

CYSTIC FIBROSIS AUSTRALIA
ABN 73 104 285 136

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



CYSTIC
FIBROSIS
Australia

Rose Cottage
2 Richardson Place
North Ryde NSW 2113
PO Box 268
North Ryde NSW 1670

Cystic Fibrosis Australia
(a company limited by guarantee)

ABN 73 104 285 136

Financial report

For the year ended 31 December 2019

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Cystic Fibrosis Australia

(a company limited by guarantee)

Directors' report

The directors of Cystic Fibrosis Australia (the 'company') present this report for the year ended 31 December 2019.

Directors

The names of each person who has been a director at any time during, or since the end of, the year are:

Name:	Appointed:	Qualification:
Patrick O'Connor President	9 May 2014	Environmental Scientist
Feliciano Sanchez Vice President	19 April 2009	Company General Manager
Laurence Daly Treasurer	12 July 2013	Accountant Appointed Treasurer 4/08/17
Mitchell Messer	24 April 2003	Company Director & Consultant
Ross Fraser	Resigned 4 May 2019	Retired Business Executive
Jong Chung	16 October 2015	SMSF Specialist Advisor
Peter Wark	16 October 2015	Conjoint Professor
Sean Collins	13 February 2016	Management & IT Consultant
Sarah Kelly	11 February 2017	Principal Policy Officer
Kirsten Delina	4 August 2017	Lawyer, Practicing Management Consultant
Caz (Carolyn) Boyd	1 May 2018	PA for an Associate Clinical Professor in Endocrinology
Julie Norman	12 May 2019	IT Professional, Director of numerous Cystic Fibrosis and health related entities.

The directors have been in office since the start of the financial year to the date of this report unless other stated.

Nettie Burke has held the position of Company Secretary since 2 May 2015.

Review of Operations

The operating surplus of the financial year amounted to \$5,778 (2018: \$93,206).

Going Concern

The financial report has been prepared on the basis of the company continuing as a going concern. The directors are of the view that the going concern basis is based upon the reasonable expectation that the company has the support of its' corporate partners, sponsors and creditors to continue to trade on this basis for the foreseeable future. The directors and management have taken appropriate steps to further reduce operating cash outflows in the 2020 year and are currently considering strategic opportunities to secure the ongoing viability of the company.

Directors' report - continued

Principal activities

The principal activities of the company during the financial year were as a charitable organisation to advance and improve the treatment of cystic fibrosis in Australia and to promote research in cystic fibrosis through management of the Australian Cystic Fibrosis Research Trust.

No significant change in the nature of these activities occurred during the year.

Short-term and long-term objectives

The company's short-term objectives are to:

- Promote the awareness and research of cystic fibrosis;
- Provide support and services including advocacy, funding, clinical improvement programs and research to people with cystic fibrosis and their families and carers.

The company's long-term objectives are to:

- Advance and improve the treatment of cystic fibrosis in Australia through continuous research;
- Establish and maintain relationships with key stakeholders including the government, the broad cystic fibrosis community, overseas cystic fibrosis entities and the media while continuously providing support and services to people with cystic fibrosis.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- The company strives to work collaboratively with cystic fibrosis organisations nationwide to increase awareness, provide essential services and support research and advocacy initiatives.
- The company establishes and fosters working partnerships with a range of community stakeholders by actively encouraging and facilitating stakeholder involvement in the entity's activities.

Key performance measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

Cystic Fibrosis Australia

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Directors' report – continued

Directors' meetings

During the year, 8 meetings of directors were held. Attendances by each director were as follows:

	Directors' meetings	
	Number eligible to attend	Number attended
Patrick O'Connor	8	8
Feliciano Sanchez	8	7
Laurence Daly	8	6
Mitchell Messer	8	7
Ross Fraser	3	3
Jong Chung	8	3
Peter Wark	8	4
Sean Collins	8	7
Sarah Kelly	8	8
Kirsten Delina	8	7
Carolyn Boyd	8	7
Julie Norman	4	4
Nettie Burke (Secretary)	8	8

Members' guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In the event of the company being wound up, the constitution states that each member is required to contribute a maximum of \$100 towards meeting any outstanding obligations of the company. At 31 December 2019 the number of members was 10 (2019: 10).

Auditor's independence

The auditor's declaration of independence appears on page 4 and forms part of the Directors' Report for the year ended 31 December 2019.

Signed in accordance with a resolution of the directors:

Director:



Director:



Dated:

14 March 2020

Auditor's declaration of independence

To the Directors of Cystic Fibrosis Australia

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019 there have been no contraventions of:

- (i) the auditor independence requirements of Section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit;
- (ii) the *Charitable Fundraising Act 1991(NSW)*; and
- (iii) any applicable code of professional conduct in relation to the audit.

