



# Armytage Private Pty Ltd

ABN: 51 079 960 419

## Financial report

For the year ended 30 June 2021

*Pitcher Partners*

Level 13, 664 Collins Street, Docklands VIC 3008

*p:* +61 3 8610 5000

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**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of Armytage Private Pty Ltd for the year ended 30 June 2021 and auditor's report thereon.

**Directors names**

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

Lee D.P. laFrate B.Bus, GradDipAppFin FCPA, SAFIN  
*(Chairman)*

Bradley T. King B.Bus (EcoFin), SA FIN  
*(Executive Director)*

The directors have been in office to the date of this report unless otherwise stated.

**Results**

The profit of the company for the year after providing for income tax amounted to \$1,277,807 (2020: Loss: \$240,694).

**Review of operations**

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant changes in state of affairs**

There were no other significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

While the broader economy has been impacted significantly, the Company has experienced a limited impact from the COVID-19 pandemic. The Company has largely maintained its operational activity so far, notwithstanding Federal/State restrictions and market volatility. There have been some short-term implications to revenue given the market volatility at the beginning on the pandemic. This market volatility may have longer term implications beyond the balance date, the extent of which the Company cannot estimate.

**Principal activities**

The principal activity of the company during the year was the provision of funds management services to private clients.

No significant change in the nature of these activities occurred during the year.

**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**DIRECTORS' REPORT**

**After balance date events**

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

**Likely developments**

The company expects to maintain the present status and level of operations.

**Environmental regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Dividends paid, recommended and declared**

Dividends paid or declared since the start of the financial year are as follows:

- 28th of June 2021 The Board declared a dividend of \$299,994.

**Options**

No options over unissued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the end of the year.

**Indemnification of officers**

During or since the end of the year, the company has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums in order to indemnify the directors of the company.

Further disclosure required under section 300(9) of the *Corporations Act 2001* is prohibited under the terms of the contract.

**Indemnification of auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the company.

**Auditor's independence declaration**

A copy of the auditor's independence declaration under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is provided with this report.


**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**DIRECTORS' REPORT**

**Proceedings on behalf of the company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Signed on behalf of the board of directors.

Director:  \_\_\_\_\_  
Bradley T. King

Dated this 03 day of November 2021

ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419

AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF ARMYTAGE PRIVATE PTY LTD

In relation to the independent audit for the year ended 30 June 2021, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



B POWERS  
Partner



PITCHER PARTNERS  
Melbourne

3 November 2021

ARMYTAGE PRIVATE PTY LTD

ABN: 51 079 960 419

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2021

|  | Note | 2021<br>\$         | 2020<br>\$         |
|--|------|--------------------|--------------------|
| <b>Revenue and other income</b>                  |      |                    |                    |
| Revenue from contracts with customers            | 4    | 3,128,828          | 2,008,031          |
| Other revenue                                    | 5    | <u>217,949</u>     | <u>213,220</u>     |
|  |      | <u>3,346,777</u>   | <u>2,221,251</u>   |
| <b>Less: expenses</b>                            |      |                    |                    |
| Depreciation and amortisation expense            | 6    | (76,908)           | (78,902)           |
| Employee benefits expense                        | 6    | (580,029)          | (637,424)          |
| Occupancy expense                                |      | (27,008)           | (25,785)           |
| Commission expense                               |      | (53,151)           | (60,746)           |
| Legal and business services                      |      | (31,043)           | (27,387)           |
| Fund Administration Expense                      |      | (654,313)          | (564,174)          |
| Finance costs                                    | 6    | (7,761)            | (11,197)           |
| Remediation expense                              |      | -                  | (276,128)          |
| Loss on Investments                              |      | (205,000)          | (472,721)          |
| Advertising expenses                             |      | (2,259)            | (4,781)            |
| Insurance expense                                |      | (35,862)           | (32,178)           |
| Communication expense                            |      | (9,820)            | (13,254)           |
| Other expenses                                   |      | <u>(149,672)</u>   | <u>(169,258)</u>   |
|  |      | <u>(1,832,826)</u> | <u>(2,373,935)</u> |
| <b>Profit / (loss) before income tax expense</b> |      | 1,513,951          | (152,684)          |
| Income tax expense                               | 7    | <u>(236,144)</u>   | <u>(88,010)</u>    |
| <b>Profit / (loss) for the year</b>              |      | <u>1,277,807</u>   | <u>(240,694)</u>   |
| <b>Other comprehensive income for the year</b>   |      | -                  | -                  |
| <b>Total comprehensive income / (loss)</b>       |      | <u>1,277,807</u>   | <u>(240,694)</u>   |

The accompanying notes form part of these financial statements.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

|  | Note | 2021<br>\$       | 2020<br>\$       |
|--|------|------------------|------------------|
| <b>Current assets</b>                    |      |                  |                  |
| Cash and cash equivalents                | 8    | 990,901          | 797,040          |
| Receivables                              | 9    | 1,239,551        | 232,062          |
| Other assets                             | 10   | <u>7,500</u>     | <u>12,795</u>    |
| <b>Total current assets</b>              |      | <u>2,237,952</u> | <u>1,041,897</u> |
| <b>Non-current assets</b>                |      |                  |                  |
| Intangible assets                        | 11   | 820              | 1,025            |
| Lease assets                             | 12   | 117,966          | 192,462          |
| Deferred tax assets                      | 7    | 42,789           | 38,929           |
| Plant and equipment                      | 13   | <u>2,326</u>     | <u>4,533</u>     |
| <b>Total non-current assets</b>          |      | <u>163,901</u>   | <u>236,949</u>   |
| <b>Total assets</b>                      |      | <u>2,401,853</u> | <u>1,278,846</u> |
| <b>Current liabilities</b>               |      |                  |                  |
| Payables                                 | 14   | 278,590          | 117,565          |
| Lease liabilities                        | 12   | 78,904           | 79,949           |
| Borrowings                               | 15   | 90,000           | 386,968          |
| Provisions                               | 16   | 134,038          | 123,296          |
| Current tax liabilities                  | 7    | 143,738          | 12,603           |
| Other liabilities                        | 17   | <u>299,994</u>   | <u>-</u>         |
| <b>Total current liabilities</b>         |      | <u>1,025,264</u> | <u>720,381</u>   |
| <b>Non-current liabilities</b>           |      |                  |                  |
| Lease liabilities                        | 12   | 48,534           | 120,187          |
| Borrowings                               | 15   | -                | 90,000           |
| Provisions                               | 16   | <u>3,546</u>     | <u>1,582</u>     |
| <b>Total non-current liabilities</b>     |      | <u>52,080</u>    | <u>211,769</u>   |
| <b>Total liabilities</b>                 |      | <u>1,077,344</u> | <u>932,150</u>   |
| <b>Net assets</b>                        |      | <u>1,324,509</u> | <u>346,696</u>   |
| <b>Equity</b>                            |      |                  |                  |
| Share capital                            | 18   | 513,233          | 513,233          |
| Retained earnings / (accumulated losses) | 19   | <u>811,276</u>   | <u>(166,537)</u> |
| <b>Total equity</b>                      |      | <u>1,324,509</u> | <u>346,696</u>   |

The accompanying notes form part of these financial statements.



