

MUDDY PUDDLES



“Skills for a
good life”

ANNUAL REPORT 2019-20

“We believe in a community
where all children are
encouraged and enabled to
reach their unique potential”



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ACKNOWLEDGEMENT OF LAND

We acknowledge the Yuin people, the traditional custodians of the lands on which we work, and we pay our respects to the elders past, present and those emerging leaders.

MESSAGE FROM THE CHAIRPERSON

Even though this message relates to July 2019 to June 2020 it is difficult to even think about the first six months as our world changed significantly in late November with the onset of the most horrific bush fires in living memory and on top of that the onset of COVID 19 in January.

What a year we have all experienced! Will things ever return to normal? Or, as I suspect, we will have a new normal and learn to live, thrive and prosper within these restraints. Let us hope so anyway.

Now on to Muddy Puddles. It has been a significant year as well for our fledgling organisation. Fledgling is probably not appropriate anymore as the organisation has already matured into a significant force in disability services. This is reinforced by the realisation that it is only our second year in our beautiful building. Watching the therapists, clients and staff moving constantly through the building whilst getting about their tasks you could be forgiven for thinking that we may have been here for a decade.

This past year has seen a huge increase in the services we offer and a consequential build up in client numbers plus the back office support that is required to make sure therapists and clients can gain the maximum outcomes from each session. Having said all this, I must congratulate everyone employed and involved in Muddy Puddles as during and after the fires and with COVID we hardly missed a beat.

There is still a substantial waiting list so the never-ending quest for appropriately trained therapists and support staff never ends. It is essential that we continue to look out for the very best people and so far we are looking like the employer of choice. This can only come about with strong management and once again I thank our CEO Cate McMath for her leadership. Cate is highly committed to Muddy Puddles and the success we are experiencing is in a big part due to her stewardship.

Cate would be the first to claim that our success is all due to the fantastic support staff, the therapists, the program assistants, and volunteers. It is indeed a great team effort and on behalf of the Board I would like to pass on our sincere thanks.

Once again, a big thankyou to Tina Philip and her wonderful team of volunteers and fundraisers. It was a very strange year indeed and it certainly impacted on our ability to fund raise. Tina and her team did a great job under very trying circumstances and again on behalf of the Board, many thanks to you all.

To my fellow Board members and those that also sit on the Finance and Governance committee, a big thank you for your guidance and support. I must admit to flying blind on some issues and it is comforting to have such well-resourced and experienced backup available.

In closing it is important to point out that Muddy Puddles is a charity and only exists to provide disability services to those children and young people that need our help whether they have NDIS packages or not. However, we do need to be sustainable. We don't need to be profitable in the same way as a business but we do need to be sustainable and work towards being able to fund our expansion program that will allow us to build our ability to offer services to the whole of the Eurobodalla Shire. Expanding our service offerings to Moruya and Narooma is a priority.

Regards and thanks to all

John Wakelin



MISSION

“Muddy Puddles provides opportunities in the Eurobodalla for children and young people with disability to build skills for a good life. Working together with families, carers and the community we provide therapy, development programs and individual supports to promote personal growth, awareness and inclusion.”

VALUES

- Flexible
- Inclusive
- Respectful
- Sustainable
- Transparent

STRATEGIC ACTION PLAN FOR 2017-20

OUR CLIENTS



OUR TEAM



OUR PRESENCE



OUR SUSTAINABILITY



GOALS

To develop skills of children with a disability, and their families, so they can reach their unique potential

To improve the capacity of our team to support our clients and the community

To create a welcoming 'hub' for families and the community to receive support, information and direction

To deliver a sustainable and professional service in the Eurobodalla

STRATEGIES

- › Improve effectiveness of existing services
- › Expand coverage and range of innovative, evidence based and sustainable services
- › Strengthen outreach, including to pre-schools, schools, professionals, and the Aboriginal community

- › Build our team
- › Strengthen communication and working relationships within our team
- › Provide opportunities for our team to learn and develop
- › Promote a safe and flexible work environment
- › Develop strategic partnerships with businesses in the community
- › Maintain and strengthen the Board
- › Ensure vision and values embedded
- › Foster an inclusive community

