

CANBERRA CHRISTIAN RADIO LIMITED
ABN: 94 051 127 792

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

CANBERRA CHRISTIAN RADIO LIMITED
ABN: 94 051 127 792
FOR THE YEAR ENDED 30 JUNE 2018

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 ABN 94 051 127 792

Canberra Christian Radio Limited (CCRL)

**Information for the Directors' Report on the Company
 for the financial year ended 30 June 2018,
 which will form part of CCRL's Audited Financial Statements**

GENERAL INFORMATION

1. Directors

The names of the directors in office at any time during, or since the end of, the year are:

Name	Appointed / Resigned
Chairman of the Board of Directors:	
Brett Shaw Anderson	Continuing
Company Secretary from 1 July 2017:	
Susan Janette Bruce	Continuing
Ordinary Directors:	
Susan Janette Bruce	Continuing
Emma Kathleen Davis	Ceased 3 November 2017
Russell James Driscoll	Ceased 3 November 2017
Monique Lanham	Continuing
David Lee	Commenced 3 November 2017
Kenneth Wayne Mullens	Continuing
Gary Peter Presneill	Continuing
Tracey Michelle Radbourne	Commenced 3 November 2017
Gary Rauber	Ceased 3 November 2017
Janice Yvonne Webb	Ceased 3 November 2017

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

2. Directors Information

Information on Directors

Mr Brett Anderson

Qualifications

Experience

Director and Chairman

- Bachelor of Information Technology
- Company Director with more than 15 years' experience in commercial and not-for-profit organisations
- Management Consultant, Information Systems
- Executive Officer for World Youth Day 2008 (WYD08) Activities in Canberra

Ms Susan Janette Bruce

Qualifications

Experience

Director and Company Secretary

- Master of Management (ANU)
- Bachelor of Business (Accounting)
- CPA
- Over 30 years accounting, finance and business experience in both the Public, Private and Not-for-Profit Sectors
- Experience as Company Secretary for Not-for-Profit organisations
- Currently working as Finance Manager

Mrs Monique Lanham

Qualifications

Experience

Director

- Certificate in Web Design, Desktop Publishing & Microsoft Office 2003 (Pathway College, London)
- Currently studying: Bachelor of Contemporary Ministries (Alphacrucis, Parramatta)
- Payroll Office and Office Manager, Third Horizon Consulting
- Executive Assistant and Group Coordinator, KPMG
- Senior Secretary, Deutsche Bank
- Business Development Administrator – PricewaterhouseCoopers
- Pension Administrator, NM Rothschild & Sons
- Personal Assistant, Goldman Sachs International

Mr David Lee

Qualifications

Experience

Director

- B. E. (Civil)
- 34 years in IP Australia – Training, patent product specific and IT development/testing, patent examination, policy/Government branch.

Mr Kenneth Wayne Mullens

Qualifications

Director

- Grad Dip Foreign Affairs & Trade (ANU),
- B.A. Admin (CCAЕ),
- Reg. Nurse Certificate (RCH),
- Assoc Dip Applied Science, Geology (CCAЕ).

Experience

- Public service administration and finance roles in the Department of Foreign Affairs and Trade since March 1984

Mr Gary Peter Presneill

Qualifications

Director

- Bachelor of Science
- Master of Business Administration
- Graduate of the Australian Institute of Company Directors (GAICD)

Experience

- Over 35 years' experience within the Australian Defence Force as both a Pilot/Qualified Flying Instructor and a reserve Officer, particularly managing flying safety.
- Over ten years' experience flying corporate jets and/or airlines, or as a Flying Operations Inspector in the Civil Aviation Safety Authority
- 4 years' experience as a Director of the Australian Air Pilots Mutual Benefit Fund, managing approximately \$100 million in assets, and providing financial assistance to commercial pilot members who have lost their aviation medical certificate.