**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|   | Contributed<br>equity<br>\$ | Retained<br>earnings<br>\$ | Total equity<br>\$ |
|---|-----------------------------|----------------------------|--------------------|
| <b>Balance as at 1 July 2019</b>                                  | 513,233                     | 274,153                    | 787,386            |
| Loss for the year   | <u>-</u>                    | <u>(240,694)</u>           | <u>(240,694)</u>   |
| <b>Total comprehensive loss for the year</b>                      | <u>-</u>                    | <u>(240,694)</u>           | <u>(240,694)</u>   |
| <b>Transactions with owners in their capacity as owners:</b>      |                             |                            |                    |
| Dividends   | <u>-</u>                    | <u>(199,996)</u>           | <u>(199,996)</u>   |
| <b>Total transactions with owners in their capacity as owners</b> | <u>-</u>                    | <u>(199,996)</u>           | <u>(199,996)</u>   |
| <b>Balance as at 30 June 2020</b>                                 | <u>513,233</u>              | <u>(166,537)</u>           | <u>346,696</u>     |
| <b>Balance as at 1 July 2020</b>                                  | 513,233                     | (166,537)                  | 346,696            |
| Profit for the year   | <u>-</u>                    | <u>1,277,807</u>           | <u>1,277,807</u>   |
| <b>Total comprehensive income for the year</b>                    | <u>-</u>                    | <u>1,277,807</u>           | <u>1,277,807</u>   |
| <b>Transactions with owners in their capacity as owners:</b>      |                             |                            |                    |
| Dividends   | <u>-</u>                    | <u>(299,994)</u>           | <u>(299,994)</u>   |
| <b>Total transactions with owners in their capacity as owners</b> | <u>-</u>                    | <u>(299,994)</u>           | <u>(299,994)</u>   |
| <b>Balance as at 30 June 2021</b>                                 | <u>513,233</u>              | <u>811,276</u>             | <u>1,324,509</u>   |

The accompanying notes form part of these financial statements.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|  | Note  | 2021<br>\$       | 2020<br>\$       |
|--|-------|------------------|------------------|
| <b>Cash flow from operating activities</b>                   |       |                  |                  |
| Management and performance fees received                     |       | 2,555,426        | 2,357,182        |
| Government grants receipts                                   |       | 112,000          | 62,000           |
| Payments to suppliers and employees                          |       | (1,898,073)      | (2,480,087)      |
| Interest received  |       | 309              | 799              |
| Interest paid on leases                                      |       | (7,266)          | (10,418)         |
| Income tax paid  |       | <u>(108,869)</u> | <u>(147,091)</u> |
| <b>Net cash provided by / (used in) operating activities</b> | 21(b) | <u>653,527</u>   | <u>(217,615)</u> |
| <b>Cash flow from investing activities</b>                   |       |                  |                  |
| Payment for plant and equipment                              |       | <u>-</u>         | <u>(694)</u>     |
| <b>Net cash used in investing activities</b>                 |       | <u>-</u>         | <u>(694)</u>     |
| <b>Cash flow from financing activities</b>                   |       |                  |                  |
| Net (repayment of) / proceeds from related party borrowings  |       | (300,000)        | 300,000          |
| Net (repayment of) / proceeds from other borrowings          |       | (86,968)         | 176,968          |
| Principal portion of lease payments                          |       | (72,698)         | (66,828)         |
| Dividends paid   |       | <u>-</u>         | <u>(199,996)</u> |
| <b>Net cash (used in) / provided by financing activities</b> |       | <u>(459,666)</u> | <u>210,144</u>   |
| <b>Reconciliation of cash</b>                                |       |                  |                  |
| Cash at beginning of the financial year                      |       | 797,040          | 805,205          |
| Net increase / (decrease) in cash held                       |       | <u>193,861</u>   | <u>(8,165)</u>   |
| <b>Cash at end of financial year</b>                         | 21(a) | <u>990,901</u>   | <u>797,040</u>   |

The accompanying notes form part of these financial statements.

**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The directors have determined that the company is not a reporting entity on the basis that, in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared to satisfy the financial reporting requirements of the *Corporations Act 2001*.

The financial report covers Armytage Private Pty Ltd as an individual entity. Armytage Private Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Armytage Private Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The financial report has been prepared in accordance with the *Corporations Act 2001*, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

|            |   |
|------------|---|
| AASB 101:  | Presentation of Financial Statements                            |
| AASB 107:  | Statement of Cash Flows   |
| AASB 108:  | Accounting Policies, Changes in Accounting Estimates and Errors |
| AASB 1048: | Interpretation and Application of Standards                     |
| AASB 1054: | Australian Additional Disclosures                               |

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

*Significant accounting estimates and judgements*

The preparation of the financial report requires the use of certain estimates and judgements in applying the company's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 3 to the financial statements.

**(b) Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Revenue from contracts with customers**

The company derives revenue from fund management services. Revenue is recognised as, or when, services are transferred to the customer, and is measured at an amount that reflects the consideration to which the company expects to be entitled in exchange for the services provided.

*Consideration included in the measurement of revenue*

The consideration to be received from customers may include fixed amounts, variable amounts, or both. Where the contract includes a right to variable consideration, the company estimates the amount of variable consideration using the most likely amount approach on a contract-by-contract basis. Variable consideration is included in the measurement of revenue only to the extent that it is highly probable, based on historical experience, that a significant reversal of the cumulative amount recognised will not occur when the uncertainty associated with the variability is subsequently resolved.

*Receivables from contracts with customers*

A receivable from a contract with a customer represents the company's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment.

**(d) Other revenue and other income**

*Interest*

Interest revenue is measured in accordance with the effective interest method.

*Rental income*

Lease revenue from operating leases is recognised on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished).

All revenue is measured net of the amount of goods and services tax (GST).

**(e) Government grants and subsidies**

Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met.

Government grants include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme and Cash Flow Boost Scheme, which provide temporary subsidies to eligible businesses significantly affected by coronavirus (Covid-19).

**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(f) Income tax**

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions.

**(h) Financial instruments**

*Trade and other receivables*

Trade and other receivables arise from the company's transactions with its customers and are normally settled within 30 days.

Consistent with both the company's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

*Impairment of financial assets*

Receivables from contracts with customers are tested for impairment by applying the 'expected credit loss' impairment model.

The company applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers. Under the AASB 9 simplified approach, the company determines the allowance for credit losses for receivables from contracts with customers on the basis of the lifetime expected credit losses of the financial asset.

The company considers a range of information when assessing whether the credit risk has increased significantly since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, and past due information.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Financial instruments (Continued)**

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the company has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the company. Recoveries, if any, are recognised in profit or loss.

**(i) Furniture, fixtures and fittings**

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

*Plant and equipment*

Plant and equipment is measured at cost, less accumulated depreciation and any accumulated impairment losses.

*Depreciation*

The depreciable amount of all other plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

| <b>Class of fixed asset</b>              | <b>Depreciation rates</b> | <b>Depreciation basis</b> |
|--|---------------------------|---------------------------|
| Office equipment at cost                 | 50%                       | Diminishing value         |
| Furniture, fixtures and fittings at cost | 20%                       | Diminishing value         |

**(j) Intangible assets**

*Capitalised website costs*

Intangible assets are initially recorded at the purchase price. Intangible assets are amortised on a diminishing value basis over the period of 5 years. The balances are reviewed annually and any balance representing a future benefit for which the realisation is considered to be no-longer probable are written off.

**(k) Leases**

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

*Lease assets*

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the company, and an estimate of costs to be incurred by the company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(k) Leases (Continued)**

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

*Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the company's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

*Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

Each lease is classified as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

*Operating leases*

Underlying assets subject to operating leases are presented in the statement of financial position according to the nature of the underlying asset.

Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished).

**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(l) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

**(m) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.



**ARMYTAGE PRIVATE PTY LTD**

**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(m) Employee benefits (Continued)**

*(iii) Retirement benefit obligations*

*Defined contribution superannuation plan*

The company makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The company's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the statement of financial position.

**(n) Borrowing costs**

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of lease arrangements, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.

**(o) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(p) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021

**NOTE 2: ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE**

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

***AASB 2020-2: Amendments to Australian Accounting Standards - Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities (applicable for annual reporting periods commencing on or after 1 July 2021)***

AASB 2020-2 removes the reporting entity concept from a number of standards for certain for-profit private sector entities. Such entities are therefore not able to prepare special purpose financial statements and must prepare general purpose financial statements. The amending standard principally amends AASB 1057 *Application of Australian Accounting Standards* and the *Conceptual Framework for Financial Reporting* so that they apply explicitly to:

- (a) for-profit private sector entities that are required by legislation to prepare financial statements that comply with either Australian Accounting Standard or accounting standards (with the previous limitation to entities with public accountability removed) and
- (b) other for-profit private sector entities that are required only by constituting document or another document to prepare financial statements that comply with Australian Accounting Standards, provided that the relevant document was created or amended on or after 1 July 2021.

AASB 2020-2 mandatorily applies to annual reporting periods commencing on or after 1 July 2021 and will be first applied by the company in the financial year commencing 1 July 2021.

