



Jesuit Mission
ABN 78 683 857 984

**(including Australian Jesuit Mission Overseas Aid Fund
ABN 47 915 006 050)**

**Financial Report
For the year ended 31 December 2019**

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Corporate Information

This financial report is presented for Jesuit Mission ABN 78 683 857 984 and includes the Australian Jesuit Mission Overseas Aid Fund ABN 47 915 006 050.

Members of the Board and Management

The following persons are members of the Board of Jesuit Mission as at 31 December 2019 and are Responsible Entities:

Mr Paul Levins – Chairperson
Mr Nick Dunstan
Mr Doug Meagher
Fr Bill Uren SJ
Sr Joan Doyle RSM
Ms Fiona Devlin
Isaac Demase SJ

Ms Helen Forde is Chief Executive Officer (and a Responsible Entity).

Father Trung Nguyen SJ is Rector of Jesuit Mission and Dr Lisa Connell is the Social Ministries Delegate.

About Jesuit Mission

The principal activities of Jesuit Mission are to raise funds for the purpose of international relief and development.

As a ministry of the Society of Jesus in Australia, Jesuit Mission draws on the richness and depth of the Ignatian spirituality which guides and shapes how to engage with each other, how to respond to the needs of our world and how to reflect and learn from experiences.

Jesuit Mission partners with Jesuits and other companions overseas to empower women, men and children living on the frontiers to liberate themselves from poverty and injustice through participation in programs that build skills, capacity and resilience to live full and free lives. These programs directly or indirectly benefit the most marginalised and vulnerable communities.

Funds are raised by engaging with individuals and communities who are part of the Jesuit family. This includes Jesuit supporters, volunteers, schools, parishes, and other Jesuit networks across Australia.

Auditor's Independence Declaration

To the Responsible Entities of Jesuit Mission

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 Jesuit Mission for the year ended 31 December 2019, 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 Audit Pty Ltd
Chartered Accountants



James Winter
Partner – Audit & Assurance

Sydney, 1 April 2020

Statement of Profit or Loss and Other Comprehensive Income

	Notes	2019	2018
			\$
Income			
Revenue from continuing operations	3	9,020,206	6,421,988
Other income	3	322,505	98,400
Total Income		9,342,711	6,520,388
Expenditure			
Project costs		(259,802)	(249,818)
Employee expenses		(1,068,500)	(926,924)
Other administration expenses		(269,351)	(227,822)
Funds to overseas projects		(5,888,598)	(3,957,358)
Depreciation		(34,158)	(29,665)
Total Expenditure		(7,520,409)	(5,391,587)
Surplus for the year		1,822,302	1,128,801
Other comprehensive income		-	-
Total comprehensive income for the year		1,822,302	1,128,801

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

	Notes	2019 \$	2018 \$
Assets			
Current			
Cash and cash equivalents	4	4,257,160	2,454,623
Trade and other receivables	5	38,967	86,345
Other assets	6	24,521	23,647
Total current assets		4,320,648	2,564,615
Non-current			
Property, plant and equipment	7	1,182,194	1,181,135
Intangibles	8	43,610	56,432
Other financial asset	9	2,133,156	2,007,468
Total non-current assets		3,358,960	3,245,035
Total assets		7,679,608	5,809,650
Liabilities			
Current			
Trade and other payables	10	92,769	74,903
Provisions	11	74,236	51,334
Total current liabilities		167,005	126,237
Non-current			
Provisions	11	13,542	6,654
Total non-current liabilities		13,542	6,654
Total liabilities		180,547	132,891
Net assets		7,499,061	5,676,759
Funds			
Reserve for planned project transfers	12	4,344,663	3,608,417
Accumulated funds		3,154,398	2,068,342
Total funds		7,499,061	5,676,759

