

# Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

## TRUSTEES' REPORT

Your trustees present this report on the trust for the financial year ended 30 June 2019.

### Trustees

The following trustees were in office during or since the end of the financial year as indicated below:

Name	Date in Office
Harjit Singh Somal (Chairman)	Since 1 <sup>st</sup> July 2017
Balvinder Singh Chahal	Since 1 <sup>st</sup> July 2017
Jaspal Singh	Since 1 <sup>st</sup> July 2017
Mehnga Singh Khakh	Since 1 <sup>st</sup> July 2017
Ram Tirath Singh	Since 1 <sup>st</sup> July 2017
Dr Surinder Singh	Since 1 <sup>st</sup> July 2017
Jagtar Singh	Since 1 <sup>st</sup> July 2017

### Principal Activities

The principal activity of the trust during the financial year was relief of financial suffering of disadvantaged persons and donations to approved charities in NSW.

### Review of Operations

The trust's operating deficit for the year ended on 30 June 2019 was \$83,248 (2018: \$96,417) after providing for depreciation charges of \$98,137 (2018: \$98,166).

### Short-term and Long-term Objectives

The trust's primary short-term and long term objectives are:

- Relief of distress, sickness and financial suffering of economically disadvantaged persons;
- Provision of low cost housing to economically disadvantaged persons; and
- Donations to approved charities involved in disaster relief and care and welfare of people.

### Strategies

To achieve its stated objectives, the trust has adopted the following strategies:

- Established facilities for the awareness of disasters and financial needs of persons specially those struggling to meet funeral expenses of next of kin and people hospitalized and suffering from serious illnesses;
- Established facilities where people can make donations for the causes for which the Trust has been setup;
- Established facilities for the welfare of senior citizens.

Australian Sikh Association Charitable Trust

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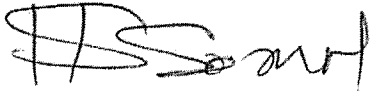
TRUSTEES' REPORT

Key Performance Measures (KPMs)

The trust did not have any KPMs during the financial year under review. These will now expected to be developed in the course of the ensuing year.

The trust is a charitable trust established by a Trust Deed under the Governing Laws of New South Wales.

This trustees' report is signed in accordance with a resolution of the Council of Trustees.



Harjit Singh Somal

Chairman:

Dated this day 18<sup>th</sup> of September 2019

Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
Revenue	2	21,866	13,325
Depreciation charges	3	(98,137)	(98,166)
Benevolent fund expenses		(2,340)	(4,532)
Bank fees		(75)	--
Senior citizen activities		(2,445)	--
Audit, legal and consultancy expenses		(5,200)	(7,044)
<b>Deficit for the year</b>		<b>(86,331)</b>	<b>(96,417)</b>

The accompanying notes form part of these financial statements.

**Australian Sikh Association Charitable Trust**

**ABN: 84 164 885 276**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	4	907,177	882,517
Trade and other receivables	5	-----	12,053
<b>TOTAL CURRENT ASSETS</b>		<b>907,177</b>	<b>894,570</b>
NON-CURRENT ASSETS			
Property, plant and equipment	6	2,381,787	2,479,924
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,381,787</b>	<b>2,479,924</b>
<b>TOTAL ASSETS</b>		<b>3,288,964</b>	<b>3,374,494</b>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	7	1,076,189	1,075,389
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,076,189</b>	<b>1,075,389</b>
<b>TOTAL LIABILITIES</b>		<b>1,076,189</b>	<b>1,075,389</b>
<b>NET ASSETS</b>		<b>2,212,774</b>	<b>2,299,105</b>
<b>EQUITY</b>			
Retained earnings		2,212,774	2,299,105
<b>TOTAL EQUITY</b>		<b>2,212,774</b>	<b>2,299,105</b>

The accompanying notes form part of these financial statements.

**Australian Sikh Association Charitable Trust**

**ABN: 84 164 885 276**

STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEAR ENDED 30 JUNE 2019

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2017</b>	2,395,522	2,395,522
Deficit for the year	(96,417)	(96,417)
<b>Balance at 30 June 2018</b>	<u>2,299,105</u>	<u>2,299,105</u>
<b>Balance at 1 July 2018</b>	2,299,105	2,299,105
Deficit for the year	(86,331)	(86,331)
<b>Balance at 30 June 2019</b>	<u>2,212,774</u>	<u>2,212,774</u>

The accompanying notes form part of these financial statements.

