COSOL Australia Pty Limited

ABN 27 092 306 682

Reissued Annual Report - 30 June 2017

COSOL Australia Pty Limited Reissued Financial Statements
Directors' report
30 June 2017

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2017.

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:

- Bradley Ronald Skeggs
- Ron Fredericksen
- Gregory Robert Wood
- Scott Evatt McGowan (Appointed on 24 July 2019)

Principal activities
During the financial year the principal continuing activities of the COSOL is to provide IT services and solutions in the areas of strategy, enterprise systems, operational systems and operational support.

Dividends
Dividends paid during the financial year were as follows:

	2017 $	2016 $
Final dividend for the year ended 30 June 2017 is $ 100,000 (30 June 2016: $251,900)	100,000	251,900

Review of operations
The loss for the company amounted to $277,159 (30 June 2016: $180,984).

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
Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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.

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.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

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

S McGowk

Director

30 October 2019

General information

The financial statements cover COSOL Australia Pty Limited as an individual entity. The financial statements are presented in Australian dollars, which is COSOL Australia Pty Limited's functional and presentation currency.

COSOL Australia Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office
c/o - McAullay & Associates
Suite 1 Level 1,
30 Hasler Road
Osborne Park WA 6017

Principal place of business

Level 3/201 Leichhardt St,
Spring Hill QLD 4000

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 8 October 2019. The directors have the power to amend and reissue the financial statements.

COSOL Australia Pty Limited Reissued Financial Statements
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017

	Note	2017	2016
		$	$
Revenue	3	**4,145,911**	3,272,894
Other Income		**1,848**	35,766
Cost of Sales		**(219,531)**	(325,761)
Expenses			
Salaries & Wages		**(2,693,065)**	(1,992,139)
Contractors' costs		**(1,233,273)**	(558,011)
Depreciation and amortisation		**(9,869)**	(16,738)
Reversal of impairment of trade receivables		**23,960**	-
Operating, general and administration expenses		**(324,061)**	(496,604)
Loss on disposal of fixed assets		**(78,655)**	-
Loss on foreign exchange		**-**	(90,081)
Finance costs		**(4,370)**	(5,407)
Loss before income tax expense		**(391,105)**	(176,081)
Income Tax		**113,946**	4,903
Loss after income tax for the year		**(277,159)**	(180,984)
Other comprehensive income		-	-
Total comprehensive income for the year attributable to the owners of COSOL Australia Pty Limited		**(277,159)**	(180,984)

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of Financial Position
For the year ended 30 June 2017

	Note	2017 $	2016 $
Current Assets			
Cash at bank	4	**3,730**	151,251
Trade and other receivables	5	**534,383**	587,173
Due from related parties	6	**490,608**	300,114
Total Current Assets		**1,028,721**	1,038,538
Non-Current Assets			
Property, plant and equipment	7	**12,504**	89,174
Deposits		**45,600**	36,816
Total Non-Current Assets		**58,104**	125,990
Total Assets		**1,086,825**	1,164,528
Liabilities			
Current Liabilities			
Bank overdraft		**211,721**	-
Trade and other payables	8	**427,294**	429,541
Income tax		**(145,089)**	(4,903)
Provisions	9	**228,841**	198,673
Total Current Liabilities		**722,767**	623,311
Total Liabilities		**722,767**	623,311
Net Assets		**364,058**	541,217
Equity			
Issued Capital	10	**343,716**	143,716
Reserves		**(20,354)**	(20,354)
Retained Profits	11	**40,696**	417,855
Total Equity		**364,058**	541,217

COSOL Australia Pty Limited Reissued Financial Statements
Statement of Changes in Equity
For the year ended 30 June 2017

	Issued capital $	Reserves $	Retained Profits $	Total equity $
Balance at 1 July 2015	143,716	(20,354)	850,739	974,101
Loss for the year	-	-	(180,984)	(180,984)
Total comprehensive income for the year	-	-	(180,984)	(180,984)
Transactions with owners in their capacity as owners:	-	-	-	-
Dividends paid	-	-	(251,900)	(251,900)
Balance at 30 June 2016	143,716	(20,354)	417,855	541,217

	Issued capital $'	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2016	143,716	(20,354)	417,855	541,217
Loss for the year	-	-	(277,159)	(277,159)
Total comprehensive income for the year	-	-	(277,159)	(277,159)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	200,000	-	-	200,000
Dividends paid	-	-	(100,000)	(100,000)
Balance at 30 June 2017	343,716	(20,354)	40,696	364,058

COSOL Australia Pty Limited Reissued Financial Statements
Statement of Changes in Cashflow
For the year ended 30 June 2017

	Note	2017 $
Receipts from customers (inclusive of GST)		4,193,657
Payments to suppliers and employees (inclusive of GST)		(4,632,263)
Net cash used in operating activities	12	**(438,606)**
Cash flows from investing activities		
Payments for property, plant and equipment		(11,852)
Proceeds from release of security deposits		(8,784)
Net cash used in investing activities		**(20,636)**
Cash flows from financing activities		
Proceeds from issue of shares		200,000
Dividends paid		(100,000)
Net cash from financing activities		**100,000**
Net increase/(decrease) in cash and cash equivalents		
Cash and cash equivalents at the beginning of the financial year		**151,251**
Cash and cash equivalents at the end of the financial year	4	**(207,991)**

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.

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.

Reissued Financial Statements
The previously issued financial statements of COSOL Australia Pty Limited for the year ended 30 June 2017 dated 8 October 2019 have been withdrawn and are replaced by these financial statements.The figures contained in the statement of profit and loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements have not changed from the previously issued financial statements and the reissued financial statements.

