

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

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UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
INCOME		
Government Grants		
FACS - Program Level Agreement	973,319.14	939,656.09
FACS - DVRE Funding	101,234.57	-
FACS - Housing Funding	25,767.27	-
	<u>1,100,320.98</u>	<u>939,656.09</u>
Paid Parental Leave	12,972.31	-
Trainee Subsidy	2,500.00	2,900.00
Interest Received	3,668.90	3,994.66
Insurance Recoveries	27,117.98	-
Rent from Residents	40,373.46	43,847.30
Sundry Income	5,550.90	2,423.79
Other Grants and Donations	17,313.69	33,792.85
Unexpended Grants Brought Forward - Non Government	18,542.62	30,179.44
Unexpended Grants Brought Forward - DVRE	74,621.18	150,166.83
	<u>1,302,982.02</u>	<u>1,206,960.96</u>
EXPENDITURE		
Advertising	280.57	1,416.31
Auditor's Remuneration	11,050.00	12,040.00
Bank Charges	1,016.13	984.37
Board & Staff Amenities & Welfare	2,689.02	5,109.04
Client Brokerage	51,825.20	74,190.91
Computer Running Expenses	14,655.59	11,569.09
Depreciation	21,741.36	24,745.00
Education & Promotion	3,931.16	2,696.00
Electricity	13,172.62	12,259.52
Fire Monitoring	4,897.06	6,476.67
Insurance & Security	26,183.87	24,619.49
Interest Paid	473.90	-
Linen, Crockery & Cutlery	3,630.83	575.93
Photocopier Rent	5,366.68	3,167.01
Motor Vehicle Expenses	12,665.30	13,206.34
Provision for Holiday and Long Service Leave	4,121.19	(620.10)
Provision for Sick Leave	(1,377.17)	2,937.12
Provision for Unused RDO's	11,703.39	1,449.26
Rent & Rates	77,293.16	52,271.02
Repairs & Maintenance	20,475.02	10,903.53
Resident Expenses	26,400.26	23,883.86
Stationery, Printing and Advertising	6,187.71	7,957.39
Staff Training & Welfare	14,404.54	-
Sundry Expenses	403.44	178.02
Superannuation Contributions	62,246.24	69,444.75
Support Groups	26,308.03	27,810.69

The accompanying notes form part of these financial statements.

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	2019 \$	2018 \$
Telephone	46,943.11	42,836.91
Travelling, Training and Conferences	5,334.17	6,017.07
Wages & Salaries	694,932.97	735,326.98
Unexpended Grants Carried Forward - DVRE	112,833.53	74,621.18
Unexpended Funds Non-Government Carried Forward - CBA	-	10,000.00
Unexpended Funds Non-Government Carried Forward - BHP Scope & Planning	-	950.00
Unexpended Funds Non-Government Carried Forward - Early Intervention Homeless	-	10,179.80
	<u>1,281,788.88</u>	<u>1,269,203.16</u>
SURPLUS/(LOSS) FOR THE YEAR	21,193.14	(62,242.20)
Retained Surplus at Beginning of Financial Year	<u>250,835.34</u>	<u>313,077.54</u>
RETAINED SURPLUS AT END OF FINANCIAL YEAR	<u>272,028.48</u>	<u>250,835.34</u>

