



Rainbow Club Australia Incorporated

ABN: 96 753 434 862

Financial Report

For the year ended 30 June 2021

Rainbow Club Australia Incorporated

ABN: 96 753 434 862

Year Ended 30 June 2021

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Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

COMMITTEE'S REPORT

The Committee members submit the Financial Report of Rainbow Club Australia Incorporated (the "Association") for the financial year ending 30 June 2021. In order to comply with the provisions of the Australian Charities and Not-for Profits Commissions Act 2012 (ACNC Act), the members report as follows:

COMMITTEE MEMBERS

The names of Committee members during the financial year ending 30 June 2021 and as at the date of this report are:

Alexandra Finley
Robert Lloyd
Dipen Dhruv
Mark McCormack
Robert McCotter
John Taplin
Ernie Cirignano
Steven Langan-Stark
Tracey Raso
Matt Levy

PRINCIPAL ACTIVITIES

The principal activities of the Association during the financial year were to provide swimming lessons and social participation activities for children and young adults with a disability. The Association operates in over 30 locations around NSW.

There has been no significant change to these activities during the year.

OPERATING RESULT

The surplus for the financial year ending 30 June 2021 is \$142,838 (prior year ending 30 June 2020: \$175,834 deficit).

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

During the year, Rainbow Club Australia expanded its service offering to include swimming and social participation programs for young adults with a disability. Prior to the current financial year, Rainbow Club Australia's services were provided to children up to the age of 18.

SUBSEQUENT EVENTS AFTER BALANCE DATE

The disruptions caused by the COVID 19 virus impacted the operations of the Association after the balance date of this report. The effects are ongoing and the impact is unknown as at the date of this financial report.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

COMMITTEE'S REPORT continued

REGISTERED OFFICE

The registered office of the Association is PO Box 432, Brighton-Le-Sands, NSW, 2216.

Signed in accordance with a resolution of the Members of the Committee.



Alexandra Finley, President



Robert Lloyd, Vice President

Dated this 27th day of September 2021

AUDITOR'S INDEPENDENCE DECLARATION

To: The Board of Rainbow Club Australia Inc

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30 June 2021, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Greg Thompson



Sydney 21st day of May 2021

Darwin

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Woolner NT 0820

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Enquiry

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Limited Liability by a scheme approved under Professional Standards Legislation

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	30/06/2021	30/06/2020
	\$	\$
Revenue		
Continuing Operations		
Membership Fees	1,153,761	569,261
Government Subsidies - COVID-19 Pandemic Stimulus Payments	555,050	441,966
Government Grant Income	20,000	70,000
Grants & Donations	168,544	181,013
Fundraising & Events Income	371,785	180,582
Other Income	5,876	11,812
Total Revenue	2,275,016	1,454,634
Expenditure		
Service Provision Expenses	1,799,518	1,253,021
Staff Training & Development	47,182	72,974
Fundraising & Event Expenses	45,175	55,424
Technology & Systems	90,176	95,109
Depreciation & Amortisation	59,384	48,712
Rental Expenses	6,579	5,773
Other Expenses	84,163	99,455
Total Expenditure	2,132,178	1,630,468
Surplus / (Deficit) Before Income Tax	142,838	(175,834)
Income Tax Expense	-	-
Surplus / (Deficit) for the Year	142,838	(175,834)
Other Comprehensive Income	-	-
Total Comprehensive Income for the Year	142,838	(175,834)

This Statement is to be read in conjunction with the Notes to the Financial Statements

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

STATEMENT OF FINANCIAL POSITION

	Notes	30/06/2021 \$	30/06/2020 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	2	647,675	93,548
Accounts Receivable	3	43,685	157,813
Prepayments		24,186	9,337
Investments	4	767,438	761,858
TOTAL CURRENT ASSETS		1,482,984	1,022,556
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	5,246	2,751
Intangibles	6	45,331	101,345
TOTAL NON-CURRENT ASSETS		50,577	104,096
TOTAL ASSETS		1,533,561	1,126,652
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	7	-	25,319
Other Payables	8	117,001	81,867
Employee Leave Provisions	9	57,156	9,637
Income Received in Advance	10	387,063	201,251
TOTAL CURRENT LIABILITIES		561,220	318,075
NON-CURRENT LIABILITIES			
Employee Leave Provisions	9	20,926	-
TOTAL NON-CURRENT LIABILITIES		20,926	-
TOTAL LIABILITIES		582,146	318,075
NET ASSETS		951,415	808,577
EQUITY			
Retained Surplus		951,415	808,577
TOTAL EQUITY		951,415	808,577

