PERTH MOBILE GP SERVICES LTD

ABN: 64 129 336 803

Consolidated Financial Report For The Year Ended 30 June 2022

Perth Mobile GP Services Ltd

ABN: 64 129 336 803

Consolidated Financial Report For The Year Ended 30 June 2022

CONTENTS **Page**

General Information

The financial statements cover Perth Mobile GP Services Limited and Mobile GP HR Services Pty Ltd. The financial statements are presented in Australian dollars, which is Perth Mobile GP Services Limited's functional and presentation

Perth Mobile GP Services 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 are:

Registered Office	Principal place of business
UHY Haines Norton Perth Level 2 35-37 Havelock Street West Perth WA 6005	316 Lord Street Highgate WA 6003

A description of the nature of the Group's operations and its principal activities are included in the directors report, which is part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on January 2023. The directors have the power to amend and reissue the financial statements.

PERTH MOBILE GP SERVICES LTD
ABN: 64 129 336 803
DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2022.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Andrew Davies
Diane Davies
Elizabeth Mary Pattison
Grant Charles Jefferis Priest
Amanda Newland Stafford
Christopher John Paull (6/08/2021)

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

Principal Activities

The Company's principal activities during the financial year are providing healthcare for homeless and marginalised people in metropolitan Perth, Western Australia. The organisation's main focus is improving physical and mental health, managing complex healthcare needs and supplying preventative medicine, including immunisation. The nature of that activity did not significantly change during the year.

Going Concern

The financial report has been prepared on a going concern basis as the Directors have received a guarantee of continued financial support in the form of government grants, and the Directors believe that such financial support will continue to be made available for established services. Several private donors have again indicated that they will provide significant ongoing financial support in the new year.

The Board remains concerned about achieving funding sources to ensure long-term sustainability for the Company and its services. The need to support many core services with multiple short-term contracts from various sources and reliance on donations for what should be a mainstream government-funded health service takes valuable time and energy away from providing desperately needed services.

Our achievements in service delivery continue through the tireless work of our staff, who provide a high level of care to our patients. Again this year, staff have contributed above and beyond reasonable expectations to keep the service operating efficiently to provide exceptional healthcare.

Short-term and Long-term Objectives

Perth Mobile GP Services Ltd commenced in early 2008 and operated under the trading name of Mobile GP. In June 2015, the trading name was changed to Homeless Healthcare to reflect better the Company's healthcare service. The service operates on a 'hub and spoke' model; with our model of respect for the individual and collaboration with the organisations within which we work, Homeless Healthcare has rapidly become the largest healthcare provider to homeless and marginalised people in the Perth metropolitan region.

The Company's short-term objectives are to continue to develop and strengthen the 'hub and spoke' model by:

• Maintaining the network of mobile medical clinics and The Hub (formerly known as the Transitions Clinic) run by dedicated clinicians with a special interest in working with the homeless and marginalised people.

• Maintaining and extending the Street Health service for homeless people who live on the street.

• Maintaining the in-reach service at Royal Perth Hospital for homeless people who are inpatients or in the hospital's Emergency Department.

• Continuing the visiting support service in conjunction with Ruah for the newly housed as part of the rebadged Zero Project.

• Successfully completing the Medical Recovery Centre pilot for homeless people recently discharged from hospital and negotiating ongoing funding as an additional service delivery model to reach a greater proportion of homeless and marginalised people and reduce hospital usage.

• Obtaining increased financial support from corporate entities and the general public.

• Continuing to develop close links with Universities and other educational institutions to advance our educational and research roles.

• Working with the Governments of Australia and Western Australia to encourage them to provide sustainable funding for health services for homeless people whose health status is a national embarrassment and assist us in helping those in our society who need it most.

• Collaborating with the University of Notre Dame to continue monitoring the outcomes of different care delivery programs provided by Homeless Healthcare.

The entity's long-term objectives are to:

• Develop an education unit to educate other healthcare providers on successful evidence-based health and social interventions for homeless and marginalised people.