The adoption of this standard is not expected to have on initial application a material impact on the company's financial statements.

**NOTE 3: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

*(a) Income tax*

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|  | <b>2021</b>      | <b>2020</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| <b>NOTE 4: REVENUE FROM CONTRACTS WITH CUSTOMERS</b> |                  |                  |
| Rendering of services                                | <u>3,128,828</u> | <u>2,008,031</u> |
| <br><b>NOTE 5: OTHER REVENUE</b>                     |                  |                  |
| Interest income                                      | 121              | 799              |
| Other revenue  |                  |                  |
| Rental income  | 44,490           | 57,629           |
| Government subsidies and grants                      | 62,000           | 112,000          |
| Other revenue  | <u>111,338</u>   | <u>42,792</u>    |
|  | <u>217,828</u>   | <u>212,421</u>   |
|  | <u>217,949</u>   | <u>213,220</u>   |
| <br><b>NOTE 6: OPERATING PROFIT</b>                  |                  |                  |
| Profit before income tax has been determined after:  |                  |                  |
| Finance costs  |                  |                  |
| - Interest paid on leases                            | 7,266            | 10,418           |
| Depreciation   |                  |                  |
| - leased asset                                       | 74,496           | 74,502           |
| - office equipment                                   | 2,166            | 4,094            |
| - furniture and fittings                             | <u>41</u>        | <u>50</u>        |
|  | 76,703           | 78,646           |
| Amortisation of non-current asset - website          | 205              | 256              |
| Bad and doubtful debts                               | 1,512            | -                |
| Employee benefits expense                            | 580,029          | 637,424          |
| <br><b>NOTE 7: INCOME TAX</b>                        |                  |                  |
| <b>(a) Components of tax expense</b>                 |                  |                  |
| Current tax  | 394,412          | 100,843          |
| Deferred tax   | (3,860)          | (12,833)         |
| Over provision in prior years                        | <u>(154,408)</u> | <u>-</u>         |
|  | <u>236,144</u>   | <u>88,010</u>    |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|   | <b>2021</b>           | <b>2020</b>          |
|---|-----------------------|----------------------|
|   | <b>\$</b>             | <b>\$</b>            |
| <b>NOTE 7: INCOME TAX (CONTINUED)</b>   |                       |                      |
| <b>(b) Income tax reconciliation</b>  |                       |                      |
| The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows: |                       |                      |
| Prima facie income tax payable on profit before income tax at 26.0% (2020: 27.5%)                           | 393,627               | (41,988)             |
| Add tax effect of:  |                       |                      |
| - Non-deductible expenditure  | -                     | 129,998              |
| - Change in tax rate  | <u>2,125</u>          | <u>-</u>             |
|   | 2,125                 | 129,998              |
| Less tax effect of:   |                       |                      |
| - Non-assessable government subsidies   | 5,200                 | -                    |
| - Over provision for income tax in prior year   | <u>154,408</u>        | <u>-</u>             |
|   | <u>159,608</u>        | <u>-</u>             |
| Income tax expense attributable to profit   | <u><u>236,144</u></u> | <u><u>88,010</u></u> |
| <b>(c) Current tax</b>  |                       |                      |
| Current tax relates to the following:   |                       |                      |
| <i>Current tax liabilities</i>  |                       |                      |
| Opening balance   | 12,603                | 58,851               |
| Income tax  | 394,412               | 100,843              |
| Tax payments  | (108,869)             | (147,091)            |
| Over provisions   | <u>(154,408)</u>      | <u>-</u>             |
| Current tax liabilities   | <u><u>143,738</u></u> | <u><u>12,603</u></u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|   | <b>2021</b>             | <b>2020</b>            |
|---|-------------------------|------------------------|
|   | <b>\$</b>               | <b>\$</b>              |
| <b>NOTE 7: INCOME TAX (CONTINUED)</b>   |                         |                        |
| <b>(d) Deferred tax</b>   |                         |                        |
| Deferred tax relates to the following:  |                         |                        |
| <i>Deferred tax assets</i>  |                         |                        |
| The balance comprises:  |                         |                        |
| Employee benefits   | 35,772                  | 34,341                 |
| Accruals  | 4,550                   | 2,478                  |
| Leases  | <u>2,467</u>            | <u>2,110</u>           |
| Net deferred tax assets   | <u><u>42,789</u></u>    | <u><u>38,929</u></u>   |
| <b>(e) Deferred income tax expense included in income tax expense comprises</b> |                         |                        |
| Increase in deferred tax assets   | <u><u>(3,860)</u></u>   | <u><u>(12,833)</u></u> |
| <b>NOTE 8: CASH AND CASH EQUIVALENTS</b>  |                         |                        |
| Cash at bank  | 952,117                 | 758,556                |
| Cash on deposit   | <u>38,784</u>           | <u>38,484</u>          |
|   | <u><u>990,901</u></u>   | <u><u>797,040</u></u>  |
| <b>NOTE 9: RECEIVABLES</b>  |                         |                        |
| CURRENT   |                         |                        |
| Receivables from contracts with customers                                       | 1,238,071               | 180,394                |
| Cash flow boost   | -                       | 50,000                 |
| Other receivables   | <u>1,480</u>            | <u>1,668</u>           |
|   | <u><u>1,239,551</u></u> | <u><u>232,062</u></u>  |
| <b>NOTE 10: OTHER ASSETS</b>  |                         |                        |
| Prepayments   | <u><u>7,500</u></u>     | <u><u>12,795</u></u>   |

**ARMYTAGE PRIVATE PTY LTD**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|   | <b>2021</b>       | <b>2020</b>         |
|---|-------------------|---------------------|
|   | \$                | \$                  |
| <b>NOTE 11: INTANGIBLE ASSETS</b>       |                   |                     |
| Website development costs               | 3,000             | 3,000               |
| Accumulated amortisation and impairment | <u>(2,180)</u>    | <u>(1,975)</u>      |
|   | <u><u>820</u></u> | <u><u>1,025</u></u> |

**(a) Reconciliations**

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

|                      |                   |                     |
|----------------------|-------------------|---------------------|
| Opening balance      | 1,025             | 1,281               |
| Amortisation expense | <u>(205)</u>      | <u>(256)</u>        |
| Closing balance      | <u><u>820</u></u> | <u><u>1,025</u></u> |

**NOTE 12: LEASE ASSETS AND LEASE LIABILITIES**

**(a) Lease assets**

|                                       |                       |                       |
|---------------------------------------|-----------------------|-----------------------|
| Buildings                             |                       |                       |
| Under lease                           | 266,964               | 266,964               |
| Accumulated depreciation              | <u>(148,998)</u>      | <u>(74,502)</u>       |
| Total carrying amount of lease assets | <u><u>117,966</u></u> | <u><u>192,462</u></u> |

**Reconciliations**

Reconciliation of the carry amount of lease assets at the beginning and end of the financial year:

*Buildings*

|                         |                       |                       |
|-------------------------|-----------------------|-----------------------|
| Opening carrying amount | 192,462               | -                     |
| Additions               | -                     | 266,964               |
| Depreciation            | <u>(74,496)</u>       | <u>(74,502)</u>       |
| Closing carrying amount | <u><u>117,966</u></u> | <u><u>192,462</u></u> |

**(b) Lease liabilities**

**CURRENT**

|                          |               |               |
|--------------------------|---------------|---------------|
| Building lease liability | <u>78,904</u> | <u>79,949</u> |
|--------------------------|---------------|---------------|

**NON CURRENT**

|  |                       |                       |
|--|-----------------------|-----------------------|
| Building lease liability                   | <u>48,534</u>         | <u>120,187</u>        |
| Total carrying amount of lease liabilities | <u><u>127,438</u></u> | <u><u>200,136</u></u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**NOTE 12: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)**

**(c) Lease expenses and cashflows**

|                                       |        |        |
|---------------------------------------|--------|--------|
| Interest expense on lease liabilities | 7,226  | 10,418 |
| Depreciation expense on lease assets  | 74,496 | 74,502 |
| Cash outflow in relation to leases    | 79,964 | 77,246 |

