

Illuminating Engineering Society of Australia and New Zealand Limited

ABN 99 100 686 039

Annual Financial Report - 30 June 2021

Illuminating Engineering Society of Australia and New Zealand Limited
Directors' report
30 June 2021

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2021.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Gregory Williams - Vice President to 21 January 2021 and President thereafter
Andrew Ferreira - Vice President (Vice President from 21 January 2021)
Michael Toth - Treasurer
James Wallace
Scott Forbes
Vesselka Bozdouganova
George Harasymyszyn
Trent Dutton (President to 21 January 2021)
Dhruva Jyoti Ghose (Appointed 12 November 2020)

Objectives

Short term

- Achieve financial stability and independence for the Society.
- Improve membership awareness of Board and Chapter Management Committee (CMC) activities.
- Complete Procedures Manual to ensure appropriate application of Constitution at both Board and CMC level.
- Increase level of services offered to Society members.
- Raise the profile of the Society among stakeholders.
- Work closely with the Society's official publisher RALA & encourage all Chapters to utilise RALA in promoting the Society.
- Establish permanent IESANZ representation on relevant government committees.
- Review the Society's Lighting Award program.
- Continue to improve the Society's website and Customer Relationship Management system for the benefit of members.

Long term

- Achieve universal recognition in Australia and New Zealand of the importance of quality lighting design and technical.
- Achieve universal recognition in Australia and New Zealand of the importance and value of appropriately qualified lighting professionals.
- Increase membership by broadening the appeal of the Society to lighting professionals.
- Strengthen relations and mutual recognition between other lighting societies throughout the world.

Strategy for achieving the objectives

- Seeking active representation on all Committees drafting relevant standards of lighting practice and equipment.
- Encouraging lighting research in industry, government and educational institutions.
- Developing syllabi and providing lecturers to lightening courses.
- Monitoring legislative and regulatory developments at local, state and national levels.
- Offering awards for meritorious lighting installations and luminaire design excellence.
- Maintaining a professional secretariat led by an experienced Chief Executive Officer.

Principal activities

The principal activity of the company during the financial year was the advancement of the art and science of illumination and the dissemination of knowledge to all interested parties.

Performance measures

The financial performance of the company is measured by regular prepared management accounts reviewed by the Board and Management. A number of KPIs are used to monitor the Secretariat's performance on an annual basis.

Impact of COVID-19

Government restrictions placed on face-to-face meetings throughout the society resulting in:

Illuminating Engineering Society of Australia and New Zealand Limited

Directors' report

30 June 2021

- Cessation of technical and social events at various times around the society;
- Postponement (and in the NSW chapter's case, eventual cancellation) of the Vic/Tas, NSW and New Zealand chapter Gala dinners, which are usually a substantial source of funding for chapter operations;
- Cessation of face-to-face board meetings, now held via Zoom, with the exception of one board meeting in February 2021 which had mixed attendance (some by Zoom, some in person);
- Cessation of running of Illuminating Engineering Society of Australia and New Zealand Ltd's short courses in Introduction to Lighting and Introduction to Lighting Design;
- Delay to the financial year 2020 AGM until January 2021.

Information on directors

Name:	Trent Dutton
Title:	Non-Executive Director
Qualifications:	MIES, RLP
Experience and expertise:	In 2010 Trent founded Rubidium Light. A lighting design consultancy focusing on the emerging Design and Construct market. Rubidium Light works closely with lighting manufactures and electrical contractor in this market segment to enable them to offer lighting solutions that previously could only be achieved through fully designed construction delivery. Rubidium Light also delivers projects directly for clients including environmentally sensitive projects. Rubidium Light has a strong focus on affordable quality lighting design and product selection. This is achieved hand in hand with energy minimisation through considered lighting design.
Special responsibilities:	Director - Advocacy, Queensland Chapter Nominee
Name:	Gregory Williams
Title:	President
Qualifications:	GDipBus(EngMgt), BE(Electrical), NZCE(E&E), MIES, MEngNZ
Experience and expertise:	Greg is a Technical Director/Principal at Beca Ltd. He has been involved in lighting design of various types since about 1991, mostly in the road lighting arena, and also has experience in the design of interior and exterior lighting, emergency lighting and sports field lighting.
Special responsibilities:	President and New Zealand Chapter Nominee
Name:	Michael Toth
Title:	Non-Executive Director
Qualifications:	MIES
Experience and expertise:	Experience gained at Philips, Thorn, Siemens, OSRAM, Trend, Spectra, WE-EF, Gerard. Job locations EU., Australia, Arabian Gulf Countries. Previously he had served as Technical Secretary on the IES chapter of NSW for five years. During that time he had organised technical meetings and wrote articles every month in Sidelights. Maintained interest in monthly IES meetings.
Special responsibilities:	Treasurer

