



**FINANCIAL REPORT**

**For the year ended**

**30TH JUNE 2019**

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2019**

	Notes	2019 \$	2018 \$
<b>Current assets</b>			
Cash assets	5	869,779	843,346
Receivables	6	70,009	103,424
Inventories	7	1,413	1,413
Other	8	67,443	52,402
<b>Total current assets</b>		<u>1,008,644</u>	<u>1,000,585</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	142,181	511,497
<b>Total non-current assets</b>		<u>142,181</u>	<u>511,497</u>
<b>Total assets</b>		<u>1,150,825</u>	<u>1,512,082</u>
<b>Current liabilities</b>			
Payables	10	581,006	332,499
Provisions	11(a)	62,481	90,052
<b>Total current liabilities</b>		<u>643,487</u>	<u>422,551</u>
<b>Non-current liabilities</b>			
Provisions	11(b)	88,841	100,593
<b>Total non-current liabilities</b>		<u>88,841</u>	<u>100,593</u>
<b>Total liabilities</b>		<u>732,328</u>	<u>523,144</u>
<b>Net assets</b>		<u>418,497</u>	<u>988,938</u>
<b>Members Funds</b>			
Retained funds	15	418,497	961,167
Collective purpose reserve	16	-	27,771
<b>Total Members Funds</b>		<u>418,497</u>	<u>988,938</u>

*The Statement of Financial Position should be read in conjunction with the notes to the financial statements.*

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

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

	Notes	2019 \$	2018 \$
Revenue from ordinary activities	2	2,990,896	2,757,564
Expenses from ordinary activities:			
Depreciation and amortisation	3	(136,990)	(144,664)
Impairment expense	3	(239,907)	-
Provision for doubtful debts	3	(137,219)	-
Provision for make good	3	(164,000)	
Employee expenses		(1,525,515)	(1,404,000)
Professional and consultancy fees		(70,022)	(48,891)
Occupancy expenses	3	(357,944)	(347,705)
Other expenses from ordinary activities		(929,740)	(1,015,748)
<b>Surplus / (deficit) from ordinary activities before income tax expense</b>		(570,441)	(203,444)
Income tax revenue / (expense) relating to ordinary activities	4	-	-
<b>Surplus / (deficit) from ordinary activities after related income tax expense</b>		(570,441)	(203,444)
Other comprehensive income		-	-
<b>Total comprehensive income attributable to the members of the entity</b>		(570,441)	(203,444)

*The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.*

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**STATEMENT OF CHANGES IN MEMBERS' FUNDS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

	<u>Retained funds</u>	<u>Collective purpose reserve</u>	<u>Total funds</u>
	\$	\$	\$
<b>Changes in members' funds</b>			
Balance at 1 July 2017	1,005,989	186,393	1,192,382
<b>Surplus/(deficit) for the year</b>	(203,444)	-	(203,444)
Other comprehensive income	-	-	-
Transfers (to) / from reserves	<u>158,622</u>	<u>(158,622)</u>	<u>-</u>
<b>Balance at 30 June 2018</b>	961,167	27,771	988,938
<b>Surplus/(deficit) for the year</b>	(570,441)	-	(570,441)
Other comprehensive income	-	-	-
Transfers (to) / from reserves	<u>27,771</u>	<u>(27,771)</u>	<u>-</u>
<b>Balance at 30 June 2019</b>	<u><u>418,497</u></u>	<u><u>-</u></u>	<u><u>418,497</u></u>

*The Statement of Changes in Members' Funds should be read in conjunction with the notes to the financial statements.*

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

	Notes	2019 \$ Inflows (Outflows)	2018 \$ Inflows (Outflows)
<b>Cash flows from operating activities</b>			
Interest received		23,040	33,125
Receipts from government grants		1,888,308	1,930,908
Membership fees		49,820	36,694
Other receipts		1,103,989	983,460
Payments to suppliers and employees		<u>(3,031,143)</u>	<u>(3,054,756)</u>
<b>Net cash provided by / (used in) operating activities</b>	13(b)	<u>34,014</u>	<u>(70,569)</u>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment		(7,581)	(49,982)
Proceeds from the sale of property, plant and equipment		-	-
<b>Net cash provided by / (used in) investing activities</b>		<u>(7,581)</u>	<u>(49,982)</u>
Net increase / (decrease) in cash held		26,433	(120,551)
Cash at the beginning of the financial year		<u>843,346</u>	<u>963,897</u>
<b>Cash at the end of the financial year</b>	13(a)	<u>869,779</u>	<u>843,346</u>