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	2019	2018
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash on Hand	380.00	230.00
Visa Debit Card	223.90	327.79
CBA Online Saver Acc. 1080	-	338,525.54
CBA No 3 Acc. 4545	-	1,818.98
CBA No 1 Acc 9999	-	7,728.98
CBA No 2 Acc 0156	-	60,617.59
CBA Term Deposit Acc 0601	-	53,315.67
Westpac No. 1 Account	13,667.08	-
Westpac No. 2 Account	60,711.18	-
Westpac No. 3 Account	956.80	-
Sundry Debtors	1,520.04	5,195.13
Westpac No. 4 Account	1.75	-
Westpac Cash Reserve	469,172.25	-
Prepayments	1,049.62	14,346.82
TOTAL CURRENT ASSETS	547,682.62	482,106.50
NON CURRENT ASSETS		
Fixed Assets		
Leasehold Improvements	52,379.81	47,685.04
Less: Accumulated Depreciation	(33,347.04)	(31,806.04)
	19,032.77	15,879.00
Plant & Equipment - at Cost	59,030.45	59,030.45
Less: Accumulated Depreciation	(50,397.02)	(48,850.02)
	8,633.43	10,180.43
Motor Vehicles - at Cost	99,147.75	99,147.75
Less: Accumulated Depreciation	(77,059.00)	(69,800.00)
	22,088.75	29,347.75
Office Furniture & Equipment - at Cost	134,524.97	111,459.31
Less: Accumulated Depreciation	(101,380.19)	(92,347.83)
	33,144.78	19,111.48
Furniture & Fittings - at Cost	71,681.50	63,257.86
Less: Accumulated Depreciation	(54,394.25)	(52,065.25)
	17,287.25	11,192.61
4-6 Equipment	3,622.30	3,622.30
Less: Accumulated Depreciation	(3,422.00)	(3,389.00)
	200.30	233.30
Linen, Crockery & Cutlery	3,000.00	3,000.00
Total Fixed Assets	103,387.28	88,944.57
TOTAL NON CURRENT ASSETS	103,387.28	88,944.57
TOTAL ASSETS	651,069.90	571,051.07

The accompanying notes form part of these financial statements.

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	2019	2018
	\$	\$
LIABILITIES		
CURRENT LIABILITIES		
Trade Creditors	29,021.21	17,225.36
Unexpended Government Grants		
Unexpended Government Grants - DVRE	112,833.53	74,621.18
GST Payable	39,791.68	29,136.83
Provision for Holiday Leave	45,648.80	41,527.61
Provision for Accumulated Sick Leave	21,413.95	22,791.12
Unexpended Non-Government Grants		
BHP Billiton Scope and Planning	2,587.18	950.00
Early Intervention Homelessness	-	10,179.80
Commonwealth Bank Youth Grant	-	10,000.00
	2,587.18	21,129.80
Government Grants Received in Advance		
Government Grants in Advance – (DVRE)	103,212.64	101,234.57
Staff Wage Overpayments	179.78	-
Provision for Unused RDO's	13,152.65	1,449.26
Accrued Charges	11,200.00	11,100.00
TOTAL CURRENT LIABILITIES	379,041.42	320,215.73
TOTAL LIABILITIES	379,041.42	320,215.73
NET ASSETS	272,028.48	250,835.34
 MEMBERS' FUNDS		
Retained Earnings / Surplus	272,028.48	250,835.34
TOTAL MEMBERS' FUNDS	272,028.48	250,835.34

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Earnings \$
Balance at 30 June 2017	313,077.54
Profit/(Loss) attributable to the entity	<u>(62,242.20)</u>
Balance at 30 June 2018	250,835.34
Profit/(Loss) attributable to the entity	<u>21,193.14</u>
Balance at 30 June 2019	<u>272,028.48</u>

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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STATEMENT OF CASH FLOWS
AS AT 30 JUNE 2019

	2019	2018
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	1,211,802.48	1,200,544.34
Payments to Suppliers and Employees	(1,096,738.90)	(1,333,939.70)
Interest Received	3,668.90	3,994.66
Net Cash Provided by Operating Activities	118,732.48	(129,400.70)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment	(36,184.07)	(2,612.37)
Net Cash Used in Investing Activities	(36,184.07)	(2,612.37)
Net Increase/(Decrease) in Cash Held	82,548.41	(132,013.07)
Cash at Beginning of Financial Year	462,564.55	594,577.62
Cash at End of Financial Year	2 545,112.96	462,564.55

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial reporting framework

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian accounting standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under Australian Charities and Not-for-profits Commission Act 2012 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

Statement of compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Australian Charities and Not-for-profits Commission Act 2012, the basis of accounting specified by all Australian Accounting Standards and interpretations, and the disclosure requirements of Accounting standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1031	Materiality
AASB 1054	Australian Additional Disclosures

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Accounting Policies

(a) **Revenue**

All grant revenue is recognised as income when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to retain the contribution, the unexpended amount of the grant is and carried forward as a liability in the statement of financial position until those conditions are satisfied.