- › Enhance existing premises
- › Develop our new building on-time and on-budget
- › Provide for the upkeep of the building once completed
- › Offer workshops to general community
- › Target opportunities for the community to understand and support our work
- › Deliver targeted marketing and communications

- › Maintain balanced and sustainable growth
- › Maintain quality systems, including child protection and workplace health and safety
- › Develop efficient business systems
- › Strengthen performance measurement and reporting
- › Secure additional funding for service delivery and operations

When I reflect on the twelve months from July 2019 to June 2020, I am reminded how lucky we are to be living in such a supportive and caring community.

We started the year with a highly successful outcome on the external audit which measured our performance against the NDIS Practice Standards. This result gave us confidence that we had developed appropriate quality systems and processes to underpin our service delivery.

Fortunately, we were able to hold our Summer Showcase in December 2019 to celebrate the achievements of our group participants. In June we refreshed our free parent and carer support group and increased the number of participants. This safe space gives parents and carers the opportunity to talk about concerns, challenges and successes with people who understand.

The COVID-19 pandemic followed close on the heels of the fires and again, our team worked quickly and professionally to respond to the changing needs of our clients. Telepractice became the new norm and our team supported each other and our clients to remain connected via technology. The use of computers, mobile phones and tablets

Our team grew again this year and we welcomed 18 new team members, including eleven employees and seven volunteers. We gained more Support Assistants to provide assistance with daily living and community participation, we took on Therapy Assistants to provide more capacity building support, and also added another Behaviour Support Practitioner to boost our Positive Behaviour Support team. Professional development and training is given high priority at Muddy Puddles. We have an outstanding team, and we are committed to ensuring they are well-supported and have opportunities to develop their skills. This year there was a focus on infection control, building skills for telepractice, trauma informed care, suicide prevention, positive behaviour support and restrictive practices, support coordination, self-regulation, assistive technology to support communication and daily living, and home modifications.





Determined not to let a few hurdles hold us back, we continued to support university student placements even during COVID-19. Many organisations declined to take on students during this period, but we decided to adopt an innovative approach and allow students to do their placement online. This year we supported 17 students, 15 Occupational Therapy students from University of Canberra and two Bachelor of Early Childhood Education. This took the total number of students supported by Muddy Puddles since its inception to 35. Student projects included development of resources and information sheets for clients, team members and schools, training for learning support team at a local primary school, a cookbook for teens, research for nature based therapy and trauma informed care, and development of a driver readiness program for youth. Students also provided direct therapy and assessment with clients, offering free intervention to clients without funding.

Between crises, we managed to fit in our usual local and regional network meetings to connect with other organisations and agencies in the sectors of disability, early childhood, youth services, education, family support, and mental health. We travelled to Sydney to meet with organisations doing innovative work in the therapy space, gathering and sharing ideas. Muddy Puddles is now a leading employer in the health and disability service sectors. The organisation was profiled in Eurobodalla

Shire Council's career guide and series of employer videos. In line with our commitment to develop the local allied health and disability support workforce in the Eurobodalla, we connected with students studying related courses to provide information about Muddy Puddles and the type of work they can expect in the sector. We took part in the annual Health and Wellbeing Expo which included a Job Expo to connect with potential candidates interested in a career in the health and disability support fields.

Our 2017 - 2020 Strategic Plan concluded this year and in February we started work on our next Strategic Plan to take us through until 2023. Over the three-year period, our team successfully delivered on strategic priorities to realise our goals for clients, team, presence and sustainability. I look forward to providing a clear plan to understand the needs of our clients, enhance our services, support our team and ensure long-term financial viability for Muddy Puddles.

