

# **Tamawood Group**

ABN 56 010 954 499

## **Interim Financial Statements**

**For the Half Year Ended 31 December 2019**

ABN 56 010 954 499  
ASX Code: TWD

## Contents

For the Half Year Ended 31 December 2019

	<b>Page</b>
Directors' Report	1
Auditor's Independence Declaration	4
Consolidated Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Statement of Financial Position	6
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	19
Independent Audit Report	20

## Directors' Report

### For the Half Year Ended 31 December 2019

Your Directors present their report on Tamawood Limited ("Tamawood") and its controlled entities ("the Group") for the half year ended 31 December 2019.

#### 1. General information

##### Directors

The names of the directors in office at any time during, or since the end of, the half year are:

Names	Position
Mr Robert Lynch	Non-executive Chairman
Mr Lev Mizikovsky	Non-executive Director
Mrs Laurie Lefcourt	Non-executive Director / Chairperson of the Audit Committee
Mrs Linda Horgan	Non-executive Director
Mr Tim Bartholomaeus	Managing Director

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

##### Company secretaries

- Geoff Acton (B.Com, CA, GAICD)
- Narelle Lynch (Cert Gov Prac)

##### Principal activities and significant changes in nature of activities

During the half year the principal continuing activities of the Group consisted of:

- Contract home construction, home design and other associated activities in Australia.
- franchising and licensing operations.
- generating and trading of renewable energy certificates associated with solar products.

There were no significant changes in the nature of the Group's principal activities during the half year.

#### 2. Operating results and review of operations for the year

##### (a) The Result

Tamawood recorded a net profit after tax of \$1.768million for the half year ended December 2019 (December 2018: \$3.048 million decrease of 41.9%).

The reasons for the decline are outlined:

- A significant backlog in jobs stuck in council for a variety of reasons.
- Continued delays in bank finance approvals for customers.

## Directors' Report For the Half Year Ended 31 December 2019

### 2. Operating results and review of operations for the year

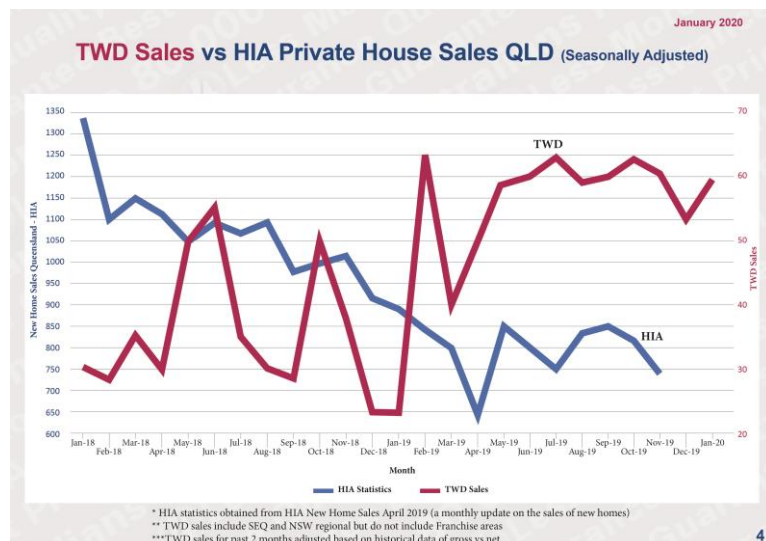
#### (a) The Result

The Tamawood half year result is nearly double the net profit after tax compared to the prior January to June 2019 half. This highlights the continued improvement in sales performance since the complete overhaul of the Tamawood marketing program.

As per the graphs, appointments continue to hold and are at record levels compared to the previous 2 years and signed contracts remain consistently close to 40 per month.

The Board have formed a view that it is possible to return profitability to 2018 levels within the next 18 months, providing that we can reduce the delays in jobs in council and there are no other adverse market or physical conditions.

Based on the positive result expected from the strong sales, Tamawood proposes an interim dividend of 12 cents payable in late April 2020.



## Directors' Report

### For the Half Year Ended 31 December 2019

The Group adopted AASB 16 Leases from 1 July 2019 which has significantly increased both the assets and liabilities of the Group. Assets of \$5.1 million and liabilities of \$5.4 million are recorded at 31 December 2019.

#### 3. Other items

##### Significant changes in state of affairs

There have been no significant changes in the state of affairs of entities in the Group during the half year.

