

MENDONCA INVESTORS LIMITED
ABN 34 617 863 091

Annual Report – 30 June 2020

Mendonca Investors Ltd
Directors Report
30 June 2020

The directors present their report, together with the financial statements of the Company for the twelve months ended 30 June 2020.

Directors

The following persons were directors of Mendonca Investors Limited during the year and at the date of this report,

David Batista (appointed 9th September 2019)
Shaun Cartwright (appointed 9th September 2019)
Bryan Dulhunty (9th March 2017)

Principal activities

During the financial year the principal continuing activities of the Company consisted of raising the initial seed funding of \$300,000 and completion of compliance work related to the launching of a prospectus to raise up to \$5m.

Dividends

No Dividends paid during the financial year.

Review of operations

The Company was formed on the 9th March 2017 as a Pty Ltd company with \$2 share capital. The Company did not carry out any operations until 9th September 2019 when it raised \$300,000 share capital at \$1 per share (30 investors each investing \$10,000).

The funds raised were to carry out compliance work to enable a prospectus to be issued to raise up to \$5m. At the date of this report the Company is waiting on a private tax ruling from the Australian Tax Office. Once this ruling is received the prospectus can be finalised. To date the Company has incurred professional fees of \$83,556 in relation to the prospectus compliance work.

The aim of the prospectus is to raise up to \$5m dollars from 500 investors each investing equal amounts of \$10,000.

Once the fund raising is closed, the aim of the Company is to act as a vehicle to enable private companies to list on the Australian Stock Exchange. It will do this by establishing and investing approximately \$1m in subsidiary companies by means of an in specie distribution. These new entities will be ASX compliant with a shareholder base that meets ASX shareholder spread requirements. It is then intended that target companies and these new entities will merge and then complete an Initial Public Offering.

The Company was converted to a public limited company on 8 November 2019.

As the Company did not operate until September 2019 no prior year financial numbers are shown in the financial statements.

The loss for the Company after providing for income tax amounted to \$96,233 (30 June 2019: Nil).

Significant changes in the state of affairs

The Company issued to the founding shareholders 5,198,198 shares on 9 September 2019 for a nominal cost. These shares have limited rights such as right to dividend or capital returns. Details on the restrictions imposed on these shares is set out in Note 5 to the accounts.

The Company raised \$300,000 by issuing 300,000 ordinary shares on the 9th September 2019.

The Company was converted to a public limited company on 8 November 2019.

There were no other significant changes in the state of affairs of the Company during the financial year.

**Mendonca Investors Ltd
Directors Report
30 June 2020**

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2020 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.

Environmental regulation

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	David Batista
Title:	Executive Chairman
Qualifications:	BSc, Business Administration
Experience and expertise:	David has over 25 years of diversified financial markets experience as a principal investor, trader and investment banker. In 2007 he founded Viriathus which is a boutique global financial services organization operating from Geneva, Miami, New York and Sydney that focuses primarily on merchant banking, investment banking, and equity research. From December 2004 to August 2008 David was a Managing Director at HPC Capital Management and was responsible for their New York private capital markets activities where he also established the firm's Australia/New-Zealand/US cross-border practice while also serving as the head of trading for HPC's affiliate fund - PEF Advisors. From July 1999 to March 2004 he was a Vice President of NASDAQ trading at SoundView Technology Group, a technology-focused research and trading boutique based in Old Greenwich Connecticut. Prior to joining SoundView, he was a senior NASDAQ trader at JW Charles Securities and its successor JW Genesis Securities in Boca Raton Florida from April 1997 to June 1999. He began his professional career with Lehman Brothers in New York in December 1993 as an analyst where he worked on numerous mergers & acquisitions and corporate financing activities, and subsequently began his trading career on Lehman's NASDAQ desk in February 1996.
	David received a Bachelor of Science Degree in Business Administration with a concentration in finance and a Certificate in International Marketing from C.W. Post College in 1993.
Special responsibilities:	None
Shares Held either directly or indirectly	1,690,000 founder shares

Mendonca Investors Ltd
Directors Report
30 June 2020

Name: Shaun Cartwright
 Title: Executive Director
 Qualifications: Diploma Financial Services (FP), RG146
 (Personal) Securities, Derivatives,
 Superannuation, Insurance, Margin Lending & Foreign
 Exchange.

