Transform Aid INTERNATIONAL
For a world without poverty

Transform Aid International Ltd

A.B.N. 63 430 709 718

Consolidated Financial Statements

for the year ended 30 June 2020

Contents

Responsible Persons' Report

The Responsible Persons of Transform Aid International Ltd ('TAI') present their Report together with the financial statements of the consolidated entity, being Transform Aid International Ltd ('the Company') and its controlled entity ('the Group') for the year ended 30 June 2020 and the Independent Audit Report.

Director details

The following persons were Responsible Persons of Transform Aid International Ltd during or since the end of the financial year.

Philip Noel Newman
14 March 2009 – 31 May 2020
Board Chair (from 24 February 2017 to 31 May 2020)
Chair of Nominations and Governance Committee

John Vincent Hickey
19 July 2010 and continuing
CEO and Board Member

Tara Reid
24 November 2017 and continuing
Board Chair (from 31 May 2020)
Member of Finance and Risk Committee (from 23 February 2018)

Michael Raymond Turnbull
24 March 2011 and continuing
Member of Finance and Risk Committee

Allan Demond
26 August 2016 and continuing
Vice Chair (from 31 May 2020)
Chair of Member of Nominations and Governance Committee (from 27 February 2020)

Paul Oates
20 November 2015 and continuing
Chair of Finance and Risk Committee (from 27 February 2020)

Meredith Downey
30 November 2018 and continuing
Chair of Programs Performance Committee (from 27 February 2020)

Tabitha Mathew
25 May 2018 and continuing
Chair of Stakeholder Engagement Committee (from 26 May 2018)

Michelle Farrall
31 May 2019 and continuing
Member of Stakeholder Engagement Committee (from 31 May 2019)

Heidi Tak
25 November 2016 and continuing
Member of Finance and Risk Committee

Susan Campbell
31 May 2020 and continuing
Member of Nominations and Governance Committee (from 31 May 2020)

Company Secretary

Peter Leau is the Group's Director of Finance and Operations and the Company Secretary (23 July 2013 – 2 September 2020) with more than 15 years of NGO/Not for Profit experience in senior management positions.

Principal activities

During the year, the principal activities of the Group have included fundraising, advocacy and community development. As a result of COVID-19 pandemic, the Group had pivoted most of its activities (from March 2020 to June 2020) with a focus on COVID-19. For example, the Group ran a fundraising campaign for funds specifically for COVID-19 in March 2020 and for its international aid and development activities, the Group had worked with its overseas partners to develop strategies and pivoting on-going programs on the field with an emphasis on COVID-19.

Short-term objectives

The Group's short-term objectives are to:

- Strategic investment in our international programs particularly in six "Impact Areas" – Economic Capital, Social Capital, Human Capital, Child and Youth Wellbeing, Inclusion and Equity, and Partner Capacity;
- New advocacy initiatives to continue to create awareness of systemic issues that cause poverty and injustice, and mobilise supporters to campaign for change;
- Develop and implement Design, Monitoring Evaluation and Learning (DMEL) systems and tools to evaluate and improve the quality and effectiveness of our programs;
- Develop knowledge and skills in designing and implementing impact investing/social enterprises; and,
- Invest in organisational development through the introduction and continuous improvement of systems, processes and people.

Long-term objectives

The Group's long-term objectives are to:

- Establish longer-term, enduring fundraising products;
- Provide transformational and sustainable community development programs;
- Develop the new Asia-Pacific Holistic Transformation Strategy (APHTS) for longer-term impact and transformation for thousands of people in the Asia-Pacific region;
- Play a leading role in global Baptist response to poverty, justice, and disaster management; including implementing effective and efficient organisational systems and processes to service and support domestic and international like-minded partners; and
- Become an innovative learning organisation.

Strategy for achieving short and long-term objectives

To achieve these objectives, the Group will adopt the following strategies:

- Introduce innovative and sustainable fundraising products;
- Invest and continuously improve our Design, Monitoring, Evaluation and Learning (DMEL) systems and tools that will shape the quality and effectiveness of community development programs;
- Invest and build strategic alliances globally, and most specifically in the Asia-Pacific region; and engage like-minded organisations to enhance collaboration and leverage capacity and resources to expand our reach and impact; and
- Invest in effective and efficient technologies, introduce quality assurance systems and processes, and introduce learning and development programs that will enhance the knowledge, skills and effectiveness of staff and volunteers.