Illuminating Engineering Society of Australia and New Zealand Limited
Directors' report
30 June 2021

Name: James Wallace
Title: Non-Executive Director
Qualifications: FIES
Experience and expertise: Spanning a 50-year career; his first 7 years in the electrical trade, and the remaining 43 years firmly and passionately embedded in the lighting community, James decided to retire from paid employment in May 2021. From 2005 until retirement he was the co-owner and Design Director of LightPlan, a professional lighting design practice located in Perth, WA, having previously co-founded Lighting Images in 1996 and earlier Task Ambient Consultants in 1994, being the first independent lighting design practice in WA. Prior to embarking on his own consultancy, James held a number of technical sales and management positions with lighting equipment manufacturers and suppliers.

Special responsibilities: Besides his volunteer IESANZ Board position, James is currently Executive Director of International Development to the Chinese Lighting Designers' Association (CLDA); Co-chair of the International Solid State Lighting Alliance (ISA) Working Group #6 "Lighting Design and Application"; and until March 2014, held a Board position with the Professional Lighting Designers' Association (PLDA).
Director - Knowledge & Development, Western Australia Chapter Nominee

Name: Scott Forbes
Title: Non-Executive Director
Qualifications: MIES, RLP
Experience and expertise: Following on from an electrical trade qualification, Scott's career in lighting began in 1989 as a cadet engineer at GEC. Gaining industry knowledge in road lighting, flood lighting and heavy industrial/mining lighting. Since then, Scott has continued to develop his skills in lighting engineering and has gained the industry-recognised qualification of Registered Lighting Practitioner (RLP).
Special responsibilities: Director - Technical & Standards

Name: Dhruva Jyoti Ghose (appointed 12 November 2020)
Title: Non-Executive Director
Qualifications: BArch, MSc(Light and Lighting), AssocIES
Experience and expertise: Dhruva chose to specialise in lighting after several years of running his own architectural and general design practice, and teaching architecture to undergraduates and postgraduates. DJ brings a unique understanding of the architectural potential of light to his practice, and a natural sympathy for the role of the architect, helping to predict and enhance the interplay between light and form. He works closely with architects and designers to ensure that their vision for every project is faithfully realised. DJ now directs the majority of the company's projects and ensures that clients receive best practice lighting solutions regardless of where in the world their projects are based.
Special responsibilities: Director - Awards

Name: Andrew Ferreira
Title: Non-Executive Director
Qualifications: MBA, MIES
Experience and expertise: Andrew's career in the industry began over 16 years ago in South Africa, journeyed through the UK and in 2010 brought him to Australia with a wealth of international experience. He has completed his studies in exterior lighting, has a Senior Executive MBA from Melbourne Business School and is currently Managing Director of Type.F.
Special responsibilities: Vice President, Director - Membership, Victoria & Tasmania Chapter Nominee

Illuminating Engineering Society of Australia and New Zealand Limited

Directors' report

30 June 2021

Name: George Harasymyszyn
Title: Non-Executive Director
Qualifications: AssocIES
Experience and expertise: George started his career in Lighting in 1976 as a Sales Clerk at Osram-GEC in Hobart, following a move to Sydney in 1982 he worked in the Electrical Industry and returned to lighting in 1989 with Stanilite Electronics, he moved to Adelaide with Stanilite in the role of State Manager SA/NT in 1996 He started with Moonlighting in the role of State Manager in 1999. He has worked with Dialight as the Regional Sales Manager for South Australia/Northern Territory since 2012.
Special responsibilities: Director - Marketing and Communications, South Australia Chapter Nominee

Name: Vessi Ivanova
Title: Non-Executive Director
Qualifications: BE (Hons) Elec, Grad Cert Design Sc(illum), MIES, RLP
Experience and expertise: Vessi Ivanova has over 21 years lighting design experience in the Building Services industry and has the expertise and industry savvy to drive Philips Lighting Design Application Centre. Throughout her carrier Vessi has worked as a senior designer for Webb Australia for many years, Design Director at NDYLIGHT in Sydney and Manager Specialist Lighting Design Northrop, Sydney. Vessi has worked on numerous projects that have received awards for excellence in lighting design. Vessi has successfully provided innovative and efficient lighting solutions across various industry sectors, including commercial, retails, clubs, landmark attractions and sports lighting. Vessi recently accomplished the successful design for the world class Optus stadium based in Perth, WA.
Special responsibilities: Director - Conference, NSW & ACT & Overseas Chapter Nominee

