Safe Futures Foundation Inc.

ABN 19 275 051 972

Annual Report - 30 June 2019

Contents

Safe Futures Foundation Inc.
ABN 19 275 051 972

Directors' report
30 June 2019

The directors present their report, together with the financial statements, on the entity for the year ended 30 June 2019.

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

- Doreen Stoves AM PSM JP - Chair
- Bernadette Dobeli – Deputy Chair
- Florence Mauwa – Treasurer
- Kerrie McMahon – Secretary
- Pradeepa Jayawardena York
- Raymond Burnett
- Maria Peterson
- Lee-Anne Hunt – appointed on 25.03.2019
- Emily Ryder – appointed on 25.03.2019

Principal Activities
The principal activity is providing personalised responses to people experiencing or at risk of family violence as well as housing support services.

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

Operating Result
The operating surplus for the 2019 Financial Year amounted to $834,145 (2018 $276,921).

Auditor's independence declaration
A copy of the auditor's independence declaration as required under s.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this directors' report.

On behalf of the directors

Doreen Stoves AM PSM JP

Position: CHAIR SFF

Florence Mauwa

Position: TREASURER

Melbourne, 30 September 2019

Auditor Independence Declaration under 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 to the Members of Safe Futures Foundation Inc.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been:

1) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

2) No contraventions of any applicable code of professional conduct in relation to the audit.

Crowe Melbourne

CROWE MELBOURNE

JOHN GAVENS
Audit Partner

MELBOURNE, Victoria
Date: 30th September 2019

Safe Futures Foundation Inc.
ABN 19 275 051 972

Statement of Comprehensive Income

For the year ended 30 June 2019

	Note	2019 $	2018 $
Revenue			
Government Grant		3,247,822	2,928,920
Other Grants		389,321	3,197
Interest		26,675	10,430
Other Income		189,211	313,779
Total revenue		**3,853,029**	**3,256,326**
Expenses			
Audit fees		10,500	10,830
Bad debt		-	4,484
Depreciation expense		19,516	8,033
Utilities expense		109,433	79,788
Administration & other expenses		454,855	561,040
Property expenses		157,387	88,273
Project expenses		47,033	16,042
Salaries & Wages - superannuation		172,232	164,256
Salaries and Workcover		2,047,928	2,046,659
Total expenses		**3,018,884**	**2,979,405**
Surplus before income tax expense		**834,145**	**276,921**
Income tax expense		-	-
Surplus for the year		**834,145**	**276,921**
Total Comprehensive Income for the period		**834,145**	**276,921**

The above statement of comprehensive income should be read in conjunction with the accompanied notes

Safe Futures Foundation Inc.
ABN 19 275 051 972

Statement of financial position

As at 30 June 2019

	Note	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	2	2,133,715	1,053,971
Accounts receivable and other debtors		2,577	226
Prepayments		26,661	17,816
Financial Assets	3	102,689	-
Total current assets		2,265,642	1,072,013
Non-current assets			
Property, plant and equipment	4	2,440,264	1,875,851
Total non-current assets		2,440,264	1,875,851
Total assets		4,705,906	2,947,864
Liabilities			
Current liabilities			
Accounts payable and other payables		283,630	348,137
Income in Advance		923,081	407,634
Employee Benefits	5	124,235	164,901
Total current liabilities		1,330,946	920,672
Non-current liabilities			
Employee Benefits	5	60,425	81,802
Total non-current liabilities		60,425	81,802
Total liabilities		1,391,371	1,002,474
Net assets		**3,314,535**	**1,945,390**
Equity			
Retained surplus		501,818	650,390
Reserves		2,812,717	1,295,000
Total equity		**3,314,535**	**1,945,390**

The above statement of comprehensive income should be read in conjunction with the accompanied notes

Safe Futures Foundation Inc.
ABN 19 275 051 972

Statement of changes in equity
For the year ended 30 June 2019

	Land & Building Revaluation Reserve	Property Reserve	Retained Surplus	Total
	$	$	$	$
Balance at 1 July 2017	1,295,000	-	373,469	1,668,469
Surplus/(deficit) after income tax expenses for the year	-	-	276,921	276,921
Balance at 30 June 2018	**1,295,000**	**-**	**650,390**	**1,945,390**
Balance at 1 July 2018	1,295,000	-	650,390	1,945,390
Surplus/(deficit) after income tax expenses for the year	-	-	834,145	834,145
Transfer between Reserve Accounts	-	325,000	(325,000)	-
Other Comprehensive Income	535,000			
Balance at 30 June 2019	**1, 830,000**	**325,000**	**1,159,535**	**3,314,535**