Responsible Persons' meetings

The number of meetings of Responsible Persons held during the year and the numbers of meetings attended by each Responsible Person were as follows:

	Board meetings	
	Number of meetings the Responsible Person was entitled to attend	Number of meetings the Responsible Person attended
Philip Noel Newman	5	5
Tara Reid	5	5
Tabitha Mathew	5	5
Paul Oates	5	5
John Vincent Hickey	5	5
Michael Raymond Turnbull	5	5
Heidi Tak	5	5
Allan Demond	5	4
Meredith Downey	5	5
Michelle Farrall	5	4
Susan Campbell	1	1

Contribution in winding up

The Company is incorporated under the Corporations Act 2001 and is a Company Limited by Guarantee. If the Company 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. At 30 June 2020, the total amount that members of the Company are liable to contribute if the Company was wound up is $100 (2019: $100).

Auditors Independence Declaration

A copy of the Auditor's Independence Declaration as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included in page 5 of this financial report and forms part of the Responsible Persons' Report.

Signed in accordance with a resolution of the Responsible Persons'.

Tara Reid

Chair/Responsible Person

28th October 2020

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Auditor's Independence Declaration

To the Responsible Entities of Transform Aid International Ltd

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 Transform Aid International Ltd for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

A G Rigele
Partner – Audit & Assurance

Sydney, 28 October 2020

Consolidated statement of profit and loss and other comprehensive income

for the year ended 30 June 2020

	Notes	2020	2019
REVENUE			
Donations and gifts:			
Monetary		13,844,037	13,322,374
Non-monetary	4	100,070	172,267
		13,944,107	13,494,641
Bequests and legacies		1,104,008	1,458,617
Grants:			
Department of Foreign Affairs and Trade		3,875,004	3,315,667
Other Australian		-	-
Other overseas		83,884	107,636
		3,958,888	3,423,303
Investment income		303,405	360,632
Other income	5	591,271	9,057
TOTAL REVENUE		**19,901,679**	**18,746,250**
EXPENDITURE			
International Aid and Development Programs Expenditure:			
International programs:			
Funds to international programs		9,699,131	10,947,714
Programs support costs		1,397,907	1,456,579
		11,097,038	12,404,293
Community education	6	1,143,519	1,014,234
Fundraising costs:			
Public		2,658,924	2,397,080
Government, multilateral and private		59,729	51,521
		2,718,653	2,448,601
Accountability and administration		3,749,291	3,370,410
Non-monetary expenditure	4	100,070	172,267
Total International Aid and Development Programs Expenditure		18,808,571	19,409,805
TOTAL EXPENDITURE		**18,808,571**	**19,409,805**
Unrealised fair value on foreign exchange contracts		(90,679)	(102,088)
Share of loss in Associate		(5,207)	-
EXCESS OF REVENUE OVER EXPENDITURE		**997,222**	**(765,643)**
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss:			
Gain/(loss) from revaluation of assets	11,14	(64,683)	221,920
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**932,539**	**(543,723)**

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

Consolidated statement of financial position

as at 30 June 2020

	Notes	2020	2019
ASSETS			
Current Assets			
Cash and cash equivalents	7	5,347,669	3,498,624
Trade and other receivables	8	749,048	586,248
Financial assets	9	439,056	1,068,087
		6,535,773	5,152,959
Non-Current Assets			
Property, plant and equipment	10	3,619,705	3,717,840
Investment property	11	1,040,000	1,120,000
Intangibles	12	464,525	449,358
Right of use assets	13	91,175	-
Investment in Associate	14	286,593	276,484
		5,501,998	5,563,682
TOTAL ASSETS		**12,037,771**	**10,716,641**
LIABILITIES			
Current Liabilities			
Trade and other payables	15	564,217	473,187
Provisions	16	659,310	562,675
Financial liabilities	17	69,277	19,620
Lease liabilities	18	36,947	-
Tax liabilities	19	111,978	63,853
Other current liabilities	20	98,456	65,860
		1,540,185	1,185,195
Non-Current Liabilities			
Non-current provisions	21	77,346	100,296
Other Non-current liabilities	18	56,551	-
		133,897	100,296
TOTAL LIABILITIES		**1,674,082**	**1,285,491**
NET ASSETS		**10,363,689**	**9,431,150**
EQUITY			
Retained earnings	22	5,328,396	5,152,870
Reserves	23 (d)	5,035,293	4,278,280
TOTAL EQUITY		**10,363,689**	**9,431,150**