This Statement is to be read in conjunction with the Notes to the Financial Statements

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

STATEMENT OF CHANGES IN EQUITY

	30/06/2021	30/06/2020
RETAINED SURPLUS	\$	\$
Opening Balance	808,577	984,411
Surplus / (deficit) for the year	142,838	(175,834)
Other comprehensive income (loss) for the year	-	-
Closing Balance	<u>951,415</u>	<u>808,577</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

STATEMENT OF CASH FLOWS

	Notes	30/06/2021 \$	30/06/2020 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and donors		1,737,439	1,082,782
Receipts from government grants		130,837	70,000
Receipts from government subsidies		700,850	224,210
Interest Received		5,831	12,006
Payments to suppliers and employees		(2,009,384)	(1,469,456)
Net cash provided by / (used in) Operating Activities	13	565,572	(80,458)
CASH FLOW FROM INVESTING ACTIVITIES			
Investment - Held to Maturity - Term Deposits		(5,580)	(11,859)
Payments for Property, Plant & Equipment		(5,866)	(35,653)
Net cash provided by / (used in) Investing Activities		(11,446)	(47,512)
CASH FLOW FROM FINANCING ACTIVITIES			
		-	-
NET INCREASE / (DECREASE) IN CASH HELD		554,127	(127,970)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		93,548	221,518
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	2	647,675	93,548

This Statement is to be read in conjunction with the Notes to the Financial Statements

Rainbow Club Australia Incorporated

ABN: 96 753 434 862

Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Framework

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the NSW Associations Incorporation Act 2009 and the Australian Charities and Not-for-profits Commission Act 2012. Committee members have determined that the Association is not a reporting entity because there are no users dependent on general purpose financial statements, and users of the financial statements are able to obtain additional information to meet their needs. The Association is a not-for-profit entity for reporting purposes under Australian Accounting Standards.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Charities and Not-for-profits Commission Act 2012 and the NSW Associations Incorporation Act 2009. This includes Accounting Standards AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1048 Interpretation of Standards, AASB 1054 Australian Additional Disclosures, and AASB 2019-4 Disclosure in Special Purpose Financial Statements for Not-for-Profit Private Sector Entities on Compliance with Recognition and Measurement Requirements.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

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

The financial report is presented in Australian Dollars which is the Association's functional and presentation currency. The amounts presented in the financial statements have been rounded to the nearest dollar.

The preparation of a financial report in conformity with applicable Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by the Association.

The financial statements of the Association for the year ended 30 June 2021 were authorised for issue in accordance with the resolution of the Committee members on the 27th September 2021.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST). Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Sales of Goods

Revenue from sales of goods comprises revenue from the sale of pool safety equipment or merchandise. Revenue is recognised on the point of delivery as this corresponds to the transfer of significant risks and rewards of the ownership of the goods.

Rendering of Services

Fee revenue from rendering of services is recognised when the services are provided.

Interest Revenue

Interest Revenue is recognised on a cash received basis.

Dividend and Distribution Income

Dividend and distribution income is recognised when the right to receive payment is established.

Government Subsidies - COVID-19 Pandemic Stimulus Payments

Government subsidies include financial support and assistance provided by the Government's COVID-19 pandemic stimulus payments. Grant revenue is recognised in the Statement of Profit and Loss and Comprehensive Income when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before the Association is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Grants & Donations

Grant revenue is recognised in the Statement of Profit and Loss and Comprehensive Income when the Association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it the Association is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the Association incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the Statement of Financial Position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862

Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition continued

Other Income

Other income is recognised when it is received or when the right to receive payment is established, subject to the receipt or right to receive being pertinent to current (or prior) reporting periods. Receipt or right to receive of payments relevant to future periods are carried forward as Balance sheet items.

