Site Services Holdings Pty Ltd

ABN 50 619 732 259

Annual Report - 30 June 2020

Site Services Holdings Pty Ltd
Contents
30 June 2020

General information

The financial statements cover Site Services Holdings Pty Ltd ('the Company') as an individual entity. The financial statements are presented in Australian dollars, which is Site Services Holdings Pty Ltd's functional and presentation currency.

Site Services Holdings Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

41-47 Colin Street
West Perth WA 6005

Principal place of business

273 Great Eastern Highway
Belmont WA 6104

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 3 April 2021.

The Directors have the power to amend and reissue the financial statements.

Site Services Holdings Pty Ltd
Directors' report
30 June 2020

The Directors present their report, together with the financial statements, on the Company for the year ended 30 June 2020.

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

Daniel Cowley-Cooper
Stefan Finney

Principal activities
During the financial year the principal continuing activities of the Company consisted of:
- Administration services

Dividends
There were no dividends paid, recommended, or declared during the current or previous financial year.

Review of operations
The profit for the Company after providing for income tax amounted to $281,398 (30 June 2019: loss of $34,457).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year
SSH Group Limited ("SSH") formerly known as Jacka Resources Limited ('Jacka') has executed a binding terms sheet agreement to acquire 100% of the entities which constitute the businesses known as Site Services Holdings Group ('SSH') which includes Site Services Holdings Pty Ltd, Complete Workforce Australia Pty Ltd and Site Services Holdings Trust. Completion of the acquisition of SSH will occur upon the Initial Public Offer ('IPO') of Jacka on the ASX including a capital raising of $6.25 million.

Likely developments and expected results of operations
Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Company.

Environmental regulation
The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Daniel Cowley-Cooper
Title:	Chief Executive Officer (appointed 2 July 2017)
Experience and expertise:	Founder of Site Services Holdings Group ('SSH'), Daniel has been the driving force behind the business' year on year growth. Daniel has built SSH to over 720 staff and diversified its operations into an array of industry sectors within Western Australia. Daniel has an entrepreneurial character, setting the overall strategic direction, and developing growth paths for service offerings and people within the organisation. Daniel believes in the importance of planning and implementing long term business strategies to achieve the Company's objectives by managing the direction of the Company, navigating through economic landscapes, and guiding senior management to achieve the core objectives.

Name:	Stefan Finney
Title:	Chief Operating Officer (appointed 2 July 2017)
Experience and expertise:	Stefan commenced with SSH in 2015 and has helped to grow the business to 720+ employees. Recent experience has seen Stefan in a senior role with a large mining Company, managing people and assisting multiple businesses units within the organisation to deliver large scale regional construction and mining projects across the state of Western Australia. Stefan has been actively involved in business management and guidance since 2002, managing a diverse portfolio of Western Australian business contracts. Stefan has a strong focus on service delivery, corporate governance and compliance, occupational health and safety, and human resources & industrial relations. Stefan is currently managing 5 direct reports while overseeing all operational aspects of SSH as the Chief Operating Officer.

Company secretary
Daniel Cowley-Cooper (appointed 2 July 2017)

Meetings of directors
No formal meetings of the Board were held during the financial period with matters being resolved by circulating resolutions of the Directors.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

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

Site Services Holdings Pty Ltd
Directors' report
30 June 2020

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

On behalf of the Directors

Daniel Cowley-Cooper
Director

3 April 2021
Perth

Bentleys
THINKING AHEAD

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To The Board of Directors

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

As lead audit Partner for the audit of the financial statements of Site Services Holdings Pty Ltd for the financial year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DEALURENTIS CA
Partner