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

Consolidated Statement of Changes in Equity

for the year ended 30 June 2020

Transform Aid INTERNATIONAL

	Notes	General Funds 23 (a)	Designated Funds 23 (b)	Restricted Funds 23 (c)	Reserves 23 (d)	TOTAL
Balance as 1 July 2018		**3,731,777**	**20,002**	**2,711,734**	**3,511,360**	**9,974,873**
Excess/(shortfall) of revenue over expenditures		(159,327)	6,998	(613,314)	-	(765,643)
Other comprehensive income for the year		-	-	-	-	-
Transfer of funds		(545,000)	-	-	545,000	-
Balance at 30 June 2019		**3,027,450**	**27,000**	**2,098,420**	**4,278,280**	**9,431,150**
Excess/(shortfall) of revenue over expenditures		1,210,361	(2,769)	(210,370)	-	997,222
Other comprehensive income for the year		-	-	-	(64,683)	(64,683)
Transfer of funds		(821,696)	-	-	821,696	-
Balance at 30 June 2020		**3,416,115**	**24,231**	**1,888,050**	**5,035,293**	**10,363,689**

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

Consolidated Statement of Cash Flows

for the year ended 30 June 2020

	Notes	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Donations received		13,844,037	13,322,374
Bequests and legacies received		1,104,008	1,458,617
Operating grants received		3,991,485	3,489,163
Other income received		799,077	240,372
Payments to suppliers and employees		(8,583,932)	(8,004,832)
Distributions to overseas partners		(9,614,143)	(10,817,416)
Interest received		15,168	24,471
Net cash provided by (used in) operating activities		**1,555,700**	**(287,251)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash received/ (paid for) from property, plant and equipment		(63,202)	(39,456)
Net cash received from investment property		50,918	53,606
Net cash paid for intangible assets	12	(265,825)	(139,204)
Net cash received from investment in financial assets		614,684	162,475
Net cash provided by (used in) investing activities		**336,575**	**37,421**
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease payments (principal and interest)		(43,230)	-
Net cash provided by (used in) financing activities		**(43,230)**	**-**
NET INCREASE IN CASH HELD		**1,849,045**	**(249,830)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		**3,498,624**	**3,748,454**
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	7	**5,347,669**	**3,498,624**

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

NOTE 1 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE

The financial report includes the consolidated financial statements and notes of Transform Aid International Ltd and its Controlled Entities ('Consolidated Group' or 'Group').

The Group has elected to adopt the Australian Accounting Standards – Reduced Disclosure Requirements (established by AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, ACFID Code of Conduct and the *Australian Charities and Not-for-profits Commission Act 2012*. Transform Aid International Ltd is a not-for-profit entity for the purpose of preparing the financial statements.

The Group has adopted all applicable standards which became effective for the first time during the period ended 30 June 2020. There has been no material impact resulting from the adoption of these standards.

The consolidated financial statements for the year ended 30 June 2020 were approved and authorised for issue by the board of Responsible Persons on 28th October 2020.

NOTE 2 SUMMARY OF ACCOUNTING POLICIES

2.1 New and revised standards that are effective for these financial statements

A number of new and revised standards are effective for annual periods beginning on or after 1 July 2019. Information on these new standards is presented below.

AASB 16 Leases

The Group has elected to adopt AASB 16 Leases using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 Leases and associated Accounting Interpretations.

AASB 16 includes several practical expedients which can be used on transition, the company has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 and associated Accounting Interpretations were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the company's incremental borrowing rate at 1 July 2019;
- right of use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- leases with an expiry date prior to 30 June 2019 were excluded from the Consolidated Statement of Financial Position and the lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- hindsight was used when determining the lease term where the contract contains options to extend or terminate the lease;

- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

The Group has recognised right of use assets of $130,868 and lease liabilities of $130,868 at 1 July 2019 for leases previously classified as operating leases. The impact on the profit and loss for the financial year was an increase of $2,323 in expenses (total depreciation expense recognised for leases: $39,692).

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The Group has elected to adopt AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities for the first time in the current year with a date of initial application of 1 July 2019.

