



Financial Statements

HC-ATM Group Pty Ltd

ABN 87 140 887 501

For the year ended 30 June 2021

Prepared by Double M Accountants Pty Ltd



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Trading Statement

HC-ATM Group Pty Ltd

For the year ended 30 June 2021

	NOTES	2021	2020
Trading Income			
Sales			
Revenue			
Sales - Other		10,261	8,547
Sales - ATM/ATTP Product		2,433,384	1,883,800
Sales - ATMTS Product		74,146	36,303
Total Revenue		2,517,792	1,928,650
Total Sales		2,517,792	1,928,650
Cost of Sales			
Direct Costs			
Cost of Sales - ATM/ATTP Products		-	244,260
Cost of Sales - ATMTS		64,705	24,446
Cost of Sales - Engineering		3,950	-
Cost of Sales - Other		12,496	(1,641)
Freight & Delivery - COS		21,659	29,188
Packaging Materials		5,874	3,323
Production Consumables		9,928	5,900
Labour Hire (Direct)		8,936	(132,212)
Subcontractors - Heat Treatment		(638)	4,240
Subcontract - Plating		6,274	5,254
Subcontractors - Sandblasting / Painting		-	4,210
Stocktake Adjustment		19,871	93,305
Factory Recovery		(713,027)	(439,359)
Cost of Goods Sold		1,409,125	728,801
Total Direct Costs		849,153	569,715
Total Cost of Sales		849,153	569,715
Gross Profit		1,668,638	1,358,936
Gross Profit (%)		66	70

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



Income Statement

HC-ATM Group Pty Ltd

For the year ended 30 June 2021

	NOTES	2021	2020
Income			
Trading Profit		1,668,638	1,358,936
Total Income		1,668,638	1,358,936
Other Income			
Cash Flow Boost from Government		37,500	62,500
Dividends Received		1	-
Training Subsidy (Govt)		45,343	1,500
Total Other Income		82,844	64,000
Total Income		1,751,482	1,422,936
Expenses			
Accounting & Book-keeping		27,250	16,650
Advertising & Marketing		70,069	60,738
Amortisation		47,519	696
Bad Debts Written Off		-	1,264
Bank Debtor Finance Fees		-	3,717
Bank Fees		4,885	3,473
Cleaning		6,490	5,306
Computer Expenses		2,935	4,156
Consulting Fees		-	1,014
Depreciation		213,612	214,139
Directors Fees		24,000	24,000
Electricity and Gas		25,269	30,088
Fees & Permits (Govt)		2,950	955
Fines & Penalties		889	941
Foreign Currency Gains and Losses		180	69
General Expenses		1,685	-
Hire of Plant & Equipment		21,510	3,447
Insurance		37,709	29,971
Interest - Debtor Finance		-	1,684
Interest - Pref Shares		59,493	65,440
Interest Expense - Other		37,174	43,269
Motor Vehicle		42,050	48,396
Office Expenses		8,186	12,613
Patent Costs		26,385	5,290
Postage & Couriers		3,284	334
Printing & Stationery		4,333	1,941
Rent		173,500	163,500
Repairs and Maintenance		51,625	49,747
Replacement of Tools & Equipment		64,567	1,748
Research & Development Direct Costs		24,338	178,624

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



	NOTES	2021	2020
R&D Costs Claimed for Tax		(383,951)	(377,282)
Security		545	545
Software, Support & Training		38,342	13,696
Staff Amenities		12,469	10,560
Staff Safety & First Aid		2,531	2,007
Staff Training		3,304	960
Staff Uniforms & Protective Gear		2,661	3,276
Subscriptions		11,695	6,106
Superannuation		74,241	65,669
Telephone & Internet		12,989	13,617
Tolls & Parking		9,579	7,371
Tooling -CNC		51,792	48,722
Travel and Accommodation		7,046	11,439
Wages and Salaries		792,858	715,484
Wages - Provisions		12,871	(133,045)
Workcover		17,682	19,844
Total Expenses		1,648,541	1,382,177
Profit/(Loss) before Taxation		102,941	40,759
Income Tax Expense			
Income Tax Expense		10,778	-
Total Income Tax Expense		10,778	-
Net Profit After Tax		92,163	40,759
Net Profit After Dividends Paid		92,163	40,759