• Develop a research unit to expand the growing international knowledge base on effective interventions to improve the health of homeless and marginalised people.

• Develop a simpler funding model for the Company to ensure long-term sustainability.

Strategies

The rising cost of living and reduced number of places to rent are driving the rapid increases in the number of homeless people, increasing the demand for our services and the range of services needed. The current COVID-19 pandemic has added to the demand and complexity of service provision. Our clinical work continues to be funded partly by Medicare, with continued limitations of income generation for the organisation imposed by the billing system, as referred to in previous reports. The healthcare needs of homeless people, the majority of whom have multiple complex health conditions, cannot be met by the current Medicare rebates.

The advent of COVID-19 rapidly increased the numbers of patients seen and the overall workload for the organisation. Homeless Healthcare was instrumental in advising the Health Department about managing people in the community with COVID-19 and actively assisted in the COVID-19 response, particularly for homeless people. Demand at mobile clinics, drop-in centres and The Hub increased by about 40% over the year.

Following on from the Board strategic planning session reported last year, a new executive structure for the organisation has been implemented to meet the needs of the recent rapid expansion of the organisation, with the potential for further substantial increases in services. While considerable progress has been made, delays have occurred due to the need to focus energies on services to meet the impact of the COVID-19 pandemic.

Research and evaluation of the services provided have been at the core of Homeless Healthcare since its inception to ensure that Homeless Healthcare provides evidence-based health and social interventions to improve the outcomes for homeless people. Initially in collaboration with UWA, and now with the University of Notre Dame, an ongoing review of the service as a whole has been undertaken, including the impact of the Royal Perth Hospital In-reach service on ED attendances, admissions, length of stay and readmissions. The evaluation is complex and hampered by the need to interrogate multiple data sources to obtain information on the health of people when in the community and when hospitalised.

Key Performance Measures

Extension of Services

Following a second EOI process undertaken by the East Metropolitan Health Service, the Western Australian Government awarded Homeless Healthcare a two-year trial contract funding the basic operational costs of a Medical Recovery Centre. Generous donors have funded the costs for the rented premises and some other otherwise unfunded operational aspects of the service. The Medical Recovery Centre, as established, is the biggest in Australia and the only one in Perth. In addition to the funded medical beds, several additional short-term stay beds have been made available for the newly discharged, with no additional medical needs but nowhere to go. A small fee is charged for this accommodation. The first year of operations will be reviewed in October 2022, but indicate fewer inpatient bed-days and fewer readmissions. The unit is much like a home, with one of the innovative features being the availability of invaluable peer support workers who assist the newly discharged. Discussions have commenced for the addition of services for people with alcohol and other drug problems at the unit.

Many services provided by Homeless Healthcare have been extended in the last year, with 10 GP and nurse clinics now held each week at The Hub, along with physiotherapy, occupational therapy, podiatry and psychological counselling. Space has been allocated for a dental clinic. COVID-19 and influenza vaccinations are offered to all who attend The Hub. Homeless Healthcare is also part of the Health Department's response to the syphilis outbreak and other sexually transmitted or blood-borne diseases. Street Health expanded last year, providing mobile clinics to drop-in centres, transitional accommodation services (including a domestic violence shelter), and drug and alcohol rehabilitation services. The home visiting service and after-hours support service continue to operate for the recently housed. A women's clinic now operates fortnightly for victims of family and domestic violence, with 128 women attending during the year. The Fremantle Street Health team has increased engagement with accommodation services and refers directly to the Medical Recovery Centre to reduce hospital admissions.

Education and training have been expanded not only for staff training and professional development but also for patients with a patient education activity area.

Evaluation of the services provided

The service evaluation, which initially focused on the Royal Perth Hospital In-reach service, has been extended to The Hub, and next year will include outcomes from the Medical Recovery Centre pilot. Early data from the pilot indicate improved health and well-being and reduced ED–inpatient–ED revolving door.
Several publications with data are available. Below is an extract of the data.

