful to the Hello Sunday Morning team, whose focus and dedication during the CEO transition phase helped us to achieve a substantial increase in funding for the upcoming financial year, allowing us to pursue newly identified flagship projects.

During the pandemic alcohol consumption in the community increased and I'm proud that the Hello Sunday Morning team was able to continue the great work we are known for, providing support for people who want to change their relationship with alcohol. Whether that is taking a break, cutting back or quitting.

Our impact data highlights the high number of women in their 40s and 50s who use our service, demonstrating the safe harbour that the Daybreak Community provides for a group that is under-represented in traditional treatment services. Our data also shows that Hello Sunday Morning continues to fulfil its traditional role providing secondary prevention and early intervention, taking pressure off an overburdened alcohol and other drug treatment system.

It is heart-warming to see Daybreak members maintaining such a welcoming positive non-judgemental environment for all. It's the reason why the Daybreak community is so successful. I especially thank some of our long-term members who have become champions of the community and mentors to many who are just starting out on their journey.

I'm excited to move into the new year in a great financial and operational position from which to grow.

A handwritten signature in dark ink, consisting of a stylized 'N' followed by a horizontal line and a small dot.

Dr Nicole Lee PhD GAICD
CEO/Managing Director

OUR YEAR IN A SNAPSHOT



11,193

new Daybreak
members



15,914

individual
Daybreak users



34,566

people completed the
alcohol and wellbeing
self assessment



31,790

average website users
per month



71,011

social media
followers



73,555

newsletter
subscribers



6,309,144

views on
social media



122,314

interactions on
social media

ABOUT HELLO SUNDAY MORNING

Our beginnings

Hello Sunday Morning was born in 2009 when founder, Chris Raine undertook a year-long experiment to quit drinking.

A nightclub promoter at the time, Chris blogged about the challenges and successes of this experiment when he woke up hangover-free every Sunday Morning, signing off with “Hello, Sunday Morning!”

As the blog gathered more and more followers, ‘Hello Sunday Morning’ grew into a community of nearly 130,000 likeminded people supporting each other on their journey of change and became Daybreak.

Hello Sunday Morning is now Australia’s largest alcohol-focused online support community and has expanded its offerings to provide a range of supports for anybody who wants to change their relationship with alcohol.



WHY WE DO WHAT WE DO

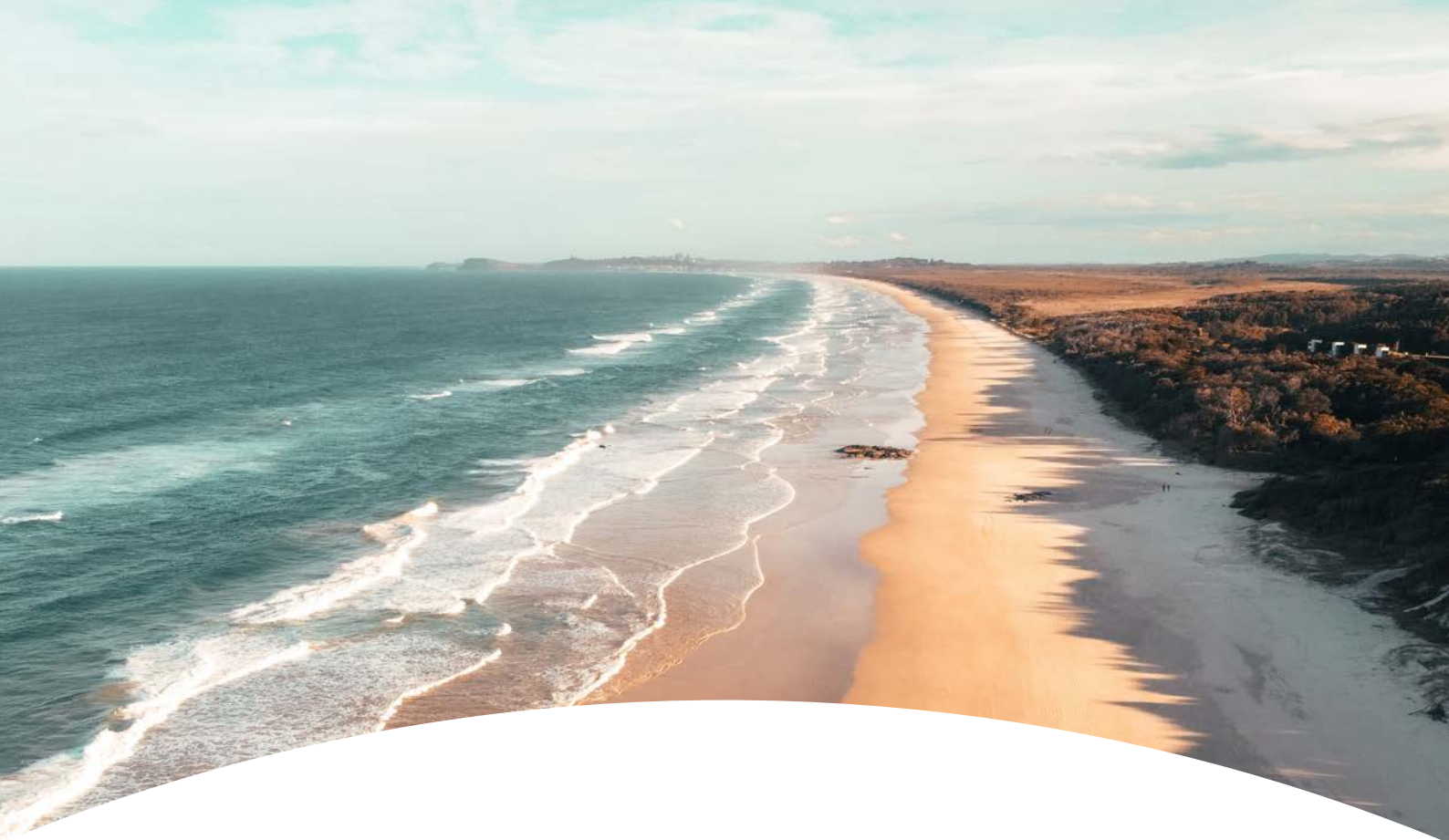
39%
of Australians
drink at risky
levels

Regular drinkers
**increase their
risk of dying
by 43%**
and shorten their
life by nearly
7 years

There is less than
half the **publicly
funded
treatment
places needed**
to meet demand

**People in
regional areas**
are more likely to
become risky drinkers
but have less access
to help

Alcohol consumption
is reducing in some
groups but
**alcohol related
harms are
increasing**



At Hello Sunday Morning we know change can be hard but we believe that getting access to the right support should be easy. We are an established gateway to 24/7 support for anyone, anywhere in Australia. Our services are free and available to all Australians.