Sale of Non-Current Assets

The gross proceeds of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract is signed, subject to all parties sharing equal contractual rights as to enforcement of settlement subsequent to exchange. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

Goods and Services Tax

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). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the cost of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash Flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Taxation

The Association is a registered charity and is exempt from Income Tax.

Property, Plant and Equipment

All assets acquired including property, plant and equipment and intangibles other than goodwill are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Expenditure is only recognised as an asset when the Association controls future economic benefits as a result of the costs incurred, that are probable and can be measured reliably. Costs attributable to feasibility and alternative approach assessments are expensed as incurred.

Subsequent Additional Costs

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Association in future years, otherwise they are expensed as incurred.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant and Equipment continued

All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financials period in which they are incurred.

Useful Lives

All non-current assets have limited useful lives and are depreciated/amortised using either the straight line or diminishing value methods over their estimated useful lives.

Assets are depreciated or amortised from the time the asset held is ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected in current and future periods only.

The depreciation/amortisation rates used for each class of asset are as follows:

<i>Class of Asset</i>	<i>Method</i>	2021 <i>Rate</i>	2020 <i>Rate</i>
Office Equipment	Diminishing	67%	67%
Software	Straight Line	33%	33%

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

Impairment of Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is the amount by which the asset's carrying amount exceeds its recoverable amount and is recognised in the Statement of Profit or Loss.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Accounts Receivable

Accounts Receivable include amounts due from members, Plan Managers, and from other donors. The collectability of debts is assessed at reporting date and specific provision is made for any doubtful accounts. Trade receivables are usually settled within 60 days.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Assets

The Association classifies its financial assets in the following categories: loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Association has the positive intention and ability to hold-to-maturity.

Intangible Assets

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of three years. It is assessed annually for impairment.

Accounts Payable and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are unsecured and are normally settled within 30 days.

Employee Entitlements

Wages, Salaries, Annual Leave and Sick Leave

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash flows to be made for those benefits.

Long Service Leave

The provision for employee benefits relating to long service leave represents the present value of estimated future cash outflows to be made resulting from employee's service provided to reporting date. The provision is calculated using expected future increases in wages and salary rates including related on costs and expected settlement dates based on turnover history and is discounted using the rates attaching to national government bonds at reporting date which most closely match the terms of maturity of the related liabilities.

Superannuation

The Association contributes to employees' superannuation funds in accordance with relevant legislation.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

	30/06/2021	30/06/2020
	\$	\$
2 CASH & CASH EQUIVALENTS		
Cash in Bank Accounts	647,675	93,548
3 ACCOUNTS RECEIVABLE		
Debtors	15,077	840
Less: Provision for Doubtful Debts	(990)	-
JobKeeper Receivable	-	145,800
GST Net Receivable	29,598	11,173
	43,685	157,813
4 INVESTMENTS		
<i>Current</i>		
Financial Assets - Held to Maturity - Term Deposits	767,438	761,858
5 PROPERTY, PLANT AND EQUIPMENT		
Office Equipment	17,827	11,961
Less: Accumulated Depreciation	(12,580)	(9,210)
	5,246	2,751
Reconciliation of Carrying Amount		
Balance at the start of the year	2,751	2,721
Additions	5,866	2,389
Depreciation	(3,371)	(2,359)
Disposals	-	-
Balance at the end of the year	5,246	2,751
6 INTANGIBLES		
Software	160,580	160,580
Less: Accumulated Amortisation	(115,249)	(59,235)
	45,331	101,345
7 ACCOUNTS PAYABLE		
Trade Creditors	-	20,029
Credit Card	-	5,290
	-	25,319
8 OTHER PAYABLES		
PAYG Liability	17,619	22,338
Superannuation Liability	38,882	16,949
Accrued Wages	25,141	42,580
Other Accruals	35,359	-
	117,001	81,867

