

South Head & District Synagogue (Sydney) Limited

ABN 30 541 611 034

Annual Report - 31 December 2021



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**South and Head District Synagogue (Sydney) Limited
Auditors' Independence Declaration
To the Members of South and Head District Synagogue (Sydney) Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Logicca Assurance Pty Limited

Name of Director: Peter Hersh

Address: Level 6, 151 Macquarie Street Sydney NSW 2000

Dated this 24th day of June 2022

South Head & District Synagogue (Sydney) Limited

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General information

The financial statements cover South Head & District Synagogue (Sydney) Limited as an individual entity. The financial statements are presented in Australian dollars, which is South Head & District Synagogue (Sydney) Limited's functional and presentation currency.

South Head & District Synagogue (Sydney) Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

664-666 Old South Head Road, Rose Bay, NSW 2029

The entity is an investment holding company and earns its income from renting its premises to a synagogue.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 June 2022. The directors have the power to amend and reissue the financial statements.

South Head & District Synagogue (Sydney) Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	2021	2020
	\$	\$
Revenue		
Rent	260,000	226,667
Donations received	810,000	-
Outgoings Recovered	22,870	41,169
Interest	24	4
Other Revenue	-	7,678
	<u>1,092,894</u>	<u>275,518</u>
 Net gain on revaluation of investment property	 -	 3,055,690
Expenses		
Depreciation and amortisation expense	(526)	(540)
Utilities	(27,638)	(32,324)
Repairs and maintenance	(25,243)	(5,650)
Other expenses	(21,149)	(11,683)
Finance costs	(52,883)	(21,404)
Total expenses	<u>(127,439)</u>	<u>(71,601)</u>
 Surplus before income tax expense	 965,455	 3,259,607
 Income tax expense	 <u>-</u>	 <u>-</u>
 Surplus after income tax expense for the year attributable to the members of South Head & District Synagogue (Sydney) Limited	 965,455	 3,259,607
 Other comprehensive income for the year, net of tax	 <u>-</u>	 <u>-</u>
 Total comprehensive income for the year attributable to the members of South Head & District Synagogue (Sydney) Limited	 <u><u>965,455</u></u>	 <u><u>3,259,607</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

South Head & District Synagogue (Sydney) Limited
Statement of financial position
As at 31 December 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	3	308,625	92,396
Trade and other receivables	4	5,223	8,992
Total current assets		<u>313,848</u>	<u>101,388</u>
Non-current assets			
Investment properties	5	7,500,000	7,500,000
Other assets	6	20,531	21,057
Total non-current assets		<u>7,520,531</u>	<u>7,521,057</u>
Total assets		<u>7,834,379</u>	<u>7,622,445</u>
Liabilities			
Current liabilities			
Trade and other payables	7	21,546	18,337
Bank overdraft	8	4,286	4,550
Total current liabilities		<u>25,832</u>	<u>22,887</u>
Non-current liabilities			
Loans	9	2,045,937	2,802,403
Total non-current liabilities		<u>2,045,937</u>	<u>2,802,403</u>
Total liabilities		<u>2,071,769</u>	<u>2,825,290</u>
Net assets		<u>5,762,610</u>	<u>4,797,155</u>
Equity			
Reserves		1,080,285	1,080,285
Retained surpluses	10	4,682,325	3,716,870
Total equity		<u>5,762,610</u>	<u>4,797,155</u>

The above statement of financial position should be read in conjunction with the accompanying notes

South Head & District Synagogue (Sydney) Limited
Statement of changes in equity
For the year ended 31 December 2021

	Reserves	Retained surpluses	Total equity
	\$	\$	\$
Balance at 1 January 2020	1,080,285	457,263	1,537,548
Surplus after income tax expense for the year	-	3,259,607	3,259,607
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	3,259,607	3,259,607
Balance at 31 December 2020	<u>1,080,285</u>	<u>3,716,870</u>	<u>4,797,155</u>
	Reserves	Retained surpluses	Total equity
	\$	\$	\$
Balance at 1 January 2021	1,080,285	3,716,870	4,797,155
Surplus after income tax expense for the year	-	965,455	965,455
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	965,455	965,455
Balance at 31 December 2021	<u>1,080,285</u>	<u>4,682,325</u>	<u>5,762,610</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