Over the past five years, The Hub has supported 2,480 people with 40,960 appointments: 88% have experienced chronic homelessness, 22% are Aboriginal or Torres Strait Islanders, 60% are male, 94% are adults, with an average age of 45 years, 70% had at least two chronic conditions, and 35% had five or more chronic conditions.

In the three years prior to The Hub contact, 71% of patients attended ED at least once, 47% took an ambulance to hospital and 58% had at least one admission (total of 14,489 bed-days). The hospital cost was $49,407,236 (for 3 years) or $13,100 per person per year. A sub-group of 234 patients who attended The Hub for three years and for whom full data was available had a 40% reduction in ED attendance, 29% reduction in ambulance arrivals, 41% decrease in hospital admissions and 50% decrease in bed-days. The Hub patient costs are $841 per patient per year.

The interventions have also increased the ability to remain housed. Stable housing is a key element of breaking the homelessness cycle; without it, most will struggle to improve their health. Data from the 50 Lives 50 Homes program, continuing as the Zero Project) showed an almost 90% tenancy retention at the end of one year, declining to 56% by five years. Further work is needed to provide housing and support the newly housed.

Information on Directors	**Qualifications, experience and special responsibilities**
Andrew Davies	A director since incorporation of the Company on 22 January 2008. Dr Davies has a Bachelor of Medicine and Bachelor of Surgery from The University of Western Australia and a Fellowship to the Royal Australian College of General Practitioners. He has been working as a medical practitioner for the past 24 years. During this time, he has developed interests in Aboriginal Health, Homeless Medicine, Child and Adolescent Health and Mental Health. For the last 16 years, he has been working with homeless and marginalised people to try and overcome some of the healthcare barriers that they experience. Andrew has received the following awards for his work with homeless people: 2017 Pride of Australia Medal; 2018 Paul Harris Fellow; 2018 Health Consumers Council Award for Compassionate Care; 2018 Health Consumers Council Award for Health Professional; 2018 Finalist for Western Australia Australian of the Year – Local Hero Award.
Diane Davies	A director of the company since 24 October 2010. Dr Davies has a Bachelor of Medicine and Bachelor of Surgery from The University of Western Australia, is a Fellow of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists, and has a Masters of Public Health and Tropical Medicine from James Cook University. In addition to her clinical role, she has been Director of Medical Services at King Edward Memorial Hospital for Women, Alice Springs Hospital and Sir Charles Gairdner Hospital. She has extensive experience working with Aboriginal women in their communities in Central Australia. Dr Davies has provided management advice and support to Mobile GP since September 2009 and been Chairman of the Board since 2011. Dr Davies was inducted into the Western Australian Women's Hall of Fame in 2014 for her work with Homeless Healthcare.
Elizabeth Mary Pattison	A director of the company since 3 November 2020. Dr Pattison has a PhD in Business & Industrial Studies from Warwick University and more than 30 years' experience in strategic planning for the not-for-profit, government and education sectors. Dr Pattison was awarded an Order of Australia in 2018 for her pro bono community service, providing strategic planning and project leadership to a wide range of Western Australian organisations, including Homeless Healthcare and Kimberley Dental Team.
Grant Charles Jefferis Priest	A director of the Company since 3 November 2020. Mr Priest has extensive experience in funds management, audit, Australian and International taxation, digital and online business development strategies, family estate planning, risk mitigation strategy development and corporate advisory. Grant has chaired several boards, including the Board of National Sothertons Group, Carpathian Resources Ltd and the charity Life Plan Inc. He has also spent time as a non-executive Director of the National Sothertons Group, Paladin Ltd, the Paramor Group of companies, Ensurance Ltd and Knights Capital Management Pty Ltd. Grant was Company Secretary for Knights Capital Group Ltd and the lay member of the Perth Childrens Hospital and Princess Margaret Hospital Human Research Ethics Committee. Grant has a Bachelor of Business and Diploma in Financial Services and is a Fellow of Chartered Accountants Australia and New Zealand (CAANZ), Chartered Tax Advisor of the Tax Institute of Australia, and a Registered Tax Agent. He has taken on the role of secretary.