Thank you to everyone who plays a part in the growth and development of Muddy Puddles. First and foremost, our clients. It is your support, collaboration and feedback that enables us to continually improve as we strive to meet your needs. By choosing to use our services, you are helping to cement the future of a vital service for children and young people in the Eurobodalla. To our Service Team, your commitment to our clients, compassion, and support for each other is wonderful. You make

it a pleasure to come to work each day. Behind the scenes, the Admin Team provide essential support for the smooth running of business operations. Nicole, Anne and Maureen, I'd be lost without you! Volunteers, you are like our safety net. We feel your support and know you are there, even if we don't see you all the time. Your contributions are highly valued, and we wouldn't function effectively without you. To our donors and community collaborators, you know who you are, thank you for your support and belief in our mission. And finally, to the Muddy Puddles Board, your encouragement and belief in my ability has allowed me to become a more confident leader. Thank you for providing stability and sage advice and enabling Muddy Puddles to grow and evolve.

A handwritten signature in black ink, appearing to read 'Cate'.

Cate McMath



SUMMARY OF OUR YEAR 2019-20



15 practitioners
(therapists and educators)



13 program assistants



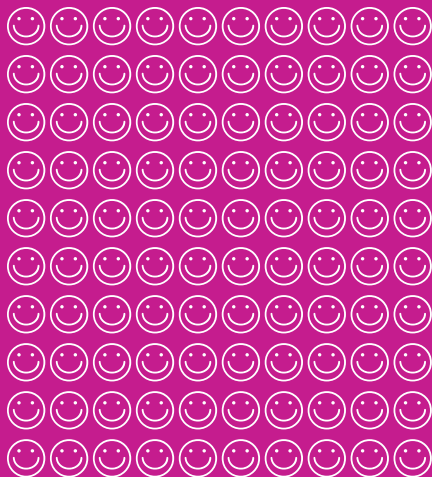
4 in administration



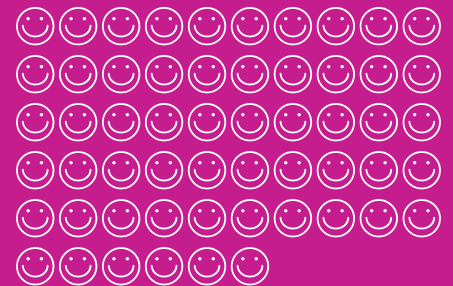
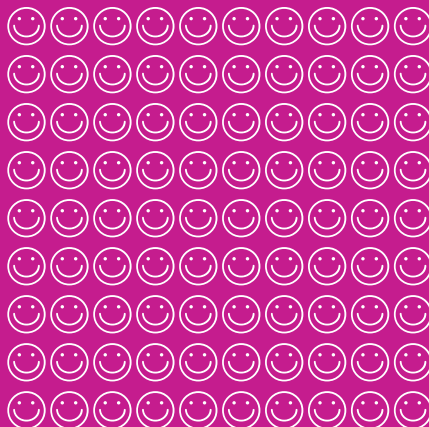
48 volunteers



17 capacity building group programs



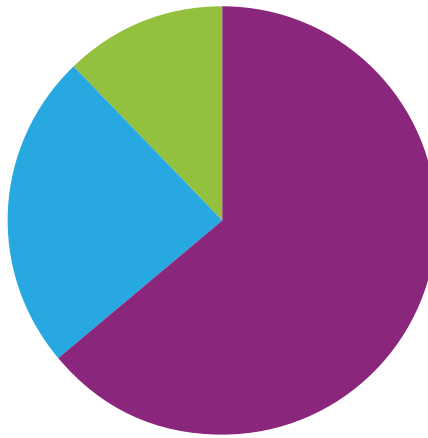
190 children and young people accessed Muddy Puddles services throughout the year



56 New clients

Develop skills of children and young people with disability, and their families, so they can reach their unique potential

CLIENTS BY LOCATION



- Batemans Bay 64%
- Moruya 24%
- Narooma 12%

CLIENTS BY AGE



- 0-6 years 29%
- 7-12 years 40%
- 13-16 years 21%
- 17+ years 10%



OUR BOARD



JOHN WAKELIN CHAIRPERSON

John is a semi-retired businessman who joined the board of Muddy Puddles in March 2015. He is a Vietnam Veteran who found his way to Batemans Bay in 1969. He has had a long, interesting and successful business career ranging from air conditioning contracting to manufacturing, land and property development and aged care. He is heavily involved in the community and is still active in business.