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Funds

	Notes	Reserve for planned project transfers	Accumulated funds	Total funds
		\$	\$	\$
Balance at 1 January 2018		2,276,853	2,271,105	4,547,958
Surplus for the year		-	1,128,801	1,128,801
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	1,128,801	1,128,801
Movement in funds to and from reserve		1,331,564	(1,331,564)	-
Balance at 31 December 2018		3,608,417	2,068,342	5,676,759
Balance at 1 January 2019		3,608,417	2,068,342	5,676,759
Surplus for the year		-	1,822,302	1,822,302
Other comprehensive income		-	-	-
Total comprehensive income for the year		-	1,822,302	1,822,302
Movement in funds to and from reserve		736,246	(736,246)	-
Balance at 31 December 2019	12	4,344,663	3,154,398	7,499,061

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

	Notes	2019 \$	2018 \$
Operating activities			
Receipts from:			
Donations		4,907,930	5,250,990
Bequests		3,679,068	623,916
Other Income		322,505	98,400
Other fundraising income		433,208	547,082
Payments to suppliers and employees		(1,503,492)	(1,490,796)
Distributions to overseas projects		(5,888,598)	(3,957,358)
Net cash provided by operating activities	13	1,950,621	1,072,234
Investing activities			
Purchase of property, plant and equipment		(22,396)	(55,574)
Investments transferred from (to) Province		(125,688)	(2,007,468)
Net cash provided by/(used in) investing activities		(148,084)	(2,063,042)
Net change in cash and cash equivalents		1,802,537	(990,808)
Cash and cash equivalents, beginning of year		2,454,623	3,445,431
Cash and cash equivalents, end of year	4	4,257,160	2,454,623

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

1 Nature of operations

Jesuit Mission ('the Entity') is a charitable organisation and forms part of the Australian Province of the Society of Jesus. Jesuit Mission serves as the Province's international relief and development ministry and is governed by an Advisory Board and is accompanied by the Social Ministries Delegate, who is appointed by the Provincial. The Chair and Delegate act as the conduit to the Provincial. Jesuit Mission is run by a Rector and a Board appointed CEO who report to the Board on operational issues.

The Provincial is the legal owner of assets acquired by and held in the name of Jesuit Mission and is responsible for all liabilities incurred by Jesuit Mission. This financial report is prepared as if Jesuit Mission were a separate entity for accounting purposes.

Jesuit Mission and the Australian Jesuit Mission Overseas Aid Fund (operated by Jesuit Mission – refer to Note 19 for specific disclosures related to the Australian Jesuit Mission Overseas Aid Fund entity) are both registered with the Australian Charities and Not-for-profits Commission. These financial statements present the Jesuit Mission and the Australian Jesuit Mission Overseas Aid Fund as one entity.

The financial statements were authorised for issue by the Entity on 27 March 2020.

2 Statement of significant accounting policies

2.1 Basis of preparation of financial report

This financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption.

The general purpose – reduced disclosure requirements financial statements of the Entity have been prepared in accordance with the requirements of the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

2.1 (a) Going Concern

The financial statements have been prepared on a going concern basis. As referred to in Note 17 Post-reporting date events, the Australian Province of the Society of Jesus, of which Jesuit Mission is part, is in the process of preparing a deed to transfer the operations of Jesuit Mission (including the Australian Jesuit Mission Overseas Aid Fund), including the assets and liabilities attributable Jesuit Mission as disclosed in these financial statements, to a proposed, yet to be established, Company Limited by Guarantee, which it is proposed will be controlled by the Australian Province of the Society of Jesus. The Board of Jesuit Mission expects the deed to be finalised during the year ending 31 December 2020. Whilst it is expected that the operations of Jesuit Mission, including the assets and liabilities as disclosed in these financial statements, will be transferred to the new Company Limited by Guarantee, the existing ABN's of Jesuit Mission and the Australian Jesuit Mission Overseas Aid Fund will likely be retained under direct operational administration by the Australian Province of the Society of Jesus, at that future time. Therefore it is expected the two ABN's currently reported in these financial statements will remain operational and remain going concerns.

