CCSL LIMITED

ABN 51 104 967 964

AFS Licence No. 287084

RSE Licence No. L0000758

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Directors' report

For the year ended 30 June 2019

The Directors present their report together with the financial report of CCSL Limited (the 'Company') for the financial year ended 30 June 2019.

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Robyn Louise FitzRoy
Murray Jones
Vincent Plant
Garry Wayling (resigned 28 June 2019)
Andrew Peterson (appointed 28 June 2019)
Fiona McNabb (appointed 28 June 2019)

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

The company secretary is Robert Good. Ashley Fenton resigned as a Company Secretary on 28 June 2019.

Principal activities

The company is a provider of trustee services to superannuation funds, including master trusts, corporate stand-alone funds and stand-alone insurance funds.

Significant changes in the state of affairs

On 28 June 2019, the company was acquired by Sargon Superannuation Holdings Pty Ltd. Immediately prior to acquisition, activities not related to the provision of trustee services were transferred to fellow subsidiaries of OneVue Holdings Limited. As part of the sale, a balance of $587,924, owed by a former related entity, was forgiven by the Company prior to exiting the group (of which OneVue Holdings Limited is the ultimate parent).

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Company that occurred during the financial year under review.

Results of operations

The result from ordinary activities after income tax was a (loss) of $398,348 (2018: profit $170,917). This included the $587,924 balance forgiven.

Dividends

No dividend was paid or declared during or since the end of the financial year (2018: nil).

Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes that the Company has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Company.

Events subsequent to reporting date

No significant events have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the subsequent financial year.

Likely developments

The Company will continue to provide trustee services to superannuation funds as noted in this Directors' Report with the support of its parent company. Further information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Indemnification and insurance of officers

During the financial year, OneVue Holdings Limited, the Company's ultimate parent entity paid a premium for an insurance policy insuring all Directors against certain liabilities. In accordance with common commercial practice, the insurance policy prohibits disclosure of the nature of the liability insured against and the amount of the premium.

Lead auditor's independence declaration

The lead auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4 and forms part of the Directors' Report for financial year ended 30 June 2019.

This report is made with a resolution of the directors:

Andrew Peterson

Director

29 October 2019

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

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The Board of Directors
CCSL Limited
Level 5, 10 Spring St
Sydney NSW 2000

29 October 2019

Dear Board Members

CCSL Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of CCSL Limited.

As lead audit partner for the audit of the financial statements of CCSL Limited for the year ended 30 June 2019, 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.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Frances Borg

Frances Borg
Partner
Chartered Accountants

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2019

	Note	2019	2018
		$	$
Services revenue		332,059	339,530
Total revenue		**332,059**	**339530**
Other income		18,110	18,525
Total other income		**18,110**	**18,525**
Receivables forgiven		(587,924)	-
Service fees and other direct expenses	2	(71,018)	(113,888)
Total expenses		**(658,942)**	**(113,888)**
(Loss) Profit before income tax expense		**(308,773)**	**244,167**
Income tax expense	3	(89,575)	(73,250)
(Loss) Profit after income tax expense for the year		**(398,348)**	**170,917**
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**(398,348)**	**170,917**

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the financial statements set out on pages 9 to 17. Certain comparative amounts were reclassified to align with current year presentation.

Statement of financial position

As at 30 June 2019

	Note	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	4	654	13,095
Cash and cash equivalents - regulatory	4	1,201,057	1,516,002
Trade and other receivables	5	62,658	158,925
Total current assets		**1,264,369**	**1,688,022**
Non-current assets			
Deferred tax assets		4,843	**5,829**
Total non-current assets		**4,843**	**5,829**
Total assets		**1,269,212**	**1,693,851**
Liabilities			
Current liabilities			
Trade and other payables	6	16,150	42,441
Total current liabilities		**16,150**	**42,441**
Total non-current liabilities			**-**
Total liabilities		**16,150**	**42,441**
Net assets		**1,253,062**	**1,651,410**
Equity			
Contributed equity	7	9,500,000	9,500,000
Accumulated losses		(8,246,938)	(7,848,590)
Total equity		**1,253,062**	**1,651,410**

The Statement of financial position is to be read in conjunction with the notes to the financial statements set out on pages 9 to 17. Certain comparative amounts were reclassified to align with current year presentation.

