

Yarra Energy Financial Report

Yarra Energy Foundation Limited
ABN 31145846091
For the year ended 30 June 2021

Prepared by Liston Newton Advisory

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Directors' Report

Yarra Energy Foundation Limited For the year ended 30 June 2021

The directors present their report on the entity Yarra Energy Foundation Limited for the financial year ended 30 June 2021.

General Information

Principal Activities and Significant Changes in Nature of Activities

Yarra Energy Foundation Limited was incorporated on 18 August 2010 with the objective of developing strategies to reduce greenhouse gas emissions in the municipality of the City of Yarra, Victoria.

There were no significant changes in the nature of the entity's principal activities during the financial year.

Operating Results and Review of Operations for the year Operating Results

Yarra Energy Foundation Limited had a net profit of \$2,974 for the year ended 30 June 2021.

Covid-19 has had a material impact on operations with income and projects being delayed. This delayed income has been adequately offset by the receipt of Job Keeper payments and Covid cash boost grants.

Review of Operations

The following operations occurred throughout the financial year:

1. Delivery of residential bulk buy 3 Victorian Councils
2. Facilitation of commercial and residential solar and LED lighting projects and installs
3. Contract to execute solar and LED procurement process for 2 Victorian Councils
4. Project development and design
5. Advocacy and support

Financial Position

The net assets for Yarra Energy Limited was \$246,115 at 30 June 2021, increasing from \$243,141 at 30 June 2020. The directors believe the entity is in a stable financial position and able to undertake its principal activities.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the entity during the financial year.

Events after the Reporting Period

There has not been any matter or circumstance that has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in the future years.

Future Developments, Prospects and Business Strategies

In the opinion of the directors, it would prejudice the interests of the Company if the Directors' Report was to refer to any likely developments in the operations of the Company in subsequent financial years or the expected results of those operations, beyond the coverage given to these matters here in.

Environmental Issues

Yarra Energy Foundation was formed with the objective to promote, preserve and protect the environment through the reduction in the City of Yarra. The company is bound by a Funding Agreement with City of Yarra dated 1 July 2017 to expend all funding received from City of Yarra in accordance with the Funding Agreement and the environmental activities described in clause 3.2 of the company's constitution.

Dividends Paid or Recommended

Yarra Energy Foundation Limited is a company limited by guarantee. Consequently, there is no share capital. No dividends were paid or recommended for the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 17 of the Financial Report.

Information relating to Directors and Company Secretary

Mr. David Anstee, Chair, Yarra Energy Foundation Ltd

Appointed 23 April 2020

Chair since October 2020

David is a director of Withywindle, providing consulting advice in the electric vehicle, distributed energy resources and microgrid areas. Clients include Schneider Electric, Evo Energy, Who Gives a Crap and Planet Ark Power. His career commenced in corporate finance with Merrill Lynch (nee McIntosh), encompassed assistant cameraman for National Geographic in the Arctic, diving instructor in Cairns and as co-founder of technology business ihavemoved.com and founding employee at GreenSync. David holds a BCom from Melbourne and a distinction MBA from London Business School.

Mr. Ken Guthrie

Appointed 29 October 2015

Acting Chair October 2019 to September 2020.

Ken is the Director of Sustainable Energy Transformation Pty Ltd. He has 40 years' experience in sustainable energy and energy efficiency and is the Australian Executive Committee member of the International Energy Agency's Solar Heating and Cooling Program. From 2014 to 2018 he was Chair of that program and until the end of 2017 was Chairman of the ISO Standards Committee on Solar Energy. Ken is also a board member of the Australian PV Institute.

Ms Melissa Cutler

Appointed 22 September 2016

As ANZ's Head of Purpose, Strategy & Environment Mel works with executives and senior business leaders to generate commercial, environmental and societal value for ANZ's business, customers, employees and community. Having blended private and public sector experience, Mel has worked in senior roles performing green finance scoping, market engagement and deal origination within the Clean Energy Finance Corporation and Great Barrier Reef Foundation. Mel started her career with a variety of environmental and carbon markets advisory and program management roles across the Australian and New Zealand Governments and specialist consultancy firms.

Cr. Amanda Stone

Appointed 27 November 2017

Cr Stone was elected in October 2016 and is a representative of the Langridge ward. Cr Stone was first elected to Yarra City Council in November 2008 and re-elected in October 2012. She served as Yarra's Mayor in 2008-2009 and again in 2016-2017. An education consultant who has previously worked as a teacher, student counsellor and assistant principal, Cr Stone holds a Bachelor of Arts and Graduate Diplomas in Education and Child Psychology as well as GAICD. Cr Stone serves on a number of not-for-profit organisations involved in social justice and the environment, she chairs the Collingwood headspace Consortium and is a member of the Greens.