2 Statement of significant accounting policies (cont'd)

2.2 Revenue from continuing operations

Revenue from continuing operations comprises revenue from the donations, fundraising activities and investment income, as disclosed in Note 3.

All revenue transactions not subject to sufficiently specific performance obligations, have been accounted for under AASB 1058 *Income of Not-for-Profit Entities*

Donations

Donations collected, including cash and goods for resale, are recognised as revenue when the Entity gains control of the asset

Bequests

Bequests, including cash, are recognised as revenue when the Entity gains control of the asset. Revenue from bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the Entity becomes legally entitled to the shares or property

Interest and investment income

Interest and investment income is recognised on an accruals basis, using the effective interest method.

No amounts are included in the financial report for in-kind services donated by volunteers

2.3 Operating expenses

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

2.4 Leases

The Entity's only lease agreement is for the premises at Level 1, 42 Ridge Street, North Sydney. This lease term is 12 months or less, and in accordance with AASB 16 Leases, this is considered to be a short-term lease. The Entity has elected not to apply the recognition and measurement standard in respect of this lease. Therefore, the Entity has not recorded a right-of-use asset or lease liability on any leased asset.

2.5 Property, plant and equipment

Land is held at cost. The property is held in the name of the Province and Jesuit Mission retains full benefits of the property that it would otherwise hold if it had legal ownership.

Buildings, plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Entity's management.

Buildings, plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment. The following annual depreciation rates are applied:

2 Statement of significant accounting policies (cont'd)

- furniture, fixture & fittings: 10-15%
- office equipment: 20-33.3%
- motor vehicles: 23%
- website and signs: 20%

In the case of leasehold property, expected useful lives are determined by reference to comparable owned assets or over the term of the lease, if shorter.

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

2.6 Impairment testing of property, plant and equipment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs of disposal and value in use. Depreciated replacement cost is used to determine value in use where the assets are not held principally for cash generating purpose and would be replaced if the organisation was deprived of it. Depreciated replacement cost is the current replacement cost of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost. Value in use for all other assets is then written down to its recoverable amount.

Where applicable, plant and equipment impairment losses are recognised in the Statement of Profit and Loss and Other Comprehensive Income.

2.7 Income taxes

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

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9 Employee benefits

Wages and Salaries, Annual Leave

Liabilities for wages and salaries, including annual leave to be settled within 12 months of the end of the reporting period are recognised in other liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable.

2 Statement of significant accounting policies (cont'd)

Short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that the Entity expects to pay as a result of the unused entitlement. Annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability as the Entity does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period. Annual leave liability is still presented as current liability for presentation purposes under AASB 101 *Presentation of Financial Statements*.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the end of the reporting period. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the end of the reporting period with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

2.10 Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material. Any reimbursement that the Entity can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

2.11 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

2.12 Accumulated funds

The movement in accumulated funds represents transfers to or from reserves together with the surplus or deficit for the year.

2.13 Reserve for planned project transfers

This reserve represents funds designated to fund overseas projects, not yet transferred.

2 Statement of significant accounting policies (cont'd)

2.14 Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long Service Leave

The liability for long service leave is recognised and measured at the present value of the estimated cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

3 Revenue from continuing operations

	2019	2018
	\$	\$
Revenue from continuing operations		
Donations	4,907,930	5,250,990
Bequests	3,679,068	623,916
Fundraising events	433,208	547,082
Total Revenue	9,020,206	6,421,988

Other income

Interest	44,990	37,989
Sundry income	51,804	52,174
Realised gain on investments	94,292	69,545
Unrealised gain/(loss) on investments	131,419	(61,308)
Total Other Income	322,505	98,400

4 Cash and cash equivalents

	2019	2018
	\$	\$
Cash on hand	1,402	-
Cash at bank	136,353	556,107
Short term deposits	4,119,405	1,898,516
Total cash and cash equivalents	4,257,160	2,454,623

5 Receivables

	2019	2018
	\$	\$
GST receivable	15,592	11,508
Sundry debtors	23,375	74,837
Total trade and other receivables	38,967	86,345

