

# **Mental Illness Fellowship of Australia Incorporated**

ABN 73 204 129 543

For the year ended 30 June 2021

**Mental Illness Fellowship of Australia Incorporated**

ABN 73 204 129 543

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## Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Income</b>			
Revenue and other income	2	744,810	489,891
<b>Total revenue and other income</b>		<b>744,810</b>	<b>489,891</b>
<b>Expenses</b>			
Employee benefits expense		461,201	325,186
Other expenses		221,553	144,715
Finance costs		354	62
<b>Total expenses</b>	3	<b>683,108</b>	<b>469,963</b>
Profit/ (loss) before income tax		<b>61,702</b>	<b>19,928</b>
Income tax expense		-	-
Surplus/(deficit) after income tax		<b>61,702</b>	<b>19,928</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>61,702</b>	<b>19,928</b>

*The accompanying notes form part of these financial statements.*

## Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$	2020 \$
<b>Assets</b>			
<b>Current</b>			
Cash and cash equivalents	4	614,566	307,357
Trade and other receivables	5	4,678	31,248
Other current assets	6	4,251	7,411
<b>Total Current Assets</b>		<b>623,495</b>	<b>346,016</b>
<b>Total Non-Current Assets</b>		<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>623,495</b>	<b>346,016</b>
<b>Liabilities</b>			
<b>Current</b>			
Trade and other payables	7	39,453	17,725
Unearned revenue	8	391,530	212,816
Provisions	9	25,687	10,352
<b>Total Current Liabilities</b>		<b>456,670</b>	<b>240,893</b>
<b>Non-Current</b>			
Provisions	9	-	-
<b>Total Non-Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>456,670</b>	<b>240,893</b>
<b>Net Assets</b>		<b>166,825</b>	<b>105,123</b>
<b>Accumulated Funds</b>			
Opening accumulated funds		105,123	85,195
Current year operating surplus / (deficit)		61,702	19,928
<b>Total Equity</b>		<b>166,825</b>	<b>105,123</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

For the year ended 30 June 2021

	Accumulated Funds \$	Total \$
<b>Balance at 1 July 2019</b>	85,195	<b>85,195</b>
Total comprehensive income	19,928	<b>19,928</b>
<b>Balance at 30 June 2020</b>	<u>105,123</u>	<u><b>105,123</b></u>
<b>Balance at 1 July 2020</b>	105,123	<b>105,123</b>
Total comprehensive income	61,702	<b>61,702</b>
<b>Balance at 30 June 2021</b>	<u>166,825</u>	<u><b>166,825</b></u>

*The accompanying notes form part of these financial statements.*

## Statement of Cash Flows

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from member contributions		200,640	160,600
Receipts from donors, sponsors and others		793,106	607,465
COVID-19 stimulus (cash flow boost)		34,246	25,652
Payments to suppliers and employees		(720,909)	(529,664)
Interest received		126	195
<b>Net cash provided by / (used in) operating activities</b>	10	<u>307,209</u>	<u>264,248</u>
<b>Net increase/(decrease) in cash held</b>		307,209	264,248
<b>Cash at beginning of year</b>		<u>307,357</u>	<u>43,109</u>
<b>Cash at end of year</b>	4	<u><u>614,566</u></u>	<u><u>307,357</u></u>

*The accompanying notes form part of these financial statements.*

# Notes to the Financial Statements

For the year ended 30 June 2021

## 1. Statement of 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.

### **Basis of preparation**

In the directors' opinion, Mental Illness Fellowship of Australia Inc ("MIFA") is not a reporting entity because there are no users dependent on general purpose financial statements.

These special purpose financial statements have been prepared for the sole purpose of distributing a financial report to the members and to fulfil the financial reporting requirements of MIFA in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

These special purpose financial statements do not comply with all the recognition and measurement requirements in Australian Accounting Standards. The material accounting policies disclosed in Note 1 that have not been assessed for compliance with Australian Accounting Standards include:

- Recognition of income
- Employee benefits

These financial statements have been prepared in accordance with the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

The financial report is for the Mental Illness Fellowship of Australia Inc as an individual entity, an incorporated association, incorporated and domiciled in the Australian Capital Territory. The Association is a not-for-profit entity for the purposes of preparing the financial statements and the financial statements are presented in Australian Dollars, which is MIFA's functional and presentation currency.

