

MUSLIM CARE

ABN 43 161 377 948

FINANCIAL STATEMENTS

FOR YEAR ENDED 30TH JUNE 2017

MUSLIM CARE

ABN 43 161 377 948

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MUSLIM CARE

ABN 43161377948

Directors' Report

1. Your directors present this report on the company for the financial year ended 30th June 2017.

2. **Directors**

The names of the directors in office at any time during or since the end of the year are:

Mr. Ahmad Mokachar

Mr. Wessam Mustapha

Mr. Zawar Shah

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

3. **The objects for which the company is established are:**

- A. To promote the Islamic values through the provision of care and support services within and across communities.
- B. To develop philosophies, policies, services, facilities and programs for the care and well-being of youth, aged and disadvantaged persons
- C. To provide educational, financial and social opportunities that will enhance resilience in the communities.
- D. To provide people opportunities in leadership and support their participation in civic, educational, social, charitable, cultural, professional and recreational opportunities.
- E. To provide care for aged, sick and infirm persons based on the broad principles of the Aged Care Act 1997 as amended or its equivalent if subsequently replaced.
- F. To provide home care packages under the Aged Care Act 1997 as amended or its equivalent if subsequently replaced, targeted to those older people living in the community who have:-
 - (a) Complex care needs arising from interacting physical/medical, social and psychological needs;
 - (b) A need for skilled assessment and comprehensive management of service delivery;
 - (c) A need for services that are not provided/available from other community services;
 - (d) A preference to remain living at home with appropriate and reliable supports; and
 - (e) A need for on-going monitoring and review of changing care needs.
- G. To provide for the relief of poverty, sickness, suffering, distress, misfortune, disability or helplessness of people, and to work proactively to enhance the physical, social and emotional wellbeing of people in the communities.

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Directors' Report

4. Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

5. Auditors Independence Declaration

The auditor's independence declaration for the year ended 30th June 2017 has been received and can be found on page 3.

Signed in accordance with a resolution of the Board of Directors:



Ahmad Mokachar

Director

Dated this 12 day of oct 2017

MURRAY A RICHARDSON
CHARTERED ACCOUNTANT

87 Rosa Street Oatley NSW 2223 Australia

Telephone: (02) 9580 1867 Fax: (02) 9585 0406

International Telephone: 61 2 9580 1867 Fax: 61 2 9585 0406

Mobile: 0419 987 232

Liability limited by a scheme approved
under Professional Standards Legislation

AUDITOR'S INDEPENDENCE DECLARATION

**UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT FOR PROFITS COMMISSION ACT 2012.**

TO MUSLIM CARE

I declare to the best of my knowledge and belief that during the year ended 30th June 2017,
there have been no contraventions of any applicable code of professional conduct in relation
to the audit.

Date

10th October 2017

Murray Richardson

Murray A Richardson

MUSLIM CARE
ABN 43 161 377 948
STATEMENT OF PROFIT & LOSS
AND OTHER COMPREHENSIVE INCOME
FOR YEAR ENDED 30TH JUNE 2017

		2017	2016
REVENUE	Note 2	<u>288,732</u>	<u>271,647</u>
EXPENSES			
Activity Expenses		39,576	35,461
Administration Expenses		33,029	31,997
Allied Health & Other Services		11,464	-
Depreciation	3	13,433	16,276
Employee Benefits		133,541	121,433
Finance Charges		-	20
Insurance		4,094	6,010
Motor Vehicle Expenses		20,295	17,193
Property Rental & Maintenance		41,760	45,287
Transport & Other Travelling		8,084	14,779
Total Expenses		<u>305,276</u>	<u>288,456</u>
Surplus (Deficit) before income tax		-16,544	-16,809
Income tax expense	4	-	-
Total comprehensive income (loss) for year		<u>-16,544</u>	<u>-16,809</u>

MUSLIM CARE
ABN 43 161 377 948
STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2017

	Note	2017	2016
CURRENT ASSETS			
Cash at bank & on hand	5	10,939	43,937
TOTAL CURRENT ASSETS		<u>10,939</u>	<u>43,937</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	72,536	83,207
TOTAL NON-CURRENT ASSETS		<u>72,536</u>	<u>83,207</u>
TOTAL ASSETS		<u>83,475</u>	<u>127,144</u>
LESS CURRENT LIABILITIES			
Payables	8	13,392	40,517
TOTAL CURRENT LIABILITIES		<u>13,392</u>	<u>40,517</u>
NET ASSETS		<u>70,083</u>	<u>86,627</u>
REPRESENTED BY:-			
ACCUMULATED FUNDS			
Accumulated earnings		<u>70,083</u>	<u>86,627</u>

MUSLIM CARE
ABN 43 161 377 948
STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30TH JUNE 2017

Members Funds	<u>\$</u>
Balance at 30th June 2015	103,436
Comprehensive deficit for year ended 30th June 2016	<u>-16,809</u>
Balance at 30th June 2016	86,627
Comprehensive deficit for year ended 30th June 2017	<u>-16,544</u>
Balance at 30th June 2017	<u><u>70,083</u></u>