Cr. Mi-Lin Chen Yi Mei

Appointed 27 November 2018

Cr Chen Yi Mei is a young professional, currently employed as Student Program Manager, Centre for Innovation and Justice, RMIT University. Cr Yi Mei holds a Bachelor of Law and Arts and was admitted to the legal profession in 2014.

Ms Melinda Scaringi

Appointed 1 December 2018

Melinda is a director at social impact and communications consultancy, Ellis Jones, where she leads the agency's work in energy and environment. In a career that has spanned public service, not-for-profit and commercial roles, her singular focus has been on people: understanding their behaviour through research; and moving them through communications. Over approaching 20 years, she has delivered multimillion-dollar campaigns – and campaigns on a shoe-string for organisations large and small. Her work extends across marketing and advertising, community and stakeholder engagement, public relations and digital content. She is driven to support Australia's transition to a cleaner energy future that leaves no one behind.

Mr. Stephen Thomson

Appointed 23 April 2020

Over the past 20 years Stephen created start-up businesses, restructured businesses' operations, led major transformations, and provided operational and strategic advice to businesses and governments. Stephen builds consensus around agreed objectives, alignment of activities, and fact-based decision making. Stephen is an advisory board member of an engineering, procurement and construction business operating in the solar and renewable energy sector and has served as chairman and board member of several not-for-profit organisations.

Cr Sophie Wade

Appointed November 2020

Cr Sophie Wade was elected in 2020 and is a representative of Nicholls ward. She is a lawyer who specialises in competition and consumer law, and holds a Bachelor of Arts and a Juris Doctor degree. She is passionate about taking action on climate change, and is a member of the Greens.

Company Secretary

The following person held the position of company secretary at the end of the financial year:

Mr Glenne Drover

Meetings of Directors

During the financial year, 7 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Name	Total Meetings Attended
David Anstee	6
Ken Guthrie	6
Mel Cutler	6
Cr Amanda Stone	6
Cr Mi-Lin Chen Yi Mei	6
Cr Sophie Wade	4
Stephen Thomson	4

Director



Director



Dated this 25th day of November 2021

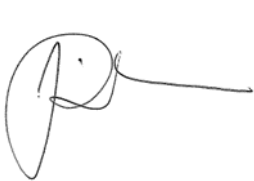
**Auditor's Independence Declaration under Section 307C of the Corporations Act 2001
To the Directors of Yarra Energy Foundation Limited**

As auditor I declare that, to the best of my knowledge and belief, during the period 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 this audit; and
- no contraventions of any applicable code of professional conduct in relation to this audit.

Stannards Accountants & Advisors

James Dickson
Partner



Date: 1st December 2021

Statement of Profit or Loss and Other Comprehensive Income

Yarra Energy Foundation Limited For the year ended 30 June 2021

	NOTES	2021	2020
Income			
Revenue	2	389,028	422,715
Total Income		389,028	422,715
Total Income		389,028	422,715
Cost of Goods Sold			
Project Expenses		52,044	8,043
Total Cost of Goods Sold		52,044	8,043
Gross Profit		336,984	414,672
Other Income			
Interest Income		676	2,457
COVID Cashflow Boost		47,574	33,654
Government Grants		20,000	-
Jobkeeper Wage Subsidy		68,400	18,000
Total Other Income		136,650	54,111
Expenses			
Amortisation		10,113	-
Auditor Remuneration		5,000	5,000
Depreciation		2,463	529
Employment Expenses		372,163	292,888
General & Administrative Expenses		62,921	39,615
Occupancy Costs		18,000	18,000
Total Expenses		470,660	356,032
Profit/(Loss) before Taxation		2,974	112,751
Net Profit After Tax		2,974	112,751
Net Profit After Dividends Paid		2,974	112,751
Total Comprehensive Income for the year		2,974	112,751

Statement of Financial Position

Yarra Energy Foundation Limited

As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Cash & Cash Equivalents		272,745	251,028
Other Assets & Receivables		18,521	15,784
Total Current Assets		291,266	266,812
Non-Current Assets			
Property, plant and equipment		5,884	2,437
Intangible Assets		30,340	40,453
Total Non-Current Assets		36,224	42,890
Total Assets		327,490	309,702
Liabilities			
Current Liabilities			
Trade and Other Payables	3	41,464	30,610
Deferred Income		-	-
Employee Liabilities	4	37,768	21,804
Bank Overdraft		2,143	2,372
Total Current Liabilities		81,375	54,786
Non-Current Liabilities			
Employee Liabilities	4	-	11,775
Total Non-Current Liabilities		-	11,775
Total Liabilities		81,375	66,561
Net Assets		246,115	243,141
Equity			
Retained Earnings	5	246,115	243,141
Total Equity		246,115	243,141