Experience and expertise: A capital markets professional having developed a broad range of skills that assist companies in achieving their growth objectives. Shaun has built an extensive network of key capital market participants in Australia, the United States, the Bahamas and Hong Kong over the past decade. Having worked abroad for a significant period of time during his professional career, Shaun has become familiar with alternate funding methods for publicly traded Companies. Shaun has set himself a personal goal to introduce these funding methods to Australia, in order to introduce fairer, more transparent methods of funding that don't disadvantage retail investors.

Special responsibilities: None

Shares Held either directly or indirectly 1,300,000 founder shares

Name: Bryan Dulhunty
 Title: Executive Director
 Qualifications: B. Economics (Sydney University, CA (Australia),
 Experience and expertise: Bryan is a Chartered Accountant, holding an Economics degree from Sydney University, having over 30 years' experience with listed Australian companies. He has held roles in listed companies ranging from Executive Chairman, Managing Director, Non-Executive Director, CFO and Company Secretary.
 Bryan has also held CFO and Company Secretary roles in dual listed ASX/ NASDAQ companies. In 2000, Bryan founded CoSA Pty Ltd to provide corporate governance, ASX listing guidance, financial and general management advice to technology-based listed companies and companies seeking to list. CoSA has been involved with IPOs, back door listings, restructurings and raising funding for a variety of companies on the ASX.
 Bryan is currently executive chairman of listed entity Cryosite Limited and well as Company Secretary for other listed entities

Special responsibilities: Company secretary and CFO

Shares Held either directly or indirectly 1,690,000 founder shares

Company secretary

This role is held by Executive director Bryan Dulhunty – see above description

Mendonca Investors Ltd
Directors Report
30 June 2020

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2020, and the number of meetings attended by each director were:

	Full board	
	Attended	Held
David Batista	3	3
Shaun Cartwright	3	3
Bryan Dulhunty	4	4

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Shares under option

There are no unissued ordinary shares of Mendonca Investors Limited under option at the date of this report.

Shares issued on the exercise of options

There were no shares of Mendonca Investors Limited were issued during the year ended 30 June 2020 and up to the date of this report on the exercise of options granted

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

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.

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.


Auditor

BDO Audit Pty Ltd was appointed as auditor during the year and continues in office in accordance with section 327 of the Corporations Act 2001.

Mendonca Investors Ltd
Directors Report
30 June 2020

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

DocuSigned by:

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David Batista
Chairman

30 September 2020
Sydney



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DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF MENDONCA INVESTORS LIMITED

As lead auditor of Mendonca Investors Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'R M Swaby', is written over a light grey circular watermark.

R M Swaby
Director

BDO Audit Pty Ltd

Brisbane, 30 September 2020

Mendonca Investors Ltd
Contents Page
30 June 2020

Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	29
Independent auditor's report to the members of Mendonca Limited Limited	30

General information

The financial statements cover Mendonca Investors Limited. The financial statements are presented in Australian dollars, which is Mendonca Investors Limited functional and presentation currency.

Mendonca Investors Limited is an unlisted public company limited by shares.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2020. The directors have the power to amend and reissue the financial statements.

Mendonca Investors Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

	Note	Company	
		2020	2019
		\$	\$
Revenue		-	-
Expense			
ASIC fees		(1,583)	-
ASX fees		(5,000)	-
Audit fees		(8,500)	-
Legal fees		(78,556)	-
Other costs		(2,594)	-
		<hr/>	<hr/>
Loss before income tax expense		(96,233)	-
Income tax expense		-	-
		<hr/>	<hr/>
Loss after income tax expense for the year		(96,233)	-
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		(96,233)	-

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

Mendonca Investors Ltd
Statement of financial position
As at 30 June 2020

	Note	Company 2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	3	226,049	-
Total current assets		<u>226,049</u>	<u>-</u>
Non-current assets			
		<u>-</u>	<u>-</u>
Total assets		<u>226,049</u>	<u>-</u>
Liabilities			
Current liabilities			
Trade and other payables	4	21,760	-
Total current liabilities		<u>21,760</u>	<u>-</u>
Non-current liabilities			
		<u>-</u>	<u>-</u>
Total liabilities		<u>21,760</u>	<u>-</u>
Net assets		<u>204,289</u>	<u>-</u>
Equity			
Issued capital	5	300,522	-
Retained loss		<u>(96,233)</u>	<u>-</u>
Total equity		<u>204,289</u>	<u>-</u>

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

Mendonca Investors Ltd
Statement of changes in equity
For the year ended 30 June 2020