Amanda Newland Stafford

A director of the company since 3 November 2020.

Dr Amanda Stafford is an Emergency Medicine specialist from Royal Perth Hospital (RPH) in Western Australia and the Clinical Lead for the RPH Homeless Team. She also has clinical and research interests in alcohol and drug addiction. Dr Stafford is involved in homelessness policy and strategy initiatives at local and state government levels and multiple collaborations with Perth's homeless community. She is committed to reducing health inequalities among this marginalised and vulnerable cohort.

Christopher John Paull

A director of the company since 6 August 2021.

Mr Paull is an experienced director within PwC's Financial Advisory team, with more than 15 years of professional services experience in Perth and Sydney. Chris' role at PwC involves advising corporate groups, trusts, not-for-profit organisations and government from a tax consulting, compliance and structuring perspective. In particular, Chris focuses on projects that align with PwC's purpose, which is to "build trust in society and solve important problems". Chris' qualifications include membership with the Institute of Chartered Accountants Australia & New Zealand (Graduate Diploma), Bachelor of Commerce at Curtin University of Technology Western Australia, member and presenter for the Tax Institute of Australia, and member of the Property Council of WA tax sub-committee. Mr Paull has taken on the role of treasurer.

Meetings of Directors

During the financial year, 6 directors' meetings were held. Attendances by each director were as follows:

	Directors' Meetings	
Directors	**Number eligible to attend**	**Number attended**
Andrew Davies	6	6
Diane Davies	6	6
Elizabeth Mary Pattison	6	6
Grant Charles Jefferis Priest	6	6
Amanda Newland Stafford	6	6
Christopher John Paull	6	6

The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that any surplus assets remaining after payment of the Company's liabilities shall be transferred to another organisation in Australia, which is a public benevolent institution for the purposes of any Commonwealth taxation Act. Each member is required to contribute a maximum of $1 towards meeting any outstanding obligations of the Company. At 30 June 2022, the number of members is six.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 6 of the financial report.

A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001 is set out on page 6

Signed in accordance with a resolution of the Board of Directors.

Dated this Thirty first day of January 2023

DIRECTOR **DIRECTOR**

Advisory • Audit
Business Solutions

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF PERTH MOBILE GP SERVICES LIMITED

In relation to our audit of the financial report of Perth Mobile GP Services Limited for the year ended 30 June 2022, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SIMON FERMANIS
SENIOR PARTNER

31 JANUARY 2023
WEST PERTH,
WESTERN AUSTRALIA

Level 4, 35 Havelock Street, West Perth, WA 6005
PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

PERTH MOBILE GP SERVICES LTD
ABN: 64 129 336 803
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
Revenue	2	5,459,422	3,330,034
Other income	2	417,952	637,872
Wages		(3,626,522)	(2,989,483)
Depreciation and amortisation expense	3	(175,987)	(143,290)
Other expenses		(1,513,826)	(559,898)
Current year surplus before income tax		561,039	275,235
Income tax expense			
Net current year surplus		561,039	275,235
Other comprehensive income			
Total other comprehensive (losses)/income for the year		-	-
Total comprehensive income for the year		-	-
Profit/(Loss) attributable to members of the equity		561,039	275,235
Total comprehensive income attributable to members of the entity		-	-

The accompanying notes form part of these financial statements.