Company secretary

Rachel Portelli (FGIA, FCIS, GAICD) resigned on 19 August 2020 and Christopher Appleby (MBA, GAICD, CertGovPrac) was appointed on the same date.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Gregory Williams - President	14	14
Andrew Ferreira - Vice President	12	14
Michael Toth - Treasurer	14	14
James Wallace	12	14
Scott Forbes	11	14
Vesselka Bozdouganova	11	14
George Harasymyszyn	12	14
Trent Dutton	14	14
Dhruva Jyoti Ghose (appointed 12 November 2020)	8	8

Held: represents the number of meetings held during the time the director held office.

Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$20 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$14,220, based on 711 current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Illuminating Engineering Society of Australia and New Zealand Limited
Directors' report
30 June 2021

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Gregory Williams
Director

4 November 2021

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead auditor for the audit of Illuminating Engineering Society of Australia and New Zealand Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Marjorie Wessels
Director
Wessels & Co Pty Ltd

Brisbane
4th of November 2021

Illuminating Engineering Society of Australia and New Zealand Limited

Contents

30 June 2021

Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	25
Independent auditor's report to the members of Illuminating Engineering Society of Australia and New Zealand Limited	26

General information

The financial statements cover Illuminating Engineering Society of Australia and New Zealand Limited as an individual entity. The financial statements are presented in Australian dollars, which is Illuminating Engineering Society of Australia and New Zealand Limited's functional and presentation currency.

Illuminating Engineering Society of Australia and New Zealand Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Hannans & Associates Pty Ltd , UNIT 6,
Unit 6, 3986-3988 Pacific Highway
LoganHolme , QLD,4129

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 4 November 2021. The directors have the power to amend and reissue the financial statements.

Illuminating Engineering Society of Australia and New Zealand Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	4	325,055	1,016,981
Interest revenue		18	75
Expenses			
AV and webinar		-	(32,164)
Certificates, trophies and awards		(327)	(4,078)
Conference expenses		(20,000)	(234,725)
Consulting and accounting		(26,705)	(46,265)
Chief Executive Officer services		(330)	(48,395)
Depreciation and amortisation	5	(11,887)	(2,979)
Education expenses		-	(9,658)
Facilitators and consultants		(16,134)	(55,682)
Impairment - intangible asset		-	(66,323)
Insurance		(4,779)	(2,142)
Judging expenses		-	(12,133)
Marketing expenses		(34,184)	(42,622)
MC, entertainment and speaker expenses		(1,643)	(39,116)
Meeting expenses		(12,454)	(12,584)
Secretariat contractors		(68,656)	(64,641)
Subscriptions and membership fees		(35,756)	(46,301)
Travel expenses		(3,629)	(26,363)
Venue hire and catering		(22,998)	(258,810)
Other		(24,639)	(36,076)
Finance costs	5	-	(137)
Total expenses		<u>(284,121)</u>	<u>(1,041,194)</u>
Surplus/(deficit) before income tax expense		40,952	(24,138)
Income tax expense		<u>-</u>	<u>-</u>
Surplus/(deficit) after income tax expense for the year	15	40,952	(24,138)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>40,952</u></u>	<u><u>(24,138)</u></u>

Refer to note 3 for detailed information on Restatement of comparatives.

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Illuminating Engineering Society of Australia and New Zealand Limited
Statement of financial position
As at 30 June 2021

	Note	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents	6	346,874	302,690
Trade and other receivables	7	11,768	10,425
Investments	8	40,870	40,497
Other	9	89,756	32,452
Total current assets		<u>489,268</u>	<u>386,064</u>
Non-current assets			
Property, plant and equipment	10	34,010	42,512
Intangibles	11	434	3,819
Total non-current assets		<u>34,444</u>	<u>46,331</u>
Total assets		<u>523,712</u>	<u>432,395</u>
Liabilities			
Current liabilities			
Trade and other payables	12	35,580	69,496
Contract liabilities	13	139,929	56,021
Total current liabilities		<u>175,509</u>	<u>125,517</u>
Total liabilities		<u>175,509</u>	<u>125,517</u>
Net assets		<u><u>348,203</u></u>	<u><u>306,878</u></u>
Equity			
Reserves	14	38,877	38,504
Retained surpluses	15	<u>309,326</u>	<u>268,374</u>
Total equity		<u><u>348,203</u></u>	<u><u>306,878</u></u>

Refer to note 3 for detailed information on Restatement of comparatives.

