

Link Health and Community Limited

2022

ABN 12 136 877 702

Financial Statements

For the Year Ended 30 June 2022

Link Health and Community Limited 2022

ABN 12 136 877 702

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For the Year Ended 30 June 2022

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Link Health and Community Limited 2022


ABN 12 136 877 702

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 19, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the company and its controlled entity.
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 

Judith Walker

Dated this 18th day of September 2022

AUDITOR'S INDEPENDENCE DECLARATION

We declare that, to the best of our knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit of the financial report of Link Health and Community Limited and its controlled entity for the year ended 30 June 2022.

This declaration is in relation to the Link Health and Community Limited and its controlled entity during the year.



HLB Mann Judd
Chartered Accountants



Nick Walker
Partner

Melbourne
20 September 2022

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Link Health and Community Limited 2022

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

Discontinued operations

		2022	2021
	Note	\$	\$
Service revenue	3	-	1,639,490
Other income	3	26,435	375,780
	3	26,435	2,015,270
Employee benefits expense		-	(26,834)
Other expenses		(300)	(19,715)
Transfer of assets for no consideration	4	(1,380,049)	(8,816,256)
Occupancy expense		-	(1,391)
Advertising		-	(2,145)
Finance costs	5	-	(4,665)
Medical supplies		-	(905)
Memberships and subscriptions		-	(201)
Motor vehicle expenses		-	(37)
Legal fees		-	(17,811)
Computer expenses		-	(4,477)
Cleaning		-	(11,101)
Impairment loss on non-financial assets		-	(125,648)
Net gain/(loss) on disposal of non-current assets	5	-	589,850
		(1,380,349)	(8,441,336)
Surplus/(deficit) for the year		(1,353,914)	(6,426,066)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive income for the year		(1,353,914)	(6,426,066)

The accompanying notes form part of these financial statements.

Link Health and Community Limited 2022

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Consolidated Statement of Financial Position As At 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	<u>264,331</u>	1,614,060
TOTAL CURRENT ASSETS		<u>264,331</u>	1,614,060
NON-CURRENT ASSETS			
TOTAL ASSETS		<u>264,331</u>	1,614,060
LIABILITIES			
CURRENT LIABILITIES			
Funds held on behalf of Latrobe Community Health Service Limited		<u>4,185</u>	-
TOTAL CURRENT LIABILITIES		<u>4,185</u>	-
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>4,185</u>	-
NET ASSETS		<u>260,146</u>	1,614,060
MEMBERS' FUNDS			
Accumulated surplus	7	<u>260,146</u>	1,614,060
TOTAL MEMBERS' FUNDS		<u>260,146</u>	1,614,060

The accompanying notes form part of these financial statements.

Link Health and Community Limited 2022

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Consolidated Statement of Changes in Equity For the Year Ended 30 June 2022

2022

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2021	1,614,060	1,614,060
Deficit for the year	(1,353,914)	(1,353,914)
Balance at 30 June 2022	260,146	260,146

2021

	Accumulated Surplus	Total
	\$	\$
Balance at 1 July 2020	8,040,126	8,040,126
Deficit for the year	(6,426,066)	(6,426,066)
Balance at 30 June 2021	1,614,060	1,614,060

The accompanying notes form part of these financial statements.

Link Health and Community Limited 2022

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Consolidated Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	12,435	3,093,891
Payments to suppliers and employees	(300)	(1,176,007)
Interest received	18,185	-
Interest paid	-	(4,665)
Payment on transfer of operations	(1,380,049)	(6,063,360)
Net cash provided by/(used in) operating activities	(1,349,729)	(4,150,141)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	2,599,849
Net cash provided by/(used in) investing activities	-	2,599,849
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	(1,349,729)	(1,550,292)
Cash and cash equivalents at beginning of year	1,614,060	3,164,352
Cash and cash equivalents at end of financial year	264,331	1,614,060
6(a)		

The accompanying notes form part of these financial statements.

Link Health and Community Limited 2022

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Notes to the Financial Statements For the Year Ended 30 June 2022

The financial report covers Link Health and Community Limited 2022 and its controlled entities ('the Group'). Link Health and Community Limited 2022 is a company, incorporated and domiciled in Australia.

The company is a not-for-profit entity established to promote the prevention or control of diseases in human beings. During the prior year, the company was a registered charity with the Australian Charities and Not-for-profits Commission ("ACNC"), however, its status as a charity was voluntarily revoked by the Directors on 30 June 2021 due to the transfer of its operations as described in notes 1 and 4.

The financial report was authorised for issue by the Directors on 28 September 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements, except for the cash flow information, 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Functional and presentation currency and rounding

These financial statements are presented in Australian dollars, which is the Group's functional currency. The amounts have been rounded to the nearest dollar.

Non-Going Concern Basis of Preparation

Financial statements are normally prepared on a going concern basis where there is neither the intention nor need to suspend operations of an entity. Where such an intention or need exists, the accounting standards preclude the preparation of financial statements on a going concern basis.