The revision was necessary to include additional disclosure to comply with the following:

- Additional disclosure relating to Related Party Transactions as required by IAS 24. Note 6 now contains detail of who the related parties are, their relationship with the company, repayment terms and rates of interest charged.
- Additional disclosure relating to financial risk management as required by IAS 9 can be found in Note 13 financial statements. This note contains details of financial assets and liabilities together with a detailed assessment of market, price and interest rate risks.
- Additional disclosure relating to Segment Reporting as required by IAS 8 can be found in Note 2 “segment reporting”.
- Additional disclosure as required by IAS 15, is set out in Note 3. Revenue recognition as shown in Note 3 complies with the revenue recognition policy as set out on Note 1.

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.

Foreign currency translation

The financial statements are presented in Australian dollars, which is COSOL Australia Pty Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Note 1. Significant accounting policies (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Revenue is recognised in the statement of comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and the revenue and costs, if applicable, can be measured reliably. The following criteria must also be met before turnover is recognized

Sale of goods
Turnover from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred the significant risks and rewards of ownership to the buyer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the Company will receive the consideration due under the transaction; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services
Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the Company will receive the consideration due under the contract;
- The stage of completion of the contract at the end of the reporting period can be measured reliably; and
- The costs incurred and the costs to complete the contract can be measured reliably.

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.

Note 1. Significant accounting policies (continued)

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.

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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

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 impairment.

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

Investments and other financial assets
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, it's carrying value is written off.

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Property, plant and equipment

Note 1. Significant accounting policies (continued)

Property, 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 straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years
Plant and equipment under lease	2-5 years

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

Leasehold improvements and plant and equipment under lease are depreciated over the estimated useful life of the assets.

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.

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.

Provisions
Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

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.

Note 1. Significant accounting policies (continued)

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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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.

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 2017.

Note 2 (a). 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.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

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.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 2 (b). Segment reporting

Based on the information used for internal reporting purposes by the chief operating decision maker (being the Board), the company operated in one reportable segment during the year ended 30 June 2017, being provision of Information Communication and Technology (ICT) services.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

Note 3. Revenue

	2017	2016
	$	$
Consulting Fees	**3,599,493**	2,526,736
Support Services Fees	**467,000**	428,564
Product Sales	**-**	85,738
Other Service Fees	**25,274**	131,922
Revenue from related parties	**9,082**	13,480
Maintenance Fees	**45,062**	86,454
	4,145,911	3,272,894

Note 4. Current assets - cash and cash equivalents

	2017 $	2016 $
Cash at bank	3,730	151,251
Bank overdraft	(211,721)	-
Cash and cash equivalents	(207,991)	151,251

Note 5. Current assets - trade and other receivables

	2017 $	2016 $
Trade debtors	436,008	459,794
Other receivable	80,369	98,846
Prepayments	18,006	28,533
	534,383	587,173

Other receivables mainly include accrued income from the customers.

Note 6. Due from related parties

	2017 $	2016 $
Intercompany - COSOL Mangolia	300,134	294,639
Receivable from Scott M	185,000	-
Intercompany loans	5,475	5,475
	490,608	300,114

Due from related parties are repayable on demand.

Transactions with related parties

	2017 $	2016 $
Revenue	9,082	13,480
Expenses	-	-
Recharges	-	-

Note 7. Non-current assets - property, plant and equipment

	2017 $	2016 $
Bldgs & Imprv at Cost	-	71,438
Less: Accumulated depreciation	-	(21,184)
	-	50,254
Computers - at Cost	16,589	115,455
Less: Accumulated depreciation	(7,029)	(113,463)
	9,560	1,992
Furniture & Fixtures at Cost	3,004	65,253
Less: Accumulated depreciation	(1,406)	(29,184)
	1,598	36,069
Low Value Asset Pool - at Cost	1,301	19,191
Less: Accumulated depreciation	(145)	(18,793)
	1,156	398
Office Equipment - at Cost	381	18,305
Less: Accumulated depreciation	(191)	(17,844)
	190	461
	12,504	89,174

Note 8. Current liabilities - trade and other payables

	2017 $	2016 $
Trade payables	253,141	113,360
Accruals and other payables	174,153	316,181
	427,294	429,541

Note 9. Current liabilities - provisions

	2017	2016
	$	$
Annual Leave Provision	124,206	88,973
FBT Provision	(2,540)	300
Long Service Leave Provision	107,175	109,400
	228,841	198,673

Note 10. Equity - issued capital

	2017	2016
	$	$
Opening balance	143,716	143,716
New shares issued during the year	200,000	-
Closing balance	343,716	143,716

Increase in share capital during the year represents issue of 5,470 shares to one of the shareholders of the company under Class D. In October 2017, these shares were converted into Class B shares as part of the transfer of issued share capital of the company from various classes to Class B. At year end, various classes of shares in issue are as follows:

	2017
B Class shares*	13,386
C Class shares*	1
D Class Shares*	1
Ordinary Shares	15,312
	28,700

Note 11. Equity – reserves and retained profits

Reserves represents foreign currency translation reserve.

All net gains and losses and transactions with owners (e.g. dividends) from current and prior years not recognized elsewhere.

Movement schedule of reserves and retained profits is included in the statement of changes in equity.

Note 12. Reconciliation of profit after income tax to net cash from operating activities

	2017 $
Profit after income tax expense for the year	**(277,159)**
Adjustments for:	
Depreciation and amortisation	**9,869**
Loss on disposal of fixed assets	**78,655**
Reversal of impairment	**(23,960)**
Change in operating assets and liabilities:	
Decrease in trade and other receivables	**76,751**
Increase in due from related parties	**(190,494)**
Decrease in trade and other payables	**(2,247)**
Decrease in provision for income tax	**(140,186)**
Increase in other provisions	**30,167**
Net cash from operating activities	**(438,604)**

Note 13. Financial Instruments

Financial assets and financial liabilities

	2017 $	2016 $
Financial assets		
Cash and cash equivalents	**3,730**	151,251
Trade and other receivables	**516,377**	568,640
Due from related parties	**490,608**	300,114
Non-current		
Deposits	**45,600**	36,816
	1,056,315	1,056,821
Financial liabilities		
Bank overdraft	**211,721**	-
Trade payables	**253,141**	113,360
	464,862	113,360

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 program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

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.