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



Balance Sheet

HC-ATM Group Pty Ltd As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank Accounts			
ANZ Trading Account		315	1,928
Paypal Trading Account		5	53
St George Trading Account		2,450	7,405
Westpac Trading Account		7,897	-
Total Bank Accounts		10,666	9,385
Cash on Hand		100	100
Accounts Receivable		377,317	210,266
Prepayments		(1,002)	35,738
Stock on Hand - Inventory		319,555	258,730
Bond - Property Leases		28,600	28,600
GST		33	37
Total Current Assets		735,269	542,856
Non-Current Assets			
Property, Plant and Equipment			
Computer Equipment at Cost		20,087	20,087
Less Accumulated Depreciation on Computer Equipment		(19,693)	(19,525)
Factory Improvements at Cost		100,808	100,808
Less Accumulated Depreciation on Factory Improvements		(42,725)	(28,204)
Machinery, Plant & Equipment at Cost		1,722,494	793,682
Less Accumulated Depreciation on Machinery Equipment		(753,902)	(581,023)
Motor Vehicles at Cost		73,118	94,937
Less Accumulated Depreciation on Motor Vehicles		(101,091)	(60,526)
Moulds - Poly Production		129,220	161,520
Total Property, Plant and Equipment		1,128,316	481,755
Borrowing Costs		2,310	1,998
Shares in Other Companies		200	200
Research and Development			
IP Held		1,475,306	1,258,374
Total Research and Development		1,475,306	1,258,374
Total Non-Current Assets		2,606,132	1,742,327
Total Assets		3,341,400	2,285,183
Liabilities			
Current Liabilities			
Bank Overdraft		208,067	176,760
Accounts Payable		373,757	93,814
Goods Received - no Invoices		2,997	(84)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



	NOTES	30 JUN 2021	30 JUN 2020
GST & PAYG Liabilities			
ATO Integrated Client Account Payable		127,028	121,517
Total GST & PAYG Liabilities		127,028	121,517
Taxation			
Provision for Income Tax		(156,241)	(164,118)
Total Taxation		(156,241)	(164,118)
Loan - Elantis Funding		-	38,571
Loan - Elantis Unexpired Interest		-	(2,744)
Employee Provisions			
Provision for Annual Leave		93,477	85,016
Provision for Long Service Leave		74,157	69,747
Superannuation Payable		22,241	19,368
Total Employee Provisions		189,876	174,132
Total Current Liabilities		745,486	437,849
Non-Current Liabilities			
Shareholder Accounts			
Loan - Greg Hudson		65,522	65,522
Loan - HEGHSF		19,751	19,751
Loan - Hendos Pty Ltd		318,042	235,388
Loan - Murray Curti		34,940	34,940
Total Shareholder Accounts		438,254	355,600
Chattel Mortgages			
Chattel Mortgages			
Loan Accurl Water Jet Machine		277,735	-
Loan - ANZ Ford Ranger		24,376	30,358
Loan - ANZ Miyano		15,142	43,690
Loan - ANZ Triton		-	26,070
Loan - Capital Cranes		-	9,930
Loan - Gildemeister		-	7,172
Loan - Mastercam		35,677	-
Loan - Metro Finance Haas 30T		134,758	180,988
Loan - Okuma		419,540	-
Loan PowerTorque Nissan		47,677	55,398
Loan - St George Plasma Cutter		-	10,670
Loan - Westpac Fishbowl		10,259	27,123
Total Chattel Mortgages		965,163	391,399
Total Chattel Mortgages		965,163	391,399
Total Non-Current Liabilities		1,403,417	747,000
Total Liabilities		2,148,903	1,184,849
Net Assets		1,192,497	1,100,334
Equity			

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



	NOTES	30 JUN 2021	30 JUN 2020
Retained Earnings			
Current Year Earnings		92,163	40,759
Retained Earnings		(104,026)	(144,785)
Total Retained Earnings		(11,863)	(104,026)
Share Capital			
Paid Up Capital - Ordinary Shares		200	200
Paid Up Capital - Preference Shares		1,204,160	1,204,160
Total Share Capital		1,204,360	1,204,360
Total Equity		1,192,497	1,100,334

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



Notes to the Financial Statements

HC-ATM Group Pty Ltd

For the year ended 30 June 2021

1. Statement of Significant Accounting Policies

The director(s) have determined that the company is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The director(s) have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared on an accrual basis and under the historical cost convention, except for certain assets, which, as noted, have been written down to fair value as a result of impairment. Unless otherwise stated, the accounting policies adopted are consistent with those of the prior year.