Roberts & Morrow Audit Services Pty Ltd
Authorised Audit Company Number 517597



Michelle A Paull
Director

Dated: 14 March 2020

Cystic Fibrosis Australia
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Financial report for the year ended 31 December 2019

Statement of profit or loss and other comprehensive income

	Note	2019 \$	2018 \$
Revenue			
Revenue	3	1,410,217	1,460,484
Total revenue		1,410,217	1,460,484
Expenditure			
Employee expenses		547,421	632,944
Great Escape expenses		123,233	161,110
Data registry expenses		164,233	258,664
Research Project Expenses		83,531	96,610
Board & Other meeting expenses		44,373	45,849
Cystic Fibrosis Conference expenses		313,424	16,687
Fundraising Expenses		35,610	28,993
Depreciation		1,910	106
Other administrative expenses		90,705	126,315
		1,404,439	1,367,278
Surplus / (deficit) for the year		5,778	93,206
Other comprehensive income			
Items that have been reclassified to Profit & Loss		-	-
Total comprehensive income for the year		-	-
Total comprehensive income		5,778	93,206

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Cystic Fibrosis Australia
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Financial report for the year ended 31 December 2019
Statement of financial position as at 31 December 2019

	Note	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	4	88,625	85,591
Trade receivables		205,035	370,233
Prepayments		-	5,000
		293,661	460,824
Non-current assets			
Property, plant & equipment	5	-	1,910
		-	1,910
Total assets		293,661	462,734
Current liabilities			
Trade and other payables	6	153,322	310,756
Provisions	7	86,587	97,568
Income received in advance		34,000	40,436
Total current liabilities		273,909	448,760
Total liabilities		273,909	448,760
Net assets		19,752	13,974
Equity			
Members Equity		19,752	13,974
Total equity		19,752	13,974

The statement of financial position is to be read in conjunction with the attached notes.

Cystic Fibrosis Australia
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Financial report for the year ended 31 December 2019

Statement of changes in equity

	Total equity
Balance at 1 January 2017	(79,232)
Surplus for the year	93,206
Other comprehensive income	-
Balance at 31 December 2018	13,974
Surplus for the year	5,778
Other comprehensive income	-
Balance at 31 December 2019	19,752

The statement of changes in equity is to be read in conjunction with the attached notes.

Cystic Fibrosis Australia
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Financial report for the year ended 31 December 2019

Statement of cash flows

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from donation, bequests and raffles		1,622,986	1,275,312
Payments to suppliers and employees		(1,621,636)	(1,287,406)
Interest received		1,684	1,506
		3,034	(10,588)
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Net increase (decrease) in cash held		3,034	(10,588)
Cash at beginning of financial year		85,591	96,179
Cash at end of financial year	4	88,625	85,591

The statement of cash flows is to be read in conjunction with the attached notes.

Financial report for the year ended 31 December 2019

Notes to and forming part of the financial statements

(1) Corporate information

The financial report of Cystic Fibrosis Australia (the “company”) for the year ended 31 December 2019 was authorised for issue in accordance with a resolution of the directors on 14 March 2020.

Cystic Fibrosis Australia is a not-for-profit entity registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC). The nature of the operations and principal activities of the company are described in the Directors’ Report.

(2) Summary of significant accounting policies

Financial reporting framework

The Directors have prepared the financial statements on the basis that the company is a non-reporting entity as there are no users dependent upon a general purpose financial report.

The financial report is a special purpose financial report, which has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The trust is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Statement of compliance

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

AASB 101: Presentation of Financial Statements

AASB 107: Cash Flow Statements

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

AASB 1031: Materiality

AASB 1054: Australian Additional Disclosures

Basis of preparation

The financial report, except for the cash flow information, has been prepared on an accrual basis and is based on historical costs. The amounts presented in the financial statements have been presented in Australian dollars and rounded to the nearest dollar.

Cystic Fibrosis Australia

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Financial report for the year ended 31 December 2019

Notes to and forming part of the financial statements

Going concern

The financial report has been prepared on the basis of the company continuing as a going concern. The directors are of the view that the going concern basis is based upon the reasonable expectation that the company has the support of its Corporate Partners, sponsors and creditors to continue to trade on this basis for the foreseeable future. The directors and management have taken appropriate steps to further reduce operating cash flows in the 2020 year and are currently considering strategic opportunities to secure the ongoing viability of the company.

(a) Revenue

Revenue is recognised when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Revenue is recognised net of the amounts of goods and services tax (GST) payable to the Australian Taxation Office.

State and Territory levies

Member States and Territories are charged an annual levy on a per capita basis based upon each State and Territory's registrations on the data registry. These levies are recorded as revenue on an accruals basis.