The above statement of comprehensive income should be read in conjunction with the accompanied notes

Safe Futures Foundation Inc.
ABN 119 275 051 972

Statement of cash flows

For the year ended 30 June 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Receipts from government grants		4,001,760	3,223,755
Payments to suppliers, employees and others		(3,138,738)	(2,791,939)
Interest and other receipts		364,365	399,150
Net cash from operating activities	7	1,227,387	830,966
Cash flows from investing activities			
Payments for property, plant & equipment		(58,194)	-
Payment for term deposits		(102,689)	
Proceeds from property, plant and equipment		13,241	-
Net cash used in investing activities		(147,642)	-
Cash flows from financing activities			
Net cash from financing activities		-	-
Net increase in cash held		1,079,745	830,966
Cash and cash equivalents at the beginning of the financial year		1,053,971	223,005
Cash and cash equivalents at the end of the financial year		**2,133,715**	**1,053,971**

The above statement of comprehensive income should be read in conjunction with the accompanied notes

Notes to the financial statements
For the year ended 30 June 2019

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Australian Charities and Not-for-profits Commission Act 2012.

The group is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

The financial statements were authorised for issue on 30 September 2019 by the Board of Directors

Note 1. Summary of Significant Accounting Policies

Parent entity information
These financial statements present the results of the consolidated entity only.

Principles of consolidation

The financial statements cover Safe Futures Foundation Inc. and its controlled entities ('the Group') Safe Future Foundation Inc. is a not-for-profit Association incorporated and domiciled in Victoria. Other entities of the Group are:

- Maroondah Half Way House Group

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Safe Futures Foundation Inc. (parent entity) as at 30 June 2019 and the results its subsidiary for the year then ended. Safe Futures Foundation and its subsidiary together are referred to in these financial statements as the 'consolidated entity'.

A subsidiary is an entity over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.
Inter-entity transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated.

a) Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Grant Revenue

Grant revenue is recognised when the entity obtains control of the grant and it is provable that the economic benefits gained from the grant will flow to the entity and the amount can be reliably measured.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied. When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and Bequests

Donations and bequests are recognised at the time they are received.

Note 1. Significant accounting policies (continued)

Interest

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

Other revenue

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

b) Income tax

As the entity is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

c) 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 entity'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 entity'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.

d) 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.

e) Trade and other receivables

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

f) Property, plant and equipment

Land and buildings are shown at fair value less impairment for buildings. To support this value, the entity obtains valuations by external independent valuers such that all properties are covered on a rolling three year basis. There is no depreciation expense charged to land and building.

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:

Plant and equipment	2-10 years

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

g) 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.

Note 1. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use.

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity 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.

i) 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. 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 national government 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.

j) 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.

k) 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.

l) Financial Instruments

The entity 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.

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

Notes to the financial statements
For the year ended 30 June 2019

Note 1. Significant accounting policies (continued)

m) 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.

Estimation of useful lives of assets

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

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.

Fair value measurement hierarchy

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

n) Prior year adjustments

The prior period comparisons within the financial statements have been restated to support compliance with measurement accounting standards in effect at the time. This has resulted in an increase in provision for employee entitlements at 30 June 2018 of $33,014, a reduction in deferred income liability of $36,355 at 30 June 2018, and an increase in operating revenue of $36,355 and a decrease in employee costs of $96,750 for the year ended 30 June 2018 and an increase in the accumulated deficit of $129,764 and provision for employee entitlements of $66,028 at 1 July 2017.

o) Reserves

A property reserve has been established to support maintenance of properties and premises moving costs.

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 $	2018 $
Note 2. Cash and Cash equivalents			
Cash at banks		2,133,715	1,053,371
Cash on hand		-	600
Total cash and cash equivalents		**2,133,715**	**1,053,971**
Note 3. Financial Assets			
Term deposits		102,689	-
Total Financial Assets - Current		**102,689**	**-**
Note 4. Property, Plant and Equipment			
Office Furniture & Equipment		35,094	23,085
Less: Accumulated depreciation		(10,082)	(22,287)
Total Office Furniture & Equipment		25,012	798
Household Furniture & Equipment		47,398	52,894
Less: Accumulated Depreciation		(30,321)	(29,997)
Total Household Furniture & Equipment		17,077	22,897
Outdoor Equipment		43,182	38,840
Less: Accumulated Depreciation		(18,069)	(10,937)
Total Outdoor Equipment		25,113	27,903
Motor Vehicle		-	26,176
Less: Accumulated Depreciation		-	(16,923)
		-	9,253
Fitout		23,100	-
Less: Accumulated depreciation		(38)	-
		23,062	-
Building at fair value		1,080,000	835,000
Land at fair value		1,270,000	980,000
Total property, plant and equipment		**2,440,264**	**1,875,851**

Valuations of land and buildings
The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued by the directors on 30 June 2019, based on independent market appraisal by a Certified Practising Valuer. The valuation was based on current prices for similar properties in the same location. The fair value hierarchy input level was assessed as Level 3, based on unobservable inputs.