Grant funding may be deferred, as grants in advance, where the monies have been received by the company prior to the financial period to which they relate.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised when received.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(b) **Income Tax**

No provisions for income tax have been raised as the company is exempt from income tax under Div. 50 of the Income Tax Assessment Act 1997.

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

(c) 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. In the event the carrying amount of property, plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

(d) Depreciation

The depreciable amount of all fixed assets, including capitalised leased assets but excluding freehold land, is depreciated over the asset's useful life to the company commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Lease Hold Improvements	2.5% to 40%
Plant and Equipment	3.0% to 100%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial instruments are measured at cost.

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired.

(f) Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying amount. Any excess of the asset's carrying value over its recoverable amount is expensed in the profit or loss.

Where it is not possible to estimate the recoverable amount of an assets class, the company estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

(g) Employee Benefits

Provision is made for the company's liability for employee benefits at balance date. Long service leave is accrued in respect of all employees with more than 5 years' service with the company. Employee benefits are measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

(h) Cash and Cash Equivalentents

Cash and cash equivalentents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
(i) Goods and Services Tax (GST)		
Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).		
Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.		
(j) Economic Dependence		
The company is dependent on the Department of Family and Community Services NSW for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Department of Family and Community Services NSW will not continue to support the company.		
2 Cash and Cash Equivalents		
Cash on Hand	380.00	230.00
Visa Debit Card	223.90	327.79
CBA Online Saver Acc.1080	-	338,525.54
CBA No 3 Acc. 4545	-	1,818.98
CBA No 1 Acc 9999	-	7,728.98
CBA No 2 Acc 0156	-	60,617.59
CBA Term Deposit Acc 0601	-	53,315.67
Westpac No. 1 Account	13,667.08	-
Westpac No. 2 Account	60,711.18	-
Westpac No. 3 Account	956.80	-
Westpac No. 4 Account	1.75	-
Westpac Cash Reserve	469,172.25	-
	<u>545,112.96</u>	<u>462,564.55</u>

3 Unexpended Government Grants - DVRE

Of the unexpended government grant – DVRE of \$200,000 (exc GST) received in 2016, \$49,833.17 was expensed in the 2017 financial year, \$75,545.65 was expensed in 2018, \$63,022.22 was expensed in 2019 with the remainder to be fully expensed in the financial year ended 30 June 2020.

The DVRE government grant of \$101,234.54 (exc GST) received in 2017 - for the 2018/2019 year - is carried forward as unexpended to be fully expensed in the financial year ended 30 June 2020.

4 Government Grants Received in Advance

A government grant of \$103,212.64 (exc GST) received on 25 May 2019 in respect of funding for the 2020 financial year is recorded as a liability – grants in advance (DVRE).

UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED
A.B.N. 90 002 966 869

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Upper Hunter Homeless Specialist and Outreach Service Limited, the directors of the company declare that, in the directors' opinion:

1. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012: and
 - a. comply with Australian Accounting Standards applicable to the company; and
 - b. give a true and fair view of the financial position for the company as at 30 of June 2019 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulations 2013.