South Head & District Synagogue (Sydney) Limited
Statement of cash flows
For the year ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers		286,639	289,160
Payments to suppliers		(70,821)	(66,557)
Donations received		810,000	-
		<u>1,025,818</u>	<u>222,603</u>
Interest received		24	4
Other revenue		-	7,678
Interest and other finance costs paid		(52,883)	(21,404)
		<u>972,959</u>	<u>208,881</u>
Net cash from operating activities			
		<u>-</u>	<u>-</u>
Cash flows from investing activities			
Proceeds from borrowings		-	3,015,753
Repayment of borrowings		(756,466)	(3,142,021)
		<u>(756,466)</u>	<u>(126,268)</u>
Net cash used in financing activities			
		<u>(756,466)</u>	<u>(126,268)</u>
Net increase in cash and cash equivalents		216,493	82,613
Cash and cash equivalents at the beginning of the financial year		87,846	5,233
		<u>87,846</u>	<u>5,233</u>
Cash and cash equivalents at the end of the financial year	3	<u><u>304,339</u></u>	<u><u>87,846</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted except for AASB 1060 discussed below.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 January 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments. As permitted by AASB 1053 for early adoption of AASB 1060, comparative information has not been provided for these new disclosures.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's 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.

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.

Donations

Money for donations are brought to accounts on a cash basis as their collections are not always enforceable.

South Head & District Synagogue (Sydney) Limited
Notes to the financial statements
31 December 2021

Note 1. Significant accounting policies (continued)

Rent

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Outgoings recovered are recognised

Other revenue

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

Income tax

As the company is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

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.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the company. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The fair value on the date of change of use from investment properties to property, plant and equipment are used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

Note 1. Significant accounting policies (continued)

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 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.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

South Head & District Synagogue (Sydney) Limited
Notes to the financial statements
31 December 2021

Note 2. Critical accounting judgements, estimates and assumptions (continued)

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.

Note 3. Current assets - cash and cash equivalents

	2021	2020
	\$	\$
Cash at bank	<u>308,625</u>	<u>92,396</u>
<i>Reconciliation to cash and cash equivalents at the end of the financial year</i>		
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:		
Balances as above	308,625	92,396
Bank overdraft (note 8)	<u>(4,286)</u>	<u>(4,550)</u>
Balance as per statement of cash flows	<u><u>304,339</u></u>	<u><u>87,846</u></u>

Note 4. Current assets - trade and other receivables

	2021	2020
	\$	\$
Trade receivables	2,599	5,732
Other receivables	<u>2,624</u>	<u>3,260</u>
	<u><u>5,223</u></u>	<u><u>8,992</u></u>

Note 5. Non-current assets - investment properties

	2021	2020
	\$	\$
662-666 Old South Head Road at independent valuation	<u><u>7,500,000</u></u>	<u><u>7,500,000</u></u>

Valuations of investment properties

The basis of the valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. The valuation is based on an external valuation report dated 25 July 2020. The Directors believe this value remains the most appropriate as at 31 December 2021.

The company leases its investment property to Kehillat Kadimah Ltd for \$260,000 per year. The lease is due to expire on 1 September 2025 and the current lease agreement does not stipulate any option to renew at this stage.

South Head & District Synagogue (Sydney) Limited
Notes to the financial statements
31 December 2021

Note 5. Non-current assets - investment properties (continued)

Lessor commitments

	2021 \$
Minimum lease commitments receivable but not recognised in the financial statements:	
Within one year	260,000
One to five years	693,333
	<u>953,333</u>

Note 6. Non-current assets - other assets

	2021 \$	2020 \$
Books & Scrolls - at cost	109,777	109,777
Books & Scrolls - accumulated depreciation	(89,246)	(88,720)
	<u>20,531</u>	<u>21,057</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current financial year are set out below:

Balance at 1 January 2020	21,057	21,597
Depreciation expense	(526)	(540)
Closing balance at 31 December 2020	<u>20,531</u>	<u>21,057</u>