The accounting policies that have been adopted in the preparation of the statements are as follows:

Income Tax

The income tax expense for the year comprises current income tax expense. The company does not apply deferred tax. Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at 30 June 2021. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Inventories

Inventories are carried at the lower of cost or net realisable value. Cost is based on the Manufactured Cost method and includes expenditure incurred in acquiring the inventories and bringing them to the existing condition and location.

Property, Plant and Equipment

Property, plant and equipment is initially recorded at the cost of acquisition or fair value less, if applicable, any accumulated depreciation and impairment losses. Plant and equipment that has been contributed at no cost, or for nominal cost, is valued and recognised at the fair value of the asset at the date it is acquired. The plant and equipment is reviewed annually by director(s) to ensure that the carrying amount is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the utilisation of the assets and the subsequent disposal. The expected net cash flows have been discounted to their present values in estimating recoverable amounts.

Freehold land and buildings are measured at their fair value, based on periodic, but at least triennial, valuations by independent external valuers, less subsequent depreciation for buildings.

Increases in the carrying amount of land and buildings arising on revaluation are credited in equity to a revaluation surplus. Decreases against previous increases of the same asset are charged against fair value reserves in equity. All other decreases are charged to profit or loss.

Any accumulated depreciation at the date of revaluation is offset against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Trade and Other Receivables

Trade receivables and other receivables, including distributions receivable, are recognised at the nominal transaction value without taking into account the time value of money. If required a provision for doubtful debt has been created.

Financial Assets

These notes should be read in conjunction with the attached compilation report.



Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at 30 June 2021. Trade payables are recognised at their transaction price. They are subject to normal credit terms and do not bear interest.

Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to 30 June 2021. Employee benefits have been measured at the amounts expected to be paid when the liability is settled, plus related costs.

Provisions

Provisions are recognised when the entity has a legal or constructive obligation resulting from past events, for which it is probable that there will be an outflow of economic benefits and that outflow can be reliably measured. Provisions are measured using the best estimate available of the amounts required to settle the obligation at the end of the reporting period.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Revenue Recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of services is recognised upon the delivery of the services to customers.

Revenue from commissions is recognised upon delivery of services to customers.

Revenue from interest is recognised using the effective interest rate method.

Revenue from dividends is recognised when the entity has a right to receive the dividend.

All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or payables in the balance sheet.



Appropriation Statement

HC-ATM Group Pty Ltd

For the year ended 30 June 2021

	NOTES	2021	2020
Retained Earnings after Appropriation			
Retained Earnings at Start of Year		(104,026)	(144,785)
Profit/(Loss) Before Taxation		102,941	40,759
Income Tax Expense		10,778	-
Retained Earnings After Appropriation		(11,863)	(104,026)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.



Directors Declaration

HC-ATM Group Pty Ltd

For the year ended 30 June 2021

The director(s) have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The director(s) of the company declare that:

1. The financial statements and notes, present fairly the company's financial position as at 30 June 2021 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the director(s)' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Peter Henderson

Peter Henderson (Jul 22, 2021 14:44 GMT+10)

Director: Peter Wesley Henderson

Gregory Hudson

Gregory Hudson (Jul 22, 2021 14:54 GMT+10)

Director: Gregory Maurice Hudson



Compilation Report

HC-ATM Group Pty Ltd

For the year ended 30 June 2021

Compilation report to HC-ATM Group Pty Ltd

We have compiled the accompanying special purpose financial statements of HC-ATM Group Pty Ltd, which comprise the balance sheet as at 30 June 2021, the income statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Director(s)

The director(s) of HC-ATM Group Pty Ltd are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the director(s) we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the director(s) who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.

Melanie Mills CA

Double M Accountants Pty Ltd

PO Box 473,
BEENLEIGH QLD 4207

Dated: 22 July 2021