The spirit of self help and community support that started with Daybreak is at the core of everything we do. We know how entwined alcohol is in Australian society and how difficult it is for many people who want to make changes to do so easily and still be connected to community.

We know that not everyone who wants to change their drinking needs treatment and we aim to provide a range of evidence based supports for drinkers right along the spectrum from light to dependent to make the changes they want.

Wherever people are in the cycle of change, our challenge is to provide the right tools at the right time to enable them on their journey.

For some taking a break, cutting back or quitting alcohol is the first step to a healthier happier life. For others it is a necessity.

Everyone's journey is unique.

There are so many barriers to getting help: stigma, peer pressure, limited options, confidentiality and cost.

Our aim is to provide tools and resources for anyone who wants to change their relationship with alcohol, in an accessible, supportive and non-judgemental environment.

“
When I told my friends I was doing
FebFast they said 'See you in March'
”

Our values

Our core values support all our work, balancing an innovative can do mindset with empathy, respect and support:

Pioneering

We ambitiously innovate. We turn good ideas into reality through strategic risk-taking, a future-focus and courageous action. We 'fail forward' and see this as learning, and we leverage our learning to help us to work smarter and achieve more.

Empathic

We cultivate awareness. We strive towards greater understanding of ourselves and our membership. Empathy and self-reflection are a daily practice for us as we continuously consider our impact on each other and the community we support.

Authenticity

We adapt to opportunities and challenges in a way that draws upon consistent core values but that considers the impact on self and others. We cultivate and encourage self-reflection so that through knowing ourselves, we can continue to grow both individually and collectively.

Respectful

We provide care with dignity. We protect, honour and respect our community and acknowledge their value, autonomy and worthiness. We believe that everyone has the right to health and wellbeing and we are deliberately just, non-judgemental and inclusive in all that we do.

Supportive

We believe in everyday kindness. We serve our membership with compassion and we create better outcomes by willingly helping and supporting our members and each other.



OUR BOARD OF DIRECTORS

Throughout 2022-2023, the Hello Sunday Morning Board leveraged its expertise across a range of disciplines and skills, and decades of experience in both commercial and not-for-profit organisations.

Directors are elected for a term of three years and may be reappointed for a maximum of two additional terms for a total period of not more than nine years.

Board meetings are held every 2 months. The Executive team also attend Board meetings. The Board also invites contributions from independent experts and key stakeholders to contribute to the development of the Board as required.

There are three Board subcommittees: Finance, Risk and Audit Committee, Clinical Governance Committee, and Nominations Committee.

During 2022-2023, Hello Sunday Morning had six Non-Executive Directors and the Chair. As set out in the Constitution, the Board must comprise not less than three and not more than twelve Directors.



John Rogerson AO, GAICD

Board Chair, Member of Risk & Audit Committee Chairperson (appointed 08/10/2018)

John Rogerson has 30 years' experience in the alcohol and other drugs field. He was previously the Chief Executive of the Alcohol and Drug Foundation (ADF) for 10 years and held a number of other positions at the ADF including Director of Good Sports. He has been a member of key advisory groups, including the Australian National Advisory Council on Alcohol and Drugs, National Alliance for Action on Alcohol, International Drug Policy Consortium and the Liquor Control Advisory Council (Victoria). He is also Board Chair of the WellSpring Centre.



Dr Nicole Lee PhD GAICD

CEO/Managing Director (appointed 10/12/2019)

Nicole is a psychologist with 33 years clinical, research and teaching experience in the alcohol and other drug and mental health sectors. She served for 3.5 years as Non Executive Director at Hello Sunday Morning and Chair of the Clinical Governance Committee before becoming Interim CEO in March 2023 and then CEO in July 2023. She is Adjunct Professor at the National Drug Research Institute, Curtin University, a member of the Australian National Advisory Council on Alcohol and other Drugs (ANACAD), Board Member at The Loop Australia and Fellow of the Australian Association for Cognitive and Behaviour Therapy (AACBT). She is also Founder and CEO at leading alcohol and other drug specialist consultancy, 360Edge. Prior to 360Edge she was Head of Research at Turning Point, Eastern Health.



Ishtar Vij, GAICD

Director (appointed 18/02/2019)

Ishtar Vij is a public policy and government affairs practitioner who has held senior roles in public policy, government relations and law in private firms and global ICT player. She advises on strategy and advocates across a broad range of policy areas including media, communications, privacy, security, copyright and technology policy. She has a practical understanding of brand and reputation in competitive markets. Ishtar is currently Director of Public Policy and Government Affairs for Google in Australia and New Zealand. She is also on the board of Next Wave Festival and a Graduate of the Australian Institute of Company Directors



Anna Cullinane, GAICD

Director, Chair of Finance, Audit & Risk Committee (appointed 28/10/2019)

Anna is Head of Finance at the Butterfly Foundation. She is an experienced finance professional with a passion for the whole of self mental and physical health as a means of taking on life's challenges. She has over 20 years of experience across a breadth of company sectors holding senior financial and operational roles in established multinational firms and start-up enterprises in Europe, the Middle East / North Africa and Australia and more recently as Head of Finance at a health technology start-up in Sydney. As a Fellow of the Institute of Chartered Accountants of England and Wales and a Graduate of the Australian Institute of Company Directors Anna has extensive experience around governance and fit for purpose systems and processes and providing strategic advice to senior leadership teams and Boards.



Fred Hersch

Director (appointed 15/06/2021)

Fred is a Product Manager in the Health and Innovation team at Google Health, with expertise in open source tools for mobile first healthcare systems and ways to use AI to improve access to care. He has previously held positions a software engineer, clinical doctor, public health specialist and academic. He has extensive experience in tech start-ups, clinical medicine, global health research and digital health.



Dhanesh Singh

Director, Member of Risk & Audit Committee (appointed 14/12/2022)

Dhanesh is a Risk and Governance Professional with 30+ years of experience in Risk Management and Regulatory Compliance across multiple countries. She has worked across major international Banks throughout her career managing risks, designing efficient and cost-effective processes, addressing regulatory issues, and providing overall assurance and governance. Dhanesh is passionate about the not for profit sector and supports several organisations to identify, manage and monitor ongoing and emerging risks to support their ultimate objectives.



