

ROSS HOUSE ASSOCIATION - INCORPORATED

**FINANCIAL REPORT
FOR THE YEAR ENDED
30TH JUNE 2018**

ROSS HOUSE ASSOCIATION - INCORPORATED
BALANCE SHEET
AS AT 30TH JUNE 2018

	<u>NOTE</u>	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>			
<u>Current Assets</u>			
Cash at Bank & On Hand		786,187	750,906
Trade Debtors		13,475	18,814
Less Provision for Doubtful Debts		5,000	5,000
		<u>8,475</u>	<u>13,814</u>
Sundry Debtors		-	-
Prepayments		5,375	52,322
Account Receivable		-	-
		<u>800,037</u>	<u>817,042</u>
<u>Non-current Assets</u>			
Land	1 (f)	5,550,000	5,550,000
Buildings	1 (f)	2,950,000	2,950,000
Less accumulated amortisation		(368,750)	(295,000)
Furniture & Equipment		227,471	200,001
Less accumulated depreciation	1 (b)	(157,958)	(146,505)
Capital Work		262,785	234,074
Less accumulated depreciation	1 (b)	(154,625)	(119,478)
Electronic Equipment		114,595	73,990
Less accumulated depreciation	1 (b)	(41,189)	(21,266)
HVAC		801,516	801,516
Less accumulated depreciation	1 (b)	(182,297)	(142,222)
Website		71,479	-
		<u>(3,931)</u>	<u>-</u>
		<u>9,069,096</u>	<u>9,085,110</u>
<u>TOTAL ASSETS</u>		<u>9,869,133</u>	<u>9,902,152</u>
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Trade Creditors & Accruals		66,409	38,052
Income in Advance		14,457	8,547
Grant in Advance		20,000	-
Rent in Advance		430	-
Staff Leave Provisions	1 (c)	59,379	50,043
Superannuation Provision		7,325	6,542
		<u>168,000</u>	<u>103,184</u>
<u>Non- Current Liabilities</u>			
Right of Indemnity-Ross House Trust	1 (f)	8,131,250	8,205,000
Staff Leave Provisions - L.S.L.		17,727	18,822
		<u>8,148,977</u>	<u>8,223,822</u>
<u>TOTAL LIABILITIES</u>		<u>8,316,977</u>	<u>8,327,006</u>
<u>NET ASSETS</u>		<u>1,552,156</u>	<u>1,575,146</u>
<u>EQUITY</u>			
Emergency Reserve		400,000	400,000
Retained Earnings		1,152,156	1,175,146
		<u>1,552,156</u>	<u>1,575,146</u>

ROSS HOUSE ASSOCIATION - INCORPORATED
INCOME STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018

<u>INCOME</u>	<u>NOTE</u>	<u>2018</u>	<u>2017</u>
Lease Income		702,727	678,042
Car Park	1 (d)	48,420	48,058
Facilities Hire	1 (d)	279,933	253,094
Equipment Hire		21,835	20,301
Sales-Equipment Keys & Stationery		2,439	2,186
Interest Received		8,846	8,779
Insurance & Other Reimbursements		539	2,515
Membership Subscription		7,673	5,402
Other Income		1,623	2,850
Refund		(6,108)	-
Donations & Donations in Kind		-	-
TOTAL INCOME		<u>1,067,927</u>	<u>1,021,227</u>
 <u>LESS EXPENDITURE</u>			
Operating Expenses			
Salaries & Wages		413,826	401,559
Superannuation		46,993	39,469
Workcover Premiums		2,118	2,023
Provision for Staff Leave		8,240	(6,465)
Staff Training		6,063	2,430
		<u>477,240</u>	<u>439,016</u>
 Property and Equipment Costs			
<i>Building Expenses</i>			
Air Conditioning		25,170	18,971
Signage		902	413
Building Maintenance	1 (e)	62,268	156,791
Green Ross House		-	-
Building Insurance		34,335	32,661
Doors		7,870	9,764
Lifts		12,463	11,582
Fire Prevention Service		34,696	21,134
Pest Control		3,460	1,969
Security		6,983	7,136
Locksmiths & Keys		3,546	997
		<u>191,693</u>	<u>261,418</u>