The Group has reviewed all sources of revenue income and determined that no adjustments were required on adoption of AASB 15 and AASB 1058 at 1 July 2019.

2.2 Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are described in the accounting policies below.

2.3 Basis of consolidation

The Group financial statements consolidate those of Transform Aid International Ltd and its fully owned subsidiary, Baptist World Aid Australia Ltd as of 30 June 2020. All transactions and balances between the Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group Companies. Amounts reported in the financial statements of Subsidiaries have been adjusted to ensure consistency with the accounting policies adopted by the Group.

2.4 Historical cost convention

The consolidated financial statements have been prepared on the basis of historical cost except for the following:

- Investment property is measured at fair value.
- Available-for-sale financial assets are measured at fair value.

The methods used to measure the fair values of these assets are discussed in notes 2.7 and 2.13. Cost is based on the fair values of the consideration given in exchange for assets.

2.5 Investments in associates

Associates are those entities over which the Group is able to exert significant influence, but which are not subsidiaries.

Investments in associates are accounted for using the equity method.

Any goodwill or fair value adjustment attributable to the Group's share in the associate is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

2.6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. All revenue is stated net of the amount of goods and services tax (GST).

i. Donations, fundraising and bequests

The Group recognises amounts donated or raised on behalf of the Group as income only when they are received by the Group. Bequests are recognised when the legacy is received.

ii. Grants

A grant contract is within the scope of AASB 15 if:
• the Group has an enforceable contract with a grant provider, and
• the contract includes sufficiently specific promises for the Group to transfer goods or services to the grant provider or third-party beneficiaries.

Grant revenue in scope of AASB 15 will only be recognised as the obligations under the contract are satisfied, potentially resulting in a deferral of income.

All other grant revenue will be recognised with the scope of AASB 1058 in the statement of comprehensive income depending on the specific terms of the grant contract. Where the Group received cash (or another financial asset) to construct or acquire a non-financial asset (e.g. property, plant and equipment) for its own use, the Group will defer income until it has acquired or constructed the asset in accordance with the terms of the transfer.

iii. Investment income

Investment income comprises interest and dividends. Interest income is recognised as it accrues, using the effective interest method.

Dividends from investments are recognised when the right to receive a dividend has been established.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, and 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.

2.8 Prepayments

In order to facilitate program continuity over the year end period, a number of payments are made to overseas partners towards the following financial year's activities. These payments are separated in the accounts and included under other financial assets in the current financial year.

In some cases, a partner may have been unable to fully acquit project funds by the end of the financial year. These funds are also included under other financial assets and are expected to be fully acquitted in the following financial year.

2.9 Property, plant and equipment

Property, 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 Group's management.

Property, 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 useful lives are applied:

- property: 40 years
- investment property: 40 years
- furniture and fittings: 6-8 years
- computer hardware: 4 years
- motor vehicles: 6-7 years
- office equipment: 5-6 years

Gains or losses arising on the disposal of property, plant and equipment and investment property 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.

2.10 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation and are accounted for using the fair value model. Investment properties are revalued periodically and are included in the statement of financial position at their open market value. These values are supported by market evidence and are determined by external professionals with sufficient experience. Any gain or loss resulting from either a change in fair value of the sale of the investment property is immediately recognised in Statement of Profit and loss.

Rental income and operating expenses from investment property are reported within other income on the face of the Statement of Profit and loss.

2.11 Intangible assets

i. Acquired intangible assets

Acquired computer software development and licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

ii. Subsequent measurement

All intangible assets are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 2.8. The following useful lives are applied:

- Software: 3-5 years

Amortisation has been included within depreciation and amortisation.

Subsequent expenditures on the maintenance of computer software and brand names are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss within other income or other expenses.

2.12 Employee benefits

i. Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits, expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

ii. 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.

iii. Annual Leave

Short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that the Group 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 Group does not expect all annual leave for all employees to be used wholly within twelve (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.

iv. Superannuation

The Group provides post-employment benefits through defined contribution plans. Amounts charged to the income statement in respect of superannuation represent the contributions paid or payable by the Group to the employees' superannuation funds.

2.13 Income Tax

Transform Aid International Ltd is a Public Benevolent Institution and is exempt from Income Tax pursuant to section 50-5, item 1.1 of the Income Tax Assessment Act 1997.

