

Annual Financial Report

SunnyKids Ltd

ABN 62 774 810 987

For the year ended 30 June 2023

Contents

3	General Information
4	Board's Report
5	Statement of profit or loss and other comprehensive income
6	Statement of financial position
7	Statement of changes in equity
8	Statement of Cash Flows - Direct Method
9	Notes to the Financial Statements
16	Directors' Declaration

General Information

SunnyKids Ltd

For the year ended 30 June 2023

General Information

The financial statements cover SunnyKids Ltd as an individual entity. The financial statements are presented in Australian dollars, which is SunnyKids Ltd's functional and presentation currency.

SunnyKids Ltd is a not-for-profit limited by guarantee, incorporated and domiciled in Australia. Its registered office and principle place of business are:

Registered office

9 Maud Street

Maroochydore QLD 4558

Principal place of business

9 Maud Street

Maroochydore QLD 4558

A description of the nature of the operations and its principal activities are included in the officers' report, which is not part of the financial statements.

The financial statements were authorised for issue on 6 October 2023.

Board's Report

SunnyKids Ltd

For the year ended 30 June 2023

Board's Report

The directors submit the financial report of SunnyKids Ltd for the financial year ended 30 June 2023.

Board of Directors

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

Committee Member	Position
John Burnie	Chair
Tamara Cross	Treasurer
Gabe Hutchinson	Secretary (Resigned 31 July 2023)
Natasha Hall	Secretary (Appointed 31 July 2023)
Justin Viewers	Board Director
Nakita Brown	Board Director

Principal Activities

To work with children, families and communities to help everyone take responsibility for the future. Activities include accommodation care, family support services, and youth support services.

Significant Changes

There were no significant changes from the prior year.

Operating Result

The net surplus/(loss) for the financial year amounted to (\$84,975) (2022: \$606,138).

Going Concern

This financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the company to continue to operate as a going concern is dependent upon the ability of the company to generate sufficient cashflows from operations to meet its liabilities. The directors of SunnyKids Ltd believe that the going concern assumption is appropriate.

Statement of profit or loss and other comprehensive income

SunnyKids Ltd

For the year ended 30 June 2023

	NOTES	2023	2022
Income			
Donations, gifts and contributions	3	402,092	434,793
Grants & acquittal funds	3	779,430	738,322
Fundraising income	3	272,086	513,090
Other Income	3	178,481	330,748
Total Income		1,632,090	2,016,953
Other Income			
Unrealised gain		132	-
Unrealised loss		(1,843)	-
Total Other Income		(1,711)	-
Expenditure			
Accounting Fees		26,437	19,169
Administration expenses		155,430	138,867
Advertising and marketing expenses		32,226	23,761
Bank Charges		505	5,502
Consultants		-	9,550
Facility related expenses		49,737	49,128
Frontline expenses		103,322	91,776
Legal Fees		-	2,179
Motor vehicle expenses		13,903	13,282
Other employment expenses		37,768	50,056
Property & utilities expense		10,355	12,284
Rent and Outgoings		11,813	18,622
Salaries and wages		1,039,909	841,538
Salaries and wages - superannuation		103,562	83,700
Total Expenditure		1,584,966	1,359,413
Operating Surplus / (Deficit)		45,413	657,540
Other			
Depreciation		38,740	25,247
Interest Expense		18,477	3,425
Expense - Abnormal		13,741	-
Right of Use Amortisation Expense		59,430	22,731
Total Other		130,389	51,403
Total Comprehensive Income / (Loss)		(84,975)	606,138

The accompanying notes form part of these financial statements.

Statement of financial position

SunnyKids Ltd

As at 30 June 2023

	NOTES	30 JUN 2023	30 JUN 2022
Assets			
Current Assets			
Cash and Cash Equivalents	4	1,736,945	1,701,550
Trade and Other Receivables	5	14,434	20,290
Prepayments	6	11,342	14,741
GST Receivable		-	1,376
Total Current Assets		1,762,721	1,737,958
Non-Current Assets			
Plant and Equipment and Vehicles	7	95,806	117,294
Leasehold Improvements	7	85,154	87,626
Bond - Premises		29,876	29,876
Right of Use Asset (Lease)		297,150	340,970
Acc Amortisation Right of Use Asset (Lease)		(79,240)	(22,731)
Trade Mark IP		2,000	-
Trade Mark: Accum Amortisation		(800)	-
Total Non-Current Assets		429,946	553,035
Total Assets		2,192,666	2,290,993
Liabilities			
Current Liabilities			
Trade and Other Payables	8	127,256	85,588
GST Payable		14	-
Employee Provisions	9	81,606	84,537
Lease Liability Current		73,465	38,437
Total Current Liabilities		282,341	208,562
Non-Current Liabilities			
Lease Liability Non-current		218,826	305,956
Total Non-Current Liabilities		218,826	305,956
Total Liabilities		501,167	514,518
Net Assets		1,691,500	1,776,475
Member's Funds			
Asset revaluation reserve		11,940	11,940
Retained surplus		1,679,560	1,764,535
Total Member's Funds		1,691,500	1,776,475