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

	30/06/2021	30/06/2020
	\$	\$
9 EMPLOYEE PROVISIONS		
<i>Current</i>		
Annual Leave Provision	32,059	9,637
Long Service Leave Provision	25,097	-
	<u>57,156</u>	<u>9,637</u>
<i>Non-Current</i>		
Long Service Leave Provision	<u>20,926</u>	<u>-</u>
10 INCOME RECEIVED IN ADVANCE		
Grants Received in Advance	140,838	125,640
Membership Fees Paid in Advance	228,195	72,259
Other Income Received in Advance	18,030	3,353
	<u>387,063</u>	<u>201,251</u>
11 AUDITOR'S REMUNERATION		
Audit Services:	<u>3,700</u>	<u>3,182</u>
Auditors of the Association: Thompsons Audit		
12 FINANCIAL REPORTING BY SEGMENTS		
The Association operates in one industry, the principal activity being the operation of social swimming clubs.		
13 NOTES TO THE STATEMENT OF CASH FLOWS		
a) Reconciliation of cash balances		
Cash as at the end of the financial year as shown in the Statement of Cash Flow is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and Cash Equivalents per Statement of Financial Position	<u>647,675</u>	<u>93,548</u>
Cash and Cash Equivalents per Statement of Cash Flow	<u>647,675</u>	<u>93,548</u>

Rainbow Club Australia Incorporated

ABN: 96 753 434 862

Year Ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS

13 NOTES TO THE STATEMENT OF CASH FLOWS continued

30/06/2021

30/06/2020

\$

\$

b) Reconciliation of operating surplus / (deficit) after income tax to net cash provided by / (used in) operating activities

Operating surplus / (deficit) for the year	<u>142,838</u>	<u>(175,834)</u>
Add Non-Cash Items:		
Depreciation & Amortisation	59,384	51,924
Net cash provided by operating activities before changes in Assets & Liabilities	<u>202,222</u>	<u>(123,910)</u>
Changes in Assets & Liabilities		
Decrease/(Increase) in Trade & Other Receivables	114,128	(141,838)
Decrease/(Increase) in Prepayments	(14,849)	2,349
Increase/(Decrease) in Trade Creditors & Other Payables	9,813	82,001
Increase/(Decrease) in Provisions	68,445	998
Increase/(Decrease) in Income in Advance	185,812	99,942
Net Cash provided / (used) by Operating activities	<u><u>565,572</u></u>	<u><u>(80,458)</u></u>

14 EVENTS OCCURRING AFTER THE REPORTING DATE

The disruptions caused by the COVID 19 virus impacted the operations of the Association after the balance date of this report. The effects are ongoing and the impact is unknown as at the date of this financial report.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

Rainbow Club Australia Incorporated

ABN: 96 753 434 862
Year Ended 30 June 2021

ANNUAL STATEMENTS - TRUE & FAIR DECLARATION

We, Alexandra Finley and Robert Lloyd, being members of the Committee of Rainbow Club Australia Incorporated (the Association), certify that:

- 1 The statements included in this report give a true and fair view of the financial position and performance of the Association, during and at the end of the financial year ending 30 June 2021,
- 2 There are reasonable grounds to believe that the Association is able to pay all of its debts, as and when they become due and payable, and
- 3 The financial statements and notes satisfy the requirements of the Australian Charities and Not-for Profits Commissions Act 2012 (ACNC Act).



Alexandra Finley, President



Robert Lloyd, Vice President

Dated this 27th day of September 2021

Independent Auditor's Report

To: The Members of Rainbow Club Australia Inc

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Rainbow Club Australia Inc, ABN 96 753 434 862, which comprises the statement of financial position as at 30 June 2021, and the statement of Profit and Loss and other comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes.

In my opinion, the financial report of Rainbow Club Australia Inc is prepared in accordance with the Associations Incorporation Act NSW 2009 and with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent described in Note 1 and complying with the requirements of the Associations Incorporation Act NSW 2009 and with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for Opinion

I conducted the 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 this report. I am independent of the entity in accordance with the auditor independence requirements and 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 the audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration, which has been given to the directors of the entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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Enquiry

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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The entity is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, 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 our 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 we are required to report that fact. I have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of the 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 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 directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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Limited Liability by a scheme approved under Professional Standards Legislation

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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Conclude on the appropriateness of the company's 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 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 my 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 a manner that achieves fair presentation.

I have communicated with the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.



Gregory Thompson

Thompsons Audit

Date: 27 September 2021

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