Anthony Graham

Director (appointed 29/07/2016, resigned 21/07/2022)

Tony joined Macquarie Group in 1998 and is Head of Design, Digital and Engineering in the Banking & Financial Services Group which is responsible for retail banking, business banking, wealth management and motor vehicle leasing. Prior to joining Macquarie Tony spent ten years as an experienced IT Consultant with Accenture specialising in large technology change programs for large retail financial institutions and government departments. Tony is a member of the Executive Committee for Macquarie's Banking and Financial Services Group.

Kirsty Walker

Company secretary

Kirsty Walker was appointed 24 Aug 2021 and held the position throughout this financial year.

Our Patron in Chief

His Excellency General the Honourable David Hurley AC DSC (Ret'd) has been an incredible advocate for our work at Hello Sunday Morning and has been there for us over the years to help us have the biggest possible impact.

We are honoured to have Mr Hurley as our Patron-in-Chief.



“

No families are spared by the impact of alcohol, and in my intimate family and broader family, I've seen how it has damaged lives and held people back, and how difficult it is to get on top of it and to maintain an alcohol-free life for people who are alcoholics, and also how to control it.

”

*His Excellency General the Honourable
David Hurley AC DSC (Ret'd)*

OUR TEAM

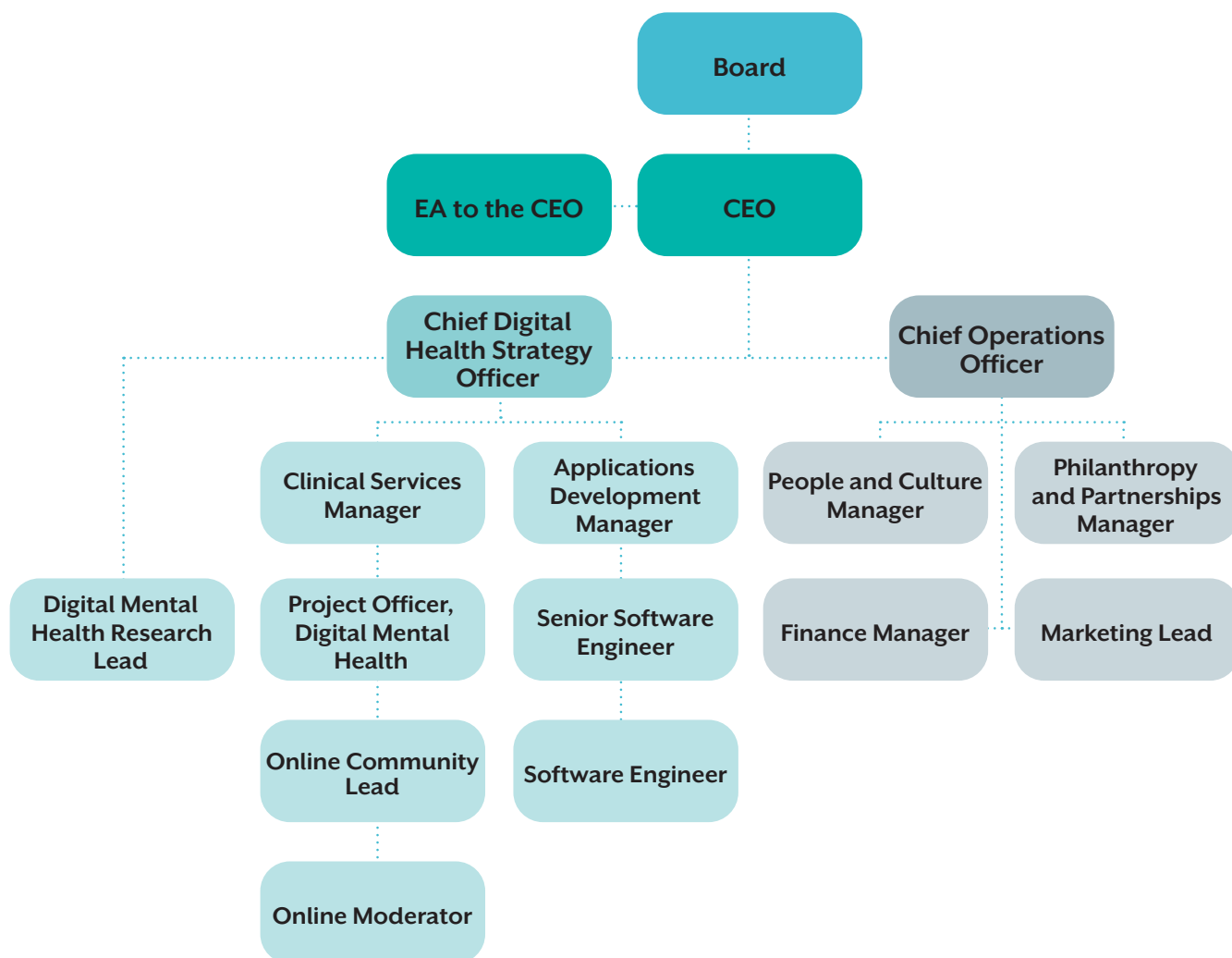
Behind every achievement in this annual report is the unwavering dedication of our exceptional team members.

The Hello Sunday Morning team's commitment reflects their belief in our mission. These passionate individuals are the driving force that propels our organisation forward, going above and beyond to ensure our goals are met with excellence.

Following an external review this year, Hello Sunday Morning appointed a new CEO and underwent a realignment of structure to better reflect our key areas

of work. The clinical services and technology teams were brought together under a single Chief Digital Health Strategy Officer and business support services were consolidated under a new position of Chief Operating Officer.

The second half of 2023 financial year focused on stabilising and rebuilding, with recruitment to vacant and newly created positions.





Our moderators are at the heart of Daybreak

One of the key differentiators at Hello Sunday Morning is our dedicated Daybreak moderator team. They carefully monitor the Daybreak Community for people who need that extra support to ensure that everyone is safe and getting the support they need.



Alyssa

Online Community Lead
and Psychology student



Chantal

Online Moderator
and Psychologist



Shefali

Online Moderator, Project
Manager and Social worker

“ I just want to take the opportunity to thank you and all of the moderators for being here. This app and the community it has fostered is absolutely incredible. Thank you ”



Consumer Advisory Committee

Our Consumer Advisory Committee provides the voice of lived and living experience in the development and delivery of Hello Sunday Morning’s programs and services. The committee aims to improve the quality, safety and relevance of our programs and services by bringing together consumer advocates of diverse backgrounds and experience.