Dated at Perth this 3rd day of April 2021

Site Services Holdings Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Note	2020 $	2019 $
Revenue	4	2,646,725	1,991,849
Other income	5	291,756	4,161
Interest revenue		639	862
Expenses			
Employee benefits expense		(1,052,247)	(949,906)
Depreciation and amortisation expense		(129,394)	(25,294)
Loss on disposal of assets		103	39,647
Bad debts written off		(35,000)	(68,257)
Direct costs		(249,505)	(157,991)
Management fees		(397,132)	(226,191)
Occupancy		(74,964)	(195,181)
Administration		(663,684)	(428,907)
Finance costs		(45,034)	(29,737)
Profit/(loss) before income tax (expense)/benefit		292,263	(44,945)
Income tax (expense)/benefit	6	(10,865)	10,488
Profit/(loss) after income tax (expense)/benefit for the year attributable to the owners of Site Services Holdings Pty Ltd	18	281,398	(34,457)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Site Services Holdings Pty Ltd		281,398	(34,457)

	Note	$	$
Basic earnings/(loss) per share	26	2,813.98	(344.57)
Diluted earnings/(loss) per share	26	2,813.98	(344.57)

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

Site Services Holdings Pty Ltd
Statement of financial position
As at 30 June 2020

	Note	2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	7	70,679	69,403
Trade and other receivables	8	658,651	747,488
Total current assets		729,330	816,891
Non-current assets			
Right-of-use assets	9	236,039	-
Property, plant and equipment	10	65,242	55,903
Intangibles	11	7,597	8,441
Deferred tax	12	57,757	38,925
Total non-current assets		366,635	103,269
Total assets		1,095,965	920,160
Liabilities			
Current liabilities			
Trade and other payables	13	523,511	898,188
Lease liabilities	14	115,846	-
Income tax	15	42,032	12,335
Provisions	16	55,241	92,365
Total current liabilities		736,630	1,002,888
Non-current liabilities			
Lease liabilities	14	160,665	-
Total non-current liabilities		160,665	-
Total liabilities		897,295	1,002,888
Net assets/(liabilities)		198,670	(82,728)
Equity			
Issued capital	17	100	100
Retained profits/(accumulated losses)	18	198,570	(82,828)
Total equity/(deficiency)		198,670	(82,728)

The above statement of financial position should be read in conjunction with the accompanying notes

Site Services Holdings Pty Ltd
Statement of changes in equity
For the year ended 30 June 2020

	Issued capital $	Retained profits $	Total deficiency in equity $
Balance at 1 July 2018	100	(48,371)	(48,271)
Loss after income tax benefit for the year	-	(34,457)	(34,457)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(34,457)	(34,457)
Balance at 30 June 2019	100	(82,828)	(82,728)

	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2019	100	(82,828)	(82,728)
Profit after income tax expense for the year	-	281,398	281,398
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	281,398	281,398
Balance at 30 June 2020	100	198,570	198,670

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

Site Services Holdings Pty Ltd
Statement of cash flows
For the year ended 30 June 2020

	Note	2020 $	2019 $
Cash flows from operating activities			
Receipts from customers		2,700,561	1,319,435
Payments to suppliers and employees		(2,646,576)	(1,259,547)
		53,985	59,888
Interest received		639	862
Interest and other finance costs paid		(24,595)	(16,783)
Government grants received		89,000	-
Net cash from operating activities	25	119,029	43,967
Cash flows from investing activities			
Payments for property, plant and equipment	10	(22,267)	(6,768)
Proceeds from disposal of property, plant and equipment		2,500	-
Net cash used in investing activities		(19,767)	(6,768)
Cash flows from financing activities			
Repayment of borrowings		-	(31,514)
Repayment of lease liabilities		(97,986)	-
Net cash used in financing activities		(97,986)	(31,514)
Net increase in cash and cash equivalents		1,276	5,685
Cash and cash equivalents at the beginning of the financial year		69,403	63,718
Cash and cash equivalents at the end of the financial year	7	70,679	69,403

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

Note 1. Significant accounting policies

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

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

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

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

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

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

Going concern
The spread of novel coronavirus (COVID-19) was declared a public health emergency by the World Health Organisation on 31 January 2020 and upgraded to a global pandemic on 11 March 2020. The rapid rise of the virus has seen an unprecedented global response by Governments, regulators and industry sectors. The Australian Federal Government enacted its emergency plan on 29 February 2020 which has seen the closure of Australian borders from 20 March 2020, an increasing level of restrictions on corporate Australia's ability to operate, significant volatility and instability in financial markets and the release of a number of Government stimulus packages to support individuals and businesses as the Australian and global economies face significant slowdowns and uncertainties.