**NOTE 13: PLANT AND EQUIPMENT**

**Plant and equipment**

|  |                     |                     |
|--|---------------------|---------------------|
| Office equipment at cost                 | 27,786              | 27,786              |
| Accumulated depreciation                 | <u>(25,622)</u>     | <u>(23,456)</u>     |
|  | 2,164               | 4,330               |
| <br>                                     |                     |                     |
| Furniture, fixtures and fittings at cost | 542                 | 542                 |
| Accumulated depreciation                 | <u>(380)</u>        | <u>(339)</u>        |
|  | <u>162</u>          | <u>203</u>          |
| <br>                                     |                     |                     |
| Total plant and equipment                | <u><u>2,326</u></u> | <u><u>4,533</u></u> |

**(a) Reconciliations**

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year

*Office equipment*

|                         |                     |                     |
|-------------------------|---------------------|---------------------|
| Opening carrying amount | 4,330               | 7,730               |
| Additions               | -                   | 694                 |
| Depreciation expense    | <u>(2,166)</u>      | <u>(4,094)</u>      |
| Closing carrying amount | <u><u>2,164</u></u> | <u><u>4,330</u></u> |

*Furniture, fixtures and fittings*

|                         |                   |                   |
|-------------------------|-------------------|-------------------|
| Opening carrying amount | 203               | 253               |
| Depreciation expense    | <u>(41)</u>       | <u>(50)</u>       |
| Closing carrying amount | <u><u>162</u></u> | <u><u>203</u></u> |

**NOTE 14: PAYABLES**

*Unsecured liabilities*

|                               |                       |                       |
|-------------------------------|-----------------------|-----------------------|
| Trade creditors               | 82,980                | 67,516                |
| Sundry creditors and accruals | <u>195,610</u>        | <u>50,049</u>         |
|                               | <u><u>278,590</u></u> | <u><u>117,565</u></u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|                              | <b>2021</b>          | <b>2020</b>           |
|------------------------------|----------------------|-----------------------|
|                              | \$                   | \$                    |
| <b>NOTE 15: BORROWINGS</b>   |                      |                       |
| <i>Unsecured liabilities</i> |                      |                       |
| Unsecured loan               | 90,000               | 86,968                |
| Amounts payable to:          |                      |                       |
| - directors                  | <u>-</u>             | <u>300,000</u>        |
|                              | <u><u>90,000</u></u> | <u><u>386,968</u></u> |
| <br>                         |                      |                       |
| NON CURRENT                  |                      |                       |
| <i>Unsecured liabilities</i> |                      |                       |
| Unsecured loan               | <u>-</u>             | <u>90,000</u>         |

**(a) Terms of borrowings**

**Unsecured Loan**

Non-interest bearing loan payable to Equity Trustees Limited with the amounts due over a two year period.

**Director Loan**

Amount is an at call non-interest bearing loan.

**NOTE 16: PROVISIONS**

|   |                    |                |
|---|--------------------|----------------|
| CURRENT                                   |                    |                |
| Employee benefits                         | (a) <u>134,038</u> | <u>123,296</u> |
| NON CURRENT                               |                    |                |
| Employee benefits                         | (a) <u>3,546</u>   | <u>1,582</u>   |
| (a) Aggregate employee benefits liability | 137,584            | 124,878        |

**NOTE 17: OTHER LIABILITIES**

|                   |                |          |
|-------------------|----------------|----------|
| CURRENT           |                |          |
| Dividends payable | <u>299,994</u> | <u>-</u> |



**ARMYTAGE PRIVATE PTY LTD**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|                               | <b>2021</b>    | <b>2020</b>    |
|-------------------------------|----------------|----------------|
|                               | \$             | \$             |
| <b>NOTE 18: SHARE CAPITAL</b> |                |                |
| Issued and paid-up capital    |                |                |
| Ordinary shares               | <u>513,233</u> | <u>513,233</u> |

**Rights of each type of share**

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**NOTE 19: RETAINED EARNINGS / (ACCUMULATED LOSSES)**

|   |                  |                  |
|---|------------------|------------------|
| (Accumulated losses) / retained earnings at beginning of year | (166,537)        | 274,153          |
| Net profit / (loss)   | 1,277,807        | (240,694)        |
| Dividends paid or declared                                    | <u>(299,994)</u> | <u>(199,996)</u> |
| Retained earnings / (accumulated losses) at end of the year   | <u>811,276</u>   | <u>(166,537)</u> |

**NOTE 20: DIVIDENDS**

|   |                |                |
|---|----------------|----------------|
| Dividends declared at fully franked at 26% (2020: 27.5%)  | <u>299,994</u> | <u>199,996</u> |
| Balance of franking account on a tax paid basis at financial year-end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years: | 737,573        | 521,642        |

**NOTE 21: CASH FLOW INFORMATION**

**(a) Reconciliation of cash**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

|  |                |                |
|--|----------------|----------------|
| Cash at bank                                 | 952,117        | 758,556        |
| At call deposits with financial institutions | <u>38,784</u>  | <u>38,484</u>  |
|  | <u>990,901</u> | <u>797,040</u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

|   | 2021                  | 2020                    |
|---|-----------------------|-------------------------|
|   | \$                    | \$                      |
| <b>NOTE 21: CASH FLOW INFORMATION (CONTINUED)</b>                                   |                       |                         |
| <b>(b) Reconciliation of cash flow from operations with profit after income tax</b> |                       |                         |
| Profit / (loss) from ordinary activities after income tax                           | 1,277,807             | (240,694)               |
| <b>Adjustments and non-cash items</b>   |                       |                         |
| Amortisation  | 205                   | 256                     |
| Depreciation  | 76,703                | 78,646                  |
| <b>Changes in operating assets and liabilities</b>                                  |                       |                         |
| Increase in receivables   | (1,007,489)           | (12,115)                |
| Decrease / (increase) in other assets   | 5,295                 | (798)                   |
| Increase / (decrease) in payables   | 161,025               | (26,469)                |
| Increase / (decrease) in income tax payable   | 131,135               | (46,248)                |
| Increase in deferred taxes  | (3,860)               | (12,833)                |
| Increase in employee provisions   | <u>12,706</u>         | <u>42,640</u>           |
| Cash flows from / (used in) operating activities                                    | <u><u>653,527</u></u> | <u><u>(217,615)</u></u> |

**NOTE 22: COMPANY DETAILS**

The registered office of the company is:

Armytage Private Pty Ltd  
Level 5,  
30 Collins Street  
Melbourne VIC 3000

**NOTE 23: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2021, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2021, of the company.

**ARMYTAGE PRIVATE PTY LTD**  
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**DIRECTORS' DECLARATION**

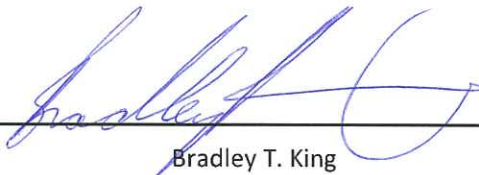
The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. In the directors opinion, the financial statements and notes, as set out on pages 5 - 24, are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standards in Australia as detailed in Note 1 to the financial statements and the *Corporations Regulations 2001*; and
  - (b) giving a true and fair view of the financial position as at 30 June 2021 and performance for the year ended on that date of the company in accordance with the accounting policies described in Note 1 to the financial statements.
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.

Director: \_\_\_\_\_



Bradley T. King

Date: November 2021

ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ARMYTAGE PRIVATE PTY LTD

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

*Opinion*

We have audited the financial report, being a special purpose financial report of Armytage Private Pty Ltd, "the Company", which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Armytage Private Pty Ltd, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 of the financial report and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

*Emphasis of Matter - Basis of Accounting*

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Armytage Private Pty Ltd to meet the requirements of *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ARMYTAGE PRIVATE PTY LTD

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ARMYTAGE PRIVATE PTY LTD*Auditor's Responsibilities for the Audit of the Financial Report (Continued)*

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



B POWERS

Partner



PITCHER PARTNERS

Date: 3 November 2021



# Armytage Private Pty Ltd

ABN: 51 079 960 419

## Financial report

For the year ended 30 June 2022

*Pitcher Partners*

Level 13, 664 Collins Street, Docklands VIC 3008

*p:* +61 3 8610 5000

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**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of Armytage Private Pty Ltd for the year ended 30 June 2022 and auditor's report thereon.

