

PWG Property Pty Ltd
(formerly known as PRIMEWEST GROUP PTY LTD)
ACN 070 128 415

Annual Report
30 June 2018

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Director's report

Your directors submit their report, together with the financial statements, on the company for the year ended 30 June 2018.

Directors

The names of the company's directors in office during the year and until the date of this report are as below. Directors were in office for the entire period unless otherwise stated.

Mr John Bond
Mr James Litis

Principal activities

The principal activity of the Company during the financial year was providing advice in relation to in-house managed investment schemes, and the ongoing management of existing in-house managed investment schemes. These schemes involve the investment in retail and commercial property both in WA and Australia wide.

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

Review of operations

The profit of the Company for the financial year after providing for income tax amounted to \$371,441 (2017: \$297,777).

Significant changes in the state of affairs

Subsequent to the balance date, the Company changed its name.

No other significant changes in the Company's state of affairs occurred during the financial year.

Matters subsequent to the end of the financial year

There were no matters or circumstances that have arisen since 30 June 2018 that have or may significantly affect the operations, results or state of affairs of the Company in future financial years.

Director's report (cont'd)

Likely developments and expected results of operations

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Dividends

A fully franked dividend of \$180,000 (2017: \$330,000) was declared and paid in the current year.

Shares under option

There were no unissued ordinary shares of the Company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2018 and up to the date of this report.

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.

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 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.

The Company was not a party to any such proceedings during the year.

Director's report (cont'd)

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included within the financial statements.

This special purpose report is made in accordance with a resolution of directors.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'John Bond', with a stylized flourish at the end.

John Bond
Director

Date: 11 October 2019

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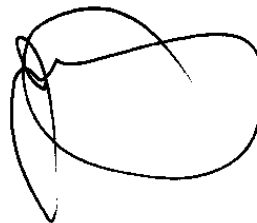
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of PWG Property Pty Ltd (formerly known as Primewest Group Pty Ltd) for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A handwritten signature in dark ink that reads 'RSM' in a stylized, cursive font.

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A handwritten signature in dark ink, appearing to be 'J A Komninos', written in a cursive style.

Perth, WA
Dated: 11 October 2019

J A KOMNINOS
Partner

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Statement of profit or loss and other comprehensive income

For the year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue			
Consulting fees		853,423	781,773
Interest income		971	1,487
Dividend income		12,667	12,667
Total revenue		867,061	795,927
Expenses			
Accounting fees		(1,000)	(1,250)
Corporate affairs fees		(255)	(250)
Office services management fee		(358,278)	(388,504)
Total expenses		(359,533)	(390,004)
Profit before income tax expense		507,528	405,923
Income tax expense	3	(136,087)	(108,146)
Profit after income tax expense			
Other comprehensive income, net of income tax expense		-	-
Total comprehensive profit for the year attributable to members of the Company		371,441	297,777

The accompanying notes form part of these financial statements

Statement of financial position

As at 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents		227,958	204,094
Trade and other receivables	4	70,680	70,680
Total current assets		298,638	274,774
Non-current assets			
Receivables	5	380,000	180,000
Investments		2	2
Total non-current assets		380,002	180,002
TOTAL ASSETS		678,640	454,776
LIABILITIES			
Current liabilities			
Creditors	6	106,533	74,110
TOTAL LIABILITIES		106,533	74,110
NET LIABILITIES		572,107	380,666
EQUITY			
Issued capital	7	4	4
Accumulated profits		572,103	380,662
TOTAL SHAREHOLDERS EQUITY		572,107	380,666

The accompanying notes form part of these financial statements

Statement of cashflows

As at 30 June 2018

	2018 \$	2017 \$
Cashflows from operating activities		
Receipts from customers	853,423	776,447
Payments to suppliers and employees	(327,110)	(382,690)
Interest received	971	1,487
Income taxes paid	(136,087)	(108,146)
Net cashflow from operating activities	391,197	287,098
Cashflows from investing activities		
Dividends received	12,667	12,667
Loans to/(from) related parties	(200,000)	150,000
Net cash outflow from investing activities	(187,333)	162,667
Cashflows from financing activities		
Dividends paid	(180,000)	(330,000)
Net cash outflow from investing activities	(180,000)	(330,000)
Net increase in cash held	23,864	119,765
Cash at beginning of financial year	204,094	84,329
Cash at end of financial year	227,958	204,094

The accompanying notes form part of these financial statements

Statement of changes in equity

For the year ended 30 June 2018

	Issued capital \$	Accumulated profits \$	Total \$
At 1 July 2016	4	412,885	412,889
Total comprehensive income for the year	-	297,777	297,777
Dividends paid	-	(330,000)	(330,000)
At 30 June 2017	4	380,662	380,666
At 1 July 2017	4	380,662	380,666
Total comprehensive income for the year	-	371,441	371,441
Dividends paid	-	(180,000)	(180,000)
At 30 June 2018	4	572,103	572,107

The accompanying notes form part of these financial statements

Notes to the financial statements

For the year ended 30 June 2018

1 CORPORATE INFORMATION

PWG Property Group Pty Ltd (formerly known as Primewest Group Pty Ltd) is a Company limited shares, incorporated and domiciled in Australia. The Company was incorporated on 26 July 1995.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The Company is not a reporting entity as 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, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001.