Despite the declaration of a global pandemic, the business has been able to capitalise on the opportunity through obtaining contracts with the Western Australian Government to provide security services for hotel quarantine sites.

For the year ended 30 June 2020, COVID-19 has impacted the Company and SSH, specifically as follows:

Implications on the current period financial performance and cash flows (particularly operating cash flows).

The Company incurred a profit after tax for the year of $281,398 (2019: loss of $34,457) and net cash inflows from operating activities of $119,029 (2019: inflows of $43,967) and had a working capital deficit of $7,300 (2019: $185,997)

The Company did not have any capital commitments of as of 30 June 2020.

The Directors have prepared projected cash flow information for the 12 months from the date of approval of these financial statements taking into consideration the continued business impacts of COVID-19. In response to the uncertainty arising from this, the Directors have considered that business growth will continue for at least 12 months. After this point in time, it anticipates being able to secure other substantial contracts within the mining sector.

Note 1. Significant accounting policies (continued)

These forecasts indicate that, after taking into account any reasonably possible downsides, the Company is expected to continue to operate, with headroom and within available cash levels. Key to the forecasts are relevant assumptions regarding the business, business model, any legal or regulatory restrictions and shareholder support, in particular:

Mitigating actions undertaken or planned by the Directors and SSH to manage and respond to cash flow uncertainties or potential risks of shortfall in financing and the implementation status and uncertainties that arise from them.

The Directors are satisfied that they will be able to raise additional funds as required and therefore it is appropriate to prepare the financial statements on a going concern basis. The Company, as part of SSH is in advanced discussions regarding a proposed listing on the Australian Securities Exchange via a reverse takeover. The proposed transaction will require the compliance with Chapters 1 and 2 of the ASX Listing Rules and completion of a proposed capital raising of approximately $6.25 million (before costs).

In the event that the Company is unable to obtain sufficient funding for ongoing operating and capital requirements, there is a material uncertainty that may cast significant doubt as to whether the Company will continue as a going concern and therefore proceed with realising its assets and discharging its liabilities in the normal course of business at the amounts stated in the financial report. The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that may be necessary should the Company not be able to continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

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

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when performance obligations have been met.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties.

Revenue is recognised for major business activities based on the following performance obligations:

a. Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

b. Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Note 1. Significant accounting policies (continued)

All revenue is stated net of goods and services tax (GST).

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

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

Government grants
Grants from Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

- The Company received government grants from the Australian Federal Government's JobKeeper Payment scheme. There are no unfilled conditions or other contingencies attaching to these grants. Grants related to income are presented as part of profit or loss as a deduction in reporting the related expense.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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

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

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

Note 1. Significant accounting policies (continued)

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

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

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

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

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

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

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

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

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

Depreciation is calculated on a diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	3-10 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

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

Note 1. Significant accounting policies (continued)

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

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

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

Website
Significant costs associated with the development of the revenue generating aspects of the website, are deferred and amortised on a diminishing value basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

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

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

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

Note 1. Significant accounting policies (continued)

Employee benefits

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

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Site Services Holdings Pty Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2020. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

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

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Fair value measurement hierarchy
The Company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as Level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The Company is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on the Company's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Segment information

The Director's determined that the Company has one reportable segment, being administration services in Australia, consequently the Company does not report segmented operations.