Market risk, price risk and interest rate risk

The company is not exposed to any significant market risk, price risk and interest rate risk.

Note 13. Financial Instruments (continued)

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 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.

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.

The company has a credit risk exposure with three major customers, which as at 30 June 2017 owed the company $327,603 (75% of trade receivables). No impairment was made as at 30 June 2017. There are no guarantees against this receivable but management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

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) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. At year end, outstanding bank overdraft was $211,721.

Fair value of financial instruments

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

Note 14. Key management personnel

Compensation

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

	2017 $	2016 $
Short-term employee benefits	**727,363**	315,854
Post-employment benefits	-	-
Long-term benefits	-	-
	727,363	315,854

Note 15. Contingent liabilities

The company has given bank guarantees as at 30 June 2017 of $ 42,948 (2016: $ 23,025) .

Note 16. Commitments

	2017 $	2016 $
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	-	-
Lease commitments – operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	83,725	52,000
1 to 5 years	369,756	-
	453,481	52,000

COSOL Australia Pty Limited Reissued Financial Statements
Director's declaration
30 June 2017

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 2017 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

Director

30 October 2019

Greenwich & Co

Greenwich & Co Audit Pty Ltd | ABN 51 609 542 458
Level 2, 267 St Georges Terrace, Perth WA 6000
PO Box 983, West Perth WA 6872
T 08 6555 9500 | F 08 6555 9555
www.greenwichco.com

Auditor's Independence Declaration

As auditor for the audit of COSOL Australia Pty Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

I) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

II) no contraventions of any applicable code of professional conduct in relation to the audit.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

30 October 2019
Perth

Greenwich & Co

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Independent Audit Report to the members of COSOL Australia PTY Ltd

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of COSOL Australia PTY Ltd (the Company), which comprises the statement of financial position as at 30 June 2017, 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, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 2017 and of its financial performance for the year then ended; and

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

Basis for Qualified Opinion

The comparative financial information as at 30 June 2016 and for the year then ended, included in the financial report of the company is unaudited.

We have been unable to obtain sufficient appropriate audit evidence of the validity, accuracy and completeness of the comparative financial information at 30 June 2016 and for the year then ended. This is because of the fact that audit of the financial report has not been performed in the prior years.

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 qualified opinion.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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.

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.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

30 October 2019
Perth

COSOL Australia Pty Limited

ABN 27 092 306 682

Reissued Annual Report - 30 June 2018

COSOL Australia Pty Limited Reissued Financial Statements
Directors' report
30 June 2018

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

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:

- Bradley Ronald Skeggs
- Ron Fredericksen
- Gregory Robert Wood
- Scott Evatt McGowan (Appointed on 24 July 2019)

Principal activities
During the financial year the principal continuing activities of the COSOL is to provide IT services and solutions in the areas of strategy, enterprise systems, operational systems and operational support.

Dividends
Dividends paid during the financial year were as follows:

	2018	2017
	$	$
Final dividend for the year ended 30 June 2018 is $ Nil (30 June 2017: $ 100,000)	-	100,000

Review of operations
The profit for the company amounted to $430,661 (30 June 2017: $ (277,159)).

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
Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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.

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.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

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

Director

30 October 2019

Contents

30 June 2018

General information

The financial statements cover COSOL Australia Pty Limited as an individual entity. The financial statements are presented in Australian dollars, which is COSOL Australia Pty Limited's functional and presentation currency.

COSOL Australia Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

c/o - McAullay & Associates
Suite 1 Level 1,
30 Hasler Road
Osborne Park WA 6017

Principal place of business

Level 3/201 Leichhardt St,
Spring Hill QLD 4000

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 8 October 2019. The directors have the power to amend and reissue the financial statements.

COSOL Australia Pty Limited Reissued Financial Statements
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2018

	Note	2018 $	2017 $
Revenue	3	**7,390,114**	4,145,911
Other income		**3,137**	1,848
Cost of Sales		**(501,911)**	(219,531)
Expenses			
Salaries & Wages		**(4,466,952)**	(2,693,065)
Contractors' costs		**(972,269)**	(1,233,273)
Depreciation and amortisation expense		**(6,966)**	(9,869)
Reversal of impairment of trade receivables		-	23,960
Loss in disposal of fixed assets		-	(78,655)
Operating & General Expenses		**(706,206)**	(324,061)
Finance cost		-	(4,370)
Profit / (loss) before income tax		**738,947**	(391,105)
Income Tax		**(308,286)**	113,946
Profit / (loss) after income tax for the year attributable to the owners of COSOL Australia Pty Limited		**430,661**	(277,159)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year attributable to the owners of COSOL Australia Pty Limited		**430,661**	(277,159)

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of financial position
As at 30 June 2018

	Note	2018	2017
		$	$
Assets			
Current assets			
Cash and cash equivalents	4	**572,279**	3,730
Trade and other receivables	5	**1,268,491**	534,383
Due from related parties	6	**139,370**	490,608
Total current assets		**1,980,140**	1,028,721
Non-current assets			
Property, plant and equipment	7	**39,348**	12,504
Deposits		**42,949**	45,600
Due from related parties	6	**360,000**	-
Total Non-current assets		**442,297**	58,104
Total Assets		**2,422,437**	1,086,825
Liabilities			
Current liabilities			
Trade and other payables	8	**1,237,329**	427,294
Bank Overdraft		**-**	211,721
Income tax		**170,540**	(145,089)
Provisions	9	**219,849**	228,841
Total current liabilities		**1,627,718**	722,767
Total liabilities		**1,627,718**	722,767
Net assets		**794,719**	364,058
Equity			
Issued capital	10	**343,716**	343,716
Reserves		**(20,354)**	(20,354)
Retained profits	11	**471,357**	40,696
Total Equity		**794,719**	364,058