This year we held our first lived experience webinar Q&A presented by some members of our Consumer Advisory Committee. More than 240 people watched live or later.



LIVE Q&A

HOW TO CHANGE YOUR RELATIONSHIP WITH ALCOHOL

Thinking about drinking less or taking a break from alcohol for Dry July? Join our lived experience panel for their top tips on what to expect and how to make the journey successful.

 Wednesday 28th June, 2023
 6.30 PM - 7.30 PM

100% ONLINE Live on Zoom

Register Now:
https://us06web.zoom.us/join/register?wn_sw5xPovSQPi-qVWu3WTi8g

THE PANEL LINEUP




SPEAKER 1
Rhys
Technology Advisor to Corporates and Governments




SPEAKER 2
Kathryn
Specialist alcohol and binge drinking coach



SPEAKER 3
Trish
Retired professional



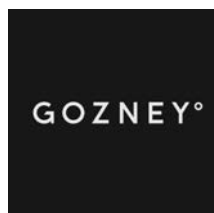
SPEAKER 4
Sarah
Counsellor



HOST
Dominique
Clinical Psychologist
Hello Sunday Morning

Our Supporters

We are grateful for the generous and ongoing support of our major funding partners and the many organisations and individuals who contribute to Hello Sunday Morning through grants and donations so we can continue our good work and be there 24/7 for all Australians.



Our Partners

This year we developed close partnerships with a number of like minded organisations, including Clean Slate Clinic, Sober in the Country, Smart Recovery and Turning Point, with the core aim of creating a seamless digital alcohol and other drug system. We are also a founding member of Alcohol Change Australia, a group of health and community organisations from across Australia working together to prevent and reduce alcohol harm among Australian individuals, families, and communities.



OUR STRATEGY

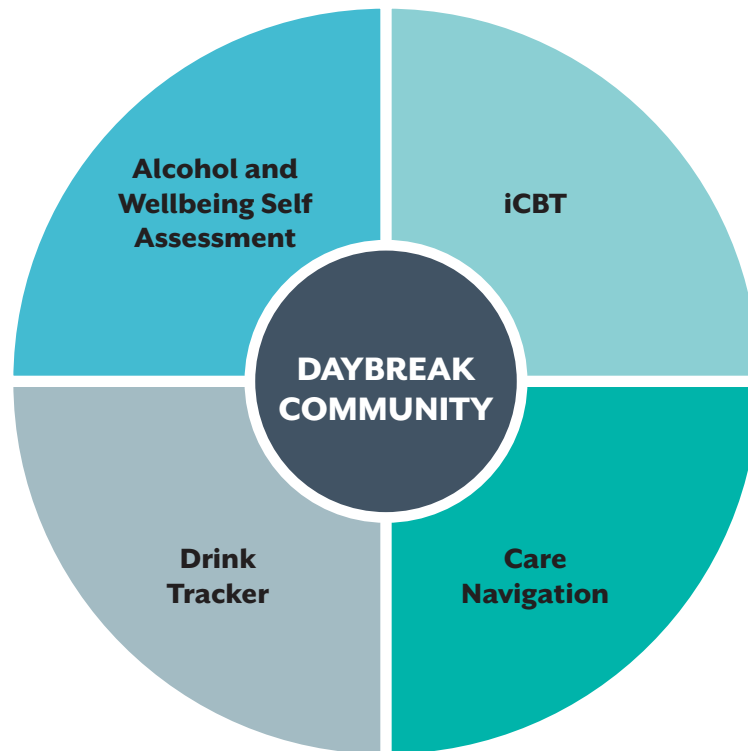
Our strategic pillars

Our current strategic plan is set against six key pillars each with core aims.



Our flagship programs

In addition to our core service, the Daybreak community, towards the end of 2022-2023 we used our strategic pillars as a base to create four flagship programs for development. The Alcohol and Wellbeing Self Assessment was launched early in 2023 with the generous support of the nib foundation. In July 2023 the nib foundation also provided support for two additional programs: the Drink Tracker, due to be launched later in 2023 and the iCBT program, a 6-session self directed treatment program, due to be piloted in 2024. Care navigation was put on hold this year, but will restart in 2024.



Our impact

We aim to create the greatest impact we can in the community to reduce alcohol related harms and support people to change their relationship with alcohol.





“

I'm coming up on 6 months alcohol free and it started with this app. I've been to doctors, psychologists – you name it. But here it's like-minded people just wanting to help you. Former and current alcohol dependent people helping each other through experience. 100% recommend. It stopped this decades long user, and it can you too, just use it often (especially in the early days of quitting). Always see a doctor if you are a heavy drinker going cold Turkey. I still use it to support others. Hope to see you there.

”

 **Daybreak**

DAYBREAK

Our digitally enabled platform, the Daybreak app, is the gateway to a free anonymous 24/7 peer support community for people wanting to change their relationship with alcohol, whether that is taking a break, cutting back or quitting.

Daybreak has had close to 130,000 registrations and between 4000-6000 active members in any month.

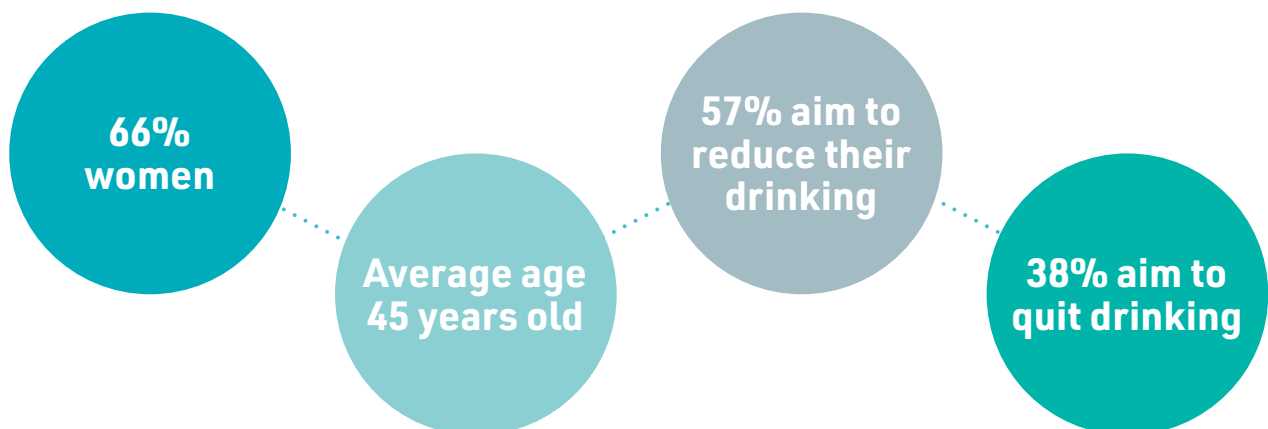
Funded by the Australian Government Department of Health, it is free to all Australians.