Note 4. Revenue

	2020 $	2019 $
Revenue from contracts with customers		
Sales	493,496	86,999
Other revenue		
Management fees	2,153,229	1,904,850
Revenue	2,646,725	1,991,849

Note 5. Other income

	2020 $	2019 $
Subsidies and grants	89,000	-
Debts forgiven	202,756	-
Other income	-	4,161
Other income	291,756	4,161

Note 6. Income tax expense/(benefit)

	2020 $	2019 $
Income tax expense/(benefit)		
Current tax	29,697	12,335
Deferred tax - origination and reversal of temporary differences	(18,832)	(22,823)
Aggregate income tax expense/(benefit)	10,865	(10,488)
Deferred tax included in income tax expense/(benefit) comprises:		
Increase in deferred tax assets (note 12)	(18,832)	(22,823)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Profit/(loss) before income tax (expense)/benefit	292,263	(44,945)
Tax at the statutory tax rate of 27.5%	80,372	(12,360)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	-	1,872
Non-assessable non-exempt income	(13,750)	-
Debts forgiven	(55,757)	-
Income tax expense/(benefit)	10,865	(10,488)

Note 6. Income tax expense/(benefit) (continued)

All unused tax losses were incurred by Australian entities. Site Services Holdings Pty Ltd is assessed for income tax purposes in its own right and does not form part of a tax consolidated group. Potential future income tax benefits net of deferred tax liabilities attributable to tax losses have been brought to account because the Directors do believe it is appropriate to regard realisation of the future income tax benefits as probable.

However, the benefits of these tax losses will only be obtained if:
(i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
(ii) the conditions for deductibility imposed by taxation legislation are complied with; and
(iii) no changes in taxation legislation adversely affect the Company in realising the benefit.

Note 7. Cash and cash equivalents

	2020 $	2019 $
Current assets		
Cash on hand	100	100
Cash at bank	8,541	7,265
Cash on deposit	62,038	62,038
	70,679	69,403

Note 8. Trade and other receivables

	2020 $	2019 $
Current assets		
Trade receivables	15,000	9,619
Related parties' receivables (i)	643,651	737,869
	658,651	747,488

(i) Refer to note 23 for terms

Note 9. Right-of-use assets

	2020 $	2019 $
Non-current assets		
Land and buildings - right-of-use	354,058	-
Less: Accumulated depreciation	(118,019)	-
	236,039	-

The Company leases land and buildings for its office under an agreement of 3 years with an option to extend.

Note 9. Right-of-use assets (continued)

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

	$
Balance at 1 July 2018	-
Balance at 30 June 2019	-
Additions	354,058
Depreciation expense	(118,019)
Balance at 30 June 2020	236,039

Note 10. Property, plant and equipment

	2020 $	2019 $
Non-current assets		
Plant and equipment - at cost	205,874	188,709
Less: Accumulated depreciation	(140,632)	(132,806)
	65,242	55,903

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

	Plant and Equipment $	Motor Vehicles $	Total $
Balance at 1 July 2018	59,770	91,604	151,374
Additions	6,768	-	6,768
Disposals	-	(77,882)	(77,882)
Depreciation expense	(10,635)	(13,722)	(24,357)
Balance at 30 June 2019	55,903	-	55,903
Additions	22,267	-	22,267
Disposals	(2,397)	-	(2,397)
Depreciation expense	(10,531)	-	(10,531)
Balance at 30 June 2020	65,242	-	65,242

Note 11. Intangibles

	2020 $	2019 $
Non-current assets		
Website - at cost	10,819	10,819
Less: Accumulated amortisation	(3,222)	(2,378)
	7,597	8,441

Note 11. Intangibles (continued)

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

	Website $	Total $
Balance at 1 July 2018	9,378	9,378
Amortisation expense	(937)	(937)
Balance at 30 June 2019	8,441	8,441
Amortisation expense	(844)	(844)
Balance at 30 June 2020	7,597	7,597