Statement of Cash Flows

Yarra Energy Foundation Limited For the year ended 30 June 2021

	2021	2020
Cash Flows from Operating Activities		
Receipts from grants and commissions	521,451	494,046
Payments to suppliers and employees	(494,500)	(379,022)
Interest received	676	2,457
Net cash provided by/(used in) operating activities	27,627	117,481
	2021	2020
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(5,910)	(2,270)
Purchase of intangible assets	-	(40,453)
Net cash provided by/(used in) investing activities	(5,910)	(42,723)
	2021	2020
Reconciliation		
Net increase/(decrease) in cash held	21,717	74,758
Cash and cash equivalents at beginning of financial year	251,028	176,270
Cash and cash equivalents at end of financial year	272,745	251,028

Statement of Changes in Equity

Yarra Energy Foundation Limited
For the year ended 30 June 2021

	\$
Balance at 1 July 19	130,390
Profit/(Loss) for the year	112,751
Total Comprehensive Income	<u>243,141</u>
Balance at 30 June 2020	243,141

	\$
Balance at 1 July 20	243,141
Profit/(Loss) for the year	2,974
Total Comprehensive Income	<u>246,115</u>
Balance at 30 June 2021	246,115

1. Statement of Significant Accounting Policies

The financial statements are special purpose financial statements prepared for use by directors and members of the company.

The directors have determined that the company is not a reporting entity.

The financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the Corporations Act 2001 and the Australian Charities & Not-for Profits Commission Act 2012.

The company is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards and the Australian Charities & Not-for Profits Commission Act 2012.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

AASB 15 replaces AASB 18 Revenue, AASB 111 Construction Contracts and several revenue-related Interpretations.

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets.

AASB 16 Leases replaces AASB 17 Leases. It makes changes to the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor.

The spread of novel coronavirus (COVID-19) was declared a public health emergency by the World Health Organisation on 31 January 2020 and upgraded to a global pandemic on 11 March 2020. The rapid rise of the virus has seen an unprecedented global response by Governments, regulators and industry sectors. The Australian Federal Government enacted its emergency plan on 29 February 2020 which has seen the closure of Australian borders from 20 March, an increasing level of restrictions on corporate Australia's ability to operate, significant volatility and instability in financial markets and the release of a number of government stimulus packages to support individuals and businesses as the Australian and global economies face significant slowdowns and uncertainties.

For the year ended 30 June 2021, COVID-19 had a material impact on operations with income and projects being delayed. Whilst the entity has been impacted negatively by the above, they have been able to offset these with Government Stimulus Packages and the JobKeeper program. The directors focus throughout the period has remained on ensuring the liquidity of the business.

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. The transactions under the account Project Expenses have been deemed to be a Cost of Goods Sold and have been treated accordingly. As a result, certain line items have been amended in the statement of profit or loss and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

Events After the Reporting Period

At the date of this report the Directors are not aware of any circumstances that have arisen since 30 June 2021 that have significantly affected, or may significantly affect, the company's operation in future financial years, the results of those operations in future financial years, or the company's state of affairs in future financial years.

Economic Dependency

A significant portion of funding is obtained from Local Government. Any changes in Government regulations and legislation may impact on the entity's financial position.

Revenue and Other Income

Funds which are received and which are not allocated to a specific use are assumed to be spent before Victorian Government and Local Council Funds.

Other funds received relate to the Australian Federal Government Jobkeeper program, Victorian COVID-19 related Grants and the Cash Flow Boost initiative.

Income Tax

The company is exempt from income tax, under Subdivision 50-8 of the Income Tax Assessment Act 1997, following endorsement from the Australian Taxation Office on 14 January 2011. The exemption applies retrospectively from 18 August 2010.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the 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. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

Each asset is depreciated over its useful economic life. Depreciation is calculated from the time the asset is first installed and ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment - Computer Equipment	3-4 Years (Diminishing value)

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in profit or loss 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.

Intangible Assets

Acquired intangible assets are initially recorded at their cost at the date of acquisition being the fair value of the consideration provided and, for assets acquired separately, incidental costs directly attributable to the acquisition. Intangible assets with finite useful lives are amortised on a straight line basis (unless the pattern of usage of the benefits is significantly different) over the estimated useful lives of the assets being the period in which the related benefits are expected to be realised (shorter of legal duration and expected economic life). Amortisation rates and residual values are reviewed annually and any changes are accounted for prospectively.

Financial Instruments

Initial Recognition and Measurement

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified at fair value through profit or loss, in which case transaction costs are expensed to profit or loss immediately.

(i) Trade and Other Receivables

Trade and other receivables are recognised at amortised cost.