Ms Tracey Michelle Radbourne

Qualifications

Director

- Cert IV Trade Certificate Men's and Women's Hairdressing (30 years) Salon Manager, Business Owner.
- Case manager for Karinya House for mothers and babies.
- Executive Assistant to Exec Office Manager OzHelp Foundation - suicide prevention service to building & construction industry.
- Cert IV Workplace Health & Safety (MBA)
- 4 units in Board Governance (ACTCOSS)
- Certificate in Workplace Health and Safety
- Certificate IV Frontline Management

Experience

- Board member and founding member on the boards of Northside Life Church and Bethany Healing Foundation
- Breeze of Hope – Advising Member

3. Meetings of Directors

During the 2017/2018 financial year, 12 full Board Meetings of Directors (not including committees of Directors – which are listed separately) were held. Attendances by each Director during the year were as follows:

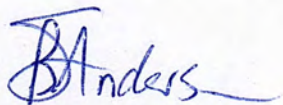
	Directors' Board Meetings	
	Number eligible to attend	Number attended
Brett Shaw Anderson	12	12
Susan Janette Bruce	12	5
Emma Kathleen Davis	4	3
Russell James Driscoll	4	4
Monique Lanham	12	7
David Lee	8	8
Kenneth Wayne Mullens	12	11
Gary Peter Presneill	12	11
Tracey Michelle Radbourne	8	7
Gary Rauber	4	3
Janice Yvonne Webb	4	1

The meeting on 5th March was convened specifically to review, update and approve the 1WAY FM Strategic Plan for 2018 – 2020.

4. Board Committees

There were no separate Board Committees during the year. Issues in relation to Finance, Risk, Governance and Mission Effectiveness were discussed at monthly board meetings.

Signed in accordance with a resolution of the Board of Canberra Christian Radio Limited at the Board Meeting of the 15 October 2018 that the above is a true representation of information relating to CCRL's Directors during the financial year ending 30 June 2018.



(Signed)

Brett Anderson

(Chairman of the Board)

Dated this 15th day of October 2018

CANBERRA CHRISTIAN RADIO LIMITED

ABN: 94 051 127 792

DIRECTORS' DECLARATION

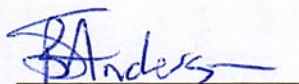
30 JUNE 2018

In the directors' opinion:

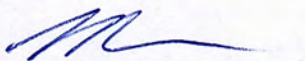
- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2018 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 a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Director



Director

Dated this 15th day of October 2018

CANBERRA CHRISTIAN RADIO LIMITED

ABN: 94 051 127 792

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018	2017
		\$	\$
Revenue	2	298,633	284,657
Employee benefit expense		(146,630)	(179,381)
Depreciation and amortisation expense		(10,033)	(11,432)
Rental expense	3	(35,797)	(34,932)
Administration costs		(80,903)	(91,246)
Program, news and music		(12,103)	(6,065)
Insurance costs		(4,389)	(4,564)
Fees and Subscription		<u>(14,340)</u>	<u>(10,794)</u>
(Deficit) / Surplus attributable to the members		<u>(5,562)</u>	<u>(53,757)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income attributed to the members		<u>(5,562)</u>	<u>(53,757)</u>

CANBERRA CHRISTIAN RADIO LIMITED

ABN: 94 051 127 792

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	4	97,431	111,345
Trade and other receivables	5	17,176	14,949
Other current assets	6	11,435	9,901
Total current assets		126,042	136,195
Non-current assets			
Property, plant and equipment	7	43,416	49,943
Total non-current assets		43,416	49,943
TOTAL ASSETS		169,458	186,138
Current liabilities			
Trade and other payables	8	28,350	24,228
Provisions	9	8,832	16,933
Total current liabilities		37,182	41,161
Non-current liabilities			
Provisions	9	-	7,139
Total non-current liabilities		-	7,139
TOTAL LIABILITIES		37,182	48,300
NET ASSETS		132,276	137,838
Retained earnings		132,276	137,838
TOTAL EQUITY		132,276	137,838

The accompanying notes form part of these financial statements.