**Directors names**

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

Lee D.P. laFrate B.Bus, GradDipAppFin FCPA, SAFIN  
*(Chairman)*

Bradley T. King B.Bus (EcoFin), SA FIN  
*(Executive Director)*

The directors have been in office to the date of this report unless otherwise stated.

**Results**

The profit of the company for the year after providing for income tax amounted to \$658,661 (2021: \$1,277,807).

**Review of operations**

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant changes in state of affairs**

There were no other significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

**Principal activities**

The principal activity of the company during the year was the provision of funds management services to private clients.

No significant change in the nature of these activities occurred during the year.

**After balance date events**

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

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**DIRECTORS' REPORT**

**Likely developments**

The company expects to maintain the present status and level of operations.

**Environmental regulation**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Dividends paid, recommended and declared**

Dividends paid or declared since the start of the financial year are as follows:

- 28th of July 2021 the board declared a dividend of \$450,000.
- 31st of January 2022 the board declared a dividend of \$400,000.

**Options**

No options over unissued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the end of the year.

**Indemnification of officers**

During or since the end of the year, the company has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums in order to indemnify the directors of the company.

Further disclosure required under section 300(9) of the *Corporations Act 2001* is prohibited under the terms of the contract.

**Indemnification of auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the company.

**Auditor's independence declaration**

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

**Proceedings on behalf of the company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419

DIRECTORS' REPORT

Signed on behalf of the board of directors.

Director:  \_\_\_\_\_  
Bradley T. King

Dated this 25 day of 11 2022

ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF ARMYTAGE PRIVATE PTY LTD

In relation to the independent audit for the year ended 30 June 2022, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

  
B POWERS

Partner

  
PITCHER PARTNERS

Melbourne

Date: 25 ~~30~~ NOVEMBER 2022

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|  | Note | 2022<br>\$            | 2021<br>\$              |
|--|------|-----------------------|-------------------------|
| <b>Revenue and other income</b>                |      |                       |                         |
| Revenue from contracts with customers          | 3    | 2,576,191             | 3,128,828               |
| Other revenue                                  | 4    | <u>76,448</u>         | <u>217,949</u>          |
|  |      | <u>2,652,639</u>      | <u>3,346,777</u>        |
| <b>Less: expenses</b>                          |      |                       |                         |
| Depreciation and amortisation expense          | 5    | (75,774)              | (76,908)                |
| Employee benefits expense                      | 5    | (681,030)             | (580,029)               |
| Occupancy expense                              |      | (24,878)              | (27,008)                |
| Commission expense                             |      | (62,492)              | (53,151)                |
| Legal and business services                    |      | (21,540)              | (31,043)                |
| Fund Administration Expense                    |      | (699,743)             | (654,313)               |
| Finance costs                                  | 5    | (4,145)               | (7,761)                 |
| Loss on Investments                            |      | -                     | (205,000)               |
| Advertising expenses                           |      | (5,546)               | (2,259)                 |
| Insurance expense                              |      | (40,915)              | (35,862)                |
| Communication expense                          |      | (11,904)              | (9,820)                 |
| Other expenses                                 |      | <u>(144,263)</u>      | <u>(149,672)</u>        |
|  |      | <u>(1,772,230)</u>    | <u>(1,832,826)</u>      |
| <b>Profit before income tax expense</b>        |      | 880,409               | 1,513,951               |
| Income tax expense                             | 6    | <u>(221,748)</u>      | <u>(236,144)</u>        |
| <b>Net profit from continuing operations</b>   |      | <u>658,661</u>        | <u>1,277,807</u>        |
| <b>Other comprehensive income for the year</b> |      | <u>-</u>              | <u>-</u>                |
| <b>Total comprehensive income</b>              |      | <u><u>658,661</u></u> | <u><u>1,277,807</u></u> |

The accompanying notes form part of these financial statements.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

|                                      | Note | 2022<br>\$       | 2021<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>Current assets</b>                |      |                  |                  |
| Cash and cash equivalents            | 7    | 1,385,324        | 990,901          |
| Receivables                          | 8    | 236,795          | 1,239,551        |
| Other assets                         | 9    | <u>8,700</u>     | <u>7,500</u>     |
| <b>Total current assets</b>          |      | <u>1,630,819</u> | <u>2,237,952</u> |
| <b>Non-current assets</b>            |      |                  |                  |
| Intangible assets                    | 10   | 656              | 820              |
| Lease assets                         | 11   | 290,668          | 117,966          |
| Deferred tax assets                  | 6    | 44,521           | 42,789           |
| Plant and equipment                  | 12   | <u>1,212</u>     | <u>2,326</u>     |
| <b>Total non-current assets</b>      |      | <u>337,057</u>   | <u>163,901</u>   |
| <b>Total assets</b>                  |      | <u>1,967,876</u> | <u>2,401,853</u> |
| <b>Current liabilities</b>           |      |                  |                  |
| Payables                             | 13   | 182,607          | 278,590          |
| Lease liabilities                    | 11   | 85,877           | 78,904           |
| Borrowings                           | 14   | -                | 90,000           |
| Provisions                           | 15   | 148,876          | 134,038          |
| Current tax liabilities              | 6    | 198,028          | 143,738          |
| Other liabilities                    | 16   | <u>16</u>        | <u>299,994</u>   |
| <b>Total current liabilities</b>     |      | <u>615,404</u>   | <u>1,025,264</u> |
| <b>Non-current liabilities</b>       |      |                  |                  |
| Lease liabilities                    | 11   | 209,841          | 48,534           |
| Provisions                           | 15   | <u>9,461</u>     | <u>3,546</u>     |
| <b>Total non-current liabilities</b> |      | <u>219,302</u>   | <u>52,080</u>    |
| <b>Total liabilities</b>             |      | <u>834,706</u>   | <u>1,077,344</u> |
| <b>Net assets</b>                    |      | <u>1,133,170</u> | <u>1,324,509</u> |
| <b>Equity</b>                        |      |                  |                  |
| Share capital                        | 17   | 513,233          | 513,233          |
| Retained earnings                    | 18   | <u>619,937</u>   | <u>811,276</u>   |
| <b>Total equity</b>                  |      | <u>1,133,170</u> | <u>1,324,509</u> |

The accompanying notes form part of these financial statements.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | Contributed<br>equity<br>\$ | (Accumulated<br>losses) /<br>retained<br>earnings<br>\$ | Total equity<br>\$ |
|---|-----------------------------|---|--------------------|
| <b>Balance as at 1 July 2020</b>                                  | 513,233                     | (166,537)   | 346,696            |
| Profit for the year   | <u>-</u>                    | <u>1,277,807</u>  | <u>1,277,807</u>   |
| <b>Total comprehensive income for the year</b>                    | <u>-</u>                    | <u>1,277,807</u>  | <u>1,277,807</u>   |
| <b>Transactions with owners in their capacity as owners:</b>      |                             |   |                    |
| Dividends   | <u>-</u>                    | <u>(299,994)</u>  | <u>(299,994)</u>   |
| <b>Total transactions with owners in their capacity as owners</b> | <u>-</u>                    | <u>(299,994)</u>  | <u>(299,994)</u>   |
| <b>Balance as at 30 June 2021</b>                                 | <u>513,233</u>              | <u>811,276</u>  | <u>1,324,509</u>   |
| <b>Balance as at 1 July 2021</b>                                  | 513,233                     | 811,276   | 1,324,509          |
| Profit for the year   | <u>-</u>                    | <u>658,661</u>  | <u>658,661</u>     |
| <b>Total comprehensive income for the year</b>                    | <u>-</u>                    | <u>658,661</u>  | <u>658,661</u>     |
| <b>Transactions with owners in their capacity as owners:</b>      |                             |   |                    |
| Dividends   | <u>-</u>                    | <u>(850,000)</u>  | <u>(850,000)</u>   |
| <b>Total transactions with owners in their capacity as owners</b> | <u>-</u>                    | <u>(850,000)</u>  | <u>(850,000)</u>   |
| <b>Balance as at 30 June 2022</b>                                 | <u>513,233</u>              | <u>619,937</u>  | <u>1,133,170</u>   |

The accompanying notes form part of these financial statements.