Illuminating Engineering Society of Australia and New Zealand Limited
Statement of changes in equity
For the year ended 30 June 2021

	Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2019	312,460	(9,117)	303,343
Adjustment for correction of error (note 3)	39,831	(10,831)	29,000
Adjustment for reclassification (note 3)	(312,460)	312,460	-
Balance at 1 July 2019 - restated	39,831	292,512	332,343
Deficit after income tax expense for the year	-	(24,138)	(24,138)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(24,138)	(24,138)
Interest earned on restricted reserve	666	-	666
Bursary paid from restricted reserve	(1,993)	-	(1,993)
Balance at 30 June 2020	<u>38,504</u>	<u>268,374</u>	<u>306,878</u>

Refer to note 3 for detailed information on Restatement of comparatives.

	Reserves \$	Retained surpluses \$	Total equity \$
Balance at 1 July 2020	38,504	268,374	306,878
Surplus after income tax expense for the year	-	40,952	40,952
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	40,952	40,952
Interest earned on restricted reserve	373	-	373
Balance at 30 June 2021	<u>38,877</u>	<u>309,326</u>	<u>348,203</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Illuminating Engineering Society of Australia and New Zealand Limited
Statement of cash flows
For the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		432,548	1,063,586
Payments to suppliers and employees (inclusive of GST)		<u>(388,382)</u>	<u>(870,198)</u>
		44,166	193,388
Interest received		18	75
Interest and other finance costs paid		<u>-</u>	<u>(137)</u>
Net cash from operating activities		<u>44,184</u>	<u>193,326</u>
Cash flows from investing activities			
Payments for investments		(373)	(666)
Payments for property, plant and equipment	10	-	(42,512)
Payments for intangibles	11	-	(53,743)
Interest received on term deposit		<u>373</u>	<u>666</u>
Net cash used in investing activities		<u>-</u>	<u>(96,255)</u>
Cash flows from financing activities			
Movements in equity - other		<u>-</u>	<u>(1,993)</u>
Net cash used in financing activities		<u>-</u>	<u>(1,993)</u>
Net increase in cash and cash equivalents		44,184	95,078
Cash and cash equivalents at the beginning of the financial year		<u>302,690</u>	<u>207,612</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>346,874</u></u>	<u><u>302,690</u></u>

Refer to note 3 for detailed information on Restatement of comparatives.

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has early adopted AASB 1060 from 1 July 2020. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments. As permitted by AASB 1053 for early adoption of AASB 1060, comparative information has not been provided for these new disclosures.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Comparative information

Some comparative information has been reclassified for presentation purposes.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Note 1. Significant accounting policies (continued)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Impairment of non-financial assets

Non-financial assets such as property, plant and equipment (note 10) and intangible assets (note 11) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Income tax

The company has assessed that it is exempt from Australian Income Tax in accordance with Section 50.1 (item 7) and Section 50.70 of the Income Tax Assessment Act 1997. Additionally, the company has assessed that it is exempt from New Zealand Income Tax in respect of income generated from carrying out events in New Zealand and from membership subscriptions. The company has relied on the principle of mutuality, and the Double Tax agreement between Australia and New Zealand, in determining its tax exempt status in New Zealand.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Note 1. Significant accounting policies (continued)

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Income tax

The company is incorporated in Australia, and operates principally in Australia, but also earns revenue from members that are resident in New Zealand and from member events that occur in New Zealand.

The company self-assesses its income tax-exempt status on an annual basis in Australia and New Zealand based on the company's current understanding of the tax law in each jurisdiction.

The company's income tax-exempt status can be impacted in each year of assessment by the relative amount of revenue generated and expenses incurred in each jurisdiction, the relative amount of revenue from members and non-members, and changes in tax legislation in Australia and New Zealand.