Note 5. Employee Benefits

Current Liabilities		
Annual Leave	80,795	134,684
Provision for Long Service Leave – current	43,440	30,217
Total Current Liabilities	124,235	164,901
Non-current Liabilities		
Provision for Long Service Leave	60,425	81,802
Total Non-Current Liabilities	60,425	81,802
Total Employee Benefits	**184,660**	**246,703**

Note 6. Key Management Personnel Disclosures

Compensation

The aggregate compensation made to key management personnel of the entity is set out below:

	2019 $	2018 $
Short Term Benefits	228,209	244,261
Long Term Benefits (including Annual Leave and Long Service Leave Accruals)	11,070	17,254
	239,279	261,515

Note 7. Reconciliation of net cash from operating activities

	2019 $	2018 $
Surplus for the year	834,145	276,921
Adjustment:		
Non-cash flows:		
Depreciation and amortisation expense	19,516	8,033
Plant and equipment write off	(4,677)	-
Change in operating assets and liabilities:		
(Increase)/Decrease in accounts receivable and prepayments	(11,196)	96,484
Increase/(Decrease) accounts payable and other payables	(63,805)	233,469
Increase/(Decrease)in employee provisions	(62,043)	(126,746)
Increase/(Decrease) in income in advance	515,448	342,805
Net cash from operating activities	**1,227,387**	**830,966**

Note 8. Contingent liabilities

Reference is made to the Deed of Acknowledgement release and variation date 3 November 2017 with the Department of Health and Human Services, where mortgages have been taken over the entity properties to ensure that the specific purposes of the grants are complied with. Estimate of the potential financial effect of contingent liabilities that may become payable pursuant to conditional grants received historically from the Office of Housing and/or Department of Health and Human Services is noted as follows.

	Conditional Grant/Mortgage
362-364 Maroondah Highway, Croydon, Victoria 3136	$870,755

The Mortgage period will expire on 31 March 2044 when the titles of the properties will be returned to Safe Futures Foundation Inc. and no contingent liabilities will exist.

Notes to the financial statements

For the year ended 30 June 2019

Note 9: Commitments

Operating Lease Commitment

Non-cancellable operating leases contracted for but not capitalised in the financial statements.

Payable – minimum lease payments

	2019 $	2018 $
Not later than 12 months	68,000	65,654
Between 12 months and 5 years	360,952	-
	428,952	65,654

Safe Futures Foundation Inc. leases property under a non-cancellable operating lease expiring in five years with two options for another ten years. The lease provides Safe Futures Foundation Inc. with a right of renewal at which time all terms are renegotiated.

Note 10. Events after the reporting period

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the operations, the results of those operations, or the Foundation's state of affairs in future financial years.

Safe Futures Foundation Inc.
ABN 19 275 051 972

Statement by Members of the Board of Directors
30 June 2019

In the directors' opinion:

1 the attached financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* including;

i. giving a true and fair view of the entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and

ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Australian Charities and Not-for-Profits Commission Regulation 2013*;

2 there are reasonable grounds to believe that the Entity 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 subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the directors

D Stoves. AM.PSM JP

Position: CHAIR SFF

Position: TREASURER

Melbourne, 30 September 2019

Independent Auditor's Report to the Members of Safe Futures Foundation Inc.

Opinion

We have audited the financial report of Safe Futures Foundation Inc., which comprises the statement of financial position as at 30 June 2019, the statement of 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 statement by members of the board of directors.

In our opinion, the accompanying financial report of Safe Futures Foundation Inc. (the foundation) is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a) giving a true and fair view of the foundation 's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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 Foundation in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* 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 *Australian Charities and Not-For-Profits Commission Act 2012*, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of the Board for the Financial Report

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the directors determine is necessary to enable the preparation of a 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 foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the foundation or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- 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 Safe Futures Foundation 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 Safe Futures Foundation'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 Foundation 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 the audit.

Crowe Melbourne

CROWE MELBOURNE

John J Gavens

JOHN GAVENS
Partner
Melbourne
Dated this 30th day of September 2019