*The Statement of Cash Flows should be read in conjunction with the notes to the financial statements.*

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

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**Note 1 - Statement of significant accounting policies**

The financial statements are special purpose financial statements prepared for use by the board of the company and have been prepared to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act). The Board members have determined that the company is not a reporting entity.

The financial statements are prepared on an accruals basis and are based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

**(a) Current investments**

Investments are brought to account at cost or at Board members' valuation. The carrying amount of investments is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the investments' current market value. The gains or losses, whether realised or unrealised, are included in net profit.

**(b) Plant and equipment**

Plant and equipment is brought to account at cost or at an independent Board's valuation.

The depreciable amount of all plant and equipment is depreciated on a straight line basis over the useful lives of the assets of the Company commencing from the time the asset is held ready for use.

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

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

**(c) Inventories**

Inventories are measured at the lower of cost and net realisable value.

**(d) Employee entitlements**

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

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**Note 1 - Statement of significant accounting policies (continued)**

**(e) Taxation**

The activities of the Company are exempt from income tax.

**(f) Revenue recognition**

Amounts disclosed as revenue are net of returns, trade allowances and duties and taxed paid. Revenue is recognised for the major operating activities as follows:

**(i) Government grants**

Grants received are brought to account as income on a progressive basis over either the period to which the grant relates or the period over which the grant is expended.

**(g) Receivables**

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists.

**(h) Deferred income / divisional results**

Grants received are brought to account as income on a progressive basis over either the period to which the grant relates or the period over which the grant is expended.

Accordingly, where grants are brought to account on a progressive basis over the period to which the grant relates, there exists the likelihood that grant income will exceed costs associated with the project in some financial periods (divisional profit), and that such a divisional profit will be absorbed in future periods by subsequent divisional losses.

Where the grant is recognised as income in advance of the expenditure being incurred, the divisional profit will form part of the retained profits.

**(i) Bequests**

Bequests received by the Company are included in Other Current Liabilities (being deferred income) in the Statement of Financial Position and are used for specific projects.

**(j) New and Amended Accounting Policies**

The company has adopted AASB 9 with a date of initial application of 1 July 2018. On the application of this standard there were no restropective changes required to prior period comparatives.

There were no financial assets/liabilities which the company had previously designated as fair value through profit or loss under AASB 139 that were subject to reclassification upon the application of AASB 9. There were no financial assets/liabilities which the company had elected to designate as at fair value through profit or loss at the date of initial applicaton.

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

**Note 1 - Statement of significant accounting policies (continued)**

**(k) Accounting Standards for application in future periods**

The AASB has issued a number of new accounting and amended accounting standards that have mandatory application dates for future reporting periods, some of which are relevant to the entity. The directors have decided not to early adopt any of these new and amended pronouncements.

The following standards are expected to have an impact on the entity in future periods;

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

AASB 1058: Income for Not-For-Profit Entities and AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 January 2019).

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2 - Revenue</b>		
Membership fees	45,291	33,358
Publication / Promotional sales	5,882	2,074
Donations and bequests	40,215	62,673
Co-location grants received	368,544	359,550
Grants received	1,380,444	1,321,859
Interest received	23,040	33,125
Other income	393,541	241,923
Income - Support	733,939	703,002
<b>Revenue from ordinary activities</b>	<b><u>2,990,896</u></b>	<b><u>2,757,564</u></b>

**Note 3 - Surplus / (deficit) from ordinary activities**

**Net gains and expenses**

Profit from ordinary activities before income tax expense includes the following specific net gains and expenses:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Expenses</b>		
Audit fees	9,150	8,800
Depreciation	136,990	144,664
Impairment expense	239,907	-
Provision for doubtful debts	137,219	-
Provision for make good	164,000	-
Rental expense	357,944	347,705

**Note 4 - Income tax**

As indicated in Note 1, the company is exempt from income tax.