MUSLIM CARE
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CASH FLOW STATEMENT
FOR YEAR ENDED 30TH JUNE 2017

	Note	2017 \$	2016 \$
Cash Flow From Operating Activities			
Receipts		288,948	270,544
Payment to suppliers		-319,184	-296,654
Net cash inflow (outflow) from operating activities	10	<u><u>-30,236</u></u>	<u><u>-26110</u></u>
Cash Flows from investing activities			
Purchase of Non-current assets		-2,762	-3,582
Net cash inflow (outflow) from investing activities		<u><u>-2,762</u></u>	<u><u>-3582</u></u>
Net cash inflow (outflow) from financing activities		<u><u>0</u></u>	<u><u>0</u></u>
Net increase/(decrease) in cash and cash equivalents		<u><u>-32,998</u></u>	<u><u>-29692</u></u>
Cash and cash equivalents at the beginning of the financial year		<u><u>43,937</u></u>	<u><u>73629</u></u>
Cash and cash equivalents at the end of the financial year	5	<u><u>10,939</u></u>	<u><u>43,937</u></u>

MUSLIM CARE

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017.**

Note1: Statement of Significant Accounting Policies

The financial report is for Muslim Care as an individual entity, incorporated and domiciled in Australia. Muslim Care is a company limited by guarantee.

Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with the requirements of section 60.40 of the Australian Charities and Not for Profits Commission Regulation 2013.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements were authorised for issue on 12 OCT 2017
by the directors of the company.

Accounting Policies

a. Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Grant revenue is recognised in the income statement when it is controlled. When there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017.

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

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

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 (GST).

b. Inventories

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

c. Property, Plant and Equipment

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

Property

Freehold land and building are shown at cost.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

MUSLIM CARE

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017**

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

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	13.33%
Furniture, Fixtures and Fittings	20%
Computers & IT	50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Asset classes carrying amounts is written down immediately to its recoverable amount if the asset's carrying is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. Leases

Leases of fixed assets, where substantially all the risk and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

Lease payments for operating leases, where substantially all the risk and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions cost where the instrument is not classified at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition:

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity 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 with discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of not-cash assets or liabilities assumed is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss.

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Income Statement.

f. Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

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

g. Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave, which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value.

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

h. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

j. Unexpended Grants

The entity receives grant monies to fund projects either for contracted periods of time or for specific projects irrespective of the period of time required to complete those projects. It is the policy of the entity to treat grants monies as unexpended grants in the balance sheet where the entity is contractually obliged to provide the services in a subsequent financial period to when the grant is received or in the case of specific project grants where the project has not been completed.

k. Contributions

If the company receives non-reciprocal contributions from the government and other parties for no or a nominal value these contributions are recognised at the fair value on the date of acquisition upon which time as asset is taken up in the balance sheet and revenue in the income statement.

l. Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Division 50-B of the Income Tax Assessment Act 1997.

m. Intangibles

Intangibles are recorded at cost less provision for amortisation.

n. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2017

o. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to confirm with changes in presentation for current financial year.

p. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

q. Economic Dependence/ Going Concern

The company is dependent on revenue received from Government Grants. At the date of this report the Board of Responsible Persons has no reason to believe that the Government Departments will not continue to support the company.

MUSLIM CARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017

	2017	2016
	\$	\$
Note 2. Revenue		
Commonwealth Grants:		
- Department of Social Services	219,523	234,015
- Attorney General's Department	29,200	23,064
CHSP Fees	17,326	14,568
Other Fees	22,683	
	288,732	271,647
Note 3. Profit from ordinary activities after charging:-		
Depreciation:		
Motor Vehicles	8,514	9,822
Furniture & Fixtures	3,438	4,053
Computers & IT Equipment	1,481	2,401
	13,433	16,276
Note 4. Income Tax		
No provision for income tax has been made in this report		
Note 5. Cash at bank		
Cash at bank - CBA	10,939	43,937
Cash on hand		
	10,939	43,937
Note 6. Auditor's Remuneration		
Auditor's Remuneration for Audit Services	900	900
Note 7. Property, Plant and Equipment		
Motor Vehicles At Cost	88,026	88,026
Less Accumulated Depreciation	-32,672	-24,158
	55,354	63,868
Furniture & Fixtures At Cost	28,421	25,659
Less Accumulated Depreciation	-12,721	-9,283
	15,700	16,376
Computers & IT Equipment At Cost	8,752	8,752
Less Accumulated Depreciation	-7,270	-5,789
	1,482	2,963
Total Property, Plant and Equipment	72,536	83,207

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017

	2017	2016
	\$	\$
Note 7. Property, Plant and Equipment Continued)		
Movements in Carrying Amounts		
Motor Vehicles		
Balance at the beginning of year	63,868	73,690
Additions at cost	-	-
Depreciation for year	-8,514	-9,822
Balance at the end of year	<u>55,354</u>	<u>63,868</u>
Furniture & Fixtures		
Balance at the beginning of year	16,376	19,574
Additions at cost	2,762	855
Depreciation for year	-3,438	-4,053
Balance at the end of year	<u>15,700</u>	<u>16,376</u>
Computers & IT Equipment		
Balance at the beginning of year	2,963	2,637
Additions at cost	-	2,727
Depreciation for year	-1,481	-2,401
Balance at the end of year	<u>1,482</u>	<u>2,963</u>
Carrying amount at end of year	<u>72,536</u>	<u>83,207</u>
Note 8. Payables		
Sundry Creditors	1,721	4,274
Payroll Accruals	4,414	5,236
GST Payable	4,665	1,808
Unexpended Grants	2,592	29,199
	<u>13,392</u>	<u>40,517</u>

Note 9. Related party transactions

Key Management Personnel Compensation:

There were no payments to key management personnel.