Note 3. Restatement of comparatives

Correction of error

Financial information for the year ended 30 June 2020 has been restated by way of a prior year restatement of opening retained surpluses at 1 July 2020 in respect of the following amounts:

Note 3. Restatement of comparatives (continued)

- Liabilities for the following expenses were not accrued for at 30 June 2020:
 - (i) The audit fee for the financial year ended 30 June 2020 of \$5,000.
 - (ii) Membership fees payable to the Illuminating Engineering Society of North America (IESNA) amounting to \$39,325.

The errors have been corrected by increasing *Other expenses* by \$5,000, increasing *Subscriptions and membership fees* by \$39,325, and recognising a foreign exchange gain of \$3,043 (*Other income*) on the conversion of the IESNA invoice from USD to AUD for the year ended 30 June 2020. The retained surpluses at 30 June 2020 decreased by \$41,282. The total impact on the surplus for the year ended 30 June 2020 is \$41,282 and a corresponding adjustment has been made to increase *Trade and other payables* at 30 June 2020 by \$41,282. Opening retained surpluses at 1 July 2020 have been reduced by \$41,282.

- An insurance prepayment of \$2,958 has now been recognised at 30 June 2020. The error has been corrected by reducing *Insurance* expense for the year ended 30 June 2020 by \$2,958 and increasing *Prepayments* at 30 June 2020 by the same amount. The net surplus for the year ended 30 June 2020 and therefore the opening retained surpluses at 1 July 2020 have increased by \$2,958.
- An insurance over-payment of \$1,931 has been transferred from *Insurance* expense to *Other receivables*. The error has been corrected by reducing *Insurance* expense for the year ended 30 June 2020 by \$1,931 and increasing *Other receivables* at 30 June 2020 by the same amount. The net surplus for the year ended 30 June 2020 and therefore the opening retained surpluses at 1 July 2020 have increased by \$1,931.
- Various expenses totalling \$1,319 on the corporate credit card had not been accrued for at 30 June 2020. The error has been corrected by increasing expenses for the year ended 30 June 2020 by \$1,319 and increasing the *Credit cards* balance under *Trade and other payables* by the same amount. The net surplus for the year ended 30 June 2020 and therefore the opening retained surpluses at 1 July 2020 have been reduced by \$1,319.
- A duplicate payment from a customer in the 30 June 2020 financial year resulted in amounts to be refunded at 30 June 2020 of \$2,790. The duplicate payment was recorded as revenue for the year ended 30 June 2020 instead of as creditor in respect of the refund liability. The error has been corrected by decreasing *Membership* revenue for the year ended 30 June 2020 by \$2,790 and increasing *Trade payables* under *Trade and other payables* at 30 June 2020 by \$2,790. The net surplus for the year ended 30 June 2020 and therefore the opening retained surpluses at 1 July 2020 have been reduced by \$2,790.
- The Gwyneth Ewens Memorial Bursary Fund provision account of \$29,000 at 30 June 2019, has been reclassified to a reserve account and matched with the balance on the Term Deposit Account, by a transfer out of opening retained earnings, of \$10,831, being accumulated interest on the fund's term deposit, resulting in a restricted reserve balance of \$39,831 at 30 June 2019.
- A bursary paid on 21 January 2020 of \$1,993 has been reclassified from a charge to membership subscriptions revenue for the year ended 30 June 2020, to the Gwyneth Ewens Memorial Bursary reserve account, and related term deposit interest of \$666 previously recognised as income in the statement of profit or loss and other comprehensive income has been credited to the reserve account.
- Internal and external indicators of impairment existed at 30 June 2020 related to a recorded intangible asset, Intellectual property - *Capitalised Course Development Fees - Education Courses*, (refer to note 11). The intellectual property was acquired from the company's former subsidiary, IESANZ Education Pty Ltd at a cost of \$66,323. The indicators of impairment should have been identified as triggers for testing the carrying value of the intellectual property for impairment at 30 June 2020. Current actual cash flows for the year ended 30 June 2020 and future cash flow forecasts were not available to support the recorded carrying value of the intellectual property, requiring an impairment write down at 30 June 2020.

The impairment write-down of the intellectual property has been recognised by way of a prior year adjustment to reduce the carrying value of the intellectual property at 30 June 2020 of \$62,130 to \$nil. The amortisation charge for the year ended 30 June 2020 of \$4,193 has been reversed and an impairment loss of \$66,323 has been recognised instead. The impact of the prior year adjustment is a reduction in the surplus for the year ended 30 June 2020 of \$62,130 and therefore a reduction of opening retained surpluses at 1 July 2020 by \$62,130.