Statement of changes in equity

For the year ended 30 June 2019

	Contributed equity $	Accumulated losses $	Total equity $
Balance at 1 July 2017	9,500,000	(8,019,507)	1,480,493
Profit after income tax for the year	-	170,917	170,918
Total comprehensive income for the year	-	170,917	170,918
Transactions with owners, in their capacity as owners			
Total transactions with owners	-	-	-
Balance at 30 June 2018	**9,500,000**	**(7,848,590)**	**1,651,411**
Balance at 1 July 2018	9,500,000	(7,848,590)	1,651,411
Profit after income tax for the year	-	(398,348)	(398,348)
Total comprehensive income for the year	-	(398,348)	(398,348)
Transactions with owners, in their capacity as owners			
Total transactions with owners	-	-	-
Balance at 30 June 2019	**9,500,000**	**(8,246,938)**	**1,253,062**

The statement of changes in equity is to be read in conjunction with the notes to the financial statements set out on pages 9 to 17.

Statement of cash flows

For the year ended 30 June 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		387,345	332,977
Payments to suppliers (inclusive of GST)		(95,977)	(118,576)
Interest received		18,110	18,525
Net cash provided by operating activities	11	**309,478**	**232,926**
Cash flows from investing activities		**-**	-
Net cash from investing activities		**-**	**-**
Cash flows from financing activities			
Related party funding	12	(636,864)	(239,677)
Net cash used in financing activities		**(636,864)**	**(239,677)**
Net (decrease) in cash and cash equivalents		(327,386)	(6,751)
Cash and cash equivalents at beginning of year		1,529,097	1,535,848
Cash and cash equivalents at end of year	4	**1,201,711**	**1,529,097**

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 9 to 17.

Notes to the financial statements

1. Significant accounting policies

CCSL Limited (the 'Company') is an unlisted public company limited by shares. The Company is incorporated and domiciled in Australia. The address of the Company's registered office is Level 9, 287 Collins Street, Melbourne, VIC, 3000.

The principal activity of the Company during the year was the provision of trustee services to superannuation funds.

The financial statements were authorised for issue by the Board of Directors on 21 October 2019.

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') adopted by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001* as appropriate for for-profit oriented entities. The financial report of the Company complies with the International Financial Reporting Standards ('IFRS') and interpretations adopted by the International Accounting Standards Board ('IASB')

(b) Basis of preparation

The financial statements are presented in Australian dollars which is the functional and presentation currency of the Company and have been prepared on a historical cost basis.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by CCSL Limited. CCSL Limited's assessment of the impact of these new standards and interpretation is set out below.

AASB 9 *Financial Instruments*

The Company has applied AASB9 *Financial instruments* (as amended) and the related consequential amendments to other Accounting standards that are effective for an annual period that begins on or after 1 July 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income (OCI). New impairment requirements use an 'expected credit loss' (ECL) model to recognise an allowance. Impairment is measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. A provision for doubtful debts is recognised as at 30 June 2019 and our assessment is that the application of AASB9 does not have a material impact on the amount reported and disclosures made in the Company's financial statements.

AASB 15 *Revenue from Contracts with Customer*

The Company has applied AASB 15 Revenue from Contracts with Customers (as amended) which is effective for an annual period that begins on or after1 January 2018. AASB 15 replaces all current guidance on revenue recognition from contracts with customers. It requires identification of discrete performance obligations within a transaction and an associated transaction price allocation to these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of the goods or services are transferred to the customer. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable component will occur when the uncertainties around its measurement are removed.

AASB 15 also specifies the accounting treatment for costs incurred to obtain or fulfil a contract. Costs are recognised as an asset only if the entity expects to recover them. Any capitalised contract costs are amortised on a systematic basis that is consistent with the transfer of the related goods and services.