**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

	2019 \$	2018 \$
<b>Note 5 - Current assets - Cash assets</b>		
Cash on hand	300	1,040
Cash at bank - Head office (Westpac bank)	412,388	202,236
Cash at bank - Head office (Bendigo bank)	59,305	242,284
Term Deposit	58,412	58,412
Term Deposit – Security Co-Location lease	88,874	88,874
Cash at bank - Shipp fund	500	500
Short term deposits	250,000	250,000
	<u>869,779</u>	<u>843,346</u>
<p>Cash is bearing an interest rate of between 0% and 2.30%, (2018: 0% and 2.35%) depending on the terms and conditions in respect of the various accounts.</p>		
<b>Note 6 - Current assets - Receivables</b>		
Security deposit	10,355	3,284
Sundry debtors	-	2,252
Trade debtors	196,873	97,888
Less: Provision for doubtful debts	(137,219)	-
	<u>70,009</u>	<u>103,424</u>
<b>Note 7 - Current assets - Inventories</b>		
Stock on hand - publications	1,413	1,413
	<u>1,413</u>	<u>1,413</u>
<b>Note 8 - Current assets - Other</b>		
Prepayments	67,443	52,402
	<u>67,443</u>	<u>52,402</u>

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

	2019 \$	2018 \$
<b>Note 9 - Non-current assets - Property, plant and equipment</b>		
Leasehold improvements - at cost	418,088	418,088
Less: provision for impairment	(239,907)	-
Less: accumulated amortisation	(178,181)	(136,661)
	<u>-</u>	<u>281,427</u>
Plant and equipment - at cost	274,886	270,122
Less: accumulated depreciation	(246,888)	(186,336)
	<u>27,998</u>	<u>83,786</u>
Office furniture and equipment - at cost	234,388	231,571
Less: accumulated depreciation	(136,315)	(104,467)
	<u>98,073</u>	<u>127,104</u>
Telephone system - at cost	10,385	10,385
Less: accumulated depreciation	(8,306)	(6,230)
	<u>2,079</u>	<u>4,155</u>
Motor vehicles - at cost	26,507	26,507
Less: accumulated depreciation	(12,476)	(11,482)
	<u>14,031</u>	<u>15,025</u>
	<u>142,181</u>	<u>511,497</u>
<b>Note 10 - Current liabilities - Payables</b>		
Income received in advance	27,145	-
Grants in advance	41,618	73,962
Trade creditors	69,051	70,017
Collective purpose fund	108,337	103,750
Sundry creditors & Accruals	326,935	76,850
Rental bonds	7,920	7,920
	<u>581,006</u>	<u>332,499</u>
<b>Note 11 - Provisions</b>		
<b>(a) Current</b>		
Provision for annual leave	62,481	90,052
	<u>62,481</u>	<u>90,052</u>
<b>(b) Non-current</b>		
Provision for long service leave	88,841	100,593
	<u>88,841</u>	<u>100,593</u>

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

	2019	2018
	\$	\$
<b>Note 12 - Segment reporting</b>		
Mental Health Association NSW Limited is a non-government organisation actively involved in promoting the understanding of Mental Health problems in the community in New South Wales.		
<b>Note 13 - Statement of Cash Flows</b>		
<b>(a) Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	300	1,040
Cash at bank	472,193	445,020
Deposits at call	397,286	397,286
	<u>869,779</u>	<u>843,346</u>
<b>(b) Reconciliation of cash provided by / (used) in operating activities</b>		
Operating surplus / deficit	(570,441)	(203,444)
Non-cash flows in operating surplus		
Depreciation and amortisation	136,990	144,664
Doubtful debts provision	137,219	-
Impairment expense	239,907	-
(Profit) / loss on sale of fixed assets	-	1,071
Changes in assets and liabilities		
(Increase) / decrease in receivables	(103,804)	(27,266)
(Increase) / decrease in inventories	-	-
(Increase) / decrease in prepayments	(15,041)	(13,185)
Increase / (decrease) in payables	248,507	3,712
Increase / (decrease) in provisions	(39,323)	23,879
	<u>34,014</u>	<u>(70,569)</u>

The Company has no credit stand-by or financing facilities in place.