Note 12. Deferred tax

	2020 $	2019 $
Non-current assets		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Annual leave provision	15,192	25,400
Superannuation payable	4,579	14,439
Audit fee accrual	2,063	963
Insurance accrual	34,375	-
Net carrying amount of ROUA	297	-
Taxation depreciation	1,251	(1,877)
Deferred tax asset	57,757	38,925
Movements:		
Opening balance	38,925	16,102
Credited to profit or loss (note 6)	18,832	22,823
Closing balance	57,757	38,925

Note 13. Trade and other payables

	2020 $	2019 $
Current liabilities		
Trade payables	70,936	104,083
Related parties' payable (i)	33,517	462,121
GST and PAYG payable	247,963	212,666
Other payables	171,095	119,318
	523,511	898,188

Refer to note 20 for further information on financial instruments.

(i) Refer to note 23 for terms.

Note 14. Lease liabilities

	2020 $	2019 $
Current liabilities		
Lease liability	115,846	-
Non-current liabilities		
Lease liability	160,665	-
	276,511	-

Refer to note 20 for further information on financial instruments.

Note 15. Income tax

	2020 $	2019 $
Current liabilities		
Provision for income tax	42,032	12,335

Note 16. Provisions

	2020 $	2019 $
Current liabilities		
Annual leave	55,241	92,365

Note 17. Issued capital

	2020 Shares	2019 Shares	2020 $	2019 $
Ordinary shares - fully paid	100	100	100	100

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 17. Issued capital (continued)

The Company is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2019 Annual Report.

Note 18. Retained profits/(accumulated losses)

	2020 $	2019 $
Accumulated losses at the beginning of the financial year	(82,828)	(48,371)
Profit/(loss) after income tax (expense)/benefit for the year	281,398	(34,457)
Retained profits/(accumulated losses) at the end of the financial year	198,570	(82,828)

Note 19. Dividends

There were no dividends paid, recommended, or declared during the current or previous financial year.

Note 20. Financial instruments

Financial risk management objectives
The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Company's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The Company is not exposed to any significant foreign currency risk.

Price risk
The Company is not exposed to any significant price risk.

Interest rate risk
Changes in interest rates have an insignificant effect on the Company's results.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

Note 20. Financial instruments (continued)

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Company based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	70,936	-	-	-	70,936
GST and PAYG payables	-	247,963	-	-	-	247,963
Other payables	-	171,095	-	-	-	171,095
Other loans	-	33,517	-	-	-	33,517
Interest-bearing - fixed rate						
Lease liability	6.29%	115,846	160,665	-	-	276,511
Total non-derivatives		639,357	160,665	-	-	800,022

2019	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	104,083	-	-	-	104,083
GST and PAYG payables	-	212,666	-	-	-	212,666
Other payables	-	119,318	-	-	-	119,318
Other loans	-	462,121	-	-	-	462,121
Total non-derivatives		898,188	-	-	-	898,188

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Note 21. Key management personnel disclosures

Directors
The following persons were directors of Site Services Holdings Pty Ltd during the financial year:

Daniel Cowley-Cooper	Director
Stefan Finney	Director

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

	2020 $	2019 $
Short-term employee benefits	78,331	142,788
Post-employment benefits	7,399	13,565
Management fees	342,654	226,191
	428,384	382,544

Note 22. Commitments and contingencies

Guarantees

The Company has provided the following at 30 June 2020:

A deed of cross guarantee for the benefit of Scottish Pacific Business Finance Pty Ltd ("Scotpac") signed 11 December 2018 in relation to a debtor factoring finance facility. The debtor factoring finance facility is in the name of Site Services Enterprises Pty Ltd (ACN 612 759 850) in its own capacity and as trustee for the Site Protective Services Trust (ABN 52 138 161 008), the Site Labour Hire Services Trust (ABN 81798210 283), the Site Facility Management Services Trust (ABN 82 704 483 086) and the Site Traffic Management Services Trust (ABN 82 942 285 969) known collectively as the SSH Trust Group.