During the prior year the Group transferred its operations, along with key assets and liabilities as detailed in note 4, for no consideration to Latrobe Community Health Service Limited ("LCHS") and remained dormant for the remainder of the year. The Group utilised its cash reserves to meet its operating costs. The Directors have resolved to wind up the Company at its Annual General Meeting to be held on 28 September 2022, subject to approval by the members.

The Company's subsidiary, Link Private Practice Pty Ltd was wound up on 21 August 2021.

Given the above circumstances, preparation of the financial statements on a going concern basis is considered inappropriate and thus these accounts have been prepared on a non-going concern basis. Adoption of the non-going concern basis means that assets are measured at their net realisable value. Any gains or losses resulting from measuring at net realisable value are recognised in the surplus or deficit.

Under the non-going concern basis of accounting, the assets and liabilities otherwise classified as non-current are classified as current. In adopting the non-going concern basis, the Group continues to apply disclosure requirements of the Australian Accounting Standards to the extent that they are relevant and modified when considered appropriate. In particular, the financial report does not include all of the disclosures required by AASB 5 on the basis that those disclosures are not considered relevant for the decision making by users of this financial report as described below:

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Basis of Preparation

AASB 5 Non-current Assets Held for Sale and Discontinued Operations - Given the Group is considered a discontinued operation, the disclosures under AASB 5 that separate between continuing and discontinuing operations on the profit and loss and other comprehensive income statement are not considered relevant to users.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

Rendering of services

Revenue from provision of services is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided as the customer receives and uses the benefit simultaneously.

Client fees

Client fees income is recognised when the service is provided.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Group presents the contract as a contract liability.

Grant revenue

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for under AASB 15 Revenue from Contracts with Customers as revenue from contracts with customers, with revenue recognised as these performance obligations are met.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Group has an unconditional right to receive the cash which usually coincides with receipt of cash. On initial recognition of the asset, the Group recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- a) contributions by owners, in accordance with AASB 1004 Contributions, contributions by owners;
- b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 Revenue from Contracts with Customers;
- c) a lease liability in accordance with AASB 16 Leases;
- d) a financial instrument, in accordance with AASB 9 Financial Instruments; or
- e) a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Asset.

As a result of the transitional impacts of adopting AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-profit entities, a portion of the grant revenue has been deferred. If the grant income is accounted for in accordance with AASB 15 Revenue from Contracts with Customers, the deferred grant revenue has been recognised in contract liabilities whereas grant revenue in relation to the construction of capital assets which the company controls has been recognised in accordance with AASB 1058 Income of Not-for-profit entities, and recognised as deferred grant revenue.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Grant revenue

Performance obligations

Revenue is measured based on the consideration specified in the contract with the customer. The Group recognises revenue when it transfers control of a good or a service to the customer. As the fees are generated and sales made with a short credit term, there is no financing element present. There has been no change in the recognition of revenue from the rendering of services as a result of the adoption of AASB 15. Revenue is recognised when, or as, the performance obligation for the sale of goods or rendering of services to the customer are satisfied. Income from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the services as it is provided.

The types of government grants recognised under AASB 15 Revenue from Contracts with Customers includes:

- NDIS grant
- other one-off grants if funding conditions contain enforceable and sufficiently specific performance obligations

The performance obligations for NDIS are number and mix of customers provided care in accordance with levels of activity agreed with National Disability Insurance Agency (NDIA). Revenue is recognised when the service is provided. The performance obligations have been selected as they align with the funding conditions set out in the agreement with NDIA.

For other grants with performance obligations, the Group exercises judgement over whether the performance obligations have been met, on a grant by grant basis.

Interest revenue

Interest is recognised when it becomes receivable on a proportional basis taking into account the interest rates applicable to the financial assets.

(i) Donations and contributions

Donation and contribution revenue is recognised when received, at the fair value of the asset transferred unless designated for a specific purpose, where they are carried forward as prepaid income in the Statement of Financial Position.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts.

Notes to the Financial Statements

For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following category, those measured at:

- amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost.

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial assets

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

**Notes to the Financial Statements
For the Year Ended 30 June 2022**

2 Summary of Significant Accounting Policies

(c) Financial instruments

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(e) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Summary of Significant Accounting Policies

(e) Basis for consolidation

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

A list of controlled entities is contained in Note 10 to the financial statements.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

(f) Income Tax

The company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

3 Revenue and Other Income

	2022	2021
	\$	\$
Revenue and income		
- Grants	-	1,639,490
	<hr/>	<hr/>
Revenue and income	-	1,639,490
Other Income		
- Interest income	18,185	35,166
- Rental income	8,250	340,614
	<hr/>	<hr/>
	26,435	375,780
	<hr/>	<hr/>
Total revenue and other income	26,435	2,015,270

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Notes to the Financial Statements For the Year Ended 30 June 2022

4 Transfer of Operations

During the prior year the Group transferred its operations, along with key assets and liabilities as detailed below, for no consideration to Latrobe Community Health Service Limited ("LCHS") and remained dormant for the remainder of the year. Further funds were transferred to LCHS during the year ended 30 June 2022.