PERTH MOBILE GP SERVICES LTD
ABN: 64 129 336 803
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 $	2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,981,724	899,530
Accounts receivable and other debtors	5	628,911	34,361
TOTAL CURRENT ASSETS		2,610,635	933,891
NON-CURRENT ASSETS			
Property, plant and equipment	6	125,992	140,258
Right-of-use assets	7	738,196	901,893
TOTAL NON-CURRENT ASSETS		864,189	1,042,152
TOTAL ASSETS		3,474,824	1,976,042
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	8	1,306,630	232,550
Lease liabilities	7	115,685	151,087
Employee provisions	9	280,802	264,546
TOTAL CURRENT LIABILITIES		1,703,117	648,183
NON-CURRENT LIABILITIES			
Lease liabilities	7	644,670	761,861
TOTAL NON-CURRENT LIABILITIES		644,670	761,861
TOTAL LIABILITIES		2,347,787	1,410,044
NET ASSETS		1,127,037	565,998
EQUITY			
Current profit surplus		561,039	275,235
Retained Profits		565,998	290,763
TOTAL EQUITY		1,127,037	565,998

The accompanying notes form part of these financial statements.

PERTH MOBILE GP SERVICES LTD
ABN: 64 129 336 803
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Note	Retained Surplus $	Total $
Balance at 1 July 2020		290,763	290,763
Surplus for the year attributable to owners of the entity		275,235	275,235
Total comprehensive income attributable to owners of the entity		275,235	275,235
Balance at 30 June 2021		565,998	565,998
Balance at 1 July 2021		565,998	565,998
Surplus for the year attributable to owners of the entity		561,039	561,039
Total comprehensive income for the year		561,039	561,039
Balance at 30 June 2022		1,127,037	1,127,037

The accompanying notes form part of these financial statements.

PERTH MOBILE GP SERVICES LTD
ABN: 64 129 336 803
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts received		6,207,911	4,017,879
Payments to suppliers and employees		(4,863,548)	(3,806,304)
Interest received		76	116
Net cash generated from operating activities	13	1,344,439	211,691
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(86,001)	(142,430)
Net cash used in investing activities		(86,001)	(142,430)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(14,520)	(11,536)
Increase in finance lease commitments		(161,724)	(122,193)
Net cash used in financing activities		(176,244)	(133,729)
Net increase in cash held		1,082,194	(64,468)
Cash on hand at beginning of the financial year		899,530	963,998
Cash on hand at end of the financial year	4	1,981,724	899,530

The accompanying notes form part of these financial statements.

Perth Mobile GP Services Ltd is the Group's ultimate parent company. Perth Mobile GP Services Ltd is a public company limited by guarantee incorporated and domiciled in Australia.

The Financial Statements were authorised for issue on 31 January 2023 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

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. There has been no material impact on the financial report in this regard.

Basis of Preparation

The consolidated general purpose financial statements of the Group have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The group is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. 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 accrual 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.

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 item m.

Basis of Consolidation

The Group financial statements consolidate those of the parent company and its subsidiary undertakings drawn up to 30 June 2022. Subsidiaries are all entities over which the Group has the power to control through more than half of the voting rights. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation.

Accounting Policies

(a) Revenue

Revenue recognition

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

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

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Grants

Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised on the statement of financial position as a liability until those conditions are satisfied.

During the year, the entity received a grant from EMHS to fund the Medical Respite Centre Pilot program. The grant monies are paid quarterly in advance and cover the running costs of the program and the directors have agreed to treat a portion of the funds received in 2022 year as unearned revenue as the corresponding costs will be incurred in the next financial period. This will result in better financial reporting of the grant income from MRC by matching with costs incurred in relevant period. This is a departure from how other grants are reported.

Donations

Donations are recognised at the time the pledge is made.

Interest income

Interest income 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 cas 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.

Volunteer services

The company has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources is also not recognised.

Current and no-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.

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

(b) Property, Plant and Equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

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

Class of Fixed Asset	Depreciation Rate
Computer Equipment	40-66.67%
Temporary full expensing	100%
Office fit-out	10%
Leased plant & equipment	2.5-13.33%

(c) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(d) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(e) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yeilds at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows..

The entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

(f) Cash and cash equivalents

Cash and cash equivalents includes 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.

(g) Trade and other receivables

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

(h) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year and which are unpaid. Due to the 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.

(i) 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.