Daybreak provides a low threshold access point for people who want to take that important first step in changing their drinking.

It offers a safe, anonymous and non-judgemental online community for anyone that wants support from others who are going through their own journey. The peer-led community helps each other to reach their change goals.

A quasi-RCT evaluation of the Daybreak Community, by the National Drug Research Institute at Curtin University in 2015, showed that participation in the community produces a significant reduction in drinking and a significant improvement in wellbeing.

Participants reduced their alcohol consumption from an average of 37 standard drinks a week to 17 standard drinks a week and on average psychological distress reduced from mild/moderate to low.



Daybreak outcomes 2022-2023

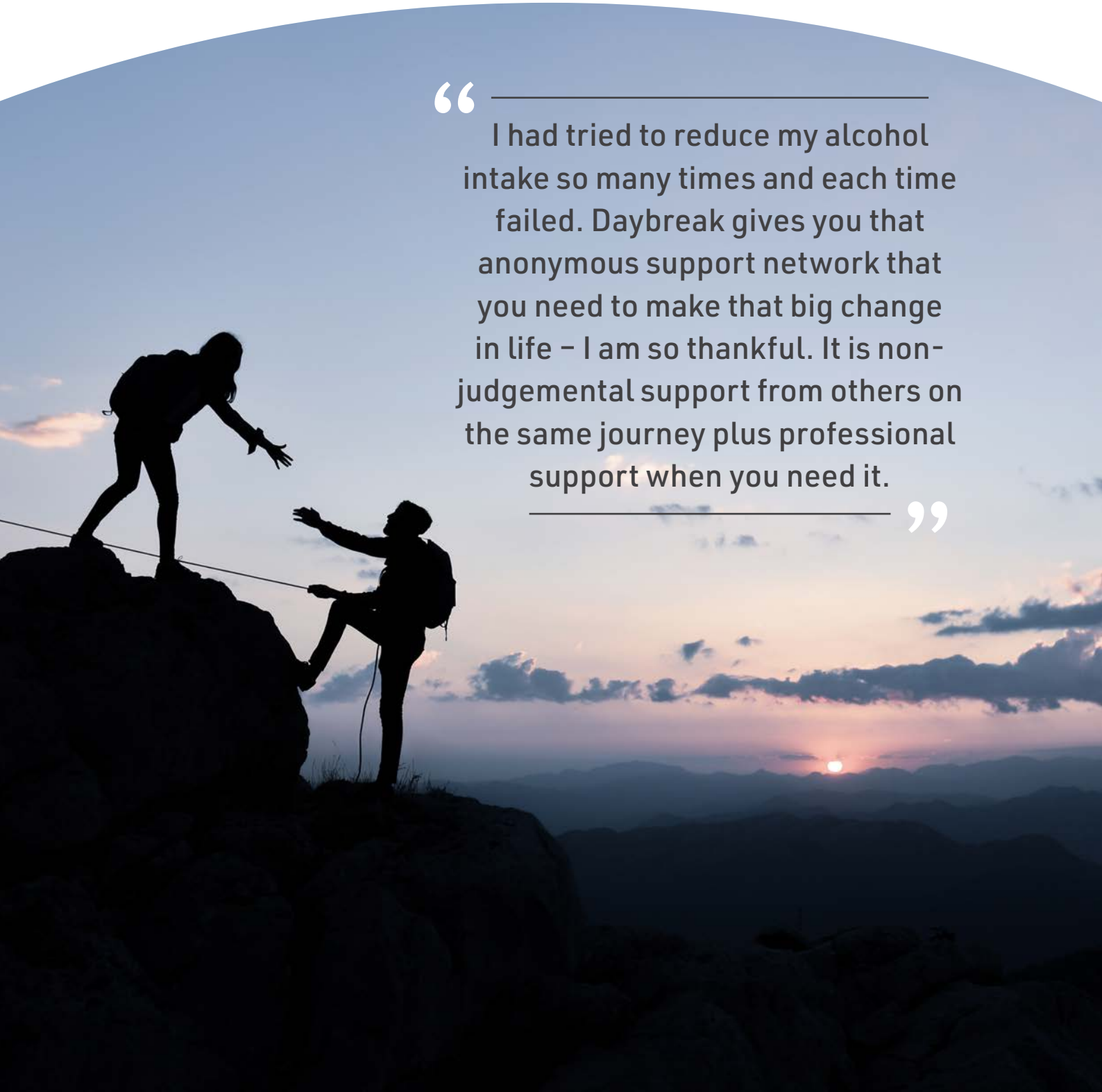
Alcohol use halved among participants after 8 weeks and psychological distress reduced significantly.

Daybreak Member Experience Survey 2022-2023

The Daybreak Member Experience survey helps us understand Daybreak members' attitudes, experiences and opinions, and to take the pulse of the community to drive continuous improvement.

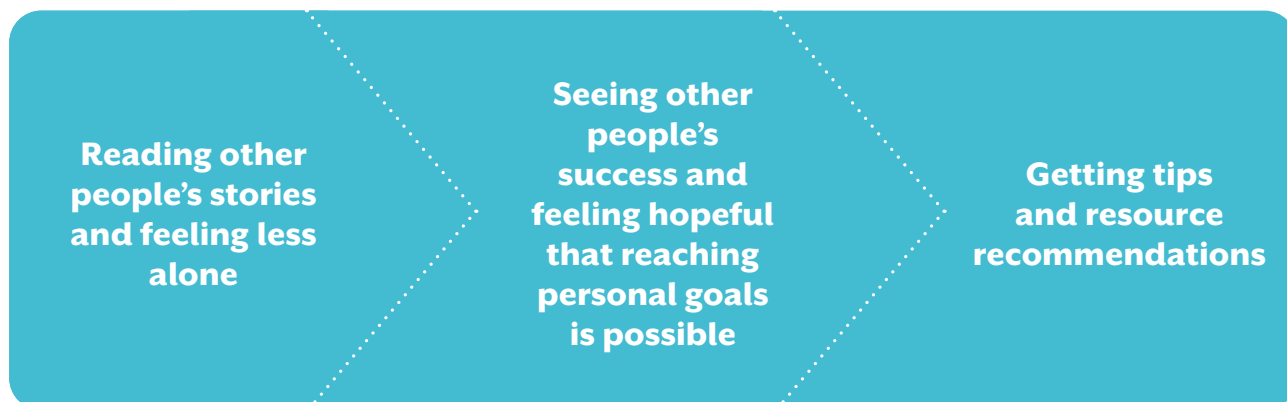
Sixty two percent had been part of the community for more than a year. Fifty seven percent accessed the Daybreak community at least once a day.