Other related party transactions:

No related party transactions occurred during the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017

Note 10. Cash Flow Information

(a) Reconciliation of Cash

Cash as at the end of the financial year as shown in the Cash Flow Statement is reconciled to related items in the Balance Sheet as follows:

Cash and cash equivalents

	2017	2016
	\$	\$

	10,939	43,937
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(b) Reconciliation of Net Cash Provided By Operating activities with Profit/(Loss) From Ordinary Activities After Income Tax

Profit/(loss) from ordinary activities after income tax

	-16,544	-16,809
--	---------	---------

Add/(less) non-cash items:

Depreciation

	13,433	16,276
--	---------------	---------------

Net cash provided by operating activities before change in assets and liabilities

	-3111	-533
--	--------------	-------------

Changes in assets and liabilities during the financial year
(Increase)/decrease in receivables

Increase/(decrease) in payables

Net cash inflow (outflow) from operating activities

	-27,125	-25,577
	-30,236	-26,110

Note 11. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, receivables and payables.

The totals for each category of financial instruments as detailed in the accounting policies to these financial statements are as follows:

	Note	2017	2016
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Financial Assets

Cash at bank & on hand

5		10,939	43,937
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Total financial assets

		10,939	43,937
--	--	---------------	---------------

Financial Liabilities

Payables

8		13,392	40,517
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Total financial liabilities

		13,392	40,517
--	--	---------------	---------------

Financial Risk Policies

The company's directors are responsible for among other issues, monitoring and managing the financial risk exposures of the company.

MUSLIM CARE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017

Note 12. Capital Management

The directors control the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised.

The directors risk management policies are approved and reviewed by the board of directors on regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities supported by financial assets. There have been no changes to the strategy adopted by the directors to control the capital of the entity since the previous year.

2017	2016
\$	\$

Note 13. Events After Reporting Period

The directors are not aware of any significant events since the end of the financial year.

Note 14. Limited Liability

The entity is incorporated under the under the Corporations Act and is an entity limited by guarantee. If the entity is wound up the constitution states that each member is required to contribute a maximum of \$50 towards meeting any outstanding obligations of the entity. At 30th June 2017 the number of members were 3. (Year 2016 - 3)

Members maximum liability

250	150
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Note 15. Company Details

The registered office of the company

3/2 Carrington Square
Campsie NSW 2194

The principal place of business

3/2 Carrington Square
Campsie NSW 2194

MUSLIM CARE

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Responsible Entities Declaration

The responsible entities declare that in the responsible persons' opinion:

1. There are reasonable grounds to believe that the Muslim Care will be able to pay its debts as and when they become due and payable.
2. The financial statements and notes for the year ended 30th June 2017 satisfy the requirements of the Australian Charities and Not-for-Profits Commission Act 2012.

Signed in accordance with subsection 60. 15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.

Dated 12/10/2017



.....
Director – Ahmad Mokachar

MURRAY A RICHARDSON

CHARTERED ACCOUNTANT

87 Rosa Street Oatley NSW 2223 Australia

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International Telephone: 61 2 9580 1867 Fax: 61 2 9585 0406

Mobile: 0419 987 232

Liability limited by a scheme approved
under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

MUSLIM CARE

ABN 43161377948

Opinion

I have audited the financial report of Muslim Care (the company), which comprises the statement of financial position as at the 30th June 2017 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 responsible entities declaration.

In my opinion, the financial report of Muslim Care has been prepared in accordance with Division 60 of the Australian Charities and Not for Profits Commission Act 2012 including:-

- a. giving a true and fair view of the registered entity's financial position as at 30th June 2017 and of its financial performance and cash flows for the year ended on that date; and
- b. complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not for Profits Commission Regulation 2013.

Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that is relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon.

The responsible entities are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 30th June 2017, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I 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 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. The responsible entities are responsible for overseeing the registered entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

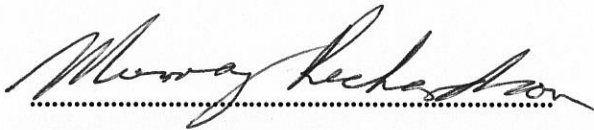
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by responsible entities.
- Conclude on the appropriateness of the responsible entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity 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 the manner that achieves fair presentation.

I communicate with the responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Murray A. Richardson

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Dated 12th October 2017