**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|  | Note  | 2022<br>\$         | 2021<br>\$       |
|--|-------|--------------------|------------------|
| <b>Cash flow from operating activities</b>       |       |                    |                  |
| Management and performance fees received         |       | 3,912,944          | 2,555,426        |
| Government grants receipts                       |       | -                  | 112,000          |
| Payments to suppliers and employees              |       | (2,026,660)        | (1,898,073)      |
| Interest received                                |       | 70                 | 309              |
| Interest paid on leases                          |       | (3,845)            | (7,266)          |
| Income tax paid                                  |       | <u>(169,190)</u>   | <u>(108,869)</u> |
| <b>Net cash provided by operating activities</b> | 20(b) | <u>1,713,319</u>   | <u>653,527</u>   |
| <b>Cash flow from financing activities</b>       |       |                    |                  |
| Net repayment of from related party borrowings   |       | -                  | (300,000)        |
| Net repayment of other borrowings                |       | (90,000)           | (86,968)         |
| Principal portion of lease payments              |       | (78,918)           | (72,698)         |
| Dividends paid                                   |       | <u>(1,149,978)</u> | <u>-</u>         |
| <b>Net cash used in financing activities</b>     |       | <u>(1,318,896)</u> | <u>(459,666)</u> |
| <b>Reconciliation of cash</b>                    |       |                    |                  |
| Cash at beginning of the financial year          |       | 990,901            | 797,040          |
| Net increase in cash held                        |       | <u>394,423</u>     | <u>193,861</u>   |
| <b>Cash at end of financial year</b>             | 20(a) | <u>1,385,324</u>   | <u>990,901</u>   |

The accompanying notes form part of these financial statements.



**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The directors have determined that the company is not a reporting entity on the basis that, in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared to satisfy the financial reporting requirements of the *Corporations Act 2001* and ASIC Form FS70 *Australian financial services licensee profit and loss statement and balance sheet* ("ASIC Form FS70").

The financial report covers Armytage Private Pty Ltd as an individual entity. Armytage Private Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Armytage Private Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the directors as at the date of the directors' report.

The financial report has been prepared in accordance with the *Corporations Act 2001* and ASIC Form FS70, Australian financial services licensee profit and loss statement and balance sheet and the significant accounting policies disclosed below, which the Directors have determined are appropriate to satisfy the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

|            |   |
|------------|---|
| AASB 101:  | Presentation of Financial Statements                            |
| AASB 107:  | Statement of Cash Flows   |
| AASB 108:  | Accounting Policies, Changes in Accounting Estimates and Errors |
| AASB 1048: | Interpretation and Application of Standards                     |
| AASB 1054: | Australian Additional Disclosures                               |

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

*Significant accounting estimates and judgements*

The preparation of the financial report requires the use of certain estimates and judgements in applying the company's accounting policies. Those estimates and judgements significant to the financial report are disclosed in Note 2 to the financial statements.

**(b) Going concern**

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Revenue from contracts with customers**

The company derives revenue from fund management services. Revenue is recognised as, or when, services are transferred to the customer, and is measured at an amount that reflects the consideration to which the company expects to be entitled in exchange for the services provided.

*Consideration included in the measurement of revenue*

The consideration to be received from customers may include fixed amounts, variable amounts, or both. Where the contract includes a right to variable consideration, the company estimates the amount of variable consideration using the most likely amount approach on a contract-by-contract basis. Variable consideration is included in the measurement of revenue only to the extent that it is highly probable, based on historical experience, that a significant reversal of the cumulative amount recognised will not occur when the uncertainty associated with the variability is subsequently resolved.

*Receivables from contracts with customers*

A receivable from a contract with a customer represents the company's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment.

**(d) Other revenue and other income**

*Interest*

Interest revenue is measured in accordance with the effective interest method.

*Rental income*

Lease revenue from operating leases is recognised on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished).

All revenue is measured net of the amount of goods and services tax (GST).

**(e) Government grants and subsidies**

Government grants are recognised when there is reasonable certainty that the grant will be received and all grant conditions are met.

Government grants include amounts received or receivable under the Federal Government's JobKeeper Payment Scheme and Cash Flow Boost Scheme, which provide temporary subsidies to eligible businesses significantly affected by coronavirus (Covid-19).

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(f) Income tax**

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

**(g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions.

**(h) Financial instruments**

*Trade and other receivables*

Trade and other receivables arise from the company's transactions with its customers and are normally settled within 30 days.

Consistent with both the company's business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables are subsequently measured at amortised cost.

*Impairment of financial assets*

Receivables from contracts with customers are tested for impairment by applying the 'expected credit loss' impairment model.

The company applies the simplified approach under AASB 9 to measuring the allowance for credit losses for receivables from contracts with customers. Under the AASB 9 simplified approach, the company determines the allowance for credit losses for receivables from contracts with customers on the basis of the lifetime expected credit losses of the financial asset.

The company considers a range of information when assessing whether the credit risk has increased significantly since initial recognition. This includes such factors as the identification of significant changes in external market indicators of credit risk, significant adverse changes in the financial performance or financial position of the counterparty, and past due information.



**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(h) Financial instruments (Continued)**

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the company has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the company. Recoveries, if any, are recognised in profit or loss.

**(i) Furniture, fixtures and fittings**

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

*Plant and equipment*

Plant and equipment is measured at cost, less accumulated depreciation and any accumulated impairment losses.

*Depreciation*

The depreciable amount of all other plant and equipment is depreciated over their estimated useful lives commencing from the time the asset is held available for use, consistent with the estimated consumption of the economic benefits embodied in the asset.

| <b>Class of fixed asset</b>              | <b>Depreciation rates</b> | <b>Depreciation basis</b> |
|--|---------------------------|---------------------------|
| Office equipment at cost                 | 50%                       | Diminishing value         |
| Furniture, fixtures and fittings at cost | 20%                       | Diminishing value         |

**(j) Intangible assets**

*Capitalised website costs*

Intangible assets are initially recorded at the purchase price. Intangible assets are amortised on a diminishing value basis over the period of 5 years. The balances are reviewed annually and any balance representing a future benefit for which the realisation is considered to be no-longer probable are written off.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(k) Leases**

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the company recognises a lease asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

*Lease assets*

Lease assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the company, and an estimate of costs to be incurred by the company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, lease assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

*Lease liabilities*

Lease liabilities are initially recognised at the present value of the future lease payments (i.e., the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the company's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e., the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of finance costs). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

*Leases of 12-months or less and leases of low value assets*

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

Each lease is classified as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(k) Leases (Continued)**

*Operating leases*

Underlying assets subject to operating leases are presented in the statement of financial position according to the nature of the underlying asset.

Lease payments from operating leases are recognised as income on either a straight-line basis or another systematic basis (if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished).

**(l) Provisions**

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

**(m) Employee benefits**

*(i) Short-term employee benefit obligations*

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits (other than termination benefits) expected to be settled wholly before twelve months after the end of the reporting period are measured at the (undiscounted) amounts based on remuneration rates which are expected to be paid when the liability is settled. The expected cost of short-term employee benefits in the form of compensated absences such as annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables in the statement of financial position.

*(ii) Long-term employee benefit obligations*

The provision for other long-term employee benefits, including obligations for long service leave and annual leave, which are not expected to be settled wholly before twelve months after the end of the reporting period, are measured at the present value of the estimated future cash outflow to be made in respect of the services provided by employees up to the reporting date. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee turnover, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For currencies in which there is no deep market in such high quality corporate bonds, the market yields (at the end of the reporting period) on government bonds denominated in that currency are used. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the change occurs.



NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(m) Employee benefits (Continued)**

Other long-term employee benefit obligations are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur. All other long-term employee benefit obligations are presented as non-current liabilities in the statement of financial position.