##### Events after the reporting date

There are no matters or circumstances that have arisen since the end of the half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

##### ASIC Corporations Instrument 2016/191 rounding of amounts

The Group has applied the relief available to it in ASIC Corporations Instrument 2016/191 and accordingly, amounts in the financial statements and directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

##### Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2019 has been received and can be found on page 4 of the financial report.

This report is signed in accordance with a resolution of the Board of Directors.



Robert Lynch

Non-executive Chairman

Dated 5 February 2020

The Directors  
Tamawood Limited  
1821 Ipswich Road  
ROCKLEA QLD 4106

### **Auditor's Independence Declaration**

As lead auditor for the review of Tamawood Limited for the half-year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Tamawood Limited and the entities it controlled during the period.

*William Buck*

**William Buck (Qld)**  
ABN 21 559 713 106

*M. Monaghan*

**M J Monaghan**  
Director

Brisbane 5 February 2020

#### **ACCOUNTANTS & ADVISORS**

Level 21, 307 Queen Street  
Brisbane QLD 4000  
GPO Box 563  
Brisbane QLD 4001  
Telephone: +61 7 3229 5100  
**williambuck.com**

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2019

		31 December 2019	31 December 2018
	Note	\$'000s	\$'000s
Revenue	2	48,048	56,201
Other income	2	87	23
Labour, raw materials and consumables used		(39,388)	(46,345)
Accrued expenses adjustment (Unbilled)		119	1,007
Employee benefits expense		(3,658)	(3,803)
Interest expense		(124)	-
Depreciation expense		(593)	(104)
Advertising		(203)	(399)
Consultancy		(300)	(469)
Rent expense		(89)	(454)
Other operating expenses		(1,363)	(1,292)
<b>Profit before income tax</b>		<b>2,536</b>	<b>4,365</b>
Income tax expense		(768)	(1,317)
<b>Profit for the half year</b>		<b>1,768</b>	<b>3,048</b>
Other comprehensive income for the half year		-	-
<b>Total comprehensive income for the half year</b>		<b>1,768</b>	<b>3,048</b>
<b>Profit/(loss) attributable to:</b>			
Members of the parent entity		1,768	3,048
<b>Total comprehensive income attributable to:</b>			
Members of the parent entity		1,768	3,048
<b>Earnings per share</b>			
Basic earnings per share (cents)		6.40	11.90
Diluted earnings per share (cents)		6.40	11.90

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**Tamawood Group**

ABN 56 010 954 499

**Consolidated Statement of Financial Position**

As At 31 December 2019

	31 December 2019 \$'000s	30 June 2019 \$'000s
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	5,468	4,309
Trade and other receivables	3,745	5,375
Inventories – Uninvoiced completed works	9,641	8,042
Inventories - STC (Renewable energy certificates)	120	187
Other inventories	651	605
Current tax assets	824	86
Other assets	495	29
<b>TOTAL CURRENT ASSETS</b>	<b>20,944</b>	<b>18,633</b>
<b>NON-CURRENT ASSETS</b>		
Investments in associates	815	815
Property, plant and equipment	770	876
Right of use assets	5,163	-
Deferred tax assets	422	370
<b>TOTAL NON-CURRENT ASSETS</b>	<b>7,170</b>	<b>2,061</b>
<b>TOTAL ASSETS</b>	<b>28,114</b>	<b>20,694</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade payables	3,210	3,184
Accrued expenses (Unbilled)	2,144	2,262
Lease liabilities	899	-
Provisions	530	577
Dividends payable	31	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,814</b>	<b>6,023</b>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	4,496	-
Provisions	285	260
Deferred tax liabilities	2,892	2,413
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>7,673</b>	<b>2,673</b>
<b>TOTAL LIABILITIES</b>	<b>14,487</b>	<b>8,696</b>
<b>NET ASSETS</b>	<b>13,627</b>	<b>11,998</b>



**Tamawood Group**

ABN 56 010 954 499

**Consolidated Statement of Financial Position**

As At 31 December 2019

	31 December 2019 \$'000s	30 June 2019 \$'000s
<b>EQUITY</b>		
Issued capital	7,647	7,647
Reserves	(479)	(479)
Retained earnings	6,311	4,682
	<hr/>	<hr/>
<b>Total equity attributable to equity holders of Tamawood Limited</b>	<b>13,479</b>	11,850
Non-controlling interest	148	148
	<hr/>	<hr/>
<b>TOTAL EQUITY</b>	<b>13,627</b>	11,998
	<hr/> <hr/>	<hr/> <hr/>