Revenue from Corporate Partners and Sponsors

The policy of the company is to record Pledges from Corporate Partners and Sponsors as revenue once a mutually binding agreement has been reached.

Donations and Bequests

Revenue from receipt of donations and bequests is recognised as revenue when received.

Fundraising activities

Revenue from the fundraising activities is recognised as revenue when received.

Interest

Interest revenue is recognised as it accrues.

(b) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular category they have been allocated to activities on a basis consistent with use of the resources.

(c) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

Financial report for the year ended 31 December 2019

Notes to and forming part of the financial statements

(d) Account and other receivables

Trade receivables, which comprise amounts due from the provision of services, are recognised and carried at original invoice amount less any allowance for any uncollectable amounts.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

(e) Furniture and equipment

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

Furniture and equipment

Furniture and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of furniture and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of fixed asset	Depreciation rate
Furniture & Equipment	25% - 30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the statement profit or loss and other comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

Financial report for the year ended 31 December 2018

Notes to and forming part of the financial statements

(f) Impairment of assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in the statement of profit or loss and other comprehensive income, unless the asset is carrying a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(g) Accounts and other payables

Trade creditors and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. The notional amount of the creditors and payables is deemed to reflect fair value.

(h) Provisions for Employee benefits

Employee benefits comprise wages and salaries, annual, non-accumulating sick and long service leave, and contributions to superannuation plans.

Liabilities for wages and salaries expected to be settled within 12 months of balance date are recognised in trade and other payables in respect of employees' services up to the reporting date. Liabilities for annual leave in respect of employees' services up to the reporting date which are expected to be settled within 12 months of balance date are recognised in the provision for annual leave. Both liabilities are measured at the amounts expected to be paid when the liabilities are settled.

Provision is made for the company's obligation for long service leave benefits and annual leave benefits not expected to be settled within 12 months. These benefits are measured at the present value of expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the measurement of obligations, the net change in the obligation is recognised in the statement of profit or loss and other comprehensive income under employee benefits expense.

The company's obligation for long term employee benefits are presented as non-current liabilities in the statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after end of the reporting period, in which case the obligations are presented as current liabilities.

Financial report for the year ended 31 December 2019

Notes to and forming part of the financial statements

(i) Income tax

As a charity registered with the Australian Charities and Not-for-Profits Commission and endorsed by the ATO, the company is exempt from income tax. Accordingly, no provision for income tax has been made.

(j) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office, in which case it is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are recognised inclusive of GST. The net amount of GST recoverable from or payable to the Australian Taxation Office is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the Australian Taxation Office is classified as operating cash flows.

(k) Comparative information

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(l) Critical Accounting Estimates and Judgements

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

3. Revenue

	2019	2018
	\$	\$
State and Territory levies	120,510	142,063
Donations	152,388	405,806
Corporate Partners	276,488	200,556
Grants	100,000	100,000
Sponsorship – data registry	76,499	145,000
Sponsorship – other	76,499	208,279
Conference revenue	371,347	-
Red Rose merchandise	19,492	23,127
Other revenue	6,887	22,997
Interest income	1,684	1,506
Great Escape Fundraising	208,423	211,150
	1,410,217	1,460,484

Cystic Fibrosis Australia
(a company limited by guarantee)

Financial report for the year ended 31 December 2019

Notes to and forming part of the financial statements

4. Cash and cash equivalents

	2019	2018
	\$	\$
Cash at bank	60,054	57,360
Short term deposits	28,571	28,231
	88,625	85,591

5. Furniture and equipment

	2019	2018
	\$	\$
Furniture and Equipment		
At cost	53,688	53,688
Accumulated depreciation	53,688	(51,778)
	-	1,910

6. Trade and other payables

	2019	2018
	\$	\$
Trade payables	145,846	253,950
GST and PAYG payable	7,476	17,824
Employee related liabilities	-	38,982
	153,322	310,756

7. Provisions – Employee benefits

	2019	2018
	\$	\$
Annual leave	53,157	62,246
Long service leave	33,430	35,322
	86,587	97,568

Financial report for the year ended 31 December 2019

Notes to and forming part of the financial statements

8. Cash flows from operations

	2019	2018
	\$	\$
Reconciliation of cash flow from operations with profit from ordinary activities		
Surplus from ordinary activities	5,778	93,206
Non cash flows in profit		
Depreciation	1,910	106
Changes in assets and liabilities		
(Increase)/decrease in account and other receivables	165,198	(224,102)
Increase/(decrease) in account and other creditors	(157,434)	49,329
Increase/(decrease) in income in advance	(6,436)	40,436
(Increase)/decrease in prepayments	5,000	(3,000)
Increase/(decrease) in employee entitlement provisions	(10,982)	33,437
Net cash provided by operating activities	3,034	(10,588)

9. Capital commitments

To the best of the directors' knowledge and belief, there are no known capital commitments at balance date.