Company	Issued capital \$	Retained loss \$	Total equity \$
Balance at 1 July 2018	-	-	-
Profit after income tax expense for the year	-	-	-
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	-	-
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	-	-	-
Balance at 30 June 2019	-	-	-
Company	Issued capital \$	Retained loss \$	Total equity \$
Balance at 1 July 2019	-	-	-
Loss after income tax expense for the year	-	(96,233)	(96,233)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(96,233)	(96,233)
<i>Transactions with owners in their capacity as owners:</i>			
Shares Issued	300,522	-	300,522
Balance at 30 June 2020	300,522	(96,233)	204,289

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

Mendonca Investors Ltd
Statement of cash flows
For the year ended 30 June 2020

	Note	Company 2020 \$	2019 \$
Cash flow from operating activities			
Payments to suppliers and employees		(74,473)	-
Net cash from operating activities		<u>(74,473)</u>	<u>-</u>
Cash flows from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from issuing shares		300,522	-
Net cash from financing activities		<u>300,522</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		<u>226,049</u>	<u>-</u>
Cash and cash equivalents at the beginning of the financial year		-	-
Cash and cash equivalents at the end of the financial year		<u>226,049</u>	<u>-</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Mendonca Investors Ltd
Notes to the financial statements
30 June 2020

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 - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

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.

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.

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 transaction that is not a business combination and that, at the time of the transaction, affects neither 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 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.

Mendonca Investors Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies (continued)

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.

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.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Investments and other financial assets

Investments and 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, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Mendonca Investors Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies (continued)

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

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 mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

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.

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.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

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.

Mendonca Investors Ltd
Notes to the financial statements
30 June 2020

Note 1. Significant accounting policies (continued)

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

Note 2. 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.

Note 3. Cash and cash equivalents

Cash at bank

	Company	
	2020	2019
	\$	\$
	226,049	-
	<u>226,049</u>	<u>-</u>

Note 4. Trade and other payables

Other payables and accruals

	21,760	-
	<u>21,760</u>	<u>-</u>

Mendonca Investors Ltd
Notes to the financial statements
30 June 2020

Note 5. Equity - issued capital

	Company	
	2020	2019
	\$	\$
Ordinary shares - fully paid	300,000	-
Founder shares – fully paid	522	-
	300,522	-
	300,522	-

Movements in share capital

Details	Date	Shares	Issue price	\$'000
Founder shares				
Balance	1 July 2018	2	-	-
Issue of shares	9 Sept 2019	5,198,998	-	-
Balance	30 June 2020	5,200,000	-	-

Restricted rights on Founder shares:

- Right to dividend: The holders of Founder Shares have no right to Dividends (including by way of an in specie distribution).
- Rights to Distribution: The holders of Founder Shares have no right to participate in a) any in specie distribution; or b) in the distribution of surplus assets on a winding up of the Company.
- Right to vote: entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.
- Immediately upon the Board resolving that the Company should proceed with an application for listing on the Exchange or any recognised stock exchange, whether or not subject to conditions, each Founder Share shall be automatically converted to an Ordinary Share (**Conversion**) and the rights and restrictions set out in below shall apply to such Share with effect from the Conversion.

Ordinary Shares	Date	Shares	Issue price	\$'000
Ordinary shares				
Balance	1 July 2018	-	-	-
Issue of shares	9 Sept 2019	300,000	300,000	-
Balance	30 June 2020	300,000	-	-

Ordinary shares carry the right to receive dividends and entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Note 6. Commitments

As at the date of this report the Company has no material commitments.

Note 7. Related party transactions

The company has no employees at the date of this report. The directors are carrying on all executive duties. No fee is payable to directors for these services. The directors have taken no fees since the incorporation of the company

Mendonca Investors Ltd
Notes to the financial statements
30 June 2020

Transactions with related parties

Issue of shares: On the 9th September 2019 the directors were issued founder shares at nominal cost. These shares were issued prior to any fund raising and the company had no assets at the time of issue

Other than the issue of shares there were no transactions with related parties.

Note 8. Events after the reporting period

No matter or circumstance has arisen since 30 June 2020 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.

Mendonca Investors Ltd
Directors' declaration
30 June 2020

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the *Australian Accounting Standards - Reduced Disclosure Requirements*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

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

DocuSigned by:

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David Batista
Director

30 September 2020
Sydney

INDEPENDENT AUDITOR'S REPORT

To the members of Mendonca Investors Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mendonca Investors Limited (the Company), which comprises the statement of financial position as at 30 June 2020, 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 report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Mendonca Investors Limited, 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 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's 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 the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



R M Swaby
Director

Brisbane, 30 September 2020