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of changes in equity
For the year ended 30 June 2018

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2017	343,716	(20,354)	40,696	364,058
Profit for the year	-	-	430,661	430,661
Total comprehensive income for the year	-	-	430,661	430,661
Balance at 30 June 2018	343,716	(20,354)	471,357	794,719

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2016	143,716	(20,354)	417,855	541,217
Loss for the year	-	-	(277,159)	(277,159)
Total comprehensive income for the year	-	-	(277,159)	(277,159)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	200,000	-	-	200,000
Dividends paid	-	-	(100,000)	(100,000)
Balance at 30 June 2017	343,716	(20,354)	40,696	364,058

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of cash flows
For the year ended 30 June 2018

	Note	2018 $	2017 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**6,643,038**	4,193,657
Payments to suppliers and employees (inclusive of GST)		**(5,838,952)**	(4,632,263)
Income taxes refund received		**7,343**	-
Net cash from operating activities	12	**811,429**	(438,606)
Cash flows from investing activities			
Payments for property, plant and equipment		**(33,810)**	(11,852)
Proceeds from release of security deposits		**2,651**	(8,784)
Net cash used in investing activities		**(31,159)**	(20,636)
Cash flows from financing activities			
Payments for property, plant and equipment		-	200,000
Proceeds from release of security deposits		-	(100,000)
Net cash used in financing activities		-	100,000
Net increase/(decrease) in cash and cash equivalents		**780,270**	(359,242)
Cash and cash equivalents at the beginning of the financial year		**(207,991)**	151,251
Cash and cash equivalents at the end of the financial year	4	**572,279**	(207,991)

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.

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.

Reissued Financial Statements
The previously issued financial statements of COSOL Australia Pty Limited for the year ended 30 June 2018 dated 8 October 2019 have been withdrawn and are replaced by these financial statements. The figures contained in the statement of profit and loss and other comprehensive income, statement of changes in equity, statement of cash flows and associated notes to those financial statements have not changed from the previously issued financial statements and the reissued financial statements. Following a subsequent review by management, it was agreed that the classification of amounts due from related parties had been incorrectly classified. Initially the full amount due was classified as a current asset, when further analysis showed that it was not all due within 1 year. Therefore part of the balance has been re-classified as non-current. Set out below is the impact of the adjustment.

Statement of financial position

	Per withdrawn financial statements	Impact on reissuance	Adjusted balance
Current assets			
Due from related parties	499,370	(360,000)	139,370
Non-current assets			
Due from related parties	-	360,000	360,000

The revision was also necessary to include additional disclosure to comply with the following:

- Additional disclosure relating to Related Party Transactions as required by IAS 24. Note 6 now contains detail of who the related parties are, their relationship with the company, repayment terms and rates of interest charged.
- Additional disclosure relating to financial risk management as required by IAS 9 can be found in Note 13 financial statements. This note contains details of financial assets and liabilities together with a detailed assessment of market, price and interest rate risks.
- Additional disclosure relating to Segment Reporting as required by IAS 8 can be found in Note 2 “segment reporting”.
- Additional disclosure as required by IAS 15, is set out in Note 3. Revenue recognition as shown in Note 3 complies with the revenue recognition policy as set out on Note 1.

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.

Note 1. Significant accounting policies (continued)

Foreign currency translation
The financial statements are presented in Australian dollars, which is COSOL Australia Pty Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

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.

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.

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.

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.

Note 1. Significant accounting policies (continued)

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.

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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

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
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, it's carrying value is written off.

Note 1. Significant accounting policies (continued)

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Property, plant and equipment

Property, 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 straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years
Plant and equipment under lease	2-5 years

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

Leasehold improvements and plant and equipment under lease 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. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

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.

Note 1. Significant accounting policies (continued)

Provisions
Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

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

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

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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.

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.

Note 1. Significant accounting policies (continued)

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 2018. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (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 will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2018 and its impact on adoption is not expected to be significant.

Note 2 (a). 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.

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Determination of variable consideration
Judgement is exercised in estimating variable consideration which is determined having regard to past experience with respect to the goods returned to the company where the customer maintains a right of return pursuant to the customer contract or where goods or services have a variable component. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

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.

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.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 2 (b). Segment reporting

Based on the information used for internal reporting purposes by the chief operating decision maker (being the Board), the company operated in one reportable segment during the year ended 30 June 2018, being provision of Information Communication and Technology (ICT) services.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

Note 3. Revenue

	2018 $	2017 $
Consulting Fees	**4,198,464**	3,599,493
Support Services Fees	**2,513,062**	467,000
Product Sales	**302,400**	-
Other Service Fees	**336,688**	25,274
Revenue from related parties	-	9,082
Maintenance Fees	**39,500**	45,062
	7,390,114	4,145,911

Note 4. Current assets - cash and cash equivalents

	2018 $	2017 $
Cash at bank	**572,279**	3,730
Bank overdraft	-	(211,721)
Cash and cash equivalents	**572,279**	(207,991)

Note 5. Current assets - trade and other receivables

	2018 $	2017 $
Trade debtors	**1,093,734**	436,008
Other receivables	**169,861**	80,369
Prepayments	**4,896**	18,006
	1,268,491	534,383

Other receivables mainly include accrued income from the customers.