OSCAR GENTNER VICE CHAIR/SECRETARY

Oscar is a fully qualified disability service CEO who has recently retired from full time work. His qualifications include management & administration degrees, accounting and auditing qualifications. As a consultant and trainer he has delivered many specific industry training programs and has diverse human & industrial relations experience. Oscar joined Muddy Puddles in 2015.



DR ANDREW ELEK AM DIRECTOR/TREASURER

Dr Andrew Elek is a Visiting Research Fellow of the Crawford School of Economics and Government at the Australian National University (ANU). He has worked extensively in development economics in South Asia and the South Pacific, and as a Senior Economist with the World Bank. During his time with the Australian Government, he was the inaugural chairman of APEC Senior Officials, with a central role in the establishment of the Asia Pacific Economic Cooperation (APEC) 1989.



ELIZABETH HUPPATZ DIRECTOR

Elizabeth is a tutor in Nursing and Disabilities at South Coast Colleges and has a long career in clinical service and consultancy. She has volunteered in disability services in Vietnam and Cambodia since 1999 and visits there regularly. Elizabeth was appointed to the Board in 2018.



TINA PHILIP OAM DIRECTOR

Tina Philip joined Muddy Puddles in January 2016 after having retired the previous year from her long-term employment in the mental health field as a psychiatric nurse consultant. Tina has extensive clinical experience spanning over 40 years and is well known for her commitment to the development and enhancement of services in rural area. She is a passionate advocate for individuals and their families who experience complex problems.



BERNIE BASEVI OAM DIRECTOR

Bernie is a semi-retired businessman and builder with over 35 years' experience in the building industry. He has also been greatly involved in the community, with life memberships of Apex Clubs of Australia, Braidwood Servicemen's Club, Malua Bay Fishing Club, and Malua Bay Bowling and Recreation Club, attesting to that involvement. Bernie is a current director of Malua Bay Bowling and Recreation Club, and chairman of the Parish Pastoral Council of St. Bernard's Parish Batehaven.



HUGH SCOTT DIRECTOR

Hugh joined the Muddy Puddles Board in August 2019 and is currently a director of Wysco Building Services which is a building regulation and planning consultancy in the Eurobodalla.

He is also a director of Batemans Bay Rotary Club and a director and chairman of Nelligen Recreation Park Ltd.

Hugh is also a life member of the Association of Apex Clubs Australia and a past director of aged care facility Blakeney Lodge at Tumut and Wagga Wagga Community Housing Association.

Hugh has a particular interest in the areas of governance and finance.





MESSAGE FROM THE FUNDRAISING COMMITTEE CHAIRPERSON



What a year it has been. In the last six months of the year in 2019 we could not have predicted what was to come in 2020. For all intents and purposes the fundraising activities were heading towards reaching a sizeable target and volunteers enthusiastically got behind planned activities.

Our main events in 2019 were our annual Monster Garage Sale held in October which was a huge success, multiple Bunnings sausage sizzles and the commencement of our major raffle which was drawn early 2020.

Sadly, in late 2019 the Eurobodalla shire was impacted by bushfires and as you all are aware the New Year was devastating. Many of our clients, volunteers, friends, and families were directly affected, some losing their homes, personal possessions, and their livelihood. The local fire services worked tirelessly to assist where and how they could; however, this bushfire was one that most had never experienced previously.

To show our gratitude Muddy Puddles Fundraising Committee and the Board of Directors made the decision to share the profits of the raffle with the local Rural Fire Services.

The devastation across the shire also had a significant impact on the local economy, social welfare and the psychological wellbeing of our community. And if this wasn't enough, COVID 19 struck and altered how we operate in our day to day lives.

