

## ARMIDALE

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## INDEPENDENT AUDITOR'S REPORT

**To the Board of the Armidale Diocesan Investment Group and  
The Trustees of the Roman Catholic Church for the Diocese of Armidale**

### Opinion

We have audited the special purpose financial statements of the Armidale Diocesan Investment Group ("the Group") comprising the Income Statement, Balance Sheet, Cash Flow Statement, accompanying Notes to the Financial Statements, and the Declaration by Members of the Board, for the year ended 31 January 2020.

In our opinion, the financial statements of the Armidale Diocesan Investment Group presents fairly, in all material respects, the financial position of Armidale Diocesan Investment Group as at 31 January 2020 and the results of its operations and cash flows for the year then ended in accordance with the accounting policies described in Note 1 to the Financial Statements.

### 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 Statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Emphasis of Matter

Without modifying our opinion we draw your attention to Note 21 where the impact of the Coronavirus (COVID-19) is discussed as an event after the end of the reporting period. We consider that as at the date of signing the audit report the disclosures represent the present situation of the Group, however, the situation continues to develop. It is important to emphasise that the assumptions made by the Group as part of the preparation of the financial statements and the auditor during the formulation of our audit opinion are based upon the information available at the time of signing.

### **Basis of Accounting**

The financial statements have been prepared for distribution to the Board and Trustees to fulfil their financial reporting obligations. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Board and Trustees, or for any purpose other than that for which it is prepared.

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describe the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Board Members' financial reporting responsibilities. As a result, the financial statements may not be suitable for another purpose.

### **Responsibilities of Board for the Financial Statements**

The members of the Board are responsible for the preparation and presentation of the financial statements and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial statements are appropriate to meet the requirements of the Board and the Trustees. The members of the Board are also responsible for establishing and maintaining internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial statements.

In preparing the financial statements, the Board are responsible for assessing the Group'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 Board either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 statements, 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board' 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 Group'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 statements 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board 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 Board 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.

*Forsyths*

**Forsyths Business Services Pty Ltd**

*P.R. Cornall*

**Paul Cornall**  
**Principal**

29 April 2020  
121 Rusden Street, Armidale NSW