(j) Income Tax

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

(k) Impairment of non-financial assets

Non-financial assets 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 futire 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.

(l) Comparative Figures

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

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(m) Critical Accounting Estimates and Judgements

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.

incremantle borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimate it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

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.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

(n) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2022. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2 Revenue and Other Income

	2022 $	2021 $
Revenue		
Revenue from delivery of services		
— Donations received	216,041	301,920
— Department of Health Grant	389,513	806,935
— Metro Health Board Grant	1,036,918	841,325
— Medical Respite Centre Grant	1,566,561	-
— Street Health	660,000	181,667
— Lotteries Fund	225,000	-
— Grants Received - Other	475,651	374,324
— Patients Income	889,737	823,863
Total revenue	5,459,422	3,330,034
Other Income		
— Interest received	76	116
— Jobkeeper Subsidy	-	211,500
— Other income	49,485	4,783
— Reimbursements	368,391	421,473
Total other income	417,952	637,872
Total revenue and other income	5,877,374	3,967,905

Note 3 Expenses

	2022 $	2021 $
a. Expenses		
— Audit fees	10,555	2,400
— Capital works - Office fitout	14,244	2,213
— Computer Expenses	126,374	54,181
— Depreciation - plant	21	18,884
— Depreciation - Right of use assets	161,722	122,193
— Motor vehicle expenses	5,520	6,428
— Rent on land & buildings	24,131	95,781
— Medical Respite Centre Costs	682,468	-
— Small Office Equipment Writeoff	86,001	-
— Superannuation	304,111	223,830
— Wages	3,306,156	2,661,537
— UWA & Street Health Evaluation	167,274	85,945
— Other expenses	427,758	419,278
Total expenses	5,316,335	3,692,671

Note 4 Cash and Cash Equivalents

	2022 $	2021 $
CURRENT		
Cash at bank	1,981,724	899,530
	1,981,724	899,530
	1,981,724	899,530

Note 5 Accounts Receivable and Other Debtors

	Note	2022 $	2021 $
CURRENT			
Trade debtors		619,377	72
Less: Provision for doubful debts		(63,177)	-
Rental Bond		34,289	34,289
Prepayments		38,423	-
Total current accounts receivable and other debtors		628,911	34,361

(a) Credit risk

The entity has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for and mentioned within Note 5. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the entity.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The entity writes off a trade receivable when there is available information that the debtor is in severe financial difficulty and there is no realistic likelihood of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

Note 6 Property, Plant and Equipment

	2022 $	2021 $
Leasehold improvements		
Leasehold improvements	24,040	24,040
Less: Accumulated depreciation	(24,040)	(24,040)
Computer Equipment & Software	35,822	35,822
Less: Accumulated depreciation	(35,803)	(35,783)
Office Fitout (Cost)	142,431	142,431
Less: Accumulated depreciation	(16,457)	(2,213)
Total property, plant and equipment	125,992	140,258

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:

	Office Fit-Out	Leasehold Improvement	Computer Software	Total $
2021				
Balance at the beginning of the year	-	18,841	40	18,881
Additions at cost	142,431			142,431
Depreciation expense	(2,213)	(18,841)		(21,054)
Carrying amount at the end of the year	140,218	-	40	140,258
2022				
Balance at the beginning of the year	140,218	-	40	140,258
Depreciation expense	(14,244)		(22)	(14,266)
Carrying amount at the end of the year	125,974	-	18	125,992

Note 7 Operating Lease

	2022		2021
	$		$
Property Plant & Equipment:			
Operating Lease Right-of-Use Asset	738,196	^a.	901,893
Current Liabilities			
Operating Lease Liability	115,685	^b.	151,087
Non-current Liabilities:			
Operating Lease Liability	644,670	^c.	761,861

a. Asset Value $43,256(ROU Motor Vehicle Lease) + $758,526 (ROU Asset 316 Lord St) + $98,477 (ROU Asset 148 Palmerston St) less Amortisation $40,669 - $82,003 -$39,391 = $738,196
b. Operating lease liability, $2,681 + $73,187 + $39,817 = $115,686
c. Operating lease liability, $0 for Motor Vehicle Lease + $624,267 (316 Lord St) + $20,403 (148 Palmerston St) = $644,670