Yes, it has been a difficult year; however, what has heartened me is the positivity and commitment of the community. Government and non-government organisations, businesses and individuals all stepped up to help those in need. It hasn't been perfect, and we can be quick to criticise but I for one am very grateful to live in such a supportive community.

Sadly, to add to this we also lost one of our volunteers. Noel Maguire, a very special lady with a wonderful sense of humour passed away peacefully in May. Noel was a delight to work with, always keen to get involved with fundraising events and equally keen to brag about her children, grandchildren and great grandchildren whom she loved dearly.

Since the commencement of 2020 there have been significant changes to how organisations and businesses operate. Hence Muddy Puddles has in the first 6 months of the year ceased fundraising activities due to COVID restrictions. As

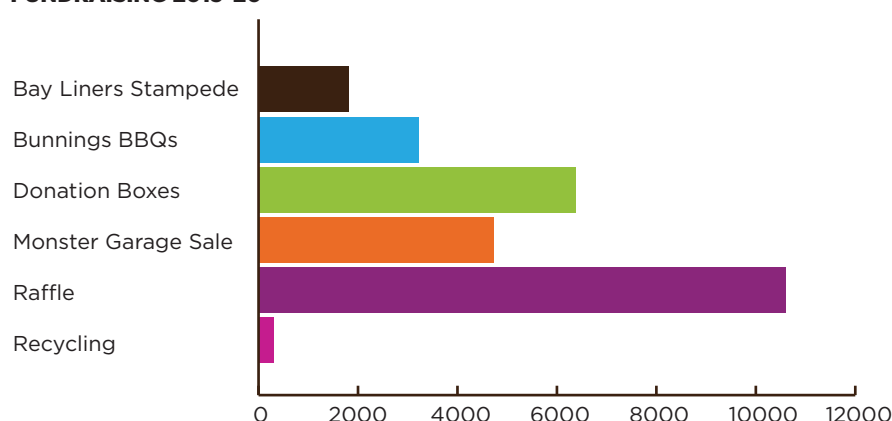
life returns to "normal" we will get back on track.

Finally, I would like to thank all our volunteers for their ongoing commitment and dedication throughout the year. A special thank you to Muddy Puddles CEO, Cate McMath and the entire team for continuing to provide quality services, although in a different manner, during this difficult time.

Tina Philip OAM



FUNDRAISING 2019-20





FINANCE REPORT



The 2019-20 financial year certainly posed significant challenges to Muddy Puddles, but we met them head on and have emerged even stronger financially than before, thanks in part to Government stimulus but mostly to the commitment of our team.

Like most businesses in the Eurobodalla, Muddy Puddles was affected significantly this year; firstly, by the fires and the road closures associated with them, and then the COVID pandemic. However, the whole team under the leadership of Cate and Nicole continued to provide services where possible and were creative in responding to clients' needs.

While total revenue dipped significantly in the early months of 2020, it quickly returned to a more normal range, as clients understand the benefits of ongoing therapy and support and the practitioners worked hard to meet their needs appropriately.

The proportion of total revenue from service provision has risen from 58% in 2019 to over 88% in 2020. This indicates that we are certainly on track to becoming a sustainable organisation. While we need to reduce our dependence on fundraising,

donations, and grants to support the organisation, they are still a major part of our charitable purpose to provide a quality service to all clients in need, regardless of their ability to pay.

As an organisation directly affected by the COVID pandemic, Muddy Puddles was eligible for the first round of Government stimulus and the funds received have been put aside for future growth and special projects to extend services offered to clients throughout the Eurobodalla.

One disappointing consequence of the black summer bushfires was the suspension of the Muddy Puddles major raffle. Tina Philip and our fantastic band of volunteers spent many hours in all weathers organizing and selling tickets when they could but were eventually forced to stop. In the end, the raffle netted \$6,550 and half of those proceeds were donated to the Batemans Bay Rural Fire Brigade, who were grateful for the contribution which was going to purchase equipment for all the local brigades to use.

The donation boxes placed at many local businesses have continued to be not only a great way to get the Muddy Puddles name into the community but also provided over \$6,300 during the year.