Director: Rhonda J Griffiths (R. Griffiths)

Director: Amanda Catzikiris (Amanda Catzikiris)

Dated this 28th day of November 2019



PARTNERS

Timothy G. Looby B.Ec. Dip.Fin.Man. C.A.
Tracey L. Lawler B.Comm. C.A.
Scott P. Collins B.Comm./B.Econ. C.A

Davies, Thompson & Wright

ABN 70 340 182 044

CHARTERED ACCOUNTANTS

60 Brook Street
PO Box 128
Muswellbrook NSW 2333

Phone (02) 6543 2766

Email admin@dtwservices.com.au

Web www.dtwservices.com.au

**AUDITOR'S INDEPENDENCE DECLARATION UNDER ACNC ACT SECTION 60-40
TO THE DIRECTORS OF UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH
SERVICE LIMITED
A.B.N. 90 002 966 869**

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of Upper Hunter Homeless Specialist and Outreach Service Limited. As the lead audit partner for the audit of the financial report of Upper Hunter Homeless Specialist and Outreach Service Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of;

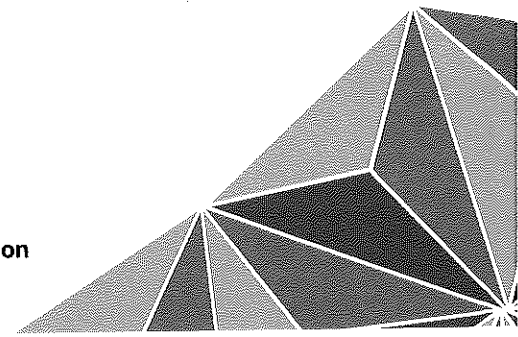
1. that ordered the independence requirements as set out in the Australian charities and not-for-profit's commission act 2012 in relation to the order; and
2. any applicable code of professional conduct in relation to the audit.

Name of Firm: Davies Thompson and Wright
Chartered Accountants

Name of Partner: 
Tracey L. Lawler (R.C.A. 346 434)

Address: 60 Brook Street, MUSWELLBROOK NSW 2333

Dated this 21st day of November 2019





Davies, Thompson & Wright

ABN 70 340 182 044

CHARTERED ACCOUNTANTS

PARTNERS

Timothy G. Looby	B.Ec. Dip.Fin.Man. C.A.
Tracey L. Lawler	B.Comm. C.A.
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED A.B.N. 90 002 966 869

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Upper Hunter Homeless Specialist and Outreach Service Limited, (the company) which comprises the statement of financial position as at 30 June 2019 and 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 the directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with Div. 60 of the Australian Charities and Not-for-Profits Commissions Act 2012, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2019 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards, and Division 60 of the Australian Charities and Not-for-Profits Commissions Regulations 2013.

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 company in accordance with the ACNC Act, 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 opinion.

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 2019, 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.



Davies, Thompson & Wright

ABN 70 340 182 044

CHARTERED ACCOUNTANTS

PARTNERS

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH SERVICE LIMITED A.B.N. 90 002 966 869

Emphasis of Matter- Basis of Accounting

We draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Australian Charities and Not-for-Profits Commissions Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect to this matter.

Responsibilities of 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives true and fair view and is free from material misstatement, whether due to fraud or error.

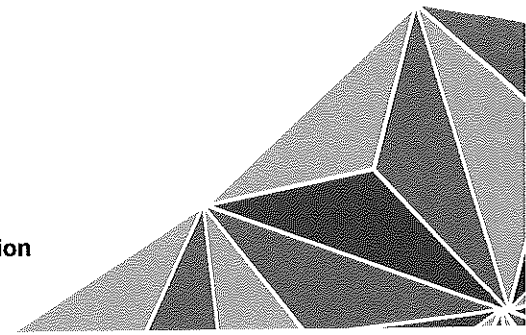
In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

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





Davies, Thompson & Wright

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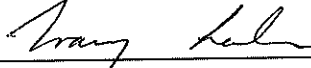
Web www.dtwservices.com.au

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF UPPER HUNTER HOMELESS SPECIALIST AND OUTREACH
SERVICE LIMITED
A.B.N. 90 002 966 869**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the 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 auditors' 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 auditors' 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 transactions 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.

Name of Firm: Davies Thompson & Wright
Chartered Accountants

Name of Partner: 
Tracey L. Lawler

Address: 60 Brook Street, MUSWELLBROOK NSW 2333

Dated this 2nd day of December 2019