The Company has applied AASB 15 in the financial year beginning 1 July 2018, retrospectively, recognising the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings, with no comparatives restatement. There is no adjustment arising from the initial application of AASB 15, for which the recognition of revenue is deferred to later accounting periods.

The Company's main source of revenue arise through the provision of financial services to clients. These financial services include Superannuation trustee services

In accordance with the revenue recognition policies described in these financial statements, revenue is typically recognised as the performance obligations are delivered. The Company's assessment of revenue streams existing at transition has concluded that additional disclosure describing in greater detail the revenue recognition process for the Company's revenue types will need to be made, but otherwise the new standard not have a material impact on the Company's results.
The Company expects presentation changes in the statement of profit or loss and other comprehensive income relating to certain recoverable costs previously recognised net of any associated revenue.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretation is set out below.

AASB 16 *Leases*

AASB 16 replaces AASB 117 *"Leases*", provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The accounting model for lessees will require lessees to recognise all leases on the statement of financial position, except for short-term leases and leases of low value assets. AASB 16 applies to annual periods beginning on or after 1 January 2019.

No impact is anticipated as at 30 June 2019 as the lease qualifies for as a short-term lease upon the application of AASB 16.

(c) **Trade and other receivables**

Trade and other receivables are initially recognised at fair value. Subsequent to initial recognition, trade and other receivables are measured at their amortised cost less impairment losses. Impairment of receivables is not recognised until objective evidence indicates that a loss event has occurred after the initial recognition of the asset and the loss event has a negative effect on the estimated future cash flows. All individually significant receivables are assessed for specific impairment. Non-significant receivables are not individually assessed. Instead, impairment testing is performed by placing non-significant receivables into portfolios of similar risk profiles based on objective evidence from historical experience adjusted for any effects of conditions existing at reporting date.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, bank accepted commercial bills and call deposits with an original maturity of three months or less.

(e) Contributed equity

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(f) Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(g) Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition these financial liabilities are measured at amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

(h) Revenue

(i) Services rendered

Fees for services rendered are recognised in the profit and loss when the services are provided.

(ii) Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in the statement of profit or loss and other comprehensive income, using the effective interest method. Finance expense comprises interest expense on borrowings.

(i) Income and deferred tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to a business combination, or items recognised directly in equity, or in other comprehensive income.

Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the date of the statement of financial position, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The company is part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity of the tax-consolidated group is Onevue Holdings Limited. A tax sharing agreement is in place and the effect of the agreement is that each of the subsidiary members is liable only for the reasonable allocation of the Group Liability made to it under that tax sharing agreement. A tax funding agreement is also in place pursuant to UIG Interpretation 1052.

		2019 $	2018 $
2. Service fees and other direct expenses			
Consulting		25,013	32,529
Other expenses		46,005	33,402
		71,018	65,931

3. Income tax expense

	2019 $	2018 $
Current tax expense	88,588	79,079
Deferred tax expense		
Origination and reversal of temporary differences	987	(5,829)
Total income tax expense	89,575	73,250

Numerical reconciliation between tax expense and profit before tax

	2019 $	2018 $
(Loss) Profit before tax	(308,773)	244,167
Income tax rate 30% (2018: 30%)	(92,632)	73,250
Adjusted for:		
Unrecognised temporary differences	5,829	-
Non-deductible expenses	176,378	-
Total income tax expense	89,575	73,250

4. Cash and cash equivalents

	2019 $	2018 $
Bank balances	654	13,095
Cash and cash equivalents – regulatory (1)	1,201,057	1,516,002
Cash and cash equivalents	1,201,711	1,529,097

(1) Includes amounts held for regulatory and prudential purposes and is restricted in use.