People joined the Daybreak community for many different reasons, including seeking information and emotional support from others sharing similar experiences.



“ I had tried to reduce my alcohol intake so many times and each time failed. Daybreak gives you that anonymous support network that you need to make that big change in life – I am so thankful. It is non-judgemental support from others on the same journey plus professional support when you need it. ”

What do people find most helpful about Daybreak?



“ The community in the app is so wonderful you just get swept up into it. I've been on and off the app for years. It's a wonderful thing that is helping people move away from alcohol and to be supported in their journey and know they are not alone. ”

How likely are they to recommend Daybreak?

The Daybreak community gets a 9 out of 10 for how likely people are to recommend to others.



“ Great app for finding support and sharing with complete anonymity. Would definitely recommend. ”

ALCOHOL AND WELLBEING SELF ASSESSMENT

The Alcohol and Wellbeing Self-Assessment is a quick and easy confidential online self-checker. During its first 12 months, more than 38,000 Australians completed the self assessment. People who complete the self assessment get an individual report that helps them understand their drinking habits, with links and recommendations for next steps.

Alcohol and wellbeing self assessment evaluation

Nearly 38,000 people used the Alcohol and Wellbeing Self-Assessment. Nearly 29,000 received their Personal Snapshot Report. We followed up a group of people after three months to ask them what they thought. We published the results in the Journal of Medical Internet Research Formative Research in 2023.

Key findings

- **80% were highly satisfied with the self assessment tool**
- **95.6% said it was easy to use**
- **People said they were extremely likely to recommend it to others**
- **There were significant positive changes in drinking and wellbeing after three-months***

* Fletcher K, et al., Preliminary Clinical Outcomes of the Hello Sunday Morning Alcohol and Wellbeing Self-Assessment: Feasibility and Acceptability Study Journal of Medical Internet Research Formative Research 2023;7:e48245.





THE MEMBER JOURNEY

Our member journey is a visual representation of how people on an alcohol change journey typically engage with HSM throughout their time with us. Understanding this journey helps us provide more targeted support and tools.

The HSM member journey tells us that there are several stages of a person's movement through change. The journey map shows some clear steps and interactions that create the member pathway or process of care.

Thank you to Pretzel Lab for their support of this project.



PROJECT OPTIMISE

Project Optimise used machine learning to help us better use our data to enhance the user experience and outcomes. It looked at 6.5 million recorded actions in the Daybreak app by 47,752 members to understand engagement patterns.

Thank you to Latitude Network for their assistance with this project.

Five key member segments

Short Stayers

57% of people were active for 5 days on average

High Potentials

25% were active for 17 days on average. They were more active than Hangers and posted sparingly

Hangers

9% were active for 13 days on average but didn't post very often

Regulars

8% were active for 53 days on average and moderately active

Super Users

1% were very active over a long period - 388 days on average and engaged and supported the community. Super Users tend to be women with a goal to quit alcohol.

Most people achieved their goals, even those that stayed for a short time. There was a difference in the number of days people in the different segments looked at the app, but once they were in the community, activity levels were similar across segments.

Hello Sunday Morning

Financial Statements

2022-23



DIRECTORS' REPORT

Operating and financial review

The financial result for the Company for the year ended 30 June 2023 was a loss of \$650,605 (2022: \$631,625). This was largely due to the recognition of revenue for a significant trust and foundation contract in the 2021 financial year, for which the associated expenditure was incurred this financial year.

Environmental regulation

The Company is not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

Events subsequent to reporting date

Since 30 June 2023, there have been no subsequent events requiring disclosure.

Likely developments

The Company will continue to operate as a provider of community support services.

Further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Indemnification and insurance of officers and auditors

The Company has agreed to indemnify any person who is or has been an officer or auditor of the Company against liability.

Insurance premiums

During the financial year the Company has paid premiums in respect of directors' and officers' liability and Professional Indemnity Insurance for the year ended 30 June 2023 and since the end of the financial year, the Company has paid, or will pay, premiums in respect of such insurance contracts for the year ending 30 June 2024. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Company.

The directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

Directors meetings

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

	Meetings attended	Meetings held during office
John Rogerson	6	6
Anthony Graham	1	1
Ishtar Vij	3	6
Anna Cullinane	3	4*
Dr Nicole Lee	5	6
Fred Hersch	4	6
Dhanesh Singh	3	4

*Leave of absence Between April and July 2023

Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 30 and forms part of the directors' report for financial year ended 30 June 2023.

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



John Rogerson, Director

Dated at Sydney this the day of 30 Jan 2024

LEAD AUDITOR'S INDEPENDENCE DECLARATION



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret Street
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF HELLO SUNDAY MORNING

As lead auditor of Hello Sunday Morning for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Clayton Eveleigh', is written over a light blue horizontal line.