Note 8 Accounts Payable and Other Payables

	Note	2022	2021
		$	$
CURRENT			
Accounts payable		44,601	54,860
BAS Payable		78,816	24,197
Other Payables		94,056	153,492
Unearned Income		982,765	-
Wages Payable		106,393	-
		1,306,631	232,549

	2022	2021
	$	$
a Financial liabilities at amortised cost classified as accounts payable and other payables		
Accounts payable and other payables:		
— Total current	1,306,631	232,549
	1,306,631	232,549

Note 9 Employee Provisions

	2022	2021
CURRENT	$	$
Provision for annual leave	160,405	147,969
Provision for long service leave	120,397	116,576
	280,802	264,546

Analysis of total provisions:	Employee Benefits	Total
Opening balance at 1 July 2021	264,546	264,546
Additional provisions raised during the year	16,256	16,256
Balance at 30 June 2022	280,802	280,802

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

Note 10 Contingent Liabilities and Contingent Assets

The Company had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Note 11 Events After the Reporting Period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2022 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.

Note 12 Related Party Transactions

a. Key Management Personnel

Disclosures relating to key management personnel are set out below.

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered a key management personnel.

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2022	2021
	$	$
KMP compensation:		
— short-term employee benefits	425,441	455,729
— accounting fees	15,141	8,100
	440,582	463,829

b. Transactions with related parties

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

c. Receivables from and payables to related parties

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

d. Loans to/from related parties

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

Note 13 Cash Flow Information

	2022	2021
	$	$
a. Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus	561,039	275,235
Adjustment for:		
Depreciation, Small office Equipment and amortisation expense	261,988	143,290
(Increase)/decrease in accounts receivable and other debtors	(619,304)	50,089
Increase/(decrease) in accounts payable and other payables	117,109	(361,039)
Increase/(decrease) in employee provisions	16,257	104,116
	337,089	211,691

Note 14 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, local money market instruments, short-term and long-term investments, accounts receivable and payable, and lease liabilities.

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

	Note	2022 $	2021 $
Financial assets			
— cash and cash equivalents	4	1,981,724	899,530
— trade & other receivables	5	628,911	34,361
Total financial assets		2,610,635	933,891
Financial liabilities			
Financial liabilities at amortised cost:			
— accounts payable and other payables	8a	1,306,631	232,549
— lease liabilities		760,356	912,948
Total financial liabilities		2,066,986	1,145,497

Financial Risk Management Policies

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and accounts payable.

Financial Risk Exposures and Management

The main risks the entity is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the entity is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

The company does not have any material credit risk exposures as its major source of revenue is the receipt of grants. Credit risk is further mitigated as over 93% of the grants being received from Commonwealth, State and Local governments are in accordance with funding agreements which ensure regular funding for a period of 6 years.

(b) Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The company does not hold any derivative financial liabilities directly.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 years		Non-interest bearing		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Financial liabilities due for payment	$	$	$	$	$	$	$	$
and other payables (excluding estimated annual leave and deferred income)					1,306,631	257,485	1,306,631	257,485
Total expected outflows	-	-	-	-	1,306,631	257,485	1,306,631	257,485
Financial Assets - cash flows realisable								
Cash and cash equivalents	1,981,724	899,530					1,981,724	899,530
Accounts receivable and other debtors	628,911	34,361					628,911	34,361
Total anticipated inflows	2,610,635	933,891	-	-	-	-	2,610,635	933,891
Net (outflow) / inflow on financial instruments	2,610,635	933,891	-	-	(1,306,631)	(257,485)	1,304,005	676,406

(c) Market Risk

i. *Interest rate risk*

The amounts held in the company's cash at bank operating accounts are non-interest bearing.