The total impact of the correction of the prior year errors described above, is a reduction of \$101,249 in the surplus for the year ended 30 June 2020, a reduction in opening retained surpluses at 1 July 2020 of \$112,079 (1 July 2019: \$10,831) a decrease in opening reserves at 1 July 2020 of \$1,327 (1 July 2019: Increase \$39,831), and a corresponding increase in net assets at 1 July 2020 of \$73,575.

Reclassification

The following reclassification adjustments have been processed in the 30 June 2020 comparatives.

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 3. Restatement of comparatives (continued)

- Included in *Cash and cash equivalents* at 30 June 2020 was a term deposit of \$40,497 that had a term of 10 months. This deposit has been reclassified to *Investments* in the Statement of Financial Position at 30 June 2020 as the term deposit is not classified as *cash and cash equivalents*. The Statement of Cash Flows has also been restated.
- Balances on *Load and Go Travel* cards totaling \$1,329, have been reclassified from cash and equivalents to '*Other Debtors*', under *Trade and other receivables*
- Amortisation expense of \$4,193 has been reclassified from *Education expenses* to Impairment of intangible asset.
- The secretariat accrual of \$5,580 has been reclassified from *Prepayments* to *Accrued expenses* under *Trade and other payables*.
- Reclassification of a *Consolidated equity reserve* of \$312,460 to retained surpluses.

The above reclassifications had no impact on the company's net surplus for the year ended 30 June 2020.

Statement of profit or loss and other comprehensive income

Extract	2020 \$ Reported	\$ Adjustment	2020 \$ Restated
Revenue	1,014,526	2,455	1,016,981
Other income	209	(209)	-
Interest revenue	742	(667)	75
Expenses			
Education expenses	(13,851)	4,193	(9,658)
Insurance	(7,032)	4,890	(2,142)
Subscriptions and membership fees	(6,212)	(40,089)	(46,301)
Impairment - intangible asset	-	(66,323)	(66,323)
Other	(30,578)	(5,498)	(36,076)
Surplus/(deficit) before income tax expense	77,110	(101,248)	(24,138)
Income tax expense	-	-	-
Surplus/(deficit) after income tax expense for the year	77,110	(101,248)	(24,138)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	<u>77,110</u>	<u>(101,248)</u>	<u>(24,138)</u>

Statement of financial position at the beginning of the earliest comparative period

When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 July 2019. However, as there were no adjustments made as at 1 July 2019, the company has elected not to show the 1 July 2019 statement of financial position.

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 3. Restatement of comparatives (continued)

Statement of financial position at the end of the earliest comparative period

Extract	2020 \$ Reported	\$ Adjustment	2020 \$ Restated
Assets			
Current assets			
Cash and cash equivalents	344,517	(41,827)	302,690
Trade and other receivables	7,164	3,261	10,425
Investments	-	40,497	40,497
Other	23,914	8,538	32,452
Total current assets	375,595	10,469	386,064
Non-current assets			
Intangibles	65,949	(62,130)	3,819
Total non-current assets	108,461	(62,130)	46,331
Total assets	484,056	(51,661)	432,395
Liabilities			
Current liabilities			
Trade and other payables	18,583	50,913	69,496
Total current liabilities	74,604	50,913	125,517
Non-current liabilities			
Provisions	29,000	(29,000)	-
Total non-current liabilities	29,000	(29,000)	-
Total liabilities	103,604	21,913	125,517
Net assets	380,452	(73,574)	306,878
Equity			
Reserves	312,460	(273,956)	38,504
Retained surpluses	67,992	200,382	268,374
Total equity	380,452	(73,574)	306,878

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 4. Revenue

	2021 \$	2020 \$
<i>Revenue from contracts with customers</i>		
Advertising	143	400
Awards	-	130,585
Conferences	-	247,873
Consulting income	37,292	209
Course fees	9	109,606
Event registration	2,989	35
Membership subscriptions	255,249	272,748
Sponsorships	24,470	255,355
Other	4,903	170
Revenue	<u>325,055</u>	<u>1,016,981</u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2021 \$	2020 \$
<i>Geographical regions</i>		
Australia	164,286	850,427
New Zealand	160,769	166,554
	<u>325,055</u>	<u>1,016,981</u>
<i>Timing of revenue recognition</i>		
Services transferred at a point in time	32,505	634,918
Services transferred over time	292,550	382,063
	<u>325,055</u>	<u>1,016,981</u>

Accounting policy for revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 4. Revenue (continued)

Awards

The company invites Owners and/or Designers of recently completed lighting installations in metropolitan and regional areas to nominate for the various states' Lighting Awards. A fixed awards submission price is charged for members and non-members and the revenue is recognised at a point in time when the members and non-members are invoiced. The award events also attract revenue from ticket sales which is recognised when the awards event is held. Award event tickets received in advance of the event, are recorded in the *Statement of Financial Position* under the heading of *Current liabilities as Contract liabilities - Awards revenue received in advance*.