Our volunteers have continued to contribute an amazing amount of time and effort in a variety of ways,

from fundraising through to program assistance, grant writing, administration and garden and property maintenance. A conservative estimate of their contribution is over \$30,000 for the year, which doesn't include the Board who are all volunteers and contribute a remarkable amount of time and effort.

During 2019-20 Muddy Puddles received grants from the Snow Foundation, Coordinare, Club Malua and Eurobodalla Shire Council to continue providing programs and services to all in need. We also received \$22,500 in sponsorship from Allan Rutherford and Coastal Auto Group. This will be an ongoing sponsorship and we are extremely grateful to Allan and the team for their support of our programs.

A major challenge towards the end of 2019-20 was to project forward and prepare a budget for a very uncertain year in 2020-21. Board Treasurer Andrew Elek worked extremely hard on developing a forecasting model which helped to build the budget for the 2020-21 year, and I am very grateful for his hard work and dedication.

As Finance Manager, I am very pleased to present the finance report for 2019-20. Again, we have received an unqualified audit report and Muddy Puddles is proving it is a mature, growing organisation providing a high-quality service to all clients in need in the Eurobodalla.

Anne Minato
Finance Manager



2019-20 SIGNIFICANT FINANCIAL HIGHLIGHTS



REVENUE

Service revenue increased on previous year by **63%**



REVENUE

Service provision over **88%** of total revenue



SPONSORSHIP

Sponsorship of **\$22,500** to the end of June from Coastal Auto Group



ASSETS

Net assets grew to **\$1,644,226**



VOLUNTEER CONTRIBUTIONS

Equivalent to over **\$32,000** in value throughout the year

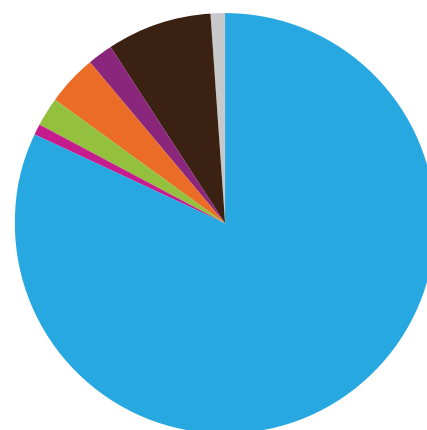
The full Financial Report can be obtained at [www.muddypuddles.org.au/About Us/Financials](http://www.muddypuddles.org.au/About%20Us/Financials) or by phoning 02 4472 6939 and requesting a copy.

OUR FINANCIALS



STATEMENT OF COMPREHENSIVE INCOME		2020	2019
REVENUE			
Service revenue	82%	1,109,556	681,226
Donations received	1%	15,428	99,753
Fundraising	2%	27,059	31,675
Grants received	4%	57,795	342,825
Sponsorship	2%	22,500	0
Government stimulus	8%	103,170	0
Interest received	0%	395	1,549
Other Income	1%	16,674	10,161
Total revenue		1,352,577	1,167,189
EXPENSES			
Direct service costs	58%	-729,025	-444,343
Administration costs	38%	-474,239	-345,422
Client subsidy	1%	-13,172	-13,916
Fundraising expenses	1%	-8,637	-8,670
Board & volunteer expenses	0%	-775	-77,981
Property expenses	2%	-25,151	-23,166
Training & other expenses	1%	-9,546	-8,826
Total Expenses		-1,260,545	-922,324
Surplus for the year		92,032	244,865
Other comprehensive income for the year		0	0
Total comprehensive income for the year		92,032	244,865

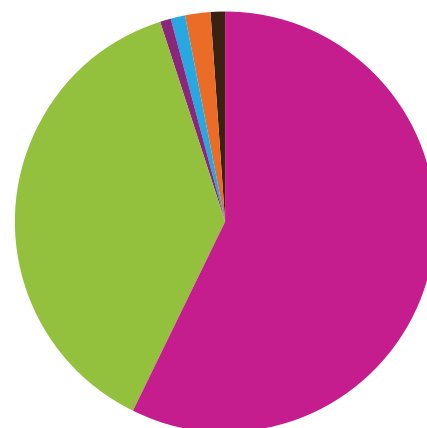
WHERE THE MONEY CAME FROM



- Service revenue
- Donations received
- Fundraising
- Grants received
- Sponsorship
- Government stimulus
- Other Income