The accompanying notes form part of these financial statements.

Statement of changes in equity

SunnyKids Ltd

For the year ended 30 June 2023

	2023	2022
Equity		
Opening Balance	1,776,475	1,170,337
Increases		
Profit/(loss) for the Period	(84,975)	606,138
Total Increases	(84,975)	606,138
Total Equity	1,691,500	1,776,475

The accompanying notes form part of these financial statements.

Statement of Cash Flows - Direct Method

SunnyKids Ltd

For the year ended 30 June 2023

	2023	2022
Operating Activities		
Receipts from grants	123,056	115,411
Payments to suppliers and employees	(1,137,643)	(945,308)
GST	26,166	(56,016)
Cash receipts from other operating activities	1,523,153	2,320,946
Cash payments from other operating activities	(532,010)	(433,358)
Net Cash Flows from Operating Activities	2,721	1,001,675
Investing Activities		
Proceeds from sale of property, plant and equipment	3,183	-
Payment for property, plant and equipment	(14,273)	(115,027)
Payment for investments	(1,200)	-
Net Cash Flows used in Investing Activities	(12,290)	(115,027)
Financing Activities		
Proceeds from borrowings	-	2
Lease Liability	48,227	26,154
Repayment of borrowings	-	(66)
Revenue Received in Advance	(10,124)	10,124
Net Cash Flows from Financing Activities	38,103	36,214
Net Cash Flows	28,534	922,861
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	1,708,410	785,549
Net change in cash for period	28,534	922,861
Cash and cash equivalents at end of period	1,736,945	1,708,410

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

SunnyKids Ltd

For the year ended 30 June 2023

1. Summary of Significant Accounting Policies

The directors have determined that the company is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

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

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB107 'Statement of Cash Flows', AASB 108 'Accounting Policies, changes in Accounting Estimates and Errors', AASB 104 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

The accounting policies that have been adopted in the preparation of the statements are as follows:

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

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

Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sales revenue

Events, fundraising and raffles are recognised when received or receivable.

Donations

Donations are recognised at the time the pledge is made.

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income Tax

No provision for income tax has been raised as the company is exempt for income tax under Div 50 of the Income Tax Assessment Act 1997.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

Property, Plant and Equipment (PPE)

Plant and equipment, leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

Depreciation is recognised on an asset class basis on either a diminishing value or straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following useful lives are applied:

- Leasehold Improvements: 40 years
- Motor vehicles: 8 years
- Office equipment: 2-10 years

Impairment of Assets

At the end of each reporting period, the board of directors reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been 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 in the income and expenditure statement.

Employee Provisions

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

SunnyKids' liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, 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 timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

SunnyKids presents employee benefit obligations as current liabilities in the statement of financial position if it does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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 (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the Statement of Financial Position.

Cashflows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New accounting standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2023. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Comparative Figures

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

When the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

2. Critical accounting judgements, estimates and assumptions

Estimation of useful lives of assets

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

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	2023	2022
3. Revenue		
Revenue from contracts with customers		
Grants & acquittal funds	(779,430)	(738,322)
Fundraising Income	(272,086)	(513,090)
Total Revenue from contracts with customers	(1,051,516)	(1,251,412)
Other Revenue		
Donations, gifts and contributions	(402,092)	(434,793)
Other Income	(178,481)	(330,748)
Total Other Revenue	(580,574)	(765,541)
Total Revenue	(1,632,090)	(2,016,953)

4. Cash on Hand

	2023	2022
Cash and Cash Equivalents		
Admin Petty Cash	-	150
BOQ Sunny Kids (6457)	-	362,024
BOQ WebSavings Account	-	4,870
Heritage S21	90	146,552
Heritage S-27	-	1,191,709
Total Cash and Cash Equivalents	90	1,705,305
Bank Overdraft		
Heritage L52	-	(8,828)
Total Bank Overdraft	-	(8,828)
Total Cash on Hand	90	1,696,477