Note 6. Due from related parties

	2018	2017
	$	$
Loans to shareholders – non - current	360,000	-
Receivable from Scott M - Current	131,600	185,000
Intercompany loans - current	7,770	305,608
	499,370	490,608

In 2017, the company entered into an agreement with its shareholders to provide them the loan facilities. Under the loan agreement, the loan is unsecured, it is required to be repaid within 7 years of disbursements. Subsequently, if the loan is converted into a secured loan, it is to be repaid within 25 years from the date of original disbursement. The loan carries interest at the prevailing benchmark commercial rates. Management has decided to settle the outstanding loans prior to the company's IPO date by way of declaring dividend to its shareholders. At year end, outstanding loan balances with the shareholders is as follows:

	2018	2017
	$	$
Brad Skeggs	111,600	-
Greg Wood	96,048	-
Scott McGowan	72,000	-
Mark Cooper	35,280	-
Ron Fredericksen	25,380	-
Chris Skeggs	19,692	-
	360,000	-

Receivable from Scott McGowan and intercompany loans are repayable on demand.

Transactions with related parties

	2018	2017
	$	$
Revenue	4,128	9,082
Expenses	-	-
Recharges	-	-

Note 7. Non-current assets - property, plant and equipment

	2018	2017
	$	$
Bldgs & Imprv at Cost	6,353	-
Less: Accumulated depreciation	(401)	-
	5,952	-
Computers - at Cost	42,858	16,589
Less: Accumulated depreciation	(12,750)	(7,029)
	30,108	9,560
Furniture & Fixtures at Cost	3,004	3,004
Less: Accumulated depreciation	(1,702)	(1,406)
	1,302	1,598
Low Value Asset Pool - at Cost	2,379	1,301
Less: Accumulated depreciation	(628)	(145)
	1,751	1,156
Office Equipment - at Cost	491	381
Less: Accumulated depreciation	(256)	(191)
	235	190
	39,348	12,504

Note 8. Current liabilities - trade and other payables

	2018	2017
	$	$
Trade payables	339,948	253,141
Accruals and other payables	897,381	174,153
	1,237,329	427,294

Note 9. Current liabilities - provisions

	2018	2017
	$	$
Annual Leave Provision	114,247	124,206
FBT Provision	650	(2,540)
Long Service Leave Provision	104,952	107,175
	219,849	228,841

Note 10. Equity - issued capital

	2018	2017
	$	$
Authorized, allotted and fully paid	**343,716**	343,716
	343,716	343,716

No movement in share capital during the year. Movement schedule of issued capital is included in the statement of changes in equity. There are various classes of shares in issue which are as follows:

	2018	2017
B Class shares*	**13,386**	13,386
C Class shares*	**1**	1
D Class Shares*	**1**	1
Ordinary Shares	**15,312**	15,312
	28,700	28,700

** No right to vote at a general meeting of the company. Class B shares have similar rights as ordinary shares while other classes (i.e. C Class and Class D) have lesser rights than Class B.*

Note 11. Equity - retained profits

Reserves represents foreign currency translation reserve.

All net gains and losses and transactions with owners (e.g. dividends) from current and prior years not recognized elsewhere.

Movement schedule of reserves and retained profits is included in the statement of changes in equity.

Note 12. Reconciliation of profit after income tax to net cash from operating activities

	2018 $	2017 $
Profit after income tax expense for the year	**430,661**	(277,159)
Adjustments for:		
Depreciation and amortisation	**6,966**	9,869
Loss on disposal of fixed assets	**-**	78,655
Reversal of impairment	**-**	(23,960)
Change in operating assets and liabilities:		
Increase in trade and other receivables	**(734,108)**	76,751
Increase in due from related parties	**(8,762)**	(190,494)
Increase/(decrease) in trade and other payables	**810,035**	(2,247)
Increase/(decrease) in provision for income tax	**315,629**	(140,186)
Increase in other provisions	**(8,992)**	30,167
Net cash from operating activities	**811,429**	(438,604)

Note 13. Financial Instruments

Financial assets and financial liabilities

	2018 $	2017 $
Financial assets		
Current		
Cash and cash equivalents	**572,279**	3,730
Trade and other receivables	**1,263,595**	516,377
Due from related parties	**139,370**	490,608
Non-current		
Due from related parties	**360,000**	-
Deposits	**42,949**	45,600
	2,378,193	1,056,315
Financial liabilities		
Bank overdraft	**-**	211,721
Trade payables	**339,948**	253,141
	339,948	464,862

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 program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

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.

Market risk, price risk and interest rate risk

The company is not exposed to any significant market risk, price risk and interest rate risk.

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 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.

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.

The company has a credit risk exposure with three major customers, which as at 30 June 2018 owed the company $764,602 (70% of trade receivables) (2017: $327,603 (75% of trade receivables)). No impairment was made as at 30 June 2018. There are no guarantees against this receivable but management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

Note 13. Financial Instruments (continued)

Credit risk (continued)

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) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. The company has no borrowings outstanding at year end (2017: Bank overdraft of $211,721).

Fair value of financial instruments

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

Note 14. Key management personnel

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

	2018 $	2017 $
Short-term employee benefits	1,052,309	727,363
Post-employment benefits	-	-
Long-term benefits	-	-
	1,052,309	727,363

Note 15. Contingent liabilities

The company has given bank guarantees as at 30 June 2018 of $ 42,949 (2017: $ 42,948) for 3 months gross rent (plus GST) for office lease.

Note 16. Commitments

	2018 $	2017 $
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment		
	-	-

Note 16. Commitments

	2018 $	2017 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	90,557	83,725
1 to 5 years	282,683	369,756
	373,240	453,481

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 2018 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

Director

30 October 2019

Greenwich & Co

Greenwich & Co Audit Pty Ltd | ABN 51 609 542 458
Level 2, 267 St Georges Terrace, Perth WA 6000
PO Box 983, West Perth WA 6872
T 08 6555 9500 | F 08 6555 9555
www.greenwichco.com

Auditor's Independence Declaration

As auditor for the audit of COSOL Australia Pty Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

I) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

II) no contraventions of any applicable code of professional conduct in relation to the audit.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

30 October 2019
Perth

Greenwich & Co

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Independent Audit Report to the members of COSOL Australia PTY Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of COSOL Australia 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 audit opinion.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the 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.