Fair Values

Fair value estimation

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Refer to Note 14 for detailed disclosures regarding the fair value measurement of the company's financial assets and financial liabilities.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments, which are carried at amortised cost (i.e. accounts receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the company.

	Note	2022 Carrying Amount $	2022 Fair Value $	2021 Carrying Amount $	2021 Fair Value $
Financial assets					
Financial assets at amortised cost:					
— cash and cash equivalents	4	1,981,724	1,981,724	899,530	899,530
— accounts receivable and other debtors	5	628,911	628,911	34,361	34,361
Total financial assets		2,610,635	2,610,635	933,891	933,891
Financial liabilities					
Financial liabilities at amortised cost:					
Accounts payable and other payables (i)	8a	1,306,631	1,306,631	257,485	257,485
Total financial liabilities		1,306,631	1,306,631	257,485	257,485

Note 15 Commitments

The company had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

Note 16 Remuneration of auditors

During the financial year the following fees were paid or payables for services provided by the auditors of the company:

	2022	2021
	$	$
Audit Services - PKF Perth		
Audit of the financial statements	9,500	10,555

Note 17 Entity Details

The registered office of the entity is:

UHY Haines Norton Perth
Level 2 35 Havelock Street West Perth WA 6005

The principal place of business is:

316 Lord Street Highgate WA 6003

Note 18 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $1 towards meeting any outstanding obligations of the entity. At 30 June 2022 the number of members was six.

PERTH MOBILE GP SERVICES LTD
ABN: 64 129 336 803
DIRECTORS' DECLARATION

In the directors' opinion:

1. The attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

2. the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

3. the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and

4. there are reasonable grounds to believe that the company and Group will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Director D M Davies
Diane Davies

Dated this 31st day of January 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

PERTH MOBILE GP SERVICES LIMITED

Qualified Opinion

We have audited the accompanying financial report of Perth Mobile GP Services Limited and its controlled subsidiary (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration of the Group.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial report of Perth Mobile GP Services Limited is in accordance with Division 60 of the Australian Charities and Not-for-Profits Commission Act 2012 (the "ACNC Act"), including:

i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and

ii) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Qualified Opinion

Grant Funding revenue
Our opinion on the financial report for the year ended 30 June 2022, was qualified as management departed from Australian Accounting Standards classifying Grant Funding revenue totalling $982,766 as unearned income with the plan to recognise this grant funding revenue in the next year, the financial year ending 30 June 2023 aligning the recognition of revenue with its expenses. Therefore, the information contained within the financial report for the year ended 30 June 2022, was not compliant with Australian Accounting Standards. We draw attention to specific qualifications within Summary of Significant Accounting Policies note 1(a) Revenue and note 2 Revenue and other income specifically the Medical Respite Centre Grant which has been decreased by $982,766 and allocated to unearned income in Note 8 Accounts Payable and Other payables.

Comparative Opening Balances
Our opinion on the financial report for the year ended 30 June 2021, was qualified as we are unable to determine whether any adjustment was required to the comparative information contained within the financial report for the year ended 30 June 2020. Accordingly, as the opening balances as at 30 June 2021 impact on the 30 June 2022 financial results we are unable to determine if any adjustment was necessary to the financial performance and cash flow of the Group for the year ended 30 June 2022.

Level 4, 35 Havelock Street, West Perth, WA 6005
PO Box 609, West Perth, WA 6872
T: +61 8 9426 8999 F: +61 8 9426 8900 www.pkfperth.com.au

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 Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022 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 Directors' for the Financial Report

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

In preparing the financial report, the Directors are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

The Directors of the Group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue and 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, individual or in 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 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 entity'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 Group'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 Group to cease to continue as a going concern.

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

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

We communicate with 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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PKF Perth

PKF PERTH

S Fermanis

SIMON FERMANIS
SENIOR PARTNER

31 JANUARY 2023
WEST PERTH,
WESTERN AUSTRALIA