The Company's subsidiary, Link Private Practice Pty Ltd, was wound up on 29 August 2021.

The Company utilises its cash reserves to meet its operating costs.

	2022	2021
	\$	\$
Assets and liabilities transferred:		
Cash and cash equivalents	1,380,049	6,063,360
Inventories	-	108,547
Property, plant and equipment	-	6,445,246
Right-of-use assets	-	2,567,674
Contract Liabilities	-	(2,740,145)
Lease liabilities	-	(891,448)
Contract liabilities	-	(2,736,978)
Total assets of disposal groups	<u>1,380,049</u>	<u>8,816,256</u>

5 Result for the Year

The result for the year includes the following specific expenses:

Finance costs

- Bank charges	-	4,665
- Interest expense on lease liability	-	-
Net loss on disposal of property, plant and equipment	-	(589,850)
Impairment of receivables:		
- Bad debts written off	-	94,649

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Notes to the Financial Statements For the Year Ended 30 June 2022

6 Cash and Cash Equivalents

	2022	2021
Note	\$	\$
Cash at bank	264,331	1,614,060
Total cash and cash equivalents	264,331	1,614,060

(a) Reconciliation of cash

Cash and cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

Cash and cash equivalents	6	264,331	1,614,060
Balance as per consolidated statement of cash flows		264,331	1,614,060

7 Accumulated Surplus

	2022	2021
	\$	\$
Accumulated surplus at the beginning of the financial year	1,614,060	8,040,126
Net surplus/(deficit)	(1,353,914)	(6,426,066)
Accumulated surplus at end of the financial year	260,146	1,614,060

8 Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2022	2021	
	\$	\$	
Financial Assets			
<i>Financial assets at amortised cost:</i>			
- Cash and cash equivalents	6	264,331	1,614,060

Link Health and Community Limited 2022

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Notes to the Financial Statements For the Year Ended 30 June 2022

9 Key Management Personnel Remuneration

The Group's key management personnel consist of the directors and senior management.

The names of the directors in office at any time during the year are:

- Judith Walker
- Mark Biggs
- Stelvio Vido

Directors and management received \$0 (2021: \$0) remuneration during the year.

10 Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2022	Percentage Owned (%)* 2021
Subsidiaries:			
Link Private Practice Pty Ltd	Australia	-	100

*The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

Link Private Practice Pty Ltd

Link Private Practice Pty Ltd was incorporated on 26 September 2017. The Company was deregistered on 29 August 2021.

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Notes to the Financial Statements For the Year Ended 30 June 2022

11 Parent entity

The following information has been extracted from the books and records of the parent, Link Health and Community Limited and has been prepared in accordance with Accounting Standards.

The financial information for the parent entity, Link Health and Community Limited has been prepared on the same basis as the financial statements except as disclosed below.

	2022	2021
	\$	\$
Statement of Financial Position		
Assets		
Current assets	264,331	1,614,060
Total Assets	<u>264,331</u>	<u>1,614,060</u>
Liabilities		
Current liabilities	4,185	-
Total Liabilities	<u>4,185</u>	<u>-</u>
Members' funds		
Accumulated surplus	260,146	1,614,060
Total Members' Funds	<u>260,146</u>	<u>1,614,060</u>
Statement of Profit or Loss and Other Comprehensive Income		
Total deficit for the year	<u>(1,353,914)</u>	<u>(6,426,066)</u>
Total comprehensive loss for the year	<u>(1,353,914)</u>	<u>(6,426,066)</u>

Contingent liabilities

The parent entity did not have any contingent liabilities as at 30 June 2022 or 30 June 2021.

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Notes to the Financial Statements For the Year Ended 30 June 2022

12 Contingencies

In the opinion of the Directors, the company did not have any contingencies at 30 June 2022 (30 June 2021: None).

13 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$NIL each towards meeting any outstandings and obligations of the company. At 30 June 2022 the number of members was 30 (2021: 120).

14 Events after the end of the Reporting Period

The financial report was authorised for issue on 28 September 2022 by the Board of Directors.

As discussed in note 1, the directors have resolved to wind up the Company at its next AGM on 28 September 2022. The winding up of the Company is subject to approval by the members.

15 Group Details

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

Link Health and Community Limited
2 Euneva Ave
GLEN WAVERLEY VIC 3150

**Independent Auditor's Report to the Members of Link Health and Community Limited
and its controlled entity**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Link Health and Community Limited ("the Company") and its controlled entity (collectively referred to as "the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Entity and the Group in accordance with the auditor independence 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.

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Responsibilities of Directors for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* 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 Group'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 intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Director's are responsible for overseeing the Group'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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants



Nick Walker
Partner

Melbourne
20 September 2022