Responsibilities of Directors for the Financial Report (continued)

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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.

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.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

30 October 2019
Perth

COSOL Australia Pty Limited

ABN 27 092 306 682

Reissued Annual Report - 30 June 2019

COSOL Australia Pty Limited Reissued Financial Statements
Directors' report
30 June 2019

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2019. The Reissued Directors report has been reissued as a result of the re-issuance of the financial report to reflect additional disclosure as described in Note 2 to the re-issued financial statements.

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:

- Bradley Ronald Skeggs
- Ron Fredericksen
- Gregory Robert Wood
- Scott Evatt McGowan (Appointed on 24 July 2019)

Principal activities

During the financial year the principal continuing activities of the COSOL is to provide IT services and solutions in the areas of strategy, enterprise systems, operational systems and operational support.

Dividends

Dividends paid during the financial year were as follows:

	2019 $	2018 $
Final dividend for the year ended 30 June 2019 is $ 51,429 (30 June 2018: $ Nil)	**51,429**	**-**

Review of operations

The profit for the company amounted to $1,984,001 (30 June 2018: $430,661).

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

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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.

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.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

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

Director

30 October 2019

Contents

30 June 2019

General information

The financial statements cover COSOL Australia Pty Limited as an individual entity. The financial statements are presented in Australian dollars, which is COSOL Australia Pty Limited's functional and presentation currency.

COSOL Australia Pty Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

c/o - McAullay & Associates
Suite 1 Level 1,
30 Hasler Road
Osborne Park WA 6017

Principal place of business

Level 3/201 Leichhardt St,
Spring Hill QLD 4000

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 8 October 2019. The directors have the power to amend and reissue the financial statements.

COSOL Australia Pty Limited Reissued Financial Statements
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2019

	Note	2019 $	2018 $
Revenue	3	**13,507,233**	7,390,114
Other income		**124,878**	3,137
Cost of Sales		**(1,192,493)**	(501,911)
Expenses			
Salaries & Wages		**(6,675,595)**	(4,466,952)
Contractors' costs		**(2,116,764)**	(972,269)
Depreciation and amortisation expense		**(15,556)**	(6,966)
Operating & General Expenses		**(749,747)**	(706,206)
Profit before income tax		**2,881,956**	738,947
Income Tax		**(897,955)**	(308,286)
Profit after income tax for the year attributable to the owners of COSOL Australia Pty Limited		**1,984,001**	430,661
Other comprehensive income		**-**	-
Total comprehensive income for the year attributable to the owners of COSOL Australia Pty Limited		**1,984,001**	430,661

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of financial position
As at 30 June 2019

	Note	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	4	**584,143**	572,279
Trade and other receivables	5	**3,003,574**	1,268,491
Due from related parties	6	**2,374,889**	139,370
Total current assets		**5,962,606**	1,980,140
Non-current assets			
Property, plant and equipment	7	**48,841**	39,348
Deposits		**45,269**	42,949
Due from related parties	6	**-**	360,000
Total Non-current assets		**94,110**	442,297
Total Assets		**6,056,716**	2,422,437
Liabilities			
Current liabilities			
Trade and other payables	8	**1,941,689**	1,237,329
Income tax		**1,068,494**	170,540
Provisions	9	**319,242**	219,849
Total current liabilities		**3,329,425**	1,627,718
Total liabilities		**3,329,425**	1,627,718
Net assets		**2,727,291**	794,719
Equity			
Issued capital	10	**343,716**	343,716
Reserves	11	**(20,354)**	(20,354)
Retained profits	11	**2,403,929**	471,357
Total Equity		**2,727,291**	794,719

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of changes in equity
For the year ended 30 June 2019

	Issued capital $	Reserves $	Retained profits $	Total equity $
Balance at 1 July 2018	343,716	(20,354)	471,357	794,719
Profit for the year	-	-	1,984,001	1,984,001
Total comprehensive income for the year	-	-	1,984,001	1,984,001
Transactions with owners in their capacity as owners:				
Dividend *(adjusted against loans to shareholders (Note 6))*	-	-	(51,429)	(51,429)
Balance at 30 June 2019	343,716	(20,354)	2,403,929	2,727,291

	Issued capital $	Reserves $	Retained Profits $	Total equity $
Balance at 1 July 2017	343,716	(20,354)	40,696	364,058
Profit for the year	-	-	430,661	430,661
Total comprehensive income for the year	-	-	430,661	430,661
Balance at 30 June 2018	**343,716**	**(20,354)**	**471,357**	**794,719**

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

COSOL Australia Pty Limited Reissued Financial Statements
Statement of cash flows
For the year ended 30 June 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**12,047,932**	6,643,038
Payments to suppliers and employees (inclusive of GST)		**(12,008,699)**	(5,838,952)
Income taxes paid		**-**	7,343
Net cash from operating activities	12	**39,233**	811,429
Cash flows from investing activities			
Payments for property, plant and equipment		**(25,049)**	(33,810)
Proceeds from release of security deposits		**(2,320)**	2,651
Net cash used in investing activities		**(27,369)**	(31,159)
Net increase/(decrease) in cash and cash equivalents		**11,864**	780,270
Cash and cash equivalents at the beginning of the financial year		**572,279**	(207,991)
Cash and cash equivalents at the end of the financial year	4	**584,143**	572,279

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 following Accounting Standards and Interpretations are most relevant to the company:

AASB 9 Financial Instruments
The company has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

AASB 15 Revenue from Contracts with Customers
The company has adopted AASB 15 from 1 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Customer acquisition costs and costs to fulfil a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

Impact of adoption
AASB 9 and AASB 15 were adopted using the modified retrospective approach and as such comparatives have not been restated. The impact of adoption of the new standards was not material.