6 Other assets

	2019	2018
	\$	\$
Current		
Prepayments	24,521	23,647
Total other assets	24,521	23,647

7 Property, plant and equipment

	2019	2018
	\$	\$
Land and Buildings		
At deemed cost	1,100,000	1,100,000
Total land & building	1,100,000	1,100,000
Building Improvements		
Cost	47,405	47,405
Accumulated depreciation	-	-
Total building improvements	47,405	47,405
Office equipment		
Cost	66,661	51,930
Accumulated depreciation	(49,866)	(37,655)
Total office equipment	16,795	14,275
Furniture & fittings		
Cost	44,649	39,205
Accumulated depreciation	(31,122)	(24,416)
Total furniture & fittings	13,527	14,789
Signs & banners		
Cost	10,280	8,060
Accumulated amortisation	(5,813)	(3,394)
Total signs & banners	4,467	4,666
Total property, plant and equipment	1,182,194	1,181,135

8 Intangibles

	2019	2018
	\$	\$
Web and CRM Design		
Cost	64,112	64,112
Accumulated amortisation	(20,502)	(7,680)
Total Intangibles	43,610	56,432

9 Other Financial Asset

	2019	2018
	\$	\$
Investment– funds on deposit with Society of Jesus - at fair value	2,133,156	2,007,468

10 Trade and other payables

	2019	2018
	\$	\$
Current:		
Trade payables	49,607	25,764
Other creditors and accruals	43,162	49,139
Total trade and other payables	92,769	74,903

11 Employee benefits

	2019	2018
	\$	\$
Current:		
Annual leave	56,649	38,107
Long Service Leave	-	-
Other	17,587	13,227
Total Current Employee Benefits	74,236	51,334
Non-current:		
Long service leave	13,542	6,654
Total Non-Current Employee Benefits	13,542	6,654
Total Employee Benefits	87,778	57,988

12 Reserves for planned project transfers

	2019	2018
	\$	\$
Restricted Funds – Cash held for Australian Jesuit Mission Overseas Aid Fund and subject to the restrictions of that Public Fund	2,649,516	3,383,609
Restricted Funds – Non DGR funds committed for planned projects	1,695,147	224,808
Total Cash Funds Committed for Projects	4,344,663	3,608,417

13 Reconciliation of cash flows from operating activities

	2019	2018
	\$	\$
Cash flows from operating activities		
Net surplus/(deficit) for the period	1,822,302	1,128,801
<i>Non-cash flows in operating surplus/(deficit):</i>		
Depreciation and amortisation	34,158	29,665
Fair value movement of Investments	-	-
<i>Net changes in working capital:</i>		
Change in trade and other receivables	46,505	(35,875)
Change in trade creditors	17,867	(30,733)
Change in current provisions	29,789	(19,624)
Net cash from operating activities	1,950,621	1,072,234

14 Related party transactions

Jesuit Mission is under the authority of the Australian Province of the Society of Jesus.

The Entity's related parties consist of transactions with the Australian Province Society of Jesus, Jesuit agencies and Jesuit Missions in overseas locations. The nature and amounts of transactions with these entities is set out below:

	2019	2018
	\$	\$
Funds sent to overseas Jesuit Missions and Jesuit agencies	5,888,598	3,957,358
Insurance paid to the Australian Province of the Society of Jesus	11,419	6,178
Funds received and disbursed on behalf of the Australian Province of the Society of Jesus for humanitarian projects in Africa	-	10,000
Donations received from Jesuits, Jesuit Schools and school communities and other Jesuit networks for Jesuit Mission programs	104,936	422,557
Funds received from the Australian Province of the Society of Jesus for the rent of 31 West Street, North Sydney NSW	51,804	51,721
Rent paid to Our Lady of the Way Parish, North Sydney	31,632	31,150
Payment to Other Jesuit Organisations for the supply of services to Jesuit Mission	10,342	-
Funds received from the Australian Province of the Society of Jesus for expenses incurred on behalf of the Society		51,430

15 Key Management Personnel compensation

Key Management Personnel has been taken to comprise the Board and the members of the executive responsible for the day to day financial and operational management of the Jesuit Mission.