**Australian Sikh Association Charitable Trust**

**ABN: 84 164 885 276**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Donations received		6,711	2,194
Payments to suppliers and employees		(9,260)	(10,022)
Interest received		15,155	11,131
Net cash generated from operating activities	13	12,606	3,303
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		-	-
Net cash used in investing activities		-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of loan provided to related party		12,054	36,445
Net cash generated by financing activities		12,054	36,445
Net increase in cash held		24,660	39,748
Cash and cash equivalents at beginning of financial year		882,517	842,769
Cash and cash equivalents at end of financial year	4	907,177	882,517

The accompanying notes form part of these financial statements.

# Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

Australian Sikh Association Charitable Trust applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB). The trust is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

The financial statements were authorised for issue on 18th September, 2019 by the trustees of the trust.

#### Accounting Policies

##### a. Revenue

Donations are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax.

##### b. Property, Plant and Equipment

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

##### Freehold property

Freehold land and buildings are shown at cost or their fair value less where applicable any accumulated depreciation and impairment losses. Land is not depreciated.

##### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount.

##### Depreciation

The depreciable amount of all fixed assets, including buildings, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the trust commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	2.5% – 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

## Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss and other comprehensive income in the period in which they arise.

##### c. **Impairment of Assets**

At the end of each reporting period, the trust assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the trust would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset. Where it is not possible to estimate the recoverable amount of an assets class, the trust estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

##### d. **Cash and Cash Equivalents**

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

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

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

##### f. **Income Tax**

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

##### g. **Comparative Figures**

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

##### h. **Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the trust during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.



# Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### i. **Critical Accounting Estimates and Judgements**

The trustees evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the trust.

### m. **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the company. The directors have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The directors have assessed that the adoption of AASB 16 will not have a significant impact on the Group's financial statements, as it does not have any current lease commitments.

Australian Sikh Association Charitable Trust

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

- AASB 1058: *Income of Not-for-Profit Entities* (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

The significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004 *Contributions*.

The directors anticipate that the adoption of AASB 1058 will not have a significant impact on the company's financial statements.

**Australian Sikh Association Charitable Trust**

**ABN: 84 164 885 276**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 2: REVENUE AND OTHER INCOME

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Donations	6,711	2,194
Other revenue:		
– Interest received	15,155	11,131
<b>Total revenue</b>	<b>21,866</b>	<b>13,325</b>

NOTE 3: DEFICIT FOR THE YEAR

**Expenses**

Depreciation charges		
– land and buildings	96,717	96,717
– plant, furniture, fixtures and equipment	1,419	1,449
<b>Total depreciation charges</b>	<b>98,137</b>	<b>98,166</b>

NOTE 4: CASH AND CASH EQUIVALENTS

CURRENT

Cash at bank	430,810	415,514
Short term bank deposits	476,367	467,003
	<b>907,177</b>	<b>882,517</b>

Short term bank deposits bear interest rates of 1.90% – 2.05% (2018: 2.00% - 2.50%)

NOTE 5: TRADE AND OTHER RECEIVABLES

CURRENT

Loan provided to related party	---	12,053
<b>Total trade and other receivables</b>	<b>---</b>	<b>12,053</b>

The loan was given to The Australian Sikh Association Limited for a term of 10 years from 31 August 2008 at an interest rate of 8.5% p.a. and the monthly repayment including both principal and interest is \$2,480. This loan repaid during the year.

**Australian Sikh Association Charitable Trust**

**ABN: 84 164 885 276**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

	2019	2018
<b>Land and Buildings</b>	<b>\$</b>	<b>\$</b>
Freehold land at cost	173,779	173,779
Total land	<u>173,779</u>	<u>173,779</u>
Buildings at cost	3,867,507	3,867,507
Less accumulated depreciation	(1,668,185)	(1,571,468)
Total buildings	<u>2,199,322</u>	<u>2,296,039</u>
Total land and buildings	<u>2,373,101</u>	<u>2,469,818</u>
 Plant and equipment:		
At cost	456,381	456,381
Less accumulated depreciation	(447,694)	(446,275)
Total plant and equipment	<u>8,687</u>	<u>10,106</u>
Total property, plant and equipment	<u><u>2,381,788</u></u>	<u><u>2,479,924</u></u>

**Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Plant and Equipment	Total
	\$	\$	\$
<b>2019</b>			
Balance at the beginning of the year	2,469,818	10,106	2,479,924
Additions at cost	-	-	-
Depreciation charges	(96,717)	(1,419)	(98,137)
Carrying amount at the end of the year	<u>2,373,101</u>	<u>8,687</u>	<u>2,381,787</u>

NOTE 7: TRADE AND OTHER PAYABLES

CURRENT

Trade payables	4,400	3,600
Other payables	1,071,789	1,071,789
	<u>1,076,189</u>	<u>1,075,389</u>

Other payables is made up of advances and payments from The Australian Sikh Association Limited on behalf of the trust. The amount is interest free and repayable on demand.

Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	2019	2018
	\$	\$

There are no contingent liabilities or contingent assets as of balance date.

NOTE 9: CAPITAL COMMITMENTS

As at the reporting date the trust has no capital commitments.

NOTE 10: EVENTS AFTER THE REPORTING PERIOD

The trustees are not aware of any material events occurring after balance date of this report that would require further disclosure in these financial statements.

NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the trust during the year are as follows:

Key management personnel compensation	Nil	Nil
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No trustee received any remuneration or benefit either in cash or in kind from the trust.

NOTE 12: RELATED PARTY TRANSACTIONS

During the year the trust received loan instalment repayments from The Australian Sikh Association Limited of \$14,880 including interest of \$5,909 (refer to Note 5).

NOTE 13: RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH DEFICIT AFTER TAX

Deficit after income tax	(86,331)	(96,417)
Non cash flows:		
Depreciation charge	98,137	98,166
Changes in assets and liabilities:		
Increase/(Decrease) in payables	800	1,555
Net cash inflow from operating activities	12,606	3,303

## Australian Sikh Association Charitable Trust

ABN: 84 164 885 276

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

#### NOTE 14: FINANCIAL RISK MANAGEMENT

The trust's financial instruments consist mainly of cash and cash equivalents, loans and other receivables, advances from a related party, accounts payable and interest bearing loan from a related party.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2019 \$	2018 \$
<b>Financial assets</b>			
Financials assets at amortised cost			
Cash and cash equivalents	4	904,586	882,517
Trade and other receivables	5	2,591	12,053
<b>Total financial assets</b>		<u>907,177</u>	<u>894,570</u>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
– trade and other payables	7	1,076,189	1,075,389
<b>Total financial liabilities</b>		<u>1,076,189</u>	<u>1,075,389</u>

#### NOTE 15: TRUST DETAILS

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

4-18 Meurants Lane  
Glenwood, NSW 2768

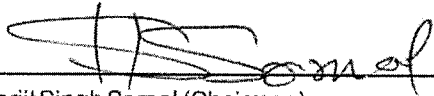
Australian Sikh Association Charitable Trust

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TRUSTEES' DECLARATION

In accordance with a resolution of the trustees of Australian Sikh Association Charitable Trust, the trustees of the trust declare that:

1. The financial statements and notes, as set out on pages 3 to 14:
  - a. comply with Australian Accounting Standards – Reduced Disclosure Requirements, applicable to the entity and
  - b. give a true and fair view of the financial position of the trust as at 30 June 2019 and of its performance for the year ended on that date.
2. In the trustees' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable.



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Harjit Singh Somal (Chairman)

Dated this day 18<sup>th</sup> of September, 2019

**AUSTRALIAN SIKH ASSOCIATION CHARITABLE TRUST**  
**ABN 84 164 885 276**  
**INDEPENDENT AUDITOR'S REPORT TO THE OWNERS OF**  
**AUSTRALIAN SIKH ASSOCIATION CHARITABLE TRUST**

**SYDNEY**

Level 40  
2 Park Street  
Sydney NSW 2000  
Australia

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**Report on the Audit of the Financial Report**

***Opinion***

We have audited the financial report of Australian Sikh Association Charitable Trust (the trust), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss, the statement of changes in accumulated funds and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant account policies and other explanatory information, and trustees' declaration.

In our opinion, the accompanying financial report of The Australian Sikh Association Limited is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the trust's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- b. 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 trustees of Australian Sikh Association Charitable Trust, would be in the same terms if given to the trustees 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.

**Responsibilities of the Trustees for the Financial Report**

The trustees of the trust are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the constitution and the needs of members. The trustees' responsibility also includes such internal control as the trustees determine is necessary to enable the preparation of a 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 trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the trust or to cease operations, or have no realistic alternative but to do so.

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**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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 trust 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 trustees 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.

*Hall Chadwick*

Hall Chadwick  
Level 40  
2 Park Street  
SYDNEY NSW 2000

*Graham Webb*

**Graham Webb**

Partner

Date: 18 September 2019