2.14 Financial Assets

The Group classifies its financial assets into the following categories:

1. financial assets at fair value through profit or loss,
2. amortised cost, and

3. financial assets at fair value through other comprehensive income (previously available-for-sale financial assets).

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance date. The quoted market price used is the current bid price.

The categories of financial assets are:

a) *Financial assets at fair value through profit or loss*

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

b) *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL or FVOCI): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as any long-term deposit that were previously classified as held-to-maturity under AASB 139.

c) *Financial assets classified as fair value through other comprehensive income (FVOCI)*

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category was previously classified as 'available-for-sale'.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date.

On adoption of AASB 9, the following has been reflected.

	AASB 139 Recognition	AASB 9 Recognition
Trade and other receivables	Amortised cost	Amortised cost
Forward exchange contracts	FVTPL	FVTPL
Term deposits	Amortised cost	Amortised cost
Financial liabilities	Amortised cost	Amortised cost

2.15 Impairment of financial assets

At each balance date the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income. The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between: financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1'), and financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2'). 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

2.16 Contract assets and liabilities

Contract assets

Contract assets arise when work has been performed on a particular program and goods or services have been transferred to the customer, but the invoicing milestone has not been reached and the rights to the consideration are not unconditional. If the rights to the consideration are unconditional then a receivable is recognised. No impairment losses were recognised in relation to these assets during the year.

Contract liabilities

Contract liabilities generally represent the unspent grants or other fees received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of the grant or fees. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is presented as non-current. Where the monies are received for the company to acquire or construct an item of property, plant and equipment which will be controlled by the Group, then the funds are recognised as a contract liability and amortised to revenue as and when the obligation is satisfied.

2.17 Leases

At inception of a contract, the Group assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The right-of-use asset is assessed for impairment indicators at each reporting date.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected to apply the exceptions to lease accounting for leases of low-value assets. For these leases, the Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

2.18 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.

2.19 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.

i. Estimation uncertainty

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

ii. 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.

iii. 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.

iv. 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.

v. Fair value

Investment properties and financial assets are held at fair value. Whilst professionals are used to assist in the valuation process, the models are subject to assumptions which may affect the valuation. As at 30 June 2018, there is no significant risk identified in relation to these assets.

vi. 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 is 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 Group 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.

vii. Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group considered the extension option on the right of use assets and have determined that it is not reasonably certain that the company will choose to exercise the option and therefore the lease payments that would arise during the optional extension periods have not been included in the lease liability.

NOTE 3 NATURE AND OBJECTS OF ORGANISATION

On the 18th April 2013, Australian Baptist World Aid Inc. changed its legal status from an incorporated association to a company structure and subsequently received approval from the Australian Government as a Deductible Gift Recipient (DGR). Transform Aid International Ltd commenced operations under the new company structure from 23rd July 2013.

Baptist World Aid Australia Ltd, a wholly-owned subsidiary of Transform Aid International Ltd, was established and registered as a Charity organisation on the 8th of August 2013.

NOTE 4 NON-MONETARY GIFTS AND DONATIONS

The work of Transform Aid International Ltd is supported by a large number of volunteers each year. The contributions from volunteers, through regular mail opening, screening of children's mail, book-keeping, project assistance, etc. mean that the Group is able to deliver a greater proportion of cash donations directly to its field projects.

During the year ended 30th June 2020 (FY2020), 3,261 volunteer hours were provided to the Group by 27 volunteers (FY2019: 6,190 hours provided by 49 volunteers) at a commercial value of $100,070 (FY2019: $172,267). Of this amount $8,870 is considered as Recognised Development Expenditure (RDE) for the purpose of assessing the Group's entitlement for Government funding (FY2019: $24,376).

NOTE 5 OTHER INCOME

Total other income for the year is $591,271 (FY2019: $9,057). Other income comprises of income from deputations and resource sales ($7,271), ATO Cashflow boost ($50,000) and ATO Jobkeeper Payments ($534,000).

NOTE 6 COMMUNITY EDUCATION

Community education expenditures include all costs related to informing and educating the Australian community of, and inviting their active involvement in global justice, development and humanitarian issues. This includes the costs of research, producing and distributing materials, the cost of conducting educational campaigns and the cost of personnel involved in these activities.

The total amount of $1,143,519 (FY2019: $1,014,234) are classified as Recognised Development Expenditure (RDE).

