

Nanyima Aged Care Inc

ABN: 30 053 694 438

Financial Statements

For the Year Ended 30 June 2022

Nanyima Aged Care Inc

ABN: 30 053 694 438

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For the Year Ended 30 June 2022

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Nanyima Aged Care Inc

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Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2022

	Note	2022	2021
		\$	\$
Revenue	2	5,826,935	5,507,918
Expenses			
Employee benefits expense		(3,565,197)	(3,746,183)
Depreciation and amortisation expense		(231,959)	(254,792)
Resident therapy & clinical care		(224,281)	(240,794)
Motor vehicle expenses		(5,362)	(6,625)
Administration & sundry costs		(220,703)	(184,891)
Repairs & maintenance		(198,192)	(158,770)
Other expenses		(37,915)	(72,894)
Insurance		(135,321)	(95,983)
Power & gas		(101,503)	(91,889)
Kitchen food & utensils		(181,574)	(188,507)
Council rates		(43,246)	(45,819)
Cleaning & waste disposal		(90,618)	(83,528)
Interest expense		(315,381)	(236,305)
Surplus(deficit) before income tax		475,682	100,938
Other comprehensive income, net of income tax		-	-
Total comprehensive surplus/(deficit) for the year		475,682	100,938

The accompanying notes form part of these financial statements.

Nanyima Aged Care Inc

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Statement of Financial Position As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	4	10,855,627	8,313,706
Trade and other receivables	5	39,771	122,838
Total current assets		10,895,398	8,436,544
Non-current assets			
Property, plant & equipment	6	6,220,596	6,267,171
Total non-current assets		6,220,596	6,267,171
Total assets		17,115,994	14,703,715
Liabilities			
Current liabilities			
Trade and other payables	7	105,762	106,066
Provision for annual leave	8	445,978	515,388
Contract liabilities	10	191,839	-
Other liabilities	9	8,358,191	6,461,932
Total current liabilities		9,101,770	7,083,386
Non-current liabilities			
Employee benefits	8	21,155	102,941
Total non-current liabilities		21,155	102,941
Total liabilities		9,122,925	7,186,327
Net assets		7,993,069	7,517,388
Members' funds			
Retained surplus		7,993,069	7,517,388
Total Members' funds		7,993,069	7,517,388

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity
For the Year Ended 30 June 2022

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	7,517,388	7,517,388
Surplus/(deficit) from operations	475,682	475,682
Balance at 30 June 2022	7,993,069	7,993,069

2021

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2020	7,415,554	7,415,554
Surplus/(deficit) from operations	101,834	101,834
Balance at 30 June 2021	7,517,388	7,517,388

The accompanying notes form part of these financial statements.

Nanyima Aged Care Inc

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Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
Cash flows from operating activities:		
Resident fees, subsidies, and other income	5,862,000	5,398,943
Payments to suppliers and employees	(5,078,957)	(5,106,072)
Interest received	48,002	91,077
Net cash provided by/ (used in) operating activities	13 <u>831,045</u>	<u>383,948</u>
Cash flows from investing activities:		
Purchase of property, plant, and equipment	(185,383)	(558,428)
Net cash provided by/ (used in) investing activities	<u>(185,383)</u>	<u>(558,428)</u>
Cash flows from financing activities:		
Resident entry contributions	1,896,259	901,034
Net cash provided by/ (used in) financing activities	<u>1,896,259</u>	<u>901,034</u>
Net increase/(decrease) in cash and cash equivalents held	2,541,921	726,554
Cash and cash equivalents at beginning of year	8,313,706	7,587,152
Cash and cash equivalents at end of financial year	4 <u>10,855,627</u>	<u>8,313,706</u>

The accompanying notes form part of these financial statements.

Nanyima Aged Care Inc

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

The financial statements cover Nanyima Aged Care Inc. as an individual entity. Nanyima Aged Care Inc. is an association incorporated in Queensland and operating pursuant to the *Association Incorporation Act QLD 1981* and the *Australian Charities Not-for-Profits Commission Act 2012*.

The principal activities of the Association for the year ended 30 June 2022 were care of aged and frail in a safe, secure, and homelike environment.

Basis of preparation

The financial statements are general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and interpretations issued by the Australian Accounting Standards Board and the *Australian Charities Not-for-Profits Commission Act 2012*. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Auditing Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events, and conditions.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets, and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar. Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

(a) Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

The association recognises revenue from aged care and home care services over time as performance obligations are satisfied, which is as the services are rendered, primarily on a daily or monthly basis. Revenue arises from discretionary and non-discretionary services, as agreed in a single contract with the resident.

Under AASB 15, bond retention fees are recognised over the expected length of stay of the resident. The expected length of stay of a resident is estimated based on historical tenure data.