Conferences

The Light in Focus Conference is held bi-annually. Revenue is recognised when the event is held. Amounts received on registration in advance of the event, will be recorded in the *Statement of Financial Position* under the heading of *Current liabilities as Contract liabilities - Conference income received in advance*.

Consulting income

Revenue from consultancy services relates to the services provided by the company under the agreement with the Ministry of Business, Innovation and Employment (New Zealand). Revenue is recognised as the services are provided.

Course fees

Revenue from course fees is recognised as the service is delivered in accordance with the terms of the service agreement.

Membership subscriptions

The company's subscription year is 1 July to 30 June. Fees are payable annually in advance. Only fees receipted attributable to the current financial year are recognised as revenue. Fee receipts relating to periods beyond the current financial year are recognised, excluding any applicable taxes, in the *Statement of Financial Position* under the heading of *Current liabilities as Contract liabilities - Membership subscriptions received in advance*.

Sponsorships

Revenue from the Partner program is recognised in the financial year to which it relates. Partnership income received in advance is recorded in the *Statement of Financial Position* under the heading of *Current liabilities as Contract liabilities - Sponsorship revenue received in advance*.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 5. Expenses

	2021 \$	2020 \$
Surplus/(deficit) before income tax includes the following specific expenses:		
<i>Impairment</i>		
Intellectual property-Capitalised Education Course Development Fees	-	66,323
<i>Depreciation and amortisation</i>		
Plant and equipment - depreciation	8,502	-
Website - amortisation	3,385	3,385
	11,887	3,385

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 6. Cash and cash equivalents

	2021 \$	2020 \$
<i>Current assets</i>		
Cash at bank	<u>346,874</u>	<u>302,690</u>

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 7. Trade and other receivables

	2021 \$	2020 \$
<i>Current assets</i>		
Trade receivables	<u>11,768</u>	<u>7,164</u>
Other receivables	1,329	3,261
Less: Allowance for expected credit losses	<u>(1,329)</u>	<u>-</u>
	<u>-</u>	<u>3,261</u>
	<u>11,768</u>	<u>10,425</u>

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 8. Investments

	2021 \$	2020 \$
<i>Current assets</i>		
Term deposit - G Ewens Memorial Bursary Fund	<u>40,870</u>	<u>40,497</u>

The term deposit has a maturity of 10 months from the date of acquisition and earns interest of 0.35% (2020: 1.10%) per annum. Refer to *note 14 Gwyneth Ewens Memorial Bursary Reserve*

Note 9. Other

	2021 \$	2020 \$
<i>Current assets</i>		
Prepayments	<u>89,756</u>	<u>32,452</u>

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 10. Property, plant and equipment

	2021 \$	2020 \$
<i>Non-current assets</i>		
Plant and equipment - at cost	42,512	42,512
Less: Accumulated depreciation	(8,502)	-
	<u>34,010</u>	<u>42,512</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant and equipment \$
Balance at 1 July 2020	42,512
Depreciation expense	(8,502)
	<u>34,010</u>

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Plant and equipment	20%
---------------------	-----

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 11. Intangibles

	2021 \$	2020 \$
<i>Non-current assets</i>		
Website - at cost	12,756	12,756
Less: Accumulated amortisation	(12,322)	(8,937)
	<u>434</u>	<u>3,819</u>
Course development - at cost	66,323	66,323
Less: Impairment	(66,323)	(66,323)
	<u>-</u>	<u>-</u>
	<u>434</u>	<u>3,819</u>

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 11. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Website \$	Total \$
Balance at 1 July 2020	3,819	3,819
Amortisation expense	<u>(3,385)</u>	<u>(3,385)</u>
Balance at 30 June 2021	<u>434</u>	<u>434</u>

Accounting policy for intangible assets

Intangible assets acquired separately, and not in a business combination are initially recognised at cost. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity for placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Significant costs associated with intellectual property are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3-5 years.