5. Trade and other receivables

	Note	2019 $	2018 $
Current			
Trade receivables		62,658	84,738
Amounts receivable from related parties	**12**	-	74,187
		62,658	158,925

	Note	2019 $	2018 $

6. Trade and other payables

Other payables	16,150	34,006
GST and PAYG payable	-	8,435
	16,150	42,441

7. Capital and reserves

Reconciliation of movement in capital and reserves

Contributed equity	Company Ordinary shares 2019 $	Company Ordinary shares 2018 $
On issue at 1 July	9,500,000	9,500,000
Shares issued	-	-
On issue at 30 June – fully paid	9,500,000	9,500,000

Number of securities on issue

	Company No. of securities 2019	Company No. of securities 2018
Opening balance	531,747	531,747
Issue of shares	-	-
Closing balance	531,747	531,747

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

8. Financial instruments

The Company implemented AASB 9 *Financial Instruments* during the year ended 30 June 2019. Please refer to Note 1 Significant accounting policies (b) Basis of preparation for further details.

9. Auditors' remuneration

Audit services

	2019 $	2018 $
Audit and review services and other regulatory returns		
Deloitte Touche Tohmatsu	18,650	18,650
	18,650	18,650

10. Commitments and contingencies

Operating leases

There are no operating leases as at 30 June 2019 or as at 30 June 2018.

Contingent liabilities

There are no contingent liabilities or other commitments at 30 June 2019 or as at 30 June 2018.

11. Reconciliation of cash flows from operating activities

	Note	2019 $	2018 $
Cash flows from operating activities			
(Loss) Profit for the period		(398,348)	170,918
Adjustments for			
Loans forgiven		587,924	-
Operating profit before changes in working capital and provisions		189,576	170,918
Decrease in trade and other receivables (1)		146,194	59,890
Increase / (Decrease) in trade and other payables (1)		(26,292)	2,118
Net cash from operating activities		309,478	232,926

(1) Net of decrease in amounts payable to related parties

12. Key Management Personnel

The following were key management personnel of the Company at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Directors

Robyn Louise FitzRoy
Murray Jones
Vincent Plant
Garry Wayling (resigned 28 June 2019)
Andrew Petersen (appointed 28 June 2019)
Fiona McNabb (appointed 29 June 2019)

Key management personnel compensation

A summary of the remuneration of Directors and other key management personnel for the current and previous financial year is set out below:

	2019 $	2018 $
Total compensation	20,662	22,279

Key management personnel – holdings of shares

As at the date of this report, no director held, either directly or indirectly, any shares in the Company.

Related party disclosures

Transactions with parent and related entities

The Company's parent entity is Sargon Superannuation Holdings Pty Ltd and the ultimate parent entity is Sargon Capital Pty Limited.

Until the Company was sold on 28 June 2019, the Company's parent entity was Diversa Pty Limited and the ultimate parent company was OneVue Holdings Limited.

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year.

	2019 $		2018 $	
	(Sales to) / purchases from related parties	Outstanding at year end	(Sales to) / purchases from related parties	Outstanding at year end
OneVue Services Pty Limited	-	-	47,957	74,187
	-	-	47,957	74,187

A balance of $587,924 owing from OneVue Services Pty Limited was forgiven prior to the sale of the Company to Sargon Superannuation Holdings Pty Ltd.

OneVue Services Pty Limited has provided the Company human, technological and technical resources in its capacity as a service entity within the OneVue Holdings Limited group.

13. Subsequent events

No significant events have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the subsequent financial year.

Directors' declaration

1. In the opinion of the Directors of CCSL Limited ('the Company'):

   (a) the financial statements and notes that are set out on pages 5 to17 are 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 2019 and of its performance for the financial year ended on that date; and

      (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The directors draw attention to Note 1(a) to the financial statements which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Andrew Peterson

Director

29 October 2019

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

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Independent Auditor's Report to the Members of CCSL Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of CCSL Limited (the "Company") which comprises the statement of financial position as at 30 June 2019, the statements of profit or loss and other 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 other explanatory information, 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 2019 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

(a) 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 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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. 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 has 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.

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 Company'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 Company'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 Company to cease to continue as a going concern.

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

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Frances Borg

Frances Borg
Partner
Chartered Accountants
Sydney, 29 October 2019