ROSS HOUSE ASSOCIATION - INCORPORATED
INCOME STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018

	<u>NOTE</u>	<u>2018</u>	<u>2017</u>
Property and Equipment Costs (Cont'd)			
Utilities & Services		79,464	66,446
Cleaning		64,739	62,260
		<u>144,203</u>	<u>128,706</u>
<i>Other property & Equipment</i>			
Furniture & Equipment Expenses		3,658	1,877
Equipment Repair		701	403
Depreciation	1 (b)	110,529	82,654
Photocopy Expenses		7,423	8,455
Tenant Insurance Reimbursement		4,292	3,521
Rates-Dukes		3,623	350
Congestion levy		11,040	12,240
		<u>141,266</u>	<u>109,500</u>
<i>Total Property & Equipment Costs</i>		<u>477,162</u>	<u>499,624</u>
Operating Costs			
Amenities		1,123	787
Advertising and Promotion		1,794	48
Audit fees		2,796	1,951
Bad Debts Expenses		4,821	1,117
Bank Charges		349	399
Bookkeeping & Accounting fees		490	560
Community Consultation Project		53,044	-
Computer & Courier		8,479	9,159
Consultants fees		20,627	6,346
Annual report & AGM		4,945	4,640
Events		2,928	2,937
Legal fees		1,532	4,958
Telephone & Internet		10,409	7,314
Printing & Design		777	1,194
RHA Admin Support & COM Exp		13	6
Stationery & Office Supplies		4,151	3,586
Sub. Membership & Library		1,991	1,962
Sundry Expenses		4,466	1,041
30 Years at Ross House		11,522	4,601
Website		258	138
		<u>136,515</u>	<u>52,744</u>
TOTAL EXPENDITURE		<u>1,090,917</u>	<u>991,384</u>
PROFIT(LOSS) FOR THE YEAR		<u>(22,990)</u>	<u>29,843</u>

ROSS HOUSE ASSOCIATION - INCORPORATED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018

	<u>2018</u>	<u>2017</u>
Balance as at 1 July 2017	1,175,146	1,145,303
Depreciation Written Back from Prior Years 1 (g)	-	-
Profit(loss) attributable to members	(22,990)	29,843
Wind Up Costs Reserve	-	-
Transfer from RHA Trust	-	-
Transfer to Emergency Reserve	-	-
<u>Balance as at 30 June 2018</u>	<u>1,152,156</u>	<u>1,175,146</u>

ROSS HOUSE ASSOCIATION - INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30TH JUNE 2018**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Reform Act 2012. The committee has determined that the association is not a reporting entity.

This financial report has been prepared in accordance with the requirements of the Associations Incorporation Reform Act 2012 and the following Australian Accounting Standards:

AASB 112	Income Taxes
AASB 1031	Materiality
AASB 110	Events after the Balance Sheet Date
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(a) Income Tax

No income tax is payable as all income is mutually exclusive.

(b) Property, Plant and Equipment

Each Class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the association.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Capital Work	14.29% P.C.
Electronic Equipment	25% P.C.
Furniture & Fittings	14.29% P.C.
HVAC	5% P.C.
Building	2.5% P.C.

ROSS HOUSE ASSOCIATION - INCORPORATED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018

(b) Property, Plant and Equipment (Continued)

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount of those 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 present values in determining recoverable amounts.

	<u>2018</u>	<u>2017</u>
Depreciation	<u>110,529</u>	<u>82,654</u>

(c) Employee Benefits

Provision is made for the association's liability for employee entitlements arising from services rendered by employees to balance date.

<u>Staff Leave Provision:</u>	<u>2018</u>	<u>2017</u>
Annual Leave	35,164	31,828
Paid Parental Leave	<u>24,215</u>	<u>18,215</u>
	<u>59,379</u>	<u>50,043</u>

(d) Car Park and Facilities Hire

The City of Melbourne secured a leasing agreement with Ross House Association to locate a recycling facility in the buildings' car-park ('the site'). Therefore, there is increase of utilities fees received from City of Melbourne to rent space in the car park and resulted lower in car park fees because of reduced number of parking spaces available.

(e) Building Maintenance

	<u>2018</u>	<u>2017</u>
Minor Maintenance	25,413	25,519
Eastern Façade Project	5,700	100,762
Heritage Façade Project	-	-
Electricity Repairs	6,650	6,095
Painting	20,871	22,439
Plumbing	<u>3,634</u>	<u>1,976</u>
	<u>62,268</u>	<u>156,791</u>

(f) Ross House Trust -Land and Buildings

Ross House Association is the Trustee of the Ross House Trust .Subject to the Ross House Trust deed dated 21st December 2010 the Building at 247-251 Flinders Lane Melbourne is owned by the Ross House Trust. Ross House Association Inc. as Trustee of the Ross House Trust Manages and maintains the Building in accordance with the terms of the Ross House Trust Deed including the management and maintenance expense as required and levies rent and other charges as required to fulfil the terms of the Deed. The income collected and expenses incurred fulfil the terms of the Trust and rules of the Association as required by law. Subject to AASB 108 and the principles therein have

been applied and the decision of the Board of Management is to show the Building as an asset and a liability of the Association in accordance as being held in Trust for the Ross House Trust and the Ross House Trust Association Inc. as the Trustee

As a further requirement and applying the principles of AASB 108 it was necessary to re-state the prior year comparatives to reflect this change.