CANBERRA CHRISTIAN RADIO LIMITED

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Retained surplus \$	Total \$
Balance at 30 June 2016	191,595	191,595
Deficit attributable to members	<u>(53,757)</u>	<u>(53,757)</u>
Balance at 30 June 2017	137,838	137,838
Deficit attributable to members	<u>(5,562)</u>	<u>(5,562)</u>
Balance at 30 June 2018	<u>132,276</u>	<u>132,276</u>

CANBERRA CHRISTIAN RADIO LIMITED

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Cash from operating activities:			
Receipts from members and customers		111,798	121,881
Donations received		194,507	177,092
Interest received		467	887
Payment to suppliers and employees		<u>(317,180)</u>	<u>(349,636)</u>
Net cash used in operating activities	11	<u>(10,408)</u>	<u>(49,776)</u>
Cash flows from investing activities:			
Payments to acquire property, plant and equipment		<u>(3,506)</u>	<u>(3,040)</u>
Net cash provided used in investing activities		<u>(3,506)</u>	<u>(3,040)</u>
Net decrease in cash held		(13,914)	(52,816)
Cash at beginning of financial year		<u>111,345</u>	<u>164,161</u>
Cash at end of financial year	5	<u><u>97,431</u></u>	<u><u>111,345</u></u>

CANBERRA CHRISTIAN RADIO LIMITED

ABN: 94 051 127 792

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is for Canberra Christian Radio Limited as an individual entity, incorporated and domiciled in Australia. Canberra Christian Radio Limited is a company limited by guarantee.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Corporations Act 2001 and associated regulations, as appropriate for not-for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Income Tax

The company is exempt from income tax.

(b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 expense. Receivables and payables in the Statement of financial position are shown inclusive of GST.

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

(c) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) Rounding of amounts

Amounts in the financial report and directors' report have been rounded off to the nearest \$1.

(e) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the entity.

Key estimates – impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculation performed in assessing recoverable amounts incorporate a number of key estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

(g) 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.

CANBERRA CHRISTIAN RADIO LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
NOTE 2. REVENUE		
Operating activities:		
Sponsorship	86,123	79,449
Interest received	467	887
Operating grants	12,000	20,372
Donations	194,507	177,092
Member subscriptions	4,527	6,370
Other revenue	1,009	487
	<u>298,633</u>	<u>284,657</u>

Accounting Policy

Revenue from the sale of goods and services is recognised upon the delivery of goods and rendering of services to customers. All revenue is stated net of the amount of goods and services tax (GST). Donations and bequests are recognised as revenue when it is determined that a commitment has been made and it is likely that the funds will be received.

Interest revenue is recognised using the effective interest rate method.

NOTE 3. PROFIT FOR THE YEAR DETERMINED AFTER THE FOLLOWING ITEMS

Rental expense on broadcasting towers	23,329	22,464
Premises - contractual amounts	12,468	12,468
	<u>35,797</u>	<u>34,932</u>

NOTE 4. CASH AND CASH EQUIVALENTS

Cash at bank	97,381	111,296
Petty cash	50	49
	<u>97,431</u>	<u>111,345</u>

Accounting Policy

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

CANBERRA CHRISTIAN RADIO LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
NOTE 5. TRADE AND OTHER RECEIVABLES		
Trade receivables	15,177	14,514
Less: Provision for doubtful debts	-	(1,268)
	<u>15,177</u>	<u>13,246</u>
Other receivables		
GST receivables	1,999	1,703
	<u>1,999</u>	<u>1,703</u>
Total trade and other receivables	<u><u>17,176</u></u>	<u><u>14,949</u></u>

Accounting Policy

Other receivables are recognised at amortised cost, less any provision for impairment.