Note 12. Trade and other payables

	2021 \$	2020 \$
<i>Current liabilities</i>		
Trade payables	18,309	51,753
Accrued expenses	8,143	15,529
Credit cards balance	1,285	1,319
GST payable	<u>7,843</u>	<u>895</u>
	<u>35,580</u>	<u>69,496</u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Accrued expenses are represented by liabilities for goods and services incurred at the year-end date that have not yet been paid, invoiced or formally agreed with the supplier.

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 13. Contract liabilities

	2021 \$	2020 \$
<i>Current liabilities</i>		
Sponsorship revenue received in advance	16,198	-
Membership subscriptions received in advance	98,241	56,021
Awards revenue received in advance	14,315	-
Other revenue received in advance	11,175	-
	<u>139,929</u>	<u>56,021</u>

Accounting policy for contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

Note 14. Reserves

	2021 \$	2020 \$
G Ewens Memorial Bursary Reserve	<u>38,877</u>	<u>38,504</u>

Gwyneth Ewens Memorial Bursary Reserve

The Gwyneth Ewens Memorial Bursary Reserve was established to provide lighting research bursaries. Refer to note 8: *Term Deposit-Gwyneth Ewens Memorial Bursary*.

	2021 \$	2020 \$
Movement in reserve balance		
Balance at 1 July 2020	38,504	39,831
Interest received on term deposit	373	666
Bursary paid out of operations bank account	<u>-</u>	<u>(1,993)</u>
Balance at 30 June 2021	<u>38,877</u>	<u>38,504</u>

Note 15. Retained surpluses

	2021 \$	2020 \$
Retained surpluses at the beginning of the financial year	268,374	292,512
Surplus/(deficit) after income tax expense for the year	<u>40,952</u>	<u>(24,138)</u>
Retained surpluses at the end of the financial year	<u>309,326</u>	<u>268,374</u>

Note 16. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	2021 \$	2020 \$
Aggregate compensation	<u>22,560</u>	<u>-</u>

Illuminating Engineering Society of Australia and New Zealand Limited
Notes to the financial statements
30 June 2021

Note 17. Contingent liabilities

The company has a New Zealand Chapter that is registered for Goods and Services Tax (GST) in New Zealand. After the financial year-end, the Directors were made aware of the potential misreporting of GST on income and expenses in the New Zealand GST returns.

The current Directors have engaged a New Zealand-based Indirect Tax specialist to review the GST arrangements and lodgements by the company's New Zealand Chapter, in relation to membership subscriptions and goods and services associated with events held in New Zealand. This review is ongoing and will include a determination in due course of the quantum of any underpayment of GST.

At the date of this financial report, the Directors have assessed that there is a potential contingent liability of an unknown amount, that will crystallise in the 30 June 2022 financial year.

Note 18. Related party transactions

In the prior financial year, the company purchased plant and equipment (an SSL Goniophotometer) and intellectual property *Capitalised Education Course Development Fees*, from a former subsidiary IESANZ Education Limited. IESANZ Education Ltd was placed into voluntary administration prior to 30 June 2020, and placed into voluntary liquidation on 1 July 2021.

Key management personnel

Disclosures relating to key management personnel are set out in note 16.

Transactions with related parties

The following transactions occurred with related parties:

	2021 \$	2020 \$
Payment for goods and services:		
Purchase of asset from related party	-	42,512
Purchase of intellectual property from related party	-	53,743
Payment for consultancy services from a director	1,919	-

Receivable from and payable to related parties

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

Loans to/from related parties

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

Note 19. Events after the reporting period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Illuminating Engineering Society of Australia and New Zealand Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Gregory Williams
Director

4 November 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Illuminating Engineering Society of Australia and New Zealand Limited

Opinion

We have audited the financial report of Illuminating Engineering Society of Australia and New Zealand Limited (the Company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with *Australian Accounting Standards - Simplified Disclosures* and the *Corporations Regulations*.

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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other Information

The directors of the company are responsible for the other information. The other information comprises the information included in the directors' report for the year ended 30 June 2021 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.

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 – Simplified Disclosures* 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 is free from material misstatement, whether due to fraud or error.

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

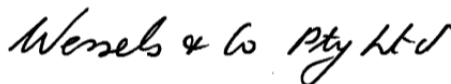
Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with 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.



Wessels & Co Pty Ltd



Marjorie Wessels
Director

Signed at Brisbane, on the 4th of November 2021