For the purposes of preparing the financial statements, the Company is a for profit entity.

The financial statements have been prepared in accordance with the Corporations Act 2001 and the recognition of measurement requirements specified by the relevant Australian Accounting Standards and Interpretations.

The financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(b) Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

(c) Recoverable amount of assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or Company's assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the financial statements

For the year ended 30 June 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Other receivables are recognised at amortised cost, less any provision for impairment.

(e) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

(g) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Consulting fees

Revenue is recognised when the service period has passed to the customer and the value provided can be measured reliably.

Notes to the financial statements

For the year ended 30 June 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Dividends

Dividend revenue is recognised when the Company has the right to receive the dividend.

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

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

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.

(h) Income tax

The charge for taxation is based on the profit or loss for the year and takes into account deferred tax. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit or loss and is accounted for using the balance sheet method.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available in the foreseeable future against which the temporary differences can be utilised.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Notes to the financial statements

For the year ended 30 June 2018

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

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

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

k) Critical accounting estimates and judgements

The preparation of financial statements require management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

As at 30 June 2018, there are no other critical accounting estimates and judgements contained in the financial report.

(l) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result of changes in accounting policy.

(m) 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 Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Notes to the financial statements

For the year ended 30 June 2018

	2018	2017
	\$	\$

3 INCOME TAX

The prima facie tax on profit before income tax is reconciled to the income tax as follows:

Prima facie tax benefit on loss before income tax at 27.50% (2017: 27.50%)	(139,570)	(111,629)
- add back tax benefit of franked dividends	3,483	3,483
Income tax expense	(136,087)	(108,146)

4 TRADE RECEIVABLES (CURRENT)

Trade receivables	70,680	70,680
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Trade receivables are non interest bearing and generally received within 30 to 60 days. Fair value approximates carrying value.

5 RECEIVABLES

Shareholder loans	380,000	180,000
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Shareholder loans represent drawings made by the shareholders periodically throughout the year. There is no fixed repayment date. Subsequent to year end dividends in the amount of \$380,000 (2017: \$180,000) were declared in forgiveness of these loans.

6 CREDITORS (CURRENT)

Trade payables	22,215	21,904
GST payable	51,735	26,180
Other payables	19,694	13,359
Payable to related party	12,889	12,667
	106,533	74,110

Trade payables are non-interest bearing and are normally settled on 30-day terms. Other payables are non-interest bearing and have an average term of 3 months.

Notes to the financial statements

For the year ended 30 June 2018

7 ISSUED CAPITAL

Issued and paid up capital

	2018 \$	2017 \$
4 (2017: 4) ordinary shares	4	4

8 RECONCILIATION OF NET CASH

Reconciliation of net cash provided by operating activities to profit after tax.

	2018 \$	2017 \$
Net profit after tax	371,442	297,777
Less dividends	(12,667)	(12,667)
Movements in assets and liabilities		
(Increase) in receivables	-	(5,326)
Increase in payables	32,423	7,314
Net cash generated by operating activities	391,198	287,098

9 COMMITMENTS

There were no commitments as at 30 June 2018 and 2017.

10 EVENTS AFTER THE REPORTING DATE

Subsequent to balance date, the Company changed its name to PWG Group Pty Ltd.

There were no other matters or circumstances that have arisen since 30 June 2018 that have or may significantly affect the operations, results or state of affairs of the Company in future financial years.

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 described in Note 2 to the financial statements.

The directors of the Company declare that:

1. The financial statements and accompanying notes, are in accordance with the *Corporations Act 2001* and:
 - (a) Comply with Australian Accounting Standards to the extent described in Note 2; and
 - (b) Give a true and fair view of the Company's financial position as at 30 June 2018 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 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.

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



John Bond
Director

Date: 11 October 2019

RSM Australia Partners

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
PWG PROPERTY PTY LTD**

Opinion

We have audited the financial report of PWG Property Pty Ltd (formerly known as Primewest Group Pty Ltd) (the Company), which comprises the statement of financial position as at 30 June 2018, 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, 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 2018 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards 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 (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.

Basis of Accounting

We draw attention to Note 2, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *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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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 2018, but does not include the financial report and the 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 ability of the Company 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.



RSM AUSTRALIA PARTNERS



J A KOMNINOS
Partner

Perth, WA
Dated: 11 October 2019