There were no non-cash financing or investing activities during the period.

**Note 14 - Events subsequent to balance date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company in financial years subsequent to the financial year ended 30 June 2019.

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2019**

	2019 \$	2018 \$
<b>Note 15 - Retained funds</b>		
Movements in retained funds are summarised as follows:		
Retained funds at the beginning of the financial year	961,167	1,005,989
Current year surplus / (deficit)	(570,441)	(203,444)
Transfer (to) / from collective purpose fund	27,771	158,622
Retained funds at the end of the financial year	<u>418,497</u>	<u>961,167</u>

**Note 16 - Collective purpose reserve**

Movements in retained funds are summarised as follows:

Balance at the beginning of the financial year	27,771	186,393
Transfer from / (to) retained earnings	<u>(27,771)</u>	<u>(158,622)</u>
Balance at the end of the financial year	<u>-</u>	<u>27,771</u>

Mental Health Association NSW Limited entered into the "Collective Purpose Agreement" with New South Wales Consumer Advisory Group - Mental Health Inc. and Mental Health Carers ARAFMI NSW. This agreement involved the sharing of facilities and contributing to the cost of capital works, ongoing rent, outgoings and other expenses as set out in the agreement.

The "Collective Purpose Agreement" ceased between the parties effective 30 June 2019. Mental Health Association NSW Limited has brought to account and reflected the expected transactions at balance date based on its interpretation of the terms of the Agreement. Invoices were raised to both other parties for their share of net costs.

It is noted that the other parties have both raised issues with the calculation of expected costs provided by Mental Health Association NSW Limited on the termination of the Agreement and how these should be allocated. Due to this issue Mental Health Association NSW Limited has decided to assess the debtors as doubtful at year end as collectability is unknown.

	2019 \$	2018 \$
<b>Note 17 - Non-Cancellable Operating Lease Commitments</b>		
Not later than one year	255,411	368,381
Later that one year but not later than two years	-	255,411
Later that two year but not later than five years	-	-
Minimum lease payments	<u>255,411</u>	<u>623,792</u>

The Company entered into a new office lease commencing in March 2015 for a period of 5 years which ends in February 2020.

The Company receives a Co-location rental grant to cover these lease commitments.

**MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**A.B.N. 11 326 005 224**

**DIRECTORS' DECLARATION**

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The directors have determined that the Company 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 Directors the financial report:

1. Presents a true and fair view of the financial position of Mental Health Association NSW Limited as at 30 June 2019 and its performance for the year ended on that date.
2. The financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act).
3. At the date of this statement, there are reasonable grounds to believe that Mental Health Association NSW Limited will be able to pay its debts as and when they fall due.

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



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**Meg Smith OAM**  
**President**



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**Donald Murray**  
**Treasurer**

SYDNEY,  
11 November 2019



THOMAS DAVIS & CO  
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MENTAL HEALTH ASSOCIATION NSW LIMITED  
A.B.N. 11 326 005 224

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40  
OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012  
TO THE BOARD MEMBERS OF MENTAL HEALTH ASSOCIATION NSW LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

- (a) no contraventions of the auditor independence requirements of section 60-40 of the ACNC Act in relation to the audit; and.
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

*Thomas Davis & Co.*

THOMAS DAVIS & CO.

*J. G. Ryan*

J. G. Ryan

Partner

Chartered Accountants

Sydney  
11 November 2019

A member of



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**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF MENTAL HEALTH ASSOCIATION NSW LIMITED**  
**ABN 11 326 005 224**

**Opinion**

We have audited the financial report of Mental Health Association NSW Limited, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in members' funds 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 financial report of Mental Health Association NSW Limited 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 Mental Health Association NSW Limited financial position as at 30 June, 2019 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the Australian Charities and Not-for-profits Commission Regulation 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 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.

**Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use**

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 Mental Health Association NSW Limited financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of the 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 needs of 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 a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

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## 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 in our 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 this financial report.

As part of an audit in accordance with 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 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.
- 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 auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.



THOMAS DAVIS & CO.



J G RYAN PARTNER

Chartered Accountants

SYDNEY,  
11 November 2019

**Liability Limited by a scheme approved under professional standards legislation.**