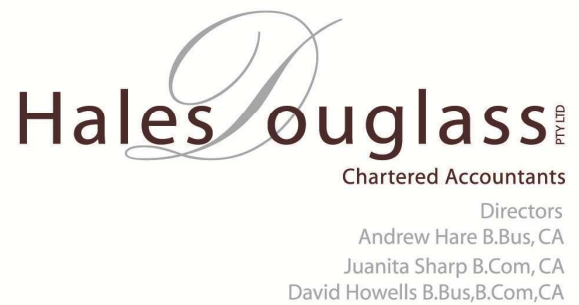
STATEMENT OF FINANCIAL POSITION		2020	2019
CURRENT ASSETS			
Cash and cash equivalents		514,615	341,568
Receivables		26,217	35,086
Prepayments		1,527	4,137
Total Current Assets		542,359	380,791
NON CURRENT ASSETS			
Property, plant and equipment		1,457,506	1,507,234
Total Non Current Assets		1,457,506	1,507,234
Total Assets		1,999,865	1,888,025
CURRENT LIABILITIES			
Trade and other payables		320,383	308,791
Current provisions		35,256	27,040
Total Current Liabilities		355,639	335,831
Non Current liabilities		0	0
Total Liabilities		355,639	335,831
NET ASSETS		1,644,226	1,552,194
EQUITY			
Accumulated Surplus		1,644,226	1,552,194
TOTAL EQUITY		1,644,226	1,552,194

HOW THE MONEY WAS SPENT



- Direct service costs
- Administration costs
- Client subsidy
- Fundraising expenses
- Property expenses
- Training & other expenses

STATEMENT OF CASH FLOWS		2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from operating activities		1,371,643	1,056,442
Payments to suppliers and employees		-1,181,735	-976,782
Interest received		395	1,549
Net cash provided by (used in) operating activities		190,303	81,209
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		-17,256	-571,657
Net cash provided by (used in) investing activities		-17,256	-571,657
Net increase (decrease) in cash and cash equivalents held		173,047	-490,448
Cash and cash equivalents at beginning of year		341,568	832,016
Cash and cash equivalents at end of year		514,615	341,568



Eurobodalla Education and Therapy Services Ltd
ACN 601 862 042

Auditor's Independence Declaration under section 60-40 of the Australia Charities and Not-for-profits Commission Act 2012 to the Directors of Eurobodalla Education and Therapy Services Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hales Douglass

Andrew Hare
Partner

Dated this 28th day of October 2020

Ulladulla NSW 2539

Eurobodalla Education and Therapy Services Ltd

Independent Audit Report to the members of Eurobodalla Education and Therapy Services Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Eurobodalla Education and Therapy Services Ltd (the Company), which comprises the statement of financial position as at 30 June 2020, 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 directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

Reporting under the *Charitable Fundraising Act 1991 (NSW)*

In our opinion:

- i) the financial report gives a true and fair view of the Company's financial result of fundraising appeal activities for the financial year ended 30 June 2020;
- ii) the financial report has been properly drawn up, and the associated financial records have been properly kept for the period ended 30 June 2020, in accordance with the *Charitable Fundraising Act 1991 (NSW)* and Regulations;
- iii) money received as a result of fundraising appeal activities conducted during the period ended 30 June 2020 has been properly accounted for and applied in accordance with the *Charitable Fundraising Act 1991 (NSW)* and Regulations; and

there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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 *Australian Charities and Not-for-Profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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 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 entity's internal control.
- - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- - Conclude on the appropriateness of management's 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 entity'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 Entity 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 those charged with governance 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.

Hales Douglass



Andrew Hare
Partner



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Dated this 28th day of October 2020

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