NOTE 6. OTHER ASSETS

Prepayments	<u>11,435</u>	<u>9,901</u>
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NOTE 7. PROPERTY, PLANT AND EQUIPMENT

(a) Carrying amount of property, plant and equipment:

Plant and equipment		
At cost	246,594	243,669
Less accumulated depreciation	(205,542)	(196,680)
	<u>41,052</u>	<u>46,989</u>
Office equipment		
At cost	9,698	10,150
Less accumulated depreciation	(9,580)	(10,003)
	<u>118</u>	<u>147</u>
Improvements		
At cost	25,060	25,060
Less accumulated depreciation	(22,814)	(22,253)
	<u>2,246</u>	<u>2,807</u>
Total property, plant and equipment	<u><u>43,416</u></u>	<u><u>49,943</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**Accounting Policy**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued at the fair value of the asset at the date it is acquired.

Depreciation and amortisation

The depreciable amount of all fixed assets is depreciated using diminishing value method from the time the asset is held ready for use.

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

Class of Fixed Asset Depreciation Rate:

Plant and Equipment 10 – 40 %

Office Equipment 20%

Improvements 20 %

Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

(b) Movements in carrying amount:

	Plant and equipment	Office equipment	Improvements	Total
	\$	\$	\$	\$
Balance at the beginning of the year	46,989	147	2,807	49,943
Additions	3,506	-	-	3,506
Depreciation	(9,443)	(29)	(561)	(10,033)
Carrying amount at the end of the year	41,052	118	2,246	43,416

CANBERRA CHRISTIAN RADIO LIMITED

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
NOTE 8. TRADE AND OTHER PAYABLES		
Trade payables	11,187	2,533
Accrued expense	13,115	10,143
Income received in advance	-	3,872
PAYG/superannuation payable	4,048	7,680
	<u>28,350</u>	<u>24,228</u>

Accounting Policy

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.

NOTE 9. PROVISIONS

Current		
Provision for annual leave	8,832	16,933
Non current		
Provision for long service leave	-	7,139
	<u>8,832</u>	<u>24,072</u>

Accounting Policy

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

NOTE 10. KEY MANAGEMENT PERSONNEL COMPENSATION

	Short-term benefits	Post- employment benefits	Total
2018			
Total compensation	99,553	8,630	108,183
2017			
Total compensation	78,380	7,446	85,826

CANBERRA CHRISTIAN RADIO LIMITED

ABN: 94 051 127 792

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 11. CASH FLOW INFORMATION

	2018	2017
	\$	\$
(a) Reconciliation of cash flow from operations with surplus/(deficit)		
Net surplus/(deficit) for the year	(5,562)	(53,757)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	10,033	11,432
Changes in assets and liabilities		
(Increase) / decrease in trade and term receivables	(2,227)	4,535
Decrease in other current assets	(1,534)	(5,457)
Increase in trade payables and accruals	4,122	(7,631)
(Decease) / Increase in provisions	(15,240)	1,102
	<u>(10,408)</u>	<u>(49,776)</u>

NOTE 12. COMPANY DETAILS

The registered office and principal place of business of the company is:
Canberra Christian Radio Limited
Level 1, 1 Lithgow Street
FSYCHWICK ACT 2609

NOTE 13. MEMBERS' GUARANTEE

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each, towards meeting any outstanding obligations of the entity. As at 30 June 2018 the number of members was 271 (2017:433).

NOTE 14. CONTINGENT LIABILITIES

The company had no contingent liabilities as at 30 June 2018 and 30 June 2017.

NOTE 15. COMMITMENTS

The company had no commitments for expenditure as at 30 June 2018 and 30 June 2017.

CANBERRA CHRISTIAN RADIO LIMITED

ABN: 94 051 127 792

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

NOTE 16. RELATED PARTY TRANSACTIONS

Key management personnel

Disclosures relating to key management personnel are set out in note 10.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

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

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

NOTE 16. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2018 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.

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Canberra Christian Radio Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "RSM", positioned above the printed name of the partner.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink, appearing to read "Rodney Miller", positioned above the printed name of the partner.

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 16 October 2018

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT

To the Members of Canberra Christian Radio Limited

Opinion

We have audited the financial report of Canberra Christian Radio Limited (the Company) which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2018 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in black ink that appears to read 'Rodney Miller'.

RODNEY MILLER
Partner

Canberra, Australian Capital Territory
Dated: 16 October 2018