NOTE 7 CASH AND CASH EQUIVALENTS

	2020	2019
• Cash at bank	4,707,972	2,781,026
• Cash on hand	9,685	12,916
• Cash on restricted accounts	630,012	159,682
• Cash on short-term deposits	-	545,000
	5,347,669	**3,498,624**

Transform Aid International Ltd has in place a secured bank overdraft facility of $500,000. The facility was not utilised during 2019 and 2020 and remains unused at the reporting date.

NOTE 8 TRADE AND OTHER RECEIVABLES

	2020	2019
• Accounts receivables	-	20,074
• Project prepayments	452,592	422,415
• Prepaid expenses	23,897	51,679
• Prepaid corporate cards	11,559	29,343
• Sundry debtors	175,880	499
• Un-acquitted travel	1,088	259
• GST paid	84,032	61,979
	749,048	**586,248**

Trade and other receivables are accounted for at amortised cost.

NOTE 9 FINANCIAL ASSETS

Current financial assets

	2020	2019
• Provision on forward exchange contracts (FVTPL)	-	27,720
• Restricted term deposit (amortised cost)	439,056	1,040,367
	439,056	**1,068,087**

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment movements during the year were as follows:

	WDV* at 1/07/2019	Additions	Disposals/ Write off	Revaluation/ (Depreciation)	WDV at 30/06/2020
Buildings**	3,581,689	-	-	(105,069)	3,476,620
Computer hardware	56,381	48,502	-	(28,558)	76,324
Furniture and fittings	44,898	-	-	(19,758)	25,140
Office equipment	6,723	14,700	-	(2,971)	18,452
Motor vehicles	28,149	-	-	(4,980)	23,169
	3,717,840	**63,202**	-	**(161,336)**	**3,619,705**

** WDV = written down value*

**Office building (Lots 45,46,64,65,66 and 67, 32 Delhi Road, Macquarie Park 2113) are stated at cost less depreciation above but have been independently valued at $5,300,000 as at 30 June 2020.

NOTE 11 INVESTMENT PROPERTY

Investment properties movements during the year were as follows:

	WDV* at 1/07/2019	Additions	Transfers	Disposals/ Write off	Revaluation	WDV at 30/06/2020
Investment property	1,120,000	-	-	-	(80,000)	1,040,000
	1,120,000	**-**	**-**	**-**	**(80,000)**	**1,040,000**

** WDV = written down value*

NOTE 12 INTANGIBLES

Intangibles movements during the year were as follows:

	WDV* at 1/07/2019	Additions	Transfer from WIP	Disposals/ Write off	Amortisation/ Depreciation	WDV at 30/06/2020
Computer software	432,477	-	224,180	-	(250,658)	405,999
Work-in-Progress	16,881	265,825	(224,180)	-	-	58,526
	449,358	**265,825**	**-**	**-**	**(250,658)**	**464,525**

** WDV = written down value*

NOTE 13 RIGHT OF USE ASSETS

	2020	**2019**
Balance as at 1 July 2019	-	-
Additions to right-of-use assets	130,868	-
Depreciation charge	(39,693)	-
Reductions in right-of-use assets due to changes in lease liability	-	-
Impairment of right-of-use assets	-	-
Total carrying amount	**91,175**	**-**

NOTE 14 INVESTMENT IN ASSOCIATE

On 26th November 2018, the Group acquired a US$200,000 interest into the equity of Integra Cooperative, a social investment fund in Slovakia. As of 30 June 2020, this equates to a 25.15% interest in Integra Cooperative.

Integra Cooperative was formed in 1995 and has been involved in community development in East Africa for ten years and Eastern Europe for almost 20 years. Through child sponsorship, fair trade businesses and enterprise development they provide opportunities for people to climb out of poverty.

The Group has recorded its share of loss of $5,207 in associate for the period.