Clayton Eveleigh
Director

BDO Audit Pty Ltd

Sydney, 30 January 2024

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023 (in AUD)

	Note	2023 \$	2022 \$
Revenue			
Government grants		1,554,877	1,495,101
Non-government grants		577,011	953,303
Service revenue		24,301	31,668
Donations and bequests		107,196	169,744
Other revenue	4	48,076	242,890
		2,311,461	2,892,706
Expenses			
IT & design expenses		(146,419)	(159,322)
Property expenses		(5,234)	(4,856)
Advertising expenses		(50,550)	(40,799)
Fundraising expenses		(337,362)	(621,569)
Personnel expenses	6	(2,011,629)	(2,249,731)
Depreciation expense	8, 13	(126,435)	(143,758)
Other expenses	5	(305,302)	(336,920)
		(2,982,931)	(3,556,955)
Loss from operating activities		(671,470)	(664,249)
Finance income		25,938	32,624
Finance expense		(5,073)	-
Net finance income	7	20,865	32,624
(Deficit)/surplus for the year		(650,605)	(631,625)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(650,605)	(631,625)

The notes on pages 35-46 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023 (in AUD)

	Note	2023 \$	2022 \$
Assets			
Cash and cash equivalents	10	2,210,089	3,090,815
Trade and other receivables	9	15,876	10,515
Prepayments		52,590	79,292
Right of Use Asset	13	-	113,514
Total current assets		2,278,555	3,294,136
Property, plant and equipment	8	11,388	25,776
Right of use asset	13		
Total non-current assets		11,388	25,776
Total assets		2,289,943	3,319,912
Liabilities			
Trade and other payables	12	159,309	273,692
Lease liabilities	13	-	129,997
Employee benefits	11	119,176	137,789
Deferred income		45,002	156,890
Total current liabilities		323,487	698,368
Employee benefits	11	22,745	27,227
Total non-current liabilities		22,745	27,227
Total liabilities		346,231	725,595
Net assets		1,943,712	2,594,317
Equity			
Accumulated surplus		1,943,712	2,594,317
Total equity		1,943,712	2,594,317

The notes on pages 35-46 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

As at 30 June 2023 (in AUD)

	Accumulated Surplus	Total
Balance at 1 July 2021	3,225,942	3,225,942
Total comprehensive losses for the year		
Loss for the year	(631,625)	(631,625)
Total comprehensive losses for the year	(631,625)	(631,625)
Balance at 30 June 2022	2,594,317	2,594,317
Balance at 1 July 2022	2,594,317	2,594,317
Total comprehensive losses for the year		
Loss for the year	(650,605)	(650,605)
Total comprehensive losses for the year	(650,605)	(650,605)
Balance at 30 June 2023	1,943,712	1,943,712

The notes on pages 35-46 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

As at 30 June 2023 (in AUD)

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Cash receipts in the course of operations		2,414,530	2,814,757
Cash payments in the course of operations		(3,193,441)	(3,647,494)
Cash generated from operations		(778,911)	(832,737)
Interest received		25,921	4,204
Government stimulus – COVID		0	242,890
Payment of interest on lease liabilities		(5,073)	(8,798)
Net cash flows from operating activities		(758,064)	(594,441)
Cash flows from investing activities			
Acquisition of property, plant and equipment		-	(17,061)
Net cash flows used in investing activities		-	(17,061)
Cash flows from financing activities			
Payments for lease liabilities		(122,662)	(139,518)
Net cash flows used in financing activities		(122,662)	(139,518)
Net decrease in cash and cash equivalents		(880,727)	(751,020)
Cash and cash equivalents at beginning of year		3,090,815	3,841,835
Cash and cash equivalents at end of year	10	2,210,089	3,090,815

The notes on pages 35-46 are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Reporting entity

Hello Sunday Morning (the 'Company') is an Australian Public Company Limited by Guarantee domiciled and incorporated in Australia. The address of the Company's registered office and principal place of business is 103 Alexander Street, Crows Nest NSW 2065

The Company is a not-for-profit entity, primarily involved in providing continuous and moderated Daybreak community access and support services, developing improved alcohol behaviour change-focused technology, and running awareness campaigns on digital platforms.

2. Basis of preparation

a) Statement of compliance

In the opinion of the directors the Company is not publicly accountable. The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures adopted by the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012.

The financial statements were approved by the Board of Directors on 30 Jan 2024.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis, unless otherwise stated.

c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Determining whether a grant contains enforceable and sufficiently specific obligations.

The interaction between AASB 15 and AASB 1058 requires management to assess whether the government grants and other funding received need to be accounted for under AASB 15 or AASB 1058. Key to this assessment is whether the government grants and other funding agreements contain:

- a contract with a customer that creates 'enforceable' rights and obligations, and
- the contract includes 'sufficiently specific' performance obligations.

Critical judgement was applied by management in assessing whether a promise is 'sufficiently specific', taking into account all facts and circumstances and any conditions specified in the arrangement (whether explicit or implicit) regarding the promised goods or services, including conditions regarding:

- the nature or type of the goods or services
- the cost or value of the goods or services
- the quantity of the goods or services
- the period over which the goods or services must be transferred.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

e) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As presented in the financial statements, the entity incurred a loss before comprehensive income of \$650,605 and had net cash outflows from operating activities of \$758,064 for the year ended 30 June 2023.

Notwithstanding these events and conditions, the Directors believe that the entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the improved position of the organisation including a significant grant received after year-end from the Department of Health.

3. Accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied by the Company.

a) Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method less any impairment losses.

Cash and cash equivalents comprise cash balances and term deposits with original maturities of twelve months or less.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

iii. Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company's financial assets are classified as trade and other receivables.

iv. Derecognition financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction. This transaction must substantially transfer all of the risks and rewards of ownership of the financial asset, or be a transaction in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership but does not retain control of the financial asset.

v. Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

b) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expenses" in profit or loss.

ii. Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is recognised in profit or loss on the basis noted below over the estimated useful lives of each part of an item of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The useful lives for the current and comparative periods are as follows:

	Useful life	Basis of depreciation
Computer software and hardware	3 years	Straight line
Office equipment	3 years	Straight line

c) Impairment

i. Financial assets

Non-derivative financial assets

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 365 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 1 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 365 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Company that generates cash inflows from continuing use that largely are independent of the cash flows of other assets and Companies.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (Company of units) on a pro rata basis.

d) Employee benefits

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

ii. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

iii. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

e) Revenue

i. Service revenue

Revenue from service agreements is recognised in the accounting period in which services are performed. In a fixed price contract revenue from the rendering of services is recognised in proportion to the stage completion of the work performed at the reporting date.

ii. Government and non-government grant revenue

Revenue from government grants received under enforceable agreements, where there are sufficiently specific performance obligations imposed, is deferred until the obligations are satisfied. Performance obligations are measured based on the entity's efforts to satisfy the performance obligations.

If the performance obligations are not sufficiently specific, revenue will be recognised upon receipt.

iii. Donations

For the purposes of the Charitable Fundraising (NSW) Act 1991, a fundraising appeal is where revenue is raised by a person who represents that it is for a charitable purpose. This excludes appeals made to any Commonwealth, State or local government authority. Hello Sunday Morning, in common with most organisations receiving fundraising contributions, is unable to establish absolute control over all voluntary donations, due to their nature, prior to their initial entry into the accounting records. Therefore, revenue from fundraising, including donations and bequests, is recognised when received or receivable.

f) Lease payments

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

g) Finance income and expenses

Finance expenses comprise of interest expense incurred. Finance income comprises of interest earned on cash and cash equivalents.