(ii) Financial Liabilities

Financial liabilities are subsequently measured at amortised cost.

Impairment of Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. 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 of disposal and value in use) to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognized immediately in the profit or loss, unless the asset is carried at a revalued amount in

accordance with another Standard (e.g. in accordance with their valuation model in (AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Employee Benefits**Short-term employee benefits**

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits other than termination benefits that are expected to be settled wholly within 12 months of the end of the reporting period.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled within 12 months of the end of the reporting period.

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. Any remeasurement for changes in assumptions of obligations for long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. 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.

Trade and Other Payables

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

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.

Cash flows 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received, and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs it is compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Leases

In FY20, AASB 16 replaced AASB 17 for all Tier 1 reporting entities, however Yarra Energy Foundation is not a reporting entity and prepares special purpose financial statements in line with Tier 2 reporting requirements as well as the ACNC Act. The company has opted not to adopt the new leasing standard in FY20 due to relief offered by Tier 2 reporting, however will reassess this under AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Entities from July 1, 2021. The company currently has one material lease agreement with the City of Yarra Council, the lease has 8 remaining months at the date of signing. Cash outflows relating to lease payments for the period was \$18,000.

Annual Leave Provision

The entire amount of the annual leave provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of the obligation. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

	2021	2020
2. Revenue		
Sales Revenue		
Grant Income - YCC	358,123	351,101
Total Sales Revenue	358,123	351,101
Other Revenue		
Commercial Solar Sales Commission	18,405	8,271
Consulting Revenue	12,500	58,514
Other Income		329
Sponsorship Revenue		4,500
Total Other Revenue	30,905	71,614
Total Revenue	389,028	422,715
	2021	2020

3. Trade and Other Payables

Current		
Trade payables and accruals		
Accounts Payable	28,429	16,442
Accrued Expenses	5,000	5,000
Unpaid Expense Claims	-	72
Total Trade payables and accruals	33,429	21,514
Other current liabilities		
GST	491	1,814
PAYG Withholdings Payable	7,544	6,960
Other Creditor - ATO Integrated Client Account	-	322
Total Other current liabilities	8,035	9,096
Total Current	8,035	30,610
Total Trade and Other Payables	41,464	30,610
	2021	2020

4. Employee Liabilities

Current		
Provision for Annual Leave	29,821	15,573
Superannuation Payable	7,947	6,231
Total Current	37,768	21,804
Non Current		
Provision for LSL	-	11,775
Total Non Current	-	11,775
Total Employee Liabilities	37,768	33,579
	2021	2020

5. Retained Earnings

Retained Earnings	243,141	130,390
Current Year Earnings	2,974	112,751
Total Retained Earnings	246,115	243,141

6. Issued Capital

The company is limited by guarantee from its members and has no issued capital

	2021	2020
7. Reconciliation of Cash Flows from Operating Activities with Profit after Income Tax		
Cash flows from operating activities		
Profit after income tax	2,974	112,751
Cash flows excluded from profit attributable to operating activities		
Amortisation	10,113	
Depreciation	2,463	529
Net loss on disposal of property, plant and equipment	-	-
Total Cash flows excluded from profit attributable to operating activities	12,576	529
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(3,551)	(4,950)
(Increase)/decrease in prepayments	814	1,275
Increase/(decrease) in trade payables and accruals	10,625	12,620
Increase/(decrease) in provisions	4,189	1,256
Increase/(decrease) in Deferred Income	-	(6,000)
Total Changes in assets and liabilities	12,077	4,201
Total Cash flows from operating activities	27,627	117,481

8. Company Details

The registered office of the company is:

Yarra Energy Foundation Limited
 Level 19 HWT Tower
 40 City Road
 Southbank, Victoria 2006
 The principal place of business is:
 Yarra Energy Foundation Limited
 Level 1, 319 Bridge Rd
 Richmond, Victoria 3121

Directors Declaration

Yarra Energy Foundation Limited For the year ended 30 June 2021

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:

1. The financial statements and notes, present fairly the company's financial position as at 30 June 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:



Sign date:

25 November 2021

**Independent Audit Report
To the Members of Yarra Energy Foundation Limited**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Yarra Energy Foundation Limited (the Company), which comprises the statement of financial position as at 30 June 2021, 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 a summary of significant accounting policies, and the declaration by the Directors.

In our opinion, the accompanying financial report of Yarra Energy Foundation Limited is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the period ended on that date in accordance with the accounting policies described in Note 1; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

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 independence requirements of the *Corporations Act 2001* 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

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 the *Corporations Act 2001* 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 ability of the entity 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

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 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 at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Stannards Accountants and Advisors

James Dickson
Partner



Date: 1st December 2021