	2023	2022
5. Trade and Other Receivables		
Trade Receivables		
Accounts Receivable	13,964	20,280
Total Trade Receivables	13,964	20,280
Other Receivables		
Accrued revenue	470	-
Stripe AUD	1,227	2,548
Cash Passport	-	2,525
Sunshine Mitre 10	-	10
Total Other Receivables	1,696	5,083
Total Trade and Other Receivables	15,660	25,363
	2023	2022

6. Prepayments

Prepaid Insurance	6,961	5,966
Prepaid Registration & Memberships	458	292
Prepayments - Other	3,923	8,484
Total Prepayments	11,342	14,741
	2023	2022

7. Property, Plant & Equipment

Motor Vehicles		
Motor Vehicles at Cost	115,615	118,798
Accumulated Depreciation of Motor Vehicles	(58,543)	(41,974)
Total Motor Vehicles	57,072	76,825
Plant & Equipment		
Plant & Equipment at Cost	66,298	55,934
Accumulated Depreciation of Plant & Equipment	(27,564)	(15,465)
Total Plant & Equipment	38,734	40,469
Leasehold Improvements		
Leasehold Improvements at Cost	89,884	93,165
Accumulated Amortisation of Leasehold Improvements	(4,730)	(5,539)
Total Leasehold Improvements	85,154	87,626
Total Property, Plant & Equipment	180,960	204,920

	2023	2022
8. Trade and Other Payables		
Trade Payables	55,886	41,055
Other Payables		
Payroll Liabilities	-	3,046
Deferred Income	45,794	97
Other Payables	25,576	41,390
Total Other Payables	71,371	44,533
Total Trade and Other Payables	127,256	85,588
	2023	2022

9. Employee Entitlements

Provision for Annual Leave	44,431	44,457
Provision for Long Service Leave	17,175	20,080
Provision for Personal Leave	20,000	20,000
Total Employee Entitlements	81,606	84,537

10. Remuneration of Auditors

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the company:

	2023	2022
Audit Services BDO	9,500	7,140
Audit of financial statements		

11. Contingent liabilities

The company had no contingent liabilities as at 30 June 2023 and 30 June 2022.

12. Commitments

The company had no commitments for expenditure as at 30 June 2023 and 30 June 2022.

13. Events after reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative up to 30 June 2023 and after the reporting date.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' Declaration

SunnyKids Ltd

For the year ended 30 June 2023

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.

The directors of the company declare that Sunnykids Ltd. ("the organisation"):

(a) the organisation is not a reporting entity;

(b) the financial statements and notes are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:


(i) giving a true and fair view of the financial position of the Association as at 30 June 2023 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date in accordance with the basis of preparation described in Note 1; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1, and the Australian Charities and Not-for-profits Commission Act 2012; and

(c) there are reasonable grounds to believe that the organisation will be able to pay its debts as and when they become due and payable.

Dated at Maroochydore, this / /

Signed in accordance with a resolution of the board of directors:


John Burnie (Oct 9, 2023 13:02 GMT+10)

John Burnie (Chair)

Date Oct 9, 2023


Tamara Cross (Oct 9, 2023 14:36 GMT+10)

Tamara Cross (Treasurer)

Date Oct 9, 2023




Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY BRUCE SWAN TO THE DIRECTORS OF SUNNYKIDS LTD

As lead auditor of SunnyKids Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

DocuSigned by:

F649AE520CB94FE...

Bruce Swan

Director

BDO Audit Pty Ltd

Maroochydore, 12 October 2023

Document1



Tel: +61 7 5456 7999
Fax: +61 7 5456 7905
www.bdo.com.au

Level 3/2 Emporio Place
2 Maroochy Boulevard
Maroochydore QLD 4558
PO Box 5800 Maroochydore BC QLD 4558
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Sunnykids Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sunnykids Ltd (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Sunnykids Ltd, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other information

The responsible entities of the registered entity are responsible for the other information. The other information obtained at the date of this auditor's report is information included in Sunnykids Ltd.'s annual report, but does not include the financial report and our auditor's report thereon.

Our 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, our 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 we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as the responsible entities determine 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, responsible entities are responsible for assessing the registered 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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The responsible entities of the registered entity are responsible for overseeing the registered 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

DocuSigned by:

F649AE520CB94FE...
Bruce Swan
Director