Foreign currency gains and losses are reported on a net basis as either finance income or finance expense depending on whether foreign currency movements are in a net gain or net loss position.

h) Income tax

The Company, as a charitable institution, has been granted an exemption from the payment of income tax under Section 50-145 of the Income Tax Assessment Act 1997.

i) Contract liabilities

Contract liabilities represent the entity's obligation to transfer services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the entity has transferred the services to the customers.

4. Other revenue (in AUD)

	2023 \$	2022 \$
Recovered expenses	48,076	29,330
Government stimulus - COVID	-	213,560
	48,076	242,890

5. Other expenses (in AUD)

	2023 \$	2022 \$
Travel and accommodation	13,179	10,299
Research	47,585	45,988
Strategy and development	101,542	28,481
Office supplies	3,733	3,697
Workers compensation	16,436	28,652
IT & design	7,747	13,719
Other expenses	115,080	206,084
	305,302	336,920

6. Personnel expenses (in AUD)

	2023 \$	2022 \$
Wages and salaries	1,843,775	2,023,682
Superannuation	190,949	206,842
Movements in liability for annual leave	(19,008)	4,909
Movements in liability for long-service leave	(4,087)	14,298
	2,011,629	2,249,731

7. Finance income and expense recognised in profit or loss (in AUD)

	2023 \$	2022 \$
Interest income	25,921	5,387
Net foreign exchange income / (loss)	17	(1,183)
Finance income	25,938	4,204
Interest expense	(5,073)	28,420
Finance expense	(5,073)	28,420
Net finance income recognized in profit or loss	20,865	32,624

8. Property, plant and equipment (in AUD)

	Computer software and hardware	Office equipment	Total
Cost			
Balance at 1 Jul 2021	79,265	38,724	117,989
Additions	18,441	-	18,441
Balance at 30 Jun 2022	97,706	38,724	136,430
Balance at 1 Jul 2022	97,706	8,724	136,430
Disposals	12,199	-	16,118
Balance at 30 Jun 2023	85,507	38,724	120,313
Depreciation and impairment losses			
Balance at 1 Jul 2021	57,624	36,570	94,194
Depreciation charge for the year	14,306	2,154	16,460
Balance at 30 Jun 2022	71,930	38,724	110,654
Balance at 1 Jul 2022	71,930	38,724	110,654
Depreciation charge for the year	2,188	-	2,188
Balance at 30 Jun 2023	74,118	38,724	112,842
Carrying amounts			
At 1 July 2022	25,776	-	25,776
At 30 Jun 2023	11,388	-	11,388

9. Trade and other receivables (in AUD)

	2023 \$	2022 \$
Trade debtors	-	5,265
GST receivable	11,035	1,654
Other receivable	4,840	3,595
	15,876	10,515

10. Cash and cash equivalents (in AUD)

	2023 \$	2022 \$
Cash at bank 2,160,089	2,160,089	1,050,925
Cash on hand	-	138
Term deposits	50,000	2,039,752
	2,210,089	3,090,815

11. Employee benefits (in AUD)

	2023 \$	2022 \$
Current		
Liability for annual leave	96,097	115,105
Liability for long-service leave	23,079	22,684
	119,176	137,789
Non-current		
Liability for long-service leave	22,745	27,227
	22,745	27,227

12. Trade and other payables (in AUD)

	2023 \$	2022 \$
Trade payables	96,986	152,105
Accrued Expenses	62,323	121,587
	159,309	273,692

13. Leases (in AUD)

Leases as lessee

The Company leased one asset of property. Information about the lease for which the Company is a lessee is presented below. The Lease ended 5 Jun 2023.

	2023 \$	2022 \$
Right of use assets (Building)		
Balance at 1 July	113,514	600,022
Reduction in right of use assets	(342)	(359,210)
Depreciation charge for the year	(113,172)	(127,298)
Balance at 30 June	-	113,514
Lease liabilities		
Current	-	129,997
Non-current	-	
	-	129,997
Amounts recognised in profit or loss		
Balance at 1 July	129,997	657,227
Reduction in lease liability	(129,997)	(130,196)
Adjustments due to revised lease term	-	(397,034)
Balance at 30 June	-	129,997

14. Related parties

Key management personnel compensation

The key management personnel compensation included in 'personnel expenses' (see note 6) for the year ended 30 June 2023 is \$478,664 (2022: \$394,923).

15. Subsequent events

Since 30 June 2023, no events have arisen that have a significant impact on the Company.

16. Member's liability

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the Company. As at 30 June 2023 the number of members was 5 (2022: 6).

17. Fundraising appeals

Hello Sunday Morning has conducted fundraising appeals during the past year. Fundraising appeals do not include an appeal to (or the receipt of money or a benefit from) any Commonwealth, State or local government authority.

Due to the nature of the fundraising appeals performed being through proposals, the direct costs of fundraising are mainly related to employee time. Fundraising employee cost is estimated to be \$303,703 (2022: \$396,371).

During the year, the Company achieved a net profit of \$346,845 (2022: \$501,478) from fundraising activities defined under the Charitable Fundraising Act. This surplus will be used to provide community development and support services.

18.Remuneration of auditors (in AUD)

During the financial year the following fees were paid or payable for services provided by BDO PTY LTD, the auditor of the company:

Audit Services – BDO Audit Pty Ltd	2023 \$	2022 \$
Audit of the financial statements	12,000	10,000

Directors’ declaration

In the opinion of the directors of Hello Sunday Morning (the “Company”):

- (a) the Company is not publicly accountable.
- (b) the financial statements and notes that are set out on pages 8 to 26, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (i) giving 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
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Regime and the Australian Charities and Not-for-profits Commission Regulation 2013.
- (c) 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 the directors.



John Rogerson, Director

Dated at Sydney this day of 30 Jan 2024



Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Level 11, 1 Margaret Street
Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Hello Sunday Morning

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hello Sunday Morning (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Hello Sunday Morning, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of 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 responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and 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. 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 opinion.

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Hello Sunday Morning's annual report, 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.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



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 on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity'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 website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

Clayton Eveleigh
Director

Sydney, 30 January 2024

 **Hello Sunday Morning**