Note 7. Current liabilities - trade and other payables

	2021 \$	2020 \$
Trade payables	330	9,420
GST payable	10,696	6,500
Accrued expenses	10,520	2,417
	<u>21,546</u>	<u>18,337</u>

Note 8. Current liabilities - Bank overdraft

	2021 \$	2020 \$
Bank overdraft	<u>4,286</u>	<u>4,550</u>

South Head & District Synagogue (Sydney) Limited
Notes to the financial statements
31 December 2021

Note 9. Non-current liabilities - Loans

	2021 \$	2020 \$
Secured bank loans	1,467,767	1,481,400
Unsecured loan from South Head Secured Pty Ltd	578,170	1,321,003
	<u>2,045,937</u>	<u>2,802,403</u>

South Head Secured Pty Ltd is a related party to South Head & District Synagogue (Sydney) Limited - refer to related party note 12

Total secured liabilities

The total secured/unsecured liabilities (current and non-current) are as follows:

	2021 \$	2020 \$
Bank overdraft	4,286	4,550
Secured bank loans	1,467,767	1,481,400
Unsecured loan from South Head Secured Pty Ltd	578,170	1,321,003
	<u>2,050,223</u>	<u>2,806,953</u>

Assets pledged as security

The bank loan is secured over the company's land and buildings. The bank loan is a 5 year term and the interest rate is 3.35% per annum.

Note 10. Equity - retained surpluses

	2021 \$	2020 \$
Retained surpluses at the beginning of the financial year	3,716,870	457,263
Surplus after income tax expense for the year	965,455	3,259,607
Retained surpluses at the end of the financial year	<u>4,682,325</u>	<u>3,716,870</u>

Note 11. Remuneration of auditors

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

	2021 \$	2020 \$
<i>Audit services -</i>		
Audit of the financial statements	<u>7,500</u>	<u>7,500</u>

Note 12. Related party transactions

The property owned by South Head and District Synagoge (Sydney) Limited is leased to Kehillat Kadimah Limited. South Head and District Synagogue (Sydney) Limited and Kehillat Kadimah Limited have common directors.

South Head & District Synagogue (Sydney) Limited
Notes to the financial statements
31 December 2021

Note 12. Related party transactions (continued)

The following transactions occurred with related parties:

	2021	2020
	\$	\$
Other income:		
Rent and outgoings	283,851	268,852

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	2021	2020
	\$	\$
Non-current borrowings:		
Loan from South Head Secured Pty Ltd	578,170	1,321,003

Terms and conditions

The loan from South Head Secured has been funded by contributions to South Head Secured from certain members of the community and does not attract interest and is repayable 6 years after the loans have been made unless redeemed earlier at the election of South Head Secured Pty Ltd.

Note 13. Events after the reporting period

No matter or circumstance has arisen since 31 December 2021 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.

South Head & District Synagogue (Sydney) Limited
Directors' declaration
31 December 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2021 and associated regulations, and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2013.

On behalf of the directors

Neill Desmond Miller

Neill Desmond Miller
Director

24th June 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOUTH AND HEAD DISTRICT SYNAGOGUE (SYDNEY) LIMITED
ABN: 30 541 611 034**

Report on the Audit of the Financial Report

We have audited the financial report of the South and Head District Synagogue (Sydney) Limited, which comprises the statement of financial position as at 31 December 2021, the statement of profit and loss and other comprehensive income and statement of changes in equity for the year then ended, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of the South and Head District Synagogue (Sydney) Limited 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 registered entity's financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting – Simplified Disclosures to the extent described in Note 1, and Division 60 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 registered entity in accordance with 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 (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.

Responsibility of the Responsible Entities and Those Charged with Governance for the Financial Report

The responsible entities of the registered entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Accounting – Simplified Disclosures and ACNC Act. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

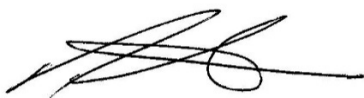
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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 the 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:

https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our Auditor's Report.

Name of firm: Logicca Assurance Pty Limited



Director: Peter Hersh

Address: Level 6, 151 Macquarie Street, SYDNEY NSW 2000

Dated this: 24th day of June 2022