Board members act in an honorary capacity and receive no compensation for their services. The aggregate compensation of Key Management Personnel including salaries, non-monetary benefits, post-employment benefits and other long term benefits paid payable or provided for is as follows:

	2019	2018
	\$	\$
Total Key Management Personnel Compensation	510,366	488,116

16 Commitments and Contingent liabilities

The Entity has no commitments or contingent liabilities at 31 December 2019 (2018: nil).

17 Post-reporting date events

As referred to in Note 2.1 (a), the Australian Province of the Society of Jesus is in the process of preparing a deed to transfer the operations of Jesuit Mission, including the assets and liabilities as disclosed in these financial statements, to a proposed, yet to be established, Company Limited by Guarantee, which is to be controlled by the Australian Province of the Society of Jesus. The Board of Jesuit Mission expects the deed to be finalised during the year ending 31 December 2020. Whilst it is expected that the operations of Jesuit Mission, including the assets and liabilities as disclosed in these financial statements, will be transferred to the new Company Limited by Guarantee, the existing ABN's of Jesuit Mission and the Australian Jesuit Mission Overseas Aid Fund will likely be retained under direct operational administration by the Australian Province of the Society of Jesus, at that future time.

18 Entity details

The street address of Jesuit Mission is Ron Dyer Centre, Level 1, 42 Ridge St, North Sydney 2060 NSW.

**19 Disclosure of Australian Jesuit Mission Overseas Aid Fund
ABN 47 915 006 050**

The information below is included in this financial report of the Jesuit Mission ABN 78 683 857 984 presented as a single entity (refer to Note 1 for a definition of the single entity).

	2019	2018
	\$	\$
Notes		
Cash funds held by the Australian Jesuit Mission Overseas Aid Fund as at the start of the year.	3,383,609	2,211,167
Donations and fundraising designated for this Fund	4,768,328	4,761,479
Bank interest and investment returns earned for the year	163,050	33,117
Overheads	<u>(328,359)</u>	<u>(123,617)</u>
Cash funds available for distribution from this Fund	7,986,628	6,882,146
Less: Project distributions made from this Fund	<u>(5,337,112)</u>	<u>(3,498,537)</u>
Cash funds held by the Australian Jesuit Mission Overseas Aid Fund as at the end of the year.	<u>2,649,516</u>	<u>3,383,609</u>

Responsible Entities' Declaration

In the opinion of the members on the Board of Governance (Responsible Entities) of Jesuit Mission:

1. The financial statements and notes of Jesuit Mission are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - a. Giving a true and fair view of its financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and
 - b. Complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013 and
2. There are reasonable grounds to believe that Jesuit Mission will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Governance (Responsible Entities):


Paul Levins (Apr 1, 2020)

Paul Levins
Chairperson

Dated the 1st April 2020

Independent Auditor's Report

To the Australian Province of the Society of Jesus

Report on the audit of the financial report

Opinion

We have audited the financial report of Jesuit Mission (the "Registered Entity"), which comprises the statement of financial position as at 31 December 2019, and the statement of profit or loss and comprehensive income, statement of changes in funds 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 Responsible Entities' declaration.

In our opinion, the financial report of Jesuit Mission has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* ("ACNC Act"), including:

- a. giving a true and fair view of the Registered Entity's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- b. complying with Australian Accounting Standards 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 opinion.

Responsibilities of the Responsible Entities for the financial report

The Responsible Entities of the Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Responsible Entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Responsible Entities are responsible for assessing the Registered Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Responsible Entities either 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 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 Responsible Entities.
- Conclude on the appropriateness of the Responsible Entities' 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

James Winter

James Winter
Partner – Audit & Assurance
Sydney, 1 April 2020