A separate set of Financial Statements are attached for the Ross House Trust.

(g) Depreciation Written Back from Prior Years

Subject to AASB 108 adjustment has been made to record the write-back of prior years depreciation that is now recorded as an expense of the Ross House Trust

ROSS HOUSE ASSOCIATION - INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018

	<u>2018</u>	<u>2017</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers & other receipts	1,137,707	1,004,271
Payments to suppliers and employees	(943,007)	(914,825)
Interest, Donations & Memberships received	8,846	8,779
	-----	-----
Net cash provided by (used in) operating activities (Note 2)	203,546	98,225
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from (payment for) property, plant and equipment	(168,265)	(160,067)
	-----	-----
Net cash provided by (used in) investing activities	(168,265)	(160,067)
Net increase (decrease) in cash held	35,281	(61,842)
Cash at beginning of year	750,906	812,748
	-----	-----
Cash at end of reporting period (Note 1)	786,187	750,906

NOTES TO THE STATEMENT OF CASH FLOWS

NOTE 1. RECONCILIATION OF CASH

For the purposes of the statement of the cash flows, cash included cash on hand and in at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts

(a) Reconciliation of Cash

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the Balance Sheet as follows:

Cash on Hand	65	65
Cash at Bank	750,841	750,841
	-----	-----
	750,906	750,906
	=====	=====

NOTE 2. RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING PROFIT

Operating result	(22,990)	29,843
Depreciation of Non-current Assets	110,529	82,654
Changes in Net Assets and Liabilities:		
(Increase)/decrease in Security Deposit	-	40
(Increase)/decrease in debtors	5,339	(8,500)
(Increase)/decrease in prepaid expenses	46,947	-
Increase/(decrease) in creditors	28,357	(936)
Increase/(decrease) in provisions	9,024	(5,159)
Increase/(decrease) in income in advance	26,340	283
Assets written off		
	-----	-----
	203,546	98,225
	=====	=====

ROSS HOUSE ASSOCIATION - INCORPORATED

COMMITTEE REPORT

The committee members submit the financial report of the Ross House Association - Incorporated for the financial year ended 30th June 2018.

Committee Members

The names of the committee members throughout the year and at the date of this report are:

Christine McAuslan

David Martin

Alba Chliankhtine

Keith Bettles

De Grebner

Charles Brass

Scott Muirden

Valerie Elliott

Nazzareno Marchionda

Richard Caven

Principal Activities

The principal activity of the association during the financial year was:

To manage Ross House for small community organisations who are working towards a just and environmentally sustainable society.

Significant Changes

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

Operating Result

The net profit/(loss) for the year amounted to \$(22,990) 2017 \$29,843

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



Christine McAuslan (Chairperson)



Keith Bettles (Treasurer)

Dated this second day of November , 2018

Ross House Association Inc.
As Trustee for the Ross House Trust
Financial Statements
For the Year ended 30 June 2018

Ross House Trust
Annual Report
for the Year Ended 30 June 2018

<u>Contents</u>	<u>Page</u>
Balance Sheet	2
Profit & Loss Statement	3
Appropriations Statement	4
Notes to the Accounts	5
Non Corporate Trustee's Statement	8
Independent Audit's Report to the Trustees.....	9

Ross House Trust
Balance Sheet
As at 30 June 2018

	2018	2017
	\$	\$
Trust Funds		
Accumulated Profits (Losses) Brought Forward	(295,000)	(221,250)
Loss This Year	(73,750)	(73,750)
Asset Revaluation Reserve	8,500,000	8,500,000
Total Trust Funds	8,131,250	8,205,000
 Represented by:		
Non-Current Assets		
Freehold Land	5,550,000	5,550,000
	5,550,000	5,550,000
Buildings	2,950,000	2,950,000
Less Accumulated Depreciation & Impairment	368,750	295,000
	2,581,250	2,655,000
	8,131,250	8,205,000
Total Assets	8,131,250	8,205,000
Net Assets	8,131,250	8,205,000

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report.*

Ross House Trust
Profit and Loss Statement
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Expenditure		
Depreciation - Buildings	73,750	73,750
	<u>73,750</u>	<u>73,750</u>
Surplus/ (Loss) for Year	<u><u>(73,750)</u></u>	<u><u>(73,750)</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit
Report.*

Ross House Trust
Statement of Appropriations
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Accumulated Profits (Losses) Brought Forward	(295,000)	(221,250)
Surplus/ (Loss) for Year	(73,750)	(73,750)
Accumulated Loss	<u>(368,750)</u>	<u>(295,000)</u>
Accumulated Loss	<u><u>(368,750)</u></u>	<u><u>(295,000)</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report.*

Ross House Trust
Notes to the Financial Statements
For the Year ended 30 June 2018

1. **Summary of Significant Accounting Policies**

(a) **Basis of Preparation**

The trustees have prepared the financial statements of the trust on the basis that the trust is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the trust deed, the information needs of stakeholders and for the basis of preparation of the income tax return.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the trustees have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes.