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').

Note 1. Significant accounting policies (continued)

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.

Reissued Financial Statements
The previously issued financial statements of COSOL Australia Pty Limited for the year ended 30 June 2019 dated 8 October 2019 have been withdrawn and are replaced by these financial statements. A revision was required to eliminate internal recharges that the company processes in its management accounts to record costs and revenues assigned to individual projects. The entries required to correct this error net off against each other, with no impact on profit reported in the year. The effect on turnover and wages and salaries are highlighted in the second table below. In addition, following the initial release of the financial statements, management initiated a detailed review of related party loans which resulted in the company charging interest in accordance with Division 7A of the Income Tax Act. This resulted in the company charging interest on these loans of $117,133. An additional provision for tax and any potential penalties was made of $51,000.

The effect of these adjustments is set out below:

Cosol Australia Pty Ltd
Reconciliation of net profit after tax
For the year ended 30 June 2019

	$
Profit for the year per withdrawn financial statements issued on 10 October 2019	1,917,868
Interest charged on shareholder loans	117,133
Additional taxation	(51,000)
Profit for the year (reissued financial statements)	1,984,001

Cosol Australia Pty Ltd
Impact of adjustments on reissuance

	Per withdrawn Financial Statements $	Impact of reissue $	Adjusted balance $
Current assets			
Due from related parties	2,309,185	65,704	2,374,889
Current liabilities			
Income tax	1,017,494	51,000	1,068,494
Retained profit	2,389,225	14,704	2,403,929
Income statement			
Revenue	14,376,989	(869,756)	13,507,233
Other income	7,745	117,133	124,878
Salaries and wages	7,545,351	(869,756)	6,675,595
Income tax	846,955	(51,000)	897,955

The revision also included additional disclosure to comply with the following:

- Additional disclosure relating to Related Party Transactions as required by IAS 24. Note 6 now contains detail of who the related parties are, their relationship with the company, repayment terms and rates of interest charged.
- Additional disclosure relating to financial risk management as required by IAS 9 can be found in Note 13 financial statements. This note contains details of financial assets and liabilities together with a detailed assessment of market, price and interest rate risks.
- Additional disclosure relating to Segment Reporting as required by IAS 8 can be found in Note 2 "segment reporting".

Note 1. Significant accounting policies (continued)

- Additional disclosure as required by IAS 15, is set out in Note 3. Revenue recognition as shown in Note 3 complies with the revenue recognition policy as set out on Note 1.

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.

Foreign currency translation
The financial statements are presented in Australian dollars, which is COSOL Australia Pty Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition
The company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

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.

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.

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.

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.

Note 1. Significant accounting policies (continued)

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.

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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

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.

Note 1. Significant accounting policies (continued)

Investments and other financial assets
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, it's carrying value is written off.

Impairment of financial assets
The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Property, plant and equipment

Property, 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 straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years
Plant and equipment under lease	2-5 years

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

Leasehold improvements and plant and equipment under lease 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. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

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.

Note 1. Significant accounting policies (continued)

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.

Provisions
Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

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

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

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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.

Note 1. Significant accounting policies (continued)

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 2019. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

AASB 16 Leases
This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (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 will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The company will adopt this standard from 1 July 2019 and its impact on adoption is not expected to be significant.

Note 2 (a). 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.

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Note 2 (a). Critical accounting judgements, estimates and assumptions (continued)

Determination of variable consideration
Judgement is exercised in estimating variable consideration which is determined having regard to past experience with respect to the goods returned to the company where the customer maintains a right of return pursuant to the customer contract or where goods or services have a variable component. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

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.

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.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 2 (b) Segment reporting

Based on the information used for internal reporting purposes by the chief operating decision maker (being the Board), the company operated in one reportable segment during the year ended 30 June 2019, being provision of Information Communication and Technology (ICT) services.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

Note 3. Revenue

	2019 $	2018 $
Consulting Fees	**8,692,213**	4,194,336
Support Services Fees	**3,952,853**	2,513,062
Product Sales	**413,758**	302,400
Other Service Fees	**395,675**	336,688
Revenue from related parties	**4,128**	4,128
Maintenance Fees	**48,606**	39,500
	13,507,233	7,390,114

Note 4. Current assets - cash and cash equivalents

	2019 $	2018 $
Cash at bank	**584,143**	572,279
Cash and cash equivalents	**584,143**	572,279

Note 5. Current assets - trade and other receivables

	2019 $	2018 $
Trade Debtors	**2,553,035**	1,093,734
Other receivables	**432,986**	169,861
Prepayments	**17,553**	4,896
	3,003,574	1,268,491

Other receivables mainly includes accrued income from the customers.

Note 5. Current assets - trade and other receivables (continued)

	2019 $	2018 $
Not yet overdue	**2,213,051**	1,003,332
0 – 30 days	**278,586**	-
> 30 days	**61,398**	90,402
	2,553,035	1,093,734

Note 6. Due from related parties

	2019 $	2018 $
Loans to shareholders:		
Current	**2,369,704**	-
Non-current	-	360,000
Receivable from Scott McGowan - Current	-	131,600
Intercompany loans - Current	**5,185**	7,770
	2,374,889	499,370

In 2017, the company entered into an agreement with its shareholders to provide them the loan facilities. Under the loan agreement, the loan is unsecured, it is required to be repaid within 7 years of disbursements. Subsequently, if the loan is converted into a secured loan, it is to be repaid within 25 years from the date of original disbursement. The loan carries interest at the prevailing benchmark commercial rates. During the year, the company declared dividend of $51,429 which was adjusted against the loans to shareholders. Management has decided to settle the remaining outstanding loans prior to the company's IPO date by way of declaring dividend to its shareholders.