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## Consolidated Statement of Changes in Equity

### For the Half Year Ended 31 December 2019

31 December 2019

Note	Ordinary Shares \$'000s	Retained Earnings \$'000s	General Reserves \$'000s	Total \$'000s	Non-controlling Interests \$'000s	Total \$'000s
<b>Balance at 1 July 2019</b>	7,647	4,682	(479)	11,850	148	11,998
Cumulative adjustment upon change in accounting policies (AASB 16)	-	(139)	-	(139)	-	(139)
Balance at 1 July 2019 – restated	7,647	4,543	(479)	11,711	148	11,859
<b>Comprehensive income for the half year</b>						
Profit / (Loss) for the half year	-	1,768	-	1,768	-	1,768
Other comprehensive income for the half year	-	-	-	-	-	-
<b>Total comprehensive income for the half year</b>	-	1,768	-	1,768	-	1,768
<b>Balance at 31 December 2019</b>	<b>7,647</b>	<b>6,311</b>	<b>(479)</b>	<b>13,479</b>	<b>148</b>	<b>13,627</b>

31 December 2018

Note	Ordinary Shares \$'000s	Retained Earnings \$'000s	General Reserves \$'000s	Total \$'000s	Non-controlling Interests \$'000s	Total \$'000s
<b>Balance at 1 July 2018</b>	586	13,268	(479)	13,375	148	13,523
<b>Comprehensive income for the half year</b>						
Profit / (Loss) for the half year	-	3,048	-	3,048	-	3,048
Other comprehensive income for the half year	-	-	-	-	-	-
<b>Transactions with owners in their capacity as owners</b>						
Incentive Shares Scheme	98	-	-	98	-	98
Dividends paid or provided for	4	(4,096)	-	(4,096)	-	(4,096)
<b>Balance at 31 December 2018</b>	<b>684</b>	<b>12,220</b>	<b>(479)</b>	<b>12,425</b>	<b>148</b>	<b>12,573</b>

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Consolidated Statement of Cash Flows

For the Half Year Ended 31 December 2019

	31 December 2019 \$'000s	31 December 2018 \$'000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers (including GST)	50,421	56,291
Payments to suppliers and employees (including GST)	(47,689)	(49,878)
Interest received	20	62
Interest and finance costs paid	(124)	-
Income tax paid	(1,012)	(2,318)
Net cash provided by operating activities	<u>1,616</u>	<u>4,157</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of plant and equipment	-	64
Purchase of property, plant and equipment	(37)	(176)
Purchase of investments	-	(450)
Net cash (used by) / provided by investing activities	<u>(37)</u>	<u>(562)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of lease liabilities	(420)	-
Dividends paid by the parent entity	-	(4,096)
Net cash used by financing activities	<u>(420)</u>	<u>(4,096)</u>
Net increase / (decrease) in cash and cash equivalents held	1,159	(501)
Cash and cash equivalents at beginning of the period	<u>4,309</u>	<u>5,455</u>
Cash and cash equivalents at end of the half year	<u><u>5,468</u></u>	<u><u>4,954</u></u>

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

## **Notes to the Financial Statements**

### **For the Half Year Ended 31 December 2019**

#### **1 Summary of Significant Accounting Policies**

##### **(a) Basis of Preparation**

This condensed interim financial report for the half year reporting period ended 31 December 2019 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Tamawood Limited and controlled entities ("the Group"). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2019, together with any public announcements made during the half year.

##### **Rounding of amounts**

The Company is an entity to which ASIC Corporations Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise stated.

##### **Accounting Policies**

Except as described below in Note, the same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

##### **(b) New and Amended Standards Adopted by the Group**

The Group has considered the implications of new or amended Accounting Standards which have become applicable for the current financial reporting period and the group had to change its accounting policies and consider making retrospective adjustments as a result of adopting the following standards:

- AASB 16: Leases

The impact of the adoption of this standard and the respective accounting policies are disclosed in Note 1(c).

## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 1 Summary of Significant Accounting Policies

#### (c) New Accounting Standards Adopted by the Group

The consolidated entity 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.