10. Contingent assets and liabilities

To the best of the directors' knowledge and belief, there are no known contingent assets or liabilities at balance date.

11. Events after the reporting period

To the best of the directors' knowledge and belief, there have been no significant events since the end of the reporting period requiring disclosure in the financial report.

12. Company details

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

Rose Cottage
2 Richardson Place
North Ryde NSW 2113

Cystic Fibrosis Australia

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Financial report for the year ended 31 December 2019

Directors' declaration

In accordance with a resolution of the directors of Cystic Fibrosis Australia, the directors declare that in their opinion:

1. The financial statements and notes:

a) comply with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*;

b) comply with the basis of preparation as indicated in Note 2; and

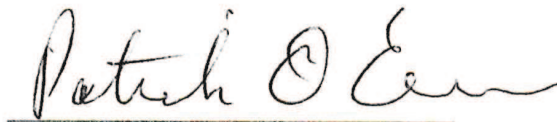
c) give a true and fair view of the financial position of the company as at 31 December 2019 and its performance and cash flows for the year ending on that date.

2. a) There are reasonable grounds to believe that the company will be able to pay all of its debts, and when they become due and payable.

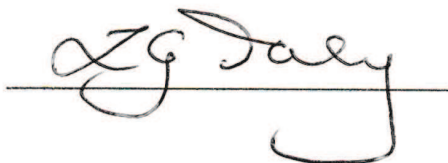
b) In arriving at their decision in Note 2(a) the Directors have taken into account the information contained in Note 1 Going Concern.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Regulation 2013*;

Director:



Director:



Dated:

14 March 2020

Cystic Fibrosis Australia

(a company limited by guarantee)

Chairman's Declaration

Under the *Charitable Fundraising Act (NSW) 1991*

I, Patrick O'Connor, Chairman, of the Board of the Cystic Fibrosis Australia, declare that in my opinion:

- a) the financial statements give a true and fair view of all income and expenditure of Cystic Fibrosis Australia;
- b) the statement of financial position gives a true and fair view of the state of affairs in respect of fundraising appeals;
- c) the provisions of the *Charitable Fundraising Act (NSW) 1991* the Regulations under the Act and the conditions attached to the authority have been complied with; and
- d) the internal controls exercised by Cystic Fibrosis Australia are appropriate and effective in accounting for all income received and applied by the company from any of its fundraising appeals.

Signed,



Patrick O'Connor
Chairman

North Ryde, NSW

Date: 14 March 2020

Independent auditor's report

To the members of Cystic Fibrosis Australia

Opinion

We have audited the accompanying financial report, of Cystic Fibrosis Australia (the company), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the company as at 31 December 2019 and of its financial performance and its cash flows for the year then ended in accordance with the basis of preparation in Note 2 to the financial report. Further, the financial report has been prepared in accordance with Division 60 of the Australian Charities and Not-For-Profits Commission Act 2012 and the requirements set out in the Australian Charities and Not-For-Profits Commission Regulations 2013 and the Charitable Fundraising Act (NSW) 1991.

Opinion Pursuant to the Charitable Fundraising Act (NSW) 1991

In our opinion:

- (i) the financial report gives a true and fair view of the company's financial result of fundraising appeal activities for the financial year ended 31 December 2019;
- (ii) the financial report has been properly drawn up, and the associated records have been properly kept for the period from 1 January 2018 to 31 December 2019, in accordance with the *Charitable Fundraising Act (NSW) 1991* and regulations;
- (iii) money received as a result of fundraising appeal activities conducted during the period from 1 January 2019 to 31 December 2019 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act (NSW) 1991* and regulations
- (iv) there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

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) and the auditor independence requirements of the Australian Charities and Not-For-Profits Commission Act 2012 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.

Cystic Fibrosis Australia

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Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the basis of preparation outlined in Note 2 to the financial report, in accordance with Division 60 of the Australian Charities and Not-For-Profits Commission Act 2012 and the requirements set out in the Australian Charities and Not-For-Profits Commission Regulations 2013 and have been prepared in accordance with the *Charitable Fundraising Act (NSW) 1991*, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

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

Our responsibilities

As part of an audit in accordance with the Australian Auditing Standards, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the financial report, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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.
- Obtains 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 entity's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.

- Concludes on the appropriateness of those charged with governance'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 entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's 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 entity to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial report, including the disclosures made by those charged with governance.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Roberts & Morrow Audit Services Pty Ltd
 Authorised Audit Company Number 517597



Michelle A Paul
 Director
 137 Beady Street
 Armidale

Dated: 14 March 2020