Group's carrying amount of the investment:

	2020	2019
At cost	276,484	276,484
Share of loss	(5,207)	-
Gain from foreign exchange revaluation	15,316	-
Total carrying amount	**286,593**	**276,484**

NOTE 15 TRADE AND OTHER PAYABLES

• Accounts payable	228,598	179,876
• Other short-term liabilities	179,530	129,834
• Employment liabilities	6,368	34,487
• Overseas projects short term liability	149,721	128,990
	564,217	**473,187**

NOTE 16 CURRENT PROVISIONS

• Provisions for annual leave	439,976	409,656
• Provisions for long service leave (short term)	219,334	153,019
	659,310	**562,675**

NOTE 17 FINANCIAL LIABILITIES

• Provision on forward exchange contracts	62,960	-
• Purchasing card payables	6,317	19,620
	69,277	**19,620**

NOTE 18 LEASE LIABILITIES

The maturity analysis of lease liabilities based on contractual cash flows is show in the table:

	< 1 year	1 – 5 years	> 5 years	Lease liabilities included in the Statement of financial position
Total Print Management (TPM) – Office printers	27,884	29,164	-	57,048
NEO Post (Folding machine)	9,063	27,387	-	36,450
	36,947	**56,551**	-	**93,498**

Lease impact in the statement of profit and loss and other comprehensive income

The amounts recognised in the statement of profit and loss and other comprehensive income relating to leases where the company is a lessee are show below:

	2020	2019
Interest on lease liabilities	5,860	-
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to leases of low-value assets	-	-

NOTE 19 TAX LIABILITIES

• GST collected	39,199	22
• PAYG/HECS withheld	72,779	63,831
	111,978	**63,853**

NOTE 20 OTHER CURRENT LIABILITIES

• Un-acquitted Church Partnership Program (CPP) grants	98,456	-
• Un-acquitted grants received from overseas	-	65,860
	98,456	**65,860**

NOTE 21 NON-CURRENT PROVISIONS

• Long service leave provisions (long term)	77,346	100,296
	77,346	**100,296**

NOTE 22 RECONCILIATION OF RETAINED EARNINGS

Opening balance	5,152,870	6,463,513
Surplus/(Deficit) for the year	997,222	(765,643)
Transfer to reserves	(821,696)	(545,000)
Closing balance	**5,328,396**	**5,152,870**

NOTE 23 FUNDS AND RESERVES

FUNDS

(a) General Funds

Community development fund	39,210	116,916
Non-deductible giving fund	11,008	3,541
Where needed most fund	3,078,393	2,652,631
TAI income generation fund	287,504	254,362
	3,416,115	**3,027,450**

	2020	2019
(b) Designated Funds		
Matching grants fund	24,231	27,000
	24,231	27,000

	2020	2019
(c) Restricted Funds		
Sponsorship funds	47,408	243,738
COVID-19 global response	658,351	-
Middle east projects	209,295	120,000
Cyclone Idai projects	-	72,606
Sulawesi Tsunami projects	101,708	274,920
Rohingya crisis appeal	29,752	192,962
Syria crisis appeal	24,574	-
Fund for Africa	816,962	1,194,194
	1,888,050	2,098,420

	2020	2019
(d) RESERVES		
Reserves	3,511,360	3,511,360
Strategic initiatives reserve	1,366,696	545,000
Asset revaluation reserve	157,237	221,920
	5,035,293	4,278,280

NOTE 24 FOREIGN CURRENCY

The Group also holds a small amount of foreign currencies for use by staff when travelling to overseas programs.

All assets denominated in foreign currencies have been restated in the accounts at their Australian dollar equivalents as at 30th June 2020. Resulting gains or losses have been recognised in determining the reported excess/shortfall recorded in the income statement.

NOTE 25 CONTROLLED ENTITIES

1. **Baptist World Aid Australia Ltd** (Company Limited by Guarantee)
   A.B.N: 86 164 099 736
   Suite 4.03, 32 Delhi Road, North Ryde, NSW 2113, Australia.
2. **Baptist World Aid Australia Public Ancillary Fund**
   A.B.N: 77 507 629 093
   Suite 4.03, 32 Delhi Road, North Ryde, NSW 2113, Australia.
3. **Transform Aid International Bangladesh**
   Registered in NGO Affairs Bureau Bangladesh, Registration number 1324
   House No- 245 (1st Floor), Lane-3, DOHS Baridhara, Dhaka-1206, Bangladesh.

The above entities are controlled by Transform Aid International Ltd.

	2020	2019

NOTE 26 RELATED PARTY TRANSACTIONS

During the year, Transform Aid International Ltd received donations fundraised from Baptist World Aid Australia Public Ancillary Fund.