The financial statements were authorised for issue by the Board on the date the Directors' Declaration was signed. The directors have the power to amend and reissue the financial statements.

### *Historical cost convention*

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

## **Notes to the Financial Statements**

**For the year ended 30 June 2021**

### *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 Association'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 below.

### **New or amended Accounting Standards and Interpretations adopted**

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

None of the new or amended Accounting Standards and Interpretations adopted have had a significant impact on the Association.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The directors have reviewed the accounting standards issued but not yet effective at the date of this report and none of the revisions or new standards, to the extent applied, are anticipated to have a significant impact on MIFA.

### **Accounting policies**

#### **Income tax**

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

#### **Income recognition**

##### *Membership contributions*

Revenue from membership contributions is recognised over the membership period.

##### *Events and sponsorship revenue*

Events and sponsorship revenue is recognised when the related event takes place.

##### *Grant income*

The performance obligations attached to grant funding are considered when determining how to account for the revenue. Grant revenue is recognised in the surplus or deficit when the Association satisfies the performance obligations stated within the funding agreements.

Where the grant funding has no specific performance obligations attached the revenue is recognised at the point in time the right to receive the grant funds occurs.

## **Notes to the Financial Statements**

**For the year ended 30 June 2021**

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

### *Donations*

Donations are recognised at the time of receipt.

### *Interest revenue*

Interest revenue is recognised on an accrual basis using the effective interest method.

### *Government support*

MIFA is the recipient of Government support in the form of Cashflow Boost. This support is recognised as other income in the period to which the amounts will be credited.

All revenue and other income is stated net of the amount of any goods and services tax (GST).

### **Operating expenses**

Operating expenses are recognised in the surplus or deficit upon utilisation of the service or at the date of their origin.

### **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 MIFA'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 a 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 MIFA'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.

## **Notes to the Financial Statements**

**For the year ended 30 June 2021**

### **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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **Trade and other receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less any allowance for expected credit losses. Trade receivables are due for settlement no more than 30 days after the transaction.

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

### **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Association prior to the end of the financial year 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 by the end of the month following the month of purchase.

### **Employee benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

#### *Long-term employee benefit obligations*

Long service leave is accrued at nominal rates for employees with five years or more continuous service.

### **Equity**

Accumulated funds includes all current and prior period retained earnings.

### **Goods and Services Tax (GST)**

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.

## **Notes to the Financial Statements**

**For the year ended 30 June 2021**

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 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.

### **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 or 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 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 MIFA based on known information. This consideration extends to the nature of the activities and the role the Association has in representing a national voice and approach to enable people with mental illness and their carers to fully share in the community with the same rights and opportunities as other citizens. 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 MIFA unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic and notwithstanding the volatile nature of the pandemic and uncertainty in the Australian and global economies, directors have confidence that the Association will continue to be able to represent the interests of people affected by mental illness.

## Notes to the Financial Statements

For the year ended 30 June 2021

<b>2. Revenue and other income</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Grants, Donations and Sponsorships</b>		
- Janssen Cilag	30,000	69,167
- Lundbeck	9,091	1,500
- Servier Laboratories	10,000	10,000
- Affinity	3,616	-
- Micah Projects	1,000	-
- Princess Pictures	455	-
- Queensland Alliance for Mental Health	2,000	-
- Relton Co Pty Ltd	500	-
- Satellite Foundation	1,000	-
- South Burnett Regional Council	500	-
- The Yorke Family Foundation	6,000	-
- Other Donors	5,106	-
- Department of Social Services	156,947	-
- National Disability Insurance Agency	178,607	69,593
- Department of Health	150,000	150,000
	<u>554,822</u>	<u>300,260</u>

The following additional sponsorships were received in 2020-21 and recorded as unearned revenue, as the sponsored events occurred in the 2021-22 financial year:

- Janssen Cilag - \$29,000 (2020: \$30,000)
- Micah Projects - \$3,000 (2020: \$nil)
- Serif (Europe) Ltd - \$3,678 (2020: \$nil)
- Servier Laboratories - \$nil (2020: \$10,000)
- Princess Pictures - \$nil (2020: \$455)

Events and sponsorship revenue is recognised when the related event takes place. COVID-19 disrupted some of MIFA's planned events in 2020, resulting in the related sponsorship revenue being deferred to 2020-21.