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

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

#### AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

AASB16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption at 1 July 2019 was as follows:

	<b>1 July 2019</b>
	<b>\$'000</b>
Operating lease commitments 1 July 2019	7,351
Operating lease commitments discount based on the weighted average incremental borrowing rate of 4.5%	(536)
Short term leases not recognised as a right of use asset	(295)
Accumulated depreciation as at 1 July 2019	(1,252)
	<u>5,268</u>
Right of use asset	5,268
Lease liabilities - current	(546)
Lease liabilities - non-current	(4,927)
Tax effect of above adjustments	66
	<u>(139)</u>
Reduction in opening retained profits 1 July 2019	(139)

The Group has a number of leases of buildings, with agreements between two and ten years, for its office space.

## **Notes to the Financial Statements**

**For the Half Year Ended 31 December 2019**

### **1 Summary of Significant Accounting Policies**

#### *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.

#### *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.

## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 2 Revenue and Other Income

	31 December 2019 \$'000s	31 December 2018 \$'000s
<b>Sales revenue</b>		
- Construction contract revenue	40,624	54,144
- Inventory Movement	1,651	(2,904)
- Renewable energy certificates	5,188	4,565
- Franchise revenue	320	333
<b>Other revenue</b>		
- Interest revenue	20	62
- Rental income	245	1
<b>Total revenue</b>	<u>48,048</u>	<u>56,201</u>
<b>Other Income</b>		
- Other income	87	23
<b>Total other income</b>	<u>87</u>	<u>23</u>

### 3 Operating Segments

#### Segment information

The Group has identified it has one operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 4 Dividends

#### (a) Dividends - Interim

	31 December 2019 \$'000s	31 December 2018 \$'000s
The following dividends were declared and paid:		
Final dividend of 16 cents (fully franked at 30%) per fully paid share paid on 1 December 2018	-	4,096
<b>Total</b>	<b>-</b>	<b>4,096</b>

The following dividends were declared and paid:

Final dividend of 16 cents (fully franked at 30%) per fully paid share paid on 1 December 2018

The full interim, final dividend and special dividend of 33 cents (fully franked at 30%) per share was paid 18 April 2019 (\$8.459m.) The Tamawood Board took the decision to pay both the full interim, final dividend and special dividend prior to the Federal election given the heightened uncertainty around franking credits.

### 5 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2019 (31 December 2018: None).

### 6 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

### 7 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Amounts receivable from related parties for the sale and purchase of goods and services are unsecured and interest free and are included in the balances of trade and other receivables. Balances are settled within normal trading terms or as per agreement with the Board. No provisions for doubtful debts have been recognised on these outstanding balances, nor have any bad debt expenses been incurred.

#### (a) The Group's main related parties are as follows:

##### (i) Key management personnel ("KMP"):

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

AstiVita Limited (formerly AstiVita Renewables Limited) ("AstiVita") and Advance NanoTek Ltd (ANO)(formerly Advanced Nano Technologies Ltd), SenterpriSys limited and CyberguardAU Pty Ltd are deemed to be related parties of Tamawood Limited by virtue of Mr L Mizikovsky, Non-executive Director of Tamawood Limited, having a controlling



## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 7 Related Parties (continued)

interest in these the Companies. Transactions between the Group and the above related parties are disclosed below.

Transactions with Associates, KMP and their related parties, excluding remuneration, are shown below. Amounts disclosed below are rounded to the nearest dollar.

#### (b) Transactions with related parties

##### (i) Sale of goods and services

	31 December 2019 \$	31 December 2018 \$
Key management personnel:		
<b>Mr L Mizikovsky - Non-executive Director</b>		
- Sales to an entity controlled by Mr L Mizikovsky - construction	269,327	574
- Sales to an entity controlled by Mr L Mizikovsky - insurance fees	9,920	10,400
- Sales of vehicle	14,909	-
<b>Mr G Acton - Joint Company Secretary</b>		
- Rent on sub-leased property	3,109	3,109
- Miscellaneous services	-	2,897
- Car purchase	-	46,090
- Electricity	560	554
- Insurance fees	1,860	-
- Construction of property	74,080	-
<b>Mr A Thomas - Non-executive Director (resigned - 9 August 2018)</b>		
- Franchise fees to Dixon Systems Pty Ltd	-	82,750
<b>Mrs P Bartholomaeus</b>		
- Insurance fees charged by Tamawood Ltd	-	650
Related Parties:		
<b>AstiVita Limited</b>		
- Sales to AstiVita for IT and administration services	7,155	11,545
- Sale to Astivita for products	46,327	43,134
- Electricity	1,034	1,045
- Rent	17,497	6,195
<b>Advance NanoTek Limited (ANO)</b>		
- Sales to ANO for IT and administration services	100	971
- Sales to ANO for office supplies & consultancy	14,517	-
- Electricity	9,062	1,576
- Rent	74,073	9,299
- Sale to ANO for construction materials	43,036	-

## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 7 Related Parties (continued)

#### (b) Transactions with related parties (continued)

	31 December 2019 \$	31 December 2018 \$
Associates:		
<b>SenterpriSys Limited</b>		
- Rent on sub-leased property	13,487	13,487
- Insurance fees and other services provided by the Group	10,815	1,300
- Electricity	2,794	2,267
<b>CyberguardAU Pty Ltd</b>		
- Rent on sub-leased property	3,191	3,191
- Sale of professional services	75	-

## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 7 Related Parties (continued)

#### (b) Transactions with related parties (continued)

##### (ii) Purchase of goods and services

	31 December 2019 \$	31 December 2018 \$
Key management personnel:		
<b>Mr L Mizikovsky - Non-executive Director</b>		
- Rental payments for premises to an entity controlled by Mr L Mizikovsky	112,069	112,069
<b>Mr G Acton - Joint Company Secretary</b>		
- Provision of Consulting, Secretarial & Payroll Services to subsidiaries within the Group	95,923	148,720
<b>Mr A Thomas - Non-executive Director (resigned - 9 August 2018)</b>		
- Purchase of renewable energy certificates from an entity controlled by Mr A Thomas	-	5,533
<b>Mrs P Bartholomaeus - Senior Designer, Dixon Systems</b>		
- Remuneration	-	37,022
Related parties:		
<b>AstiVita Limited</b>		
- Purchase of materials including bathroom, kitchen and solar products	706,494	362,599
<b>Rainrose Pty Ltd</b>		
- IT and administration services	-	4,000
Associates:		
<b>SenterpriSys Limited (Formerly Resiweb Ltd)</b>		
- Complete Support Services provided to the Group	341,134	243,808
<b>CyberguardAU Pty Ltd</b>		
- IT services	6,762	15,760
<b>Winothai Pty Ltd</b>		
- Management services	6,925	-

## Notes to the Financial Statements

For the Half Year Ended 31 December 2019

### 7 Related Parties (continued)

#### (b) Transactions with related parties (continued)

##### (iii) Outstanding balances

	31 December 2019 \$	31 December 2018 \$
Key management personnel:		
<b>Mr L Mizikovsky - Non-executive Director</b>		
- Amounts receivable for construction material supplied by Dixonbuild Pty Ltd	14,273	1,441
<b>Mr A Thomas - Non-executive Director (resigned - 9 August 2018)</b>		
- Amounts receivable by Dixon Systems Pty Ltd for franchise fees	-	21,467
Related parties:		
<b>AstiVita Limited</b>		
- Amounts receivable for IT Services	-	1,200
- Amounts receivable - Other	-	178,290
- Amounts receivable for sales	-	987
<b>Advance NanoTek Limited</b>		
- Amounts receivable	105,027	-
Associates:		
<b>SenterpriSys Limited (Formerly Resiweb Ltd)</b>		
- Amounts receivable	110	-
<b>Mr G Acton – Joint Company Secretary</b>		
- Amounts receivable	80,820	-

## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 18 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Robert Lynch

Non-executive Chairman

Dated 5 February 2020

## Tamawood Limited

### Independent auditor's review report to members

## Report on the Review of the Half-Year Financial Report

### Conclusion

We have reviewed the accompanying half-year financial report of Tamawood Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Tamawood Limited is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

### Responsibilities of the Directors' for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of Tamawood Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

#### ACCOUNTANTS & ADVISORS

Level 21, 307 Queen Street  
Brisbane QLD 4000  
GPO Box 563  
Brisbane QLD 4001  
Telephone: +61 7 3229 5100  
[williambuck.com](http://williambuck.com)

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Tamawood Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

*William Buck*

### **William Buck (Qld)**

ABN: 21 559 713 106

*M. Monaghan*

### **M J Monaghan**

Brisbane 5 February 2020

#### **ACCOUNTANTS & ADVISORS**

Level 21, 307 Queen Street  
Brisbane QLD 4000  
GPO Box 563  
Brisbane QLD 4001  
Telephone: +61 7 3229 5100  
[williambuck.com](http://williambuck.com)