*(iii) Retirement benefit obligations*

*Defined contribution superannuation plan*

The company makes superannuation contributions to the employee's defined contribution superannuation plan of choice in respect of employee services rendered during the year. These superannuation contributions are recognised as an expense in the same period when the related employee services are received. The company's obligation with respect to employee's defined contributions entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the statement of financial position.

**(n) Borrowing costs**

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of lease arrangements, and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs are expensed as incurred, except for borrowing costs incurred as part of the cost of the construction of a qualifying asset, in which case the costs are capitalised until the asset is ready for its intended use or sale.

**(o) Goods and services tax (GST)**

Revenues, expenses and purchased assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(p) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

*(a) Income tax*

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

|  | <b>2022</b>      | <b>2021</b>      |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>NOTE 3: REVENUE FROM CONTRACTS WITH CUSTOMERS</b> |                  |                  |
| Rendering of services                                | <u>2,576,191</u> | <u>3,128,828</u> |

**NOTE 4: OTHER REVENUE**

|                                 |               |                |
|---------------------------------|---------------|----------------|
| Interest income                 | 70            | 121            |
| Other revenue                   |               |                |
| Rental income                   | 29,837        | 44,490         |
| Government subsidies and grants | -             | 62,000         |
| Other revenue                   | <u>46,541</u> | <u>111,338</u> |
|                                 | <u>76,378</u> | <u>217,828</u> |
|                                 | <u>76,448</u> | <u>217,949</u> |

**NOTE 5: OPERATING PROFIT**

Profit before income tax has been determined after:

|   |           |           |
|---|-----------|-----------|
| Finance costs                               |           |           |
| - Interest paid on leases                   | 3,845     | 7,266     |
| Depreciation                                |           |           |
| - leased asset                              | 74,496    | 74,496    |
| - office equipment                          | 1,082     | 2,166     |
| - furniture and fittings                    | <u>32</u> | <u>41</u> |
|   | 75,610    | 76,703    |
| Amortisation of non-current asset - website | 164       | 205       |
| Bad and doubtful debts                      | -         | 1,512     |
| Employee benefits expense                   | 681,030   | 580,029   |



**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | <b>2022</b>           | <b>2021</b>           |
|---|-----------------------|-----------------------|
|   | \$                    | \$                    |
| <b>NOTE 6: INCOME TAX</b>   |                       |                       |
| <b>(a) Components of tax expense</b>  |                       |                       |
| Current tax   | 223,480               | 394,412               |
| Deferred tax  | (1,732)               | (3,860)               |
| Over provision in prior years   | <u>-</u>              | <u>(154,408)</u>      |
|   | <u><u>221,748</u></u> | <u><u>236,144</u></u> |
| <b>(b) Income tax reconciliation</b>  |                       |                       |
| The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows: |                       |                       |
| Prima facie income tax payable on profit before income tax at 25.0% (2021: 26.0%)                           | 220,102               | 393,627               |
| Add tax effect of:  |                       |                       |
| - Change in tax rate  | <u>1,646</u>          | <u>2,125</u>          |
|   | 1,646                 | 2,125                 |
| Less tax effect of:   |                       |                       |
| - Non-assessable government subsidies   | -                     | 5,200                 |
| - Over provision for income tax in prior year   | <u>-</u>              | <u>154,408</u>        |
|   | <u>-</u>              | <u>159,608</u>        |
| Income tax expense attributable to profit   | <u><u>221,748</u></u> | <u><u>236,144</u></u> |
| <b>(c) Current tax</b>  |                       |                       |
| Current tax relates to the following:   |                       |                       |
| <i>Current tax liabilities</i>  |                       |                       |
| Opening balance   | 143,738               | 12,603                |
| Income tax  | 223,480               | 394,412               |
| Tax payments  | (169,190)             | (108,869)             |
| Over provisions   | <u>-</u>              | <u>(154,408)</u>      |
| Current tax liabilities   | <u><u>198,028</u></u> | <u><u>143,738</u></u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | 2022             | 2021             |
|---|------------------|------------------|
|   | \$               | \$               |
| <b>NOTE 6: INCOME TAX (CONTINUED)</b>   |                  |                  |
| <b>(d) Deferred tax</b>   |                  |                  |
| Deferred tax relates to the following:  |                  |                  |
| <i>Deferred tax assets</i>  |                  |                  |
| The balance comprises:  |                  |                  |
| Employee benefits   | 39,585           | 35,772           |
| Accruals  | 3,670            | 4,550            |
| Leases  | <u>1,266</u>     | <u>2,467</u>     |
| Net deferred tax assets   | <u>44,521</u>    | <u>42,789</u>    |
| <b>(e) Deferred income tax expense included in income tax expense comprises</b> |                  |                  |
| Increase in deferred tax assets   | <u>(1,732)</u>   | <u>(3,860)</u>   |
| <b>NOTE 7: CASH AND CASH EQUIVALENTS</b>  |                  |                  |
| Cash at bank  | 1,346,479        | 952,117          |
| Cash on deposit   | <u>38,845</u>    | <u>38,784</u>    |
|   | <u>1,385,324</u> | <u>990,901</u>   |
| <b>NOTE 8: RECEIVABLES</b>  |                  |                  |
| <b>CURRENT</b>  |                  |                  |
| Receivables from contracts with customers                                       | 233,565          | 1,238,071        |
| Other receivables   | <u>3,230</u>     | <u>1,480</u>     |
|   | <u>236,795</u>   | <u>1,239,551</u> |
| <b>NOTE 9: OTHER ASSETS</b>   |                  |                  |
| Prepayments   | <u>8,700</u>     | <u>7,500</u>     |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|  | 2022             | 2021             |
|--|------------------|------------------|
|  | \$               | \$               |
| <b>NOTE 10: INTANGIBLE ASSETS</b>  |                  |                  |
| Website development costs  | 3,000            | 3,000            |
| Accumulated amortisation and impairment  | <u>(2,344)</u>   | <u>(2,180)</u>   |
|  | <u>656</u>       | <u>820</u>       |
| <br>   |                  |                  |
| <b>(a) Reconciliations</b>   |                  |                  |
| Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year |                  |                  |
| Opening balance  | 820              | 1,025            |
| Amortisation expense   | <u>(164)</u>     | <u>(205)</u>     |
| Closing balance  | <u>656</u>       | <u>820</u>       |
| <br>   |                  |                  |
| <b>NOTE 11: LEASE ASSETS AND LEASE LIABILITIES</b>   |                  |                  |
| <b>(a) Lease assets</b>  |                  |                  |
| Buildings  |                  |                  |
| Under lease  | 514,162          | 266,964          |
| Accumulated depreciation   | <u>(223,494)</u> | <u>(148,998)</u> |
| Total carrying amount of lease assets  | <u>290,668</u>   | <u>117,966</u>   |
| <br>   |                  |                  |
| <b>Reconciliations</b>   |                  |                  |
| Reconciliation of the carry amount of lease assets at the beginning and end of the financial year:                 |                  |                  |
| <i>Buildings</i>   |                  |                  |
| Opening carrying amount  | 117,966          | 192,462          |
| Additions  | 247,198          | -                |
| Depreciation   | <u>(74,496)</u>  | <u>(74,496)</u>  |
| Closing carrying amount  | <u>290,668</u>   | <u>117,966</u>   |
| <br>   |                  |                  |
| <b>(b) Lease liabilities</b>   |                  |                  |
| CURRENT  |                  |                  |
| Building lease liability   | <u>85,877</u>    | <u>78,904</u>    |
| NON CURRENT  |                  |                  |
| Building lease liability   | <u>209,841</u>   | <u>48,534</u>    |
| Total carrying amount of lease liabilities   | <u>295,718</u>   | <u>127,438</u>   |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|  | 2022                  | 2021                  |
|--|-----------------------|-----------------------|
|  | \$                    | \$                    |
| <b>NOTE 11: LEASE ASSETS AND LEASE LIABILITIES (CONTINUED)</b>   |                       |                       |
| <b>(c) Lease expenses and cashflows</b>  |                       |                       |
| Interest expense on lease liabilities  | 3,845                 | 7,266                 |
| Depreciation expense on lease assets   | 74,496                | 74,502                |
| Cash outflow in relation to leases   | 82,763                | 77,246                |
| <br>   |                       |                       |
| <b>NOTE 12: PLANT AND EQUIPMENT</b>  |                       |                       |
| <b>Plant and equipment</b>   |                       |                       |
| Office equipment at cost   | 27,786                | 27,786                |
| Accumulated depreciation   | <u>(26,704)</u>       | <u>(25,622)</u>       |
|  | 1,082                 | 2,164                 |
| <br>   |                       |                       |
| Furniture, fixtures and fittings at cost   | 542                   | 542                   |
| Accumulated depreciation   | <u>(412)</u>          | <u>(380)</u>          |
|  | <u>130</u>            | <u>162</u>            |
| Total plant and equipment  | <u><u>1,212</u></u>   | <u><u>2,326</u></u>   |
| <br>   |                       |                       |
| <b>(a) Reconciliations</b>   |                       |                       |
| Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year |                       |                       |
| <br>   |                       |                       |
| <i>Office equipment</i>  |                       |                       |
| Opening carrying amount  | 2,164                 | 4,330                 |
| Depreciation expense   | <u>(1,082)</u>        | <u>(2,166)</u>        |
| Closing carrying amount  | <u><u>1,082</u></u>   | <u><u>2,164</u></u>   |
| <br>   |                       |                       |
| <i>Furniture, fixtures and fittings</i>  |                       |                       |
| Opening carrying amount  | 162                   | 203                   |
| Depreciation expense   | <u>(32)</u>           | <u>(41)</u>           |
| Closing carrying amount  | <u><u>130</u></u>     | <u><u>162</u></u>     |
| <br>   |                       |                       |
| <b>NOTE 13: PAYABLES</b>   |                       |                       |
| <i>Unsecured liabilities</i>   |                       |                       |
| Trade creditors  | 113,187               | 82,980                |
| Sundry creditors and accruals  | <u>69,420</u>         | <u>195,610</u>        |
|  | <u><u>182,607</u></u> | <u><u>278,590</u></u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|                              | <b>2022</b>     | <b>2021</b>          |
|------------------------------|-----------------|----------------------|
|                              | <b>\$</b>       | <b>\$</b>            |
| <b>NOTE 14: BORROWINGS</b>   |                 |                      |
| <i>Unsecured liabilities</i> |                 |                      |
| Unsecured loan               | <u><u>-</u></u> | <u><u>90,000</u></u> |