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Financial Contributions - Members</b>		
Bridges Health and Community Care	16,000	16,000
Mental Illness Fellowship of Australia (NT)	10,000	10,000
Mental Health Foundation ACT	6,400	10,000
selectability	45,000	30,000
Skylight Mental Health Inc or		
Mental Illness Fellowship of South Australia	20,000	10,000
Mental Illness Fellowship of Western Australia	40,000	40,000
One Door Mental Health (Schizophrenia Fellowship of NSW Inc)	30,000	30,000
	<u>167,400</u>	<u>146,000</u>

## Notes to the Financial Statements

For the year ended 30 June 2021

	2021	2020
	\$	\$
<b>Other Income</b>		
Michael Lockwood	-	5,000
Norbert Schweizer	-	1,000
COVID-19 stimulus (cash flow boost)	22,462	37,436
Interest	126	195
	<u>22,588</u>	<u>43,631</u>
<b>Total revenue and other income</b>	<u>744,810</u>	<u>489,891</u>

### 3. Surplus / (deficit) for the year

2021	2020
\$	\$

The following significant expense items with other expenses are relevant in explaining financial performance

Accounting costs	20,729	17,560
Audit fees	9,630	8,555
Bank charges	354	62
Board meeting costs	851	7,602
Business development	1,475	1,480
Insurance	8,164	7,182
Office costs	19,987	12,580
Project expense	126,326	27,513
Salaries and related costs	461,201	325,186
Office communication	1,283	2,829
Promotional costs	13,944	19,063
Training expenses	10,545	-
Recruitment costs	835	285
Travel and accommodation	7,784	40,066
	<u>683,108</u>	<u>469,963</u>

### 4. Cash and cash equivalents

2021	2020
\$	\$

Cheque account	33,334	30,251
Investment account	581,232	277,106
	<u>614,566</u>	<u>307,357</u>

### 5. Trade and other receivables

2021	2020
\$	\$

<b>Current</b>		
Trade receivable	4,678	31,248
	<u>4,678</u>	<u>31,248</u>

## Notes to the Financial Statements

For the year ended 30 June 2021

<b>6. Other assets</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current</b>		
Prepayments	4,251	7,411
	<u>4,251</u>	<u>7,411</u>

<b>7. Trade and other payables</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current</b>		
Accrued expenses	8,850	7,000
Trade creditors	29,685	960
Sundry creditors	918	-
GST, PAYG and Superannuation payable	-	9,765
	<u>39,453</u>	<u>17,725</u>

<b>8. Unearned revenue</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current</b>		
Unearned revenue - grants	355,852	134,407
Unearned revenue - memberships	-	35,000
Unearned revenue - sponsorships and donations	35,678	43,409
	<u>391,530</u>	<u>212,816</u>

<b>9. Provisions</b>	<b>2021</b>	<b>2020</b>
	\$	\$
<b>Current</b>		
Provision for annual leave	25,687	10,352
	<u>25,687</u>	<u>10,352</u>

### 10. Cash flow information

#### Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	<b>2021</b>	<b>2020</b>
	\$	\$
Reconciliation of cash flows from operations with surplus after income tax:		
Surplus after income tax	61,702	19,928
<i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	26,570	38,220
(Increase)/decrease in other current assets	3,160	(7,411)
Increase/(decrease) in trade and other payables	21,728	2,104
Increase/(decrease) in unearned revenue	178,714	201,316
Increase/(decrease) in provisions	15,335	10,091
<b>Cash flows from operating activities</b>	<u>307,209</u>	<u>264,248</u>

## **Notes to the Financial Statements**

**For the year ended 30 June 2021**

### **11. Events after the reporting date**

No matters have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of MIFA.

### **12. Economic dependency**

The Mental Illness Fellowship of Australia Incorporated receives the majority of its income through Members and government grants. The nature and extent of these funding sources make the Mental Illness Fellowship of Australia Incorporated economically dependent upon these parties in order to continue to provide its current services.

### **13. Contingent liabilities**

There were no contingent liabilities facing MIFA as of 30 June 2021 (2020: nil).