	2019 $	2018 $
Brad Skeggs	**734,608**	111,600
Greg Wood	**632,234**	96,048
Scott McGowan	**473,941**	72,000
Mark Cooper	**232,238**	35,280
Ron Fredericksen	**167,058**	25,380
Chris Skeggs	**129,625**	19,692
	2,369,704	360,000

Receivable from Scott McGowan and intercompany loans are repayable on demand.

Transactions with related parties

	2019 $	2018 $
Inter practice revenue - Consulting & support services	**4,128**	**4,128**
Expenses	-	-
Recharges	-	-

Note 7. Non-current assets - property, plant and equipment

	2019	2018
	$	$
Bldgs & Imprv at Cost	6,353	6,353
Less: Accumulated depreciation	(1,989)	(401)
	4,364	5,952
Computers - at Cost	65,098	42,858
Less: Accumulated depreciation	(25,771)	(12,750)
	39,327	30,108
Furniture & Fixtures at Cost	5,813	3,004
Less: Accumulated depreciation	(2,044)	(1,702)
	3,769	1,302
Low Value Asset Pool - at Cost	2,379	2,379
Less: Accumulated depreciation	(1,113)	(628)
	1,266	1,751
Office Equipment - at Cost	491	491
Less: Accumulated depreciation	(376)	(256)
	115	235
	48,841	39,348

Note 8. Current liabilities - trade and other payables

	2019	2018
	$	$
Trade payables	946,619	339,948
Accruals and other payables	995,070	897,381
	1,941,689	1,237,329

Note 9. Current liabilities - provisions

	2019	2018
	$	$
Annual Leave Provision	203,222	114,247
FBT Provision	1,405	650
Long Service Leave Provision	114,615	104,952
	319,242	219,849

Note 10. Equity - issued capital

	2019	2018
	$	$
Authorized, allotted and fully paid	**343,716**	343,716

No movement in share capital during the year. Movement schedule of issued capital is included in the statement of changes in equity. There are various classes of shares in issue which are as follows:

	2019	2018
B Class shares*	**13,386**	13,386
C Class shares*	**1**	1
D Class Shares*	**1**	1
Ordinary Shares	**15,312**	15,312
	28,700	28,700

** No right to vote at a general meeting of the company. Class B shares have similar rights as ordinary shares while other classes (i.e. C Class and Class D) have lesser rights than Class B.*

Note 11. Equity – Reserves and retained profits

Reserves represents foreign currency translation reserve.

All net gains and losses and transactions with owners (e.g. dividends) from current and prior years not recognized elsewhere. Movement schedule of reserves and retained profits is included in the statement of changes in equity.

Note 12. Reconciliation of profit after income tax to net cash from operating activities

	2019	2018
	$	$
Profit after income tax expense for the year	**1,984,001**	430,661
Adjustments for:		
Depreciation and amortisation	**15,556**	6,966
Change in operating assets and liabilities:		
Increase in trade and other receivables	**(1,735,083)**	(734,108)
Increase in due from related parties (incl. non-current & excl. dividend adj.)	**(1,926,948)**	(8,762)
Increase/(decrease) in trade and other payables	**704,362**	810,035
Increase/(decrease) in provision for income tax	**897,955**	315,629
Increase in other provisions	**99,390**	(8,992)
Net cash from operating activities	**39,233**	811,429

Note 13. Financial Instruments

Financial assets and financial liabilities

	2019 $	2018 $
Financial assets		
Current		
Cash and cash equivalents	**584,143**	572,279
Trade and other receivables	**2,986,021**	1,263,595
Due from related parties	**2,374,889**	139,370
Non-current		
Due from related parties	**-**	360,000
Deposits	**45,269**	42,949
	5,990,322	2,378,193
Financial liabilities		
Trade payables	**946,619**	339,948

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 program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

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.

Market risk, price risk and interest rate risk

The company is not exposed to any significant market risk, price risk and interest rate risk.

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 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.

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.

The company has a credit risk exposure with three major customers, which as at 30 June 2019 owed the company $1,895,049 (74% of trade receivables) (2018: $764,602 (70% of trade receivables)). No impairment was made as at 30 June 2019. There are no guarantees against this receivable but management closely monitors the receivable balance on a monthly basis and is in regular contact with this customer to mitigate risk.

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.

Note 13. Financial Instruments (continued)

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

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. The company has no borrowings outstanding at year end.

Fair value of financial instruments

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

Note 14. Key management personnel

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

	2019 $	2018 $
Short-term employee benefits	**1,541,174**	1,052,309
Post-employment benefits	-	-
Long-term benefits	-	-
	1,541,174	1,052,309

Note 15. Contingent liabilities

The company has given bank guarantees as at 30 June 2019 of $ 54,470 (2018: $ 42,949) for 3 months gross rent (plus GST) for office lease.

Note 16. Commitments

	2019 $	2018 $
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment		
	-	-
Lease commitments – operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	**198,075**	90,557
1 to 5 years	**618,311**	282,683
	816,386	373,240

COSOL Australia Pty Limited Reissued Financial Statements
Notes to the financial statements
30 June 2019

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 2019 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

Director

30 October 2019

Greenwich & Co

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Auditor's Independence Declaration

As auditor for the audit of COSOL Australia Pty Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

I) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and

II) no contraventions of any applicable code of professional conduct in relation to the audit.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens

Nicholas Hollens
Managing Director

30 October 2019
Perth

Greenwich & Co

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Independent Audit Report to the members of COSOL Australia PTY Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of COSOL Australia PTY Ltd (the Company), which comprises the statement of financial position as at 30 June 2019, 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 2019 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 audit opinion.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The directors of the 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.

Responsibilities of Directors for the Financial Report (continued)

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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.

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.

Greenwich & Co Audit Pty Ltd

Greenwich & Co Audit Pty Ltd

Nicholas Hollens.

Nicholas Hollens
Managing Director

30 October 2019
Perth