**(a) Terms of borrowings**

**Unsecured Loan**

Non-interest bearing loan payable to Equity Trustees Limited with the amounts due over a two year period.

**NOTE 15: PROVISIONS**

**CURRENT**

|                   |                           |                       |
|-------------------|---------------------------|-----------------------|
| Employee benefits | (a) <u><u>148,876</u></u> | <u><u>134,038</u></u> |
|-------------------|---------------------------|-----------------------|

**NON CURRENT**

|                   |                         |                     |
|-------------------|-------------------------|---------------------|
| Employee benefits | (a) <u><u>9,461</u></u> | <u><u>3,546</u></u> |
|-------------------|-------------------------|---------------------|

|   |         |         |
|---|---------|---------|
| (a) Aggregate employee benefits liability | 158,337 | 137,584 |
|---|---------|---------|

**NOTE 16: OTHER LIABILITIES**

**CURRENT**

|                   |                  |                       |
|-------------------|------------------|-----------------------|
| Dividends payable | <u><u>16</u></u> | <u><u>299,994</u></u> |
|-------------------|------------------|-----------------------|

**NOTE 17: SHARE CAPITAL**

**Issued and paid-up capital**

|                 |                       |                       |
|-----------------|-----------------------|-----------------------|
| Ordinary shares | <u><u>513,233</u></u> | <u><u>513,233</u></u> |
|-----------------|-----------------------|-----------------------|

**Rights of each type of share**

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | 2022                    | 2021                  |
|---|-------------------------|-----------------------|
|   | \$                      | \$                    |
| <b>NOTE 18: RETAINED EARNINGS / (ACCUMULATED LOSSES)</b>  |                         |                       |
| Retained earnings / (accumulated losses) at beginning of year   | 811,276                 | (166,537)             |
| Net profit  | 658,661                 | 1,277,807             |
| Dividends paid or declared  | <u>(850,000)</u>        | <u>(299,994)</u>      |
| Retained earnings at end of the year  | <u><u>619,937</u></u>   | <u><u>811,276</u></u> |
| <br><b>NOTE 19: DIVIDENDS</b>   |                         |                       |
| Dividends paid at \$850,000 per share (2021: \$299,294) fully franked   | <u>850,000</u>          | <u>299,994</u>        |
| Balance of franking account on a tax paid basis at financial year-end adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and any credits that may be prevented from distribution in subsequent years: | 662,410                 | 737,573               |
| <br><b>NOTE 20: CASH FLOW INFORMATION</b>   |                         |                       |
| <b>(a) Reconciliation of cash</b>   |                         |                       |
| Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:   |                         |                       |
| Cash at bank  | 1,346,479               | 952,117               |
| At call deposits with financial institutions  | <u>38,845</u>           | <u>38,784</u>         |
|   | <u><u>1,385,324</u></u> | <u><u>990,901</u></u> |

**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | 2022             | 2021           |
|---|------------------|----------------|
|   | \$               | \$             |
| <b>NOTE 20: CASH FLOW INFORMATION (CONTINUED)</b>                                   |                  |                |
| <b>(b) Reconciliation of cash flow from operations with profit after income tax</b> |                  |                |
| Profit from ordinary activities after income tax                                    | 658,661          | 1,277,807      |
| <b>Adjustments and non-cash items</b>   |                  |                |
| Amortisation  | 164              | 205            |
| Depreciation  | 75,610           | 76,703         |
| <b>Changes in operating assets and liabilities</b>                                  |                  |                |
| Decrease / (increase) in receivables  | 1,002,756        | (1,007,489)    |
| (Increase) / decrease in other assets   | (1,200)          | 5,295          |
| (Decrease) / increase in payables   | (95,983)         | 161,025        |
| Increase in income tax payable  | 54,651           | 131,135        |
| Increase in deferred taxes  | (2,093)          | (3,860)        |
| Increase in employee provisions   | <u>20,753</u>    | <u>12,706</u>  |
| Cash flows from operating activities  | <u>1,713,319</u> | <u>653,527</u> |

**NOTE 21: COMPANY DETAILS**

The registered office of the company is:

Armytage Private Pty Ltd  
Level 5,  
30 Collins Street  
Melbourne VIC 3000

**NOTE 22: EVENTS SUBSEQUENT TO REPORTING DATE**

There has been no matter or circumstance, which has arisen since 30 June 2022 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2022, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2022, of the company.



**ARMYTAGE PRIVATE PTY LTD**  
**ABN: 51 079 960 419**

**DIRECTORS' DECLARATION**


The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. In the directors opinion, the financial statements and notes, as set out on pages 5 - 23, are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standards in Australia as detailed in Note 1 to the financial statements and the *Corporations Regulations 2001*; and
  - (b) giving a true and fair view of the financial position as at 30 June 2022 and performance for the year ended on that date of the company in accordance with the accounting policies described in Note 1 to the financial statements.
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.

Director: \_\_\_\_\_



Bradley T. King

Date: 25<sup>th</sup> November 2022



ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ARMYTAGE PRIVATE PTY LTD

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

*Opinion*

We have audited the financial report, being a special purpose financial report of Armytage Private Pty Ltd, "the Company", which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Armytage Private Pty Ltd, is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 of the financial report and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

*Emphasis of Matter - Basis of Accounting*

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Armytage Private Pty Ltd to meet the requirements of *Corporations Act 2001* and ASIC Form FS70. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ARMYTAGE PRIVATE PTY LTD

*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Company's Directors' 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 the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

ARMYTAGE PRIVATE PTY LTD  
ABN: 51 079 960 419INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ARMYTAGE PRIVATE PTY LTD*Auditor's Responsibilities for the Audit of the Financial Report (Continued)*

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
B POWERS

Partner

  
PITCHER PARTNERS

Date: 25 November 2022

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