### **14. Board remuneration**

During the financial year, no members of the Board of MIFA received either directly or indirectly as a member of a firm or body corporate payments as a result of transactions with MIFA in the ordinary course of business and in accordance with normal commercial terms and conditions.

### **15. Association details**

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

Mental Illness Fellowship of Australia Incorporated  
20 Pidgeon Close  
West End, Queensland 4101  
Australia

The principal activities of MIFA during the financial year were to represent a national voice and approach to enable people with mental illness and their carers to fully share in the community with the same rights and opportunities as other citizens.

## Notes to the Financial Statements

For the year ended 30 June 2021

### 16. Trust Information

	2021	2020
	\$	\$

Mental Illness Fellowship of Australia Inc has acted as trustee of the Psychosis Australia Trust since its inception on the 1st December 2011. The financial information for the Trust is presented below:

#### Statement of Profit or Loss and Other Comprehensive Income

Total revenue and other income	26	66,042
Total expenses	(11,555)	(48,765)
Total Profit / (Loss) from operations	<u>(11,529)</u>	<u>17,277</u>
Total comprehensive income	<u>(11,529)</u>	<u>17,277</u>

#### Statement of Financial Position

##### Assets

##### Current assets

Cash and cash equivalents	77,480	84,265
Trade and other receivables	490	381
Other current assets	-	21,927
Total current assets	<u>77,970</u>	<u>106,573</u>

##### Other non-current assets

Other non-current assets	<u>21,927</u>	-
Total non-current assets	<u>21,927</u>	-

##### Total Assets

Total Assets	<u>99,897</u>	<u>106,573</u>
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##### Liabilities

##### Current liabilities

Trade and other payables	<u>6,503</u>	1,650
Total current liabilities	<u>6,503</u>	1,650
Total liabilities	<u>6,503</u>	1,650

##### Net Assets

Net Assets	<u>93,394</u>	<u>104,923</u>
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##### Equity

Accumulated funds	104,923	87,646
Net income	<u>(11,529)</u>	<u>17,277</u>
Total equity	<u>93,394</u>	<u>104,923</u>

#### Mortgages, Charges or Other Securities

The Trust does not have any mortgages, charges or other securities affecting the property of the Trust.

#### Trust liabilities and right of indemnity

In accordance with the Trust Deed the trustees of the Psychosis Australia Trust are not liable should the Trust be unable to meet its obligations.

## Mental Illness Fellowship of Australia Incorporated

ABN 73 204 129 543

# Directors' Declaration

The Directors have determined that the Mental Illness Fellowship of Australia Inc (MIFA) is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Directors of the association declare that:

1. The financial statements and notes, as set out in pages 1 to 14, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013; and
  - (a) Comply with the Accounting Standards described in Note 1 to the financial statements; and
  - (b) Give a true and fair view of the association's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
2. In the Directors' opinion, there are reasonable grounds to believe that MIFA 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.

*Michael Reid*

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Michael Reid  
Independent Chair

Dated this     5     day of   November 2021.

## Auditor's Independence Declaration

### To the Directors of Mental Illness Fellowship of Australia Incorporated

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Mental Illness Fellowship of Australia Incorporated for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

*Grant Thornton*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

*H. E. Hiscox*

H E Hiscox  
Partner - Audit & Assurance

Brisbane, 5 November 2021

# Independent Auditor's Report

## To the Members of Mental Illness Fellowship of Australia Incorporated

### Report on the audit of the financial report

#### Opinion

We have audited the accompanying financial report of Mental Illness Fellowship of Australia Incorporated (the "Registered Entity"), which comprises the statement of financial position as at 30 June 2021, and the statement of profit or loss and other 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 Directors' declaration.

In our opinion, the financial report of Mental Illness Fellowship of Australia Incorporated 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 30 June 2021 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards to the extent described in Note 1 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 Registered Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Emphasis of matter – basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the Registered Entity's financial reporting responsibilities under the ACNC Act. As a result the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Responsibilities of the Directors for the financial report

The Directors 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 ACNC Act.

The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Registered Entity's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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 Registered Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Registered Entity'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 Registered Entity 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 those charged with governance 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.

*Grant Thornton*

Grant Thornton Audit Pty Ltd  
Chartered Accountants

*H. E. Hiscox*

H E Hiscox  
Partner – Audit & Assurance

Brisbane, 5 November 2021