Distribution received from Baptist World Aid Australia Public Ancillary Fund	12,501,208	13,358,061
	12,501,208	**13,358,061**

NOTE 27 KEY MANAGEMENT PERSONNEL

Key management personnel refer to the Board of Directors and members of senior management who have the authority and responsibility to plan, direct and control the activities of the Group. All the directors with the exception of the CEO, act in an honorary capacity and receive no paid compensation for their services. The CEO is remunerated as part of the senior management group of Transform Aid International Ltd.

Total key management personnel compensation	1,057,895	839,515
	1,057,895	**839,515**

NOTE 26 CONTINGENT LIABILITIES

There are no contingent liabilities incurred by the Group for the years 2020 and 2019.

NOTE 27 POST-REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

COVID-19 impact

The ongoing impact of the COVID-19 pandemic on the community and the economy is uncertain for the 2020-2021 financial year and may have a significant impact on the Group. The Directors and management of the Group continue to manage expenditure and income prudently. The Group is in a sound financial position as at 30 June 2020 to respond to the ongoing uncertainty.

NOTE 28 MEMBER'S GUARANTEE

The Company is incorporated under the Corporations Act 2001 and is a Company Limited by Guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum $10 each towards meeting any outstanding obligations of the entity. At 30 June 2020, the total amount that members of the Company are liable to contribute if the Company wound up is $100 (2019: $100).

NOTE 29 PARENT ENTITY INFORMATION

(a) Statement of Profit and Loss and Other Comprehensive Income

	2020	2019
Revenues	7,175,771	5,106,757
Expenditures	6,178,549	5,872,400
Surplus for the year	**997,222**	**(765,643)**
Other Comprehensive Income	(64,683)	221,920
Total Comprehensive Income for the year	**932,539**	**(543,723)**

(b) Statement of Financial Position

	2020	2019
Current assets	6,528,173	5,145,959
Non-current assets	5,501,998	5,563,681
Total assets	12,030,171	10,709,640
Current liabilities	1,536,198	1,178,194
Non-current liabilities	130,284	100,296
Total liabilities	1,666,482	1,278,490
Net assets	**10,363,689**	**9,431,150**
Retained earnings	5,328,396	5,152,870
Reserves	5,035,293	4,278,280
Total equity	**10,363,689**	**9,431,150**

NOTE 30 OTHER DISCLOSURE

No revenue or expenditure was received or spent for international political or religious proselytisation programs.

For the financial year 2020, Transform Aid International Ltd contributed a total of $25,583 for the running of a school and a health clinic for Chin refugees in Malaysia and as per DFAT guideline, these program expenditures have been classified as welfare.

At the end of the financial year, Transform Aid International Ltd had no balances in the inventories and assets held for sale.

Responsible Persons' Declaration

1. In the opinion of the Responsible Persons' of Transform Aid International Ltd, the consolidated financial statements and notes are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012, including:

   i. Giving a true and fair view of its financial position as at 30 June 2020 and of its performance for the financial year ended on that date.

   ii. Complying with Australian Accounting Standards - Reduced Disclosure Requirements (including the Australian Accounting Interpretations); and the Australian Charities and Not-for-Profits Commission Regulation 2013.

   iii. There are reasonable grounds to believe that Transform Aid International Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Responsible Persons:

Tara Reid
Chair/Responsible Person

Dated the 28th day of October 2020

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Independent Auditor's Report

To the Members of Transform Aid International Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Transform Aid International Ltd (the "Registered Entity") and its subsidiaries ("the Group") which comprises the consolidated statement of financial position as at 30 June 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated 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 Persons' Declaration.

In our opinion, the financial report of Transform Aid International Ltd has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a giving a true and fair view of the Registered Entity's financial position as at 30 June 2020 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.

Information other than the Financial Report and Auditor's Report

The Responsible Persons for the Group are responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 30 June 2020, 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 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.

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.

Responsible Persons' Responsibility for the financial report

The Responsible Persons of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, the Code of Conduct for the Australian Council for International Development (ACFID) and the Australian Charities and Not-for-Profits Commission 2012. This Responsible Persons' responsibility includes such internal controls as the Responsible Persons determine are necessary to enable the preparation of the financial report to be free from material misstatements, whether due to fraud or error.

In preparing the financial report, the Responsible Persons for the Group 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 management 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 Persons for the Group.

- Conclude on the appropriateness of the Responsible Persons for the Group 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.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

A G Rigele
Partner – Audit & Assurance

Sydney, 28 October 2020