(b) **Property, Plant and Equipment**

Property, plant and equipment are carried at cost, independent or trustees' valuation. All assets excluding freehold land, are depreciated over their useful lives to the trust. Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report.*

Ross House Trust
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
2. Expenses		
Depreciation and Amortisation Expenses	73,750	73,750
	<u>73,750</u>	<u>73,750</u>
3. Surplus/ (Loss) for Year		
Surplus/ (Loss) for Year from continuing operations includes the following specific expenses:		
Charging as Expense		
Movements in Provisions		
Depreciation		
- Buildings	73,750	73,750
Net Expenses Resulting from Movement in Provisions	<u>73,750</u>	<u>73,750</u>
4. Property, Plant and Equipment		
Land and Buildings		
Freehold Land	5,550,000	5,550,000
	<u>5,550,000</u>	<u>5,550,000</u>
Buildings		
Buildings	2,950,000	2,950,000
Less Accumulated Depreciation & Impairment	368,750	295,000
	<u>2,581,250</u>	<u>2,655,000</u>
Total Land and Buildings	<u>8,131,250</u>	<u>8,205,000</u>
5. Trust Funds		
Accumulated Profits (Losses) Brought Forward	(295,000)	(221,250)
Loss This Year	(73,750)	(73,750)
Reserves	8,500,000	8,500,000
Total Trust Funds	<u>8,131,250</u>	<u>8,205,000</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit Report.*

Ross House Trust
Notes to the Financial Statements
For the Year ended 30 June 2018

	2018	2017
	\$	\$
6. Reserves		
Asset Revaluation Reserve	8,500,000	8,500,000
	<u>8,500,000</u>	<u>8,500,000</u>

7. Trust Details

The principal place of business is:
Ross House Trust
247-251 Flinders Lane Melbourne Vic 3000

The principal activities of the business include:
TRUST

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Audit
Report.*

**Ross House Trust
Statement by the Trustees
for the Year Ended 30 June 2018**

The Trustees have determined that as defined in Statement of Accounting Concepts 1: "Definition of the Reporting Entity", that the trust is not a reporting entity and therefore there is no requirement to apply accounting standards in the preparation of these financial statements.

The Trustees have determined that this special purpose financial report should be prepared in accordance with accounting policies outlined in Note 1 to the accounts.

In the opinion of the Trustees:

For the financial year ended 30 June 2018;

- (a) The accompanying Income Statement gives a true and fair view of the profit or loss of the Trust.
- (b) The accompanying Balance Sheet gives a true and fair view of the state of affairs of the Trust.



Trustee- **Christine McAuslan**- Chairperson



Trustee- **Keith Bettles**- Treasurer

Dated this second day of November 2018

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ROSS HOUSE TRUST

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of ROSS HOUSE TRUST, which comprises the financial position as at 30th June 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies and managements assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of ROSS HOUSE TRUST as at 30th June 2018, and its financial performance and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditors Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that 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

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist ROSS HOUSE TRUST to meet the requirements and 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 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 financial reporting requirements of the *applicable legislation* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a 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 Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Entity'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 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.

J. L. Collyer & Partners
Accountants

Dated in Glen Waverley on
19th October 2017

Lionel R. Arnold



Partner

Directors

Lionel R. Arnold CA B.Bus
Raelene Cheng CPA B.Com

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
ROSS HOUSE ASSOCIATION INCORPORATED**

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of ROSS HOUSE ASSOCIATION INCORPORATED, which comprises the financial position as at 30th June 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies and managements assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of ROSS HOUSE ASSOCIATION INCORPORATED as at 30th June 2018, and its financial performance and its cash flows for the year then ended in accordance with Associations Incorporation Reform Act 2012.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that 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

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist ROSS HOUSE ASSOCIATION INCORPORATED to meet the requirements of Associations Incorporation Reform 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 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 financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a 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 Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 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.

J. L. Collyer & Partners
Accountants

Lionel R. Arnold



Dated in Glen Waverley on
19th October 2018

Partner