The Group Facility Limit on 30 June 2020 was $2.0m (2019: $2.0m) which was increased to $8.5m on 20 January 2021.

Note 23. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 21.

Note 23. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	2020 $	2019 $
Sale of goods and services:		
Site Traffic Management Services Trust	166,008	169,398
Site Integrated Services Trust	15,000	79,524
Site Security Services Trust	15,000	-
Thirty Hands Pty Ltd	20,000	-
Site Labour Hire Services Trust	-	21,504
Site Facility Management Services Trust	140,824	82,582
Pozitive Pulze Trust	410,273	764,276
Site Services Holdings Trust	54,477	-
Site Protective Services Trust	1,310,454	771,955
Daniel Cooper-Cowley	-	15,611
Payment for goods and services:		
Payment for services from key management personnel	398,656	226,191

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2020 $	2019 $
Current receivables:		
Site Integrated Services Trust	15,000	-

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	2020 $	2019 $
Current receivables:		
Loan to Site Integrated Services Trust	-	33,997
Loan to Site Labour Hire Services Trust	65,742	25,992
Loan to Site Facility Management Services Trust	30,847	40,358
Loan to Pozitive Pulze Trust	-	436,203
Loan to Site Services Holdings Trust	63,887	4,092
Loan to Site Protective Services Trust	483,175	-
Loan to Prosperous Capital Trust	-	197,227
Current payables:		
Loan from Site Protective Services Trust	-	239,863
Loan from Site Traffic Management Services Trust	33,517	222,258

Terms and conditions
All transactions were made on normal commercial terms and conditions. Loans are unsecured, non-interest bearing and repayable within 12 months.

Note 24. Events after the reporting period

SSH Group Limited ('SSH') formerly known as Jacka Resources Limited ('Jacka') has executed a binding terms sheet agreement to acquire 100% of the entities which constitute the businesses known as Site Services Holdings Group ('SSH') which includes Site Services Holdings Pty Ltd, Complete Workforce Australia Pty Ltd and Site Services Holdings Trust. Completion of the acquisition of SSH will occur upon the Initial Public Offer ('IPO') of Jacka on the ASX including a capital raising of $6.25 million.

Note 25. Reconciliation of profit/(loss) after income tax to net cash from operating activities

	2020 $	2019 $
Profit/(loss) after income tax (expense)/benefit for the year	281,398	(34,457)
Adjustments for:		
Depreciation and amortisation	129,394	25,294
Net gain on disposal of property, plant and equipment	(103)	(39,647)
Interest expense	20,439	12,954
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	88,837	(604,158)
Increase in deferred tax assets	(18,832)	(22,823)
Increase/(decrease) in trade and other payables	(374,677)	645,500
Increase in provision for income tax	29,697	12,335
Increase/(decrease) in other provisions	(37,124)	48,969
Net cash from operating activities	119,029	43,967

Note 26. Earnings per share

	2020 $	2019 $
Profit/(loss) after income tax attributable to the owners of Site Services Holdings Pty Ltd	281,398	(34,457)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	100	100
Weighted average number of ordinary shares used in calculating diluted earnings per share	100	100
	$	**$**
Basic earnings/(loss) per share	2,813.98	(344.57)
Diluted earnings/(loss) per share	2,813.98	(344.57)

Site Services Holdings Pty Ltd
Directors' declaration
30 June 2020

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors

Daniel Cowley-Cooper
Director

3 April 2021
Perth

Independent Auditor's Report

To the Members of Site Services Holdings Pty Ltd

Bentleys
THINKING AHEAD

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Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Site Services Holdings Pty Ltd ("the Company"), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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:

a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Company had a working capital deficit of $7,300 as at 30 June 2020. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2020, 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 Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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 has 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:

- 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.

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Partner

Dated at Perth this 3rd day of April 2021