Government revenue

Government revenue reflects the association's entitlement to revenue from the Australian Government based upon the specific care and accommodation needs of the individual resident. Government revenue comprises of basic subsidy amounts calculated in accordance with the Aged Care Funding Instrument, accommodation supplements, funding for short term 'respite' residents and other Government incomes. Revenue is recognised over time as services are provided. Funding claims are submitted/ updated daily, and Government revenue is usually payable within approximately one month of services have been performed. Government funding received in advance for services being performed is included in Fees received in advance.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(b) Revenue and other income

Resident basic daily fee revenue

Residents are charged a basic daily fee as contribution to the provision of care and accommodation. The quantum of resident basic daily fee is regulated by the Government and typically increases in March and September each year. Resident basic daily fee revenue is recognised over time as services are provided. Residents are invoiced on a monthly basis.

Other operating revenue

Other operating revenue comprises rental income, aged care bond retention amounts and other sundry revenue. Revenue is recognised over time as the services are provided. Residents are typically invoiced on a monthly basis.

Interest revenue

Interest is recognised using the effective interest method.

(c) Goods and services tax (GST)

Revenue, 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 payable 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.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits held at-call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown with short term borrowings in current liabilities in the statement of financial position.

(e) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1 (j) for further discussion on the determination of impairment loss.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(f) Property, plant, and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment loss. In the event of the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in the profit or loss or as a revaluation decrease if the impairment losses relate to the revalue asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Depreciation

Property, plant, and equipment, excluding freehold land, is depreciated on a reducing balance basis over the asset's useful life to the Association, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings & Improvements	2.5%
Furniture, Fixtures and Fittings	8% - 20%
Motor Vehicles	15%

At the end of each annual reporting period, the depreciation method, useful life, and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

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

(g) Impairment of non-financial assets

At the end of each reporting period the Association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs of disposal and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately in profit or loss.

Where the future economic benefit of the asset is 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 determined as the depreciated replacement cost of an asset.

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

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(g) Impairment of non-financial assets

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

(h) Accounts payable and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days or recognition of the liability.

(i) Other liabilities

Refundable accommodation deposits and accommodation bonds are non-interest bearing deposits made by the aged care facilities residents made to the entity upon admission. Refundable accommodation deposits are measured at their principal amount less any other amounts deducted from the deposit at the election of the resident. Accommodation bonds are measured at their principal amount net any retentions or any other amounts deducted from the bond at the election of the resident

(j) Operating Lease Income

Leases in which the Group is a lessor

Contracts with customers (residents) contain provisions for accommodation, use a common area/facilities for provision of care and other services. The Association has concluded that its contractual arrangements relating to the provision of residential aged care and retirement living accommodation are an operating lease pursuant to AASB 16, being the exclusive right to the use of a room/unit by the resident.

For residential aged care accommodation arrangements where the resident has elected to pay a RAD or Bond, the Association receives a financial benefit, being non-cash consideration, in the form of an interest free loan. On adoption of AASB 16 the fair value of this non-cash consideration is required to be recognised as income (to reflect the interest free loan financing benefit received on RADs and Bonds) and, correspondingly, interest expense (to record the financial liability associated with RADs and Bonds at fair value) with no net impact on net surplus or deficit.

The application of AASB 16 for the year has been calculated based on:

- Monthly average RAD / Bond balances; and
- Interest rate equal to the Maximum Permissible Interest Rate (MPIR) which is a government set interest rate used to calculate the Daily Accommodation Payment to applicable residents.

The Associations Statement of Profit or Loss and Other Comprehensive Income presents income described as operating lease income and an additional Finance Cost (i.e., interest expense) that result in an overall \$nil impact on the net surplus/ deficit for the year.

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Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(k) Financial instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs except when the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised using the effective interest method, or cost.

Impairment

A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

Derecognition

Financial assets are derecognised when the contractual right 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 when the related obligations are discharged, cancelled, or transferred to another party and fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(l) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at their nominal value and not the present value of estimated future cash flows.

Employee benefits are presented as current liabilities in the statement of financial position if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(m) Contract liabilities

Contract liabilities represent the association's obligation to transfer goods to a customer or complete services to a customer and are recognised when a customer pays consideration, or the association recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the association has transferred the goods to the customer or completed the specified services for the customer.

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Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

(n) Segment reporting

The association operates solely in one business and geographical segment, being Residential Aged Care.

(o) Critical accounting estimates and judgments

Those charged with governance make estimates and judgments during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgments are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgments made have been described below:

Key Estimates - Estimation of useful lives of assets

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

Key Estimates of impairment of property plant and equipment

The association assesses impairment at the end of each reporting year by evaluating conditions specific to the entity that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in-use calculations which incorporate various key assumptions.

Key Estimates - Impairment of receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key Estimates - Performance of obligations under AASB 15

To identify performance obligations under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making the assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

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Notes to the Financial Statements For the Year Ended 30 June 2022

2 Revenue and other income

Revenue from continuing operations

	2022	2021
	\$	\$
Revenue		
- Operating lease income	313,689	234,093
- Resident fees	5,162,752	5,072,577
- Grant income	195,852	-
- Lease of land	18,743	15,351
- Donations	14,370	21,381
- Sundry income	69,046	67,404
- Interest received	48,002	91,077
- Fundraising income	4,482	6,035
Total revenue	5,826,936	5,507,918

3 Result for the year

The result for the year was derived after charging/ (crediting) the following items:

	2022	2021
	\$	\$
Finance costs		
Interest expense	315,381	236,305
	315,381	236,305

4 Cash and cash equivalents

	2022	2021
	\$	\$
Cash on hand	1,000	1,000
Deposits at call	138,039	53,738
Short-term deposits	10,716,588	8,258,968
	10,855,627	8,313,706

5 Trade and other receivables

	2022	2021
	\$	\$
Current		
Trade receivables	16,741	54,317
GST receivable	12,301	62,977
Government subsidy	10,729	5,544
	39,771	122,838

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Notes to the Financial Statements
For the Year Ended 30 June 2022

6 Property, plant, and equipment

	2022	2021
	\$	\$
Freehold land at cost	235,789	235,789
	235,789	235,789
Buildings		
At cost	7,185,738	7,179,068
Accumulated depreciation	(2,407,741)	(2,243,301)
	4,777,997	4,935,767
Total land and buildings	5,013,786	5,171,556
Capital works in progress		
At cost	743,135	656,739
Furniture, fixtures, and fittings		
At cost	1,139,073	1,046,755
Accumulated depreciation	(773,385)	(723,158)
	365,688	323,597
Motor vehicles		
At cost	181,821	181,821
Accumulated depreciation	(83,834)	(66,542)
	97,987	115,279
Total property, plant, and equipment	6,220,596	6,267,171

7 Trade and other payables

	2022	2021
	\$	\$
Current		
Trade payables	27,466	39,570
Staff social club	3,121	3,121
Accrued wages	20,923	21,914
Sundry creditors	(103)	676
PAYG payable	54,042	37,880
Superannuation payable	313	2,904
	105,762	106,065

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Notes to the Financial Statements For the Year Ended 30 June 2022

8 Employee benefits

	2022	2021
	\$	\$
Current		
Provision for annual leave	445,978	515,388
	<u>445,978</u>	<u>515,388</u>
	2022	2021
	\$	\$
Non-current		
Long service leave	21,155	102,941
	<u>21,155</u>	<u>102,941</u>

9 Other financial liabilities

	2022	2021
	\$	\$
Current		
Refundable accommodation deposits (RADs)	4,684,031	2,787,772
Accommodation bonds	3,674,160	3,674,160
	<u>8,358,191</u>	<u>6,461,932</u>

10 Contract liabilities

	2022	2021
	\$	\$
Current		
Unspent grant funding	191,839	-
	<u>191,839</u>	<u>-</u>

11 Contingencies and capital commitments

In the opinion of Management, the Association did not have any contingencies at 30 June 2022 (30 June 2021: Nil).

Nanyima Aged Care Inc

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Notes to the Financial Statements For the Year Ended 30 June 2022

12 Related parties

Related party transactions

There were no significant transactions with related parties during the current and previous financial year. Any transactions with members were on a normal arm's length commercial basis.

Loans to/from related parties

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

13 Cash flow information

(a) Reconciliation of result for the year to cashflows from operating activities

	2022	2021
	\$	\$
Net surplus/(deficit) for the year	475,683	101,834
Non-cash flows in profit:		
- depreciation	231,959	254,792
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	83,065	(18,794)
- increase/(decrease) in trade and other payables	(304)	2,395
- increase/(decrease) in contract liabilities	191,839	-
- increase/(decrease) in employee benefits	(151,197)	43,721
Cashflows from operations	<u>831,045</u>	<u>383,948</u>

14 Events after the end of the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

15 Statutory Information

The registered office and principal place of business of the association is:

Nanyima Aged Care Inc
61 Alexandra Street
Mirani Queensland 4754

Nanyima Aged Care Inc

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Statement by Members of the Committee

The committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 14:

1. Presents fairly the financial position of Nanyima Aged Care Inc as at 30 June 2022 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Nanyima Aged Care Inc will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President.....

Treasurer.....

Dated: 14/10/2022

Sammut Bulow Bennett Partners

Nanyima Aged Care Inc

Independent Audit Report to the members of Nanyima Aged Care Inc

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Nanyima Aged Care Inc (the Association), which comprises the statement of financial position as at 30 June 2022, 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 statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2022 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007).

Basis for Qualified Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Committee

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (QLD) 1981 (as amended by the Associations Incorporation and Other Legislation Amendment Act (QLD) 2007), and for such internal control as the committee determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee is responsible for assessing the Association'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 committee either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The committee are responsible for overseeing the Association's financial reporting process.



Liability limited by a scheme approved under Professional Standards Legislation.

Sammut Bulow Pty Ltd ABN 74 115 070 285 is a Corporate Authorised Representative 1278409 of Bennett Partners Pty Ltd ABN 65 010 430 314, AFSL 483051.

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Nanyima Aged Care Inc

Independent Audit Report to the members of Nanyima Aged Care Inc

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. Misstatement 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 judgment 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 Registered Entity's internal control.
- Conclude on the appropriateness of the committee's use of going concern basis or 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 Registered Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to in our auditor's report to the related disclosures in the financial report, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Registered Entity's 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 committee and management 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.



Paul Hinton - CA
Director

Date: 14/10/